

Successful Contract Management

This Loss Prevention Standard provides guidance on establishing and maintaining collaborative relationships with contractors, ensuring that engineering services are delivered in accordance with the contract or agreement.

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Introduction

As part of an overall operating strategy, the owner or operator of an asset may outsource Operations and Maintenance (O&M) activities to suitably competent organisation or individual.

The appointed party will then assume responsibility for carrying out the activities on behalf of the owner or operator in accordance with agreed obligations and a procurement process will typically be undertaken.



The extent of this process may vary depending on the scope, complexity, and value of the services required, however will typically include:

- Defining the service strategy and scope,
- Establishing the technical and commercial evaluation criteria, and
- Developing the contractual terms and conditions.

Errors, omissions, unclear terms, misunderstanding and poor engagement can result in contract issues, including:

- Work completed incorrectly or to the wrong standard,
- Compliance breaches,
- Rework and project delays,
- Disputes regarding contractual obligations, and
- Safety issues.

Following the steps outlined in this document can help ensure the contracted services are delivered in accordance with the agreed scope, meet the required quality standards, and provide value consistent with market rates. Some aspects may be more detailed than necessary for smaller or less complex assets, however, following the guidance and principles outlined in this document can support the development of collaborative, productive, and value-creating relationships with contractors regardless of contract size.

Important: Whilst focussed on engineering projects, the principles in this document may be adapted and applied to other technologies and industries. The appendices at the rear of the document can be used to support contract management policies.

Note: This Loss Prevention Standard relates to contract management and is focussed on asset loss prevention and related risk management guidance. It is not intended to address liability/general liability exposures. The presumption is that all local regulatory territory requirements, and compliance with national/local building regulations, codes, or standards take precedence and have, or will be, met. In territories where local authorities have jurisdiction, compliance with applicable laws and regulations is assumed as a minimum requirement. The recommendations in this document are intended to supplement, not replace, local requirements.

Contracting Strategy

Outsourcing solutions, typically comprise one of three common models:

- **One-Stop-Shop.** Procurement strategy that results in a single supplier fulfilling all the outsourced work scopes of a contract, e.g., a single supplier managing all planned maintenance, corrective maintenance, inspections, monitoring, security, engineering, logistics, etc.
- **Multi-Contracting.** Each individual scope is outsourced to an individual supplier, with an associated contract or agreement to have absolute control over the contractor tasked with executing each scope.
- **Split Contracting.** The grouping of contracts and agreements where scopes are likely to align, e.g., a substation service provider, also managing the Balance of Plant, site monitoring and general facilities management.

With each type of contracting strategy, there are pros and cons that can be considered as shared in the following table.

Contracting Strategy	Pros	Cons
One Stop Shop	A single contractor handling all elements of O&M, simplifies coordination and communications. This aids in reducing administration, the overall number of obligations that the employer has to manage and ensures consistency in the data/reports received. The ability to develop a strong relationship with a contractor that not only acquires knowledge from the employer's site, but also from other serviced locations.	Reliance on a single contractor carries risk if they underperform, experience financial difficulty, or change their strategy to no longer offer the services that are contracted. Often the contracted company will sub-contract scopes, therefore resulting in a 'loss of control' for the employer and by default quality. There is also the risk that the contractor is performing activities that are not within their core competence. Finally, there will always naturally be the risk of staff attrition, especially those that carry knowledge and competence of the scope, site, contract etc.
	There is a very clear boundary of roles and responsibilities, and the rules that shall apply for all activities.	Adjusting the scope or changing contractor can be more challenging, and costly if the need arises.
	If the contractor has scale within their overall scope, then they may be better placed to leverage the supply chain through a larger scope. Further they are able to develop wider l	Without competitive pressure from multiple contractors, there may be less incentive for the contractor to maximise efficiencies, minimise costs, and or drive innovation. There is the potential for cost creep over time.

Summary

This strategy is ideal for simplicity but comes at a cost of dependency and likely erosion of value, with the contractor sub-contracting various scopes.

There is the potential for a loss of control with the contractor acting as a 'sub-contractor manager' a role which could otherwise be completed by the employer, at lower cost.

Over dependence on a single company naturally carries risk.

Contracting Strategy	Pros	Cons
Multi-Contracting	Multiple contracts can foster competition, which can yield competitive pricing for the scope.	Ensuring seamless integration and cooperation between different contractors may be difficult. Various forms of data and report formats may be provided by each supplier
	Easier to replace or adjust specific scopes of work without having to overhaul the overall operating strategy.	Poorly defined gaps in scope or coverage can drive inefficiency.
	Opportunity to select the leading contractor for each of the O&M scopes with limited to no risk of sub-contracting.	A significant number of interfaces that the employer will need to manage and administer.
Summary This has the potential to be the most cost-effective strategy but does carry the challenge of significant employer administration in managing each contract. In an immature market, this may offer the only viable option for the employer.		
Split Contracting	Medium sized contracts/agreements allow for a level of specialisation while still being manageable.	Potential for overlap in scope may lead to a duplication in costs.
	Diversifying the number of contractors reduces the risk associated with dependency on a single source.	Managing several contractors with overlapping responsibilities can lead to communication challenges and delays in issue resolution.
	Having some overlap enables contingency should the need arise to no longer contract a single providers service.	It may be that, on occasion, there would have been a better technical choice for a scope had a multi-contracting strategy been deployed.
Summary A balanced approach to risk and coordination. This needs to be driven by a conscious decision as to which activities create value, and those which do not, enabling appropriate clustering of scopes of service.		

Table 1: Contracting Strategy Pro's and Con's

Although not covered in detail, there is the potential for asset owners or occupiers to work with the supply chain to consider the formation of an alliance. For the employer, this has the potential to leverage many of the pro's presented for all three of the contracting strategies.

Contract Placement

Prior to approaching the market, a procurement strategy should be developed to define the proposed approach and ensure all key considerations have been addressed. This strategy should include:

- Value associated with the O&M scope.
- Risk of poor delivery of scope.
- Cost to execute.
- Scale of operations.
- Experience of the market.
- Value levers.

As part of the overall contract placement, a suitably well-defined scope of service will aid contract fulfilment via safe, compliant and value-led operations.

The contractor procurement process should be led by a procurement/contract specialist, supported as necessary by key internal stakeholders, e.g. legal teams, technical teams, maintenance, facilities management, etc. Their roles and function should be defined and documented by way of a RACI Chart (R – Responsible; A – Accountable; C – Consulted; I – Informed), as part of the overall organisation Business Management System.

The selection process for the most appropriate contractor should be based on three key principles or factors; for which the weighting would be adjusted based on the scope's procurement strategy. It should also be noted that the scoring criteria for each factor would also be variable, and subject to change based on the scope of service, business needs and overall strategy.

- **Technical capability.** E.g., demonstrable experience of completing a comparable scope.
- **Cost.** Should ensure value and quality through competitive pricing.
- **Health, Safety and Environment (HSE).** E.g., the previous performance of the contractor as well as independent accreditations e.g., ISO 9001, 14001 and 45001.

Note: In the case of new assets, the need to prioritise contracts will likely be a feature. Within Appendix 1, an example table has been provided that can aid an organisation in defining criticality.

Post Contract Award

Upon successful placement of a contract, the expectations should be outlined and agreed via a contract kick-off meeting. The recommended topics should include, but are not limited to:

- Identification of key stakeholders.
- Identification of Contract Accountable Managers (CAMs).
- Detailed review of the scope of service.
- Detailed review of rates.
- Detailed review and preparation of the obligations register.
- Review of contractual Key Performance Indicators.
- Agreement on the cadence and scope of future engagement.
- Review of report and data sharing requirements; take the time to agree the format, frequency (if not contractually specified) and the extent of information to be shared.
- Ensure mutual understanding of responsibility boundaries.

- Ensure that key employer and contractor Business Management System documents are shared, e.g., policies, procedures, standards, RAMS, work instructions, insurance and license conditions.
- Establish the Emergency Response requirements for the site and appropriate bridging documents.

Note: A CAM is a formal title used to describe the point of contact within the employer and the contractor that shall be most aware of the contractual workings, the scope to be delivered, the rates, and the ways of working. This is not necessarily considered a full-time role, but rather a way of ensuring quality, dispute resolution, continuous improvement and overall collaboration towards a common set of goals.

Business Management System

The Business Management System to be used in the delivery of the O&M services shall be reviewed and agreed by all parties, ideally during the contract kick-off meeting. This helps establish a common understanding of contractual requirements, roles, responsibilities, and performance expectations.

For asset developers/owners with larger distributed assets, the use of their own Business Management System for managing critical processes and procedures may be preferable. Critical processes and procedures are those that are aimed at preventing/managing safety related issues/incidents or production interruption events. Having a common way of working across the portfolio may better support continuous improvement across the entire portfolio. This provides the benefit of driving a level of consistency in the ways of working whilst ensuring consistency of data, data formats, and reporting across the portfolio. In addition, the direct benchmarking of individual asset performance will be easier compared with the wider portfolio.

Note: Although not directly related to this section of the document, it is recommended that within the employer's Business Management System, that there is a bespoke process that describes how contracts/agreements are placed, how they are categorised, and how they are managed. If this is absent from the employer's Business Management System, then this LPS should offer some guidance.

Collaboration and Management

Aligned with the suggested agenda for a contract kick-off meeting, regular dialogue between employer and contractor CAMs at the agreed cadence is a powerful way to ensure the contract is being delivered as intended, and to the required standard.

As part of this process a managed improvement/action tracker allows both sides to ensure their needs are being met during the term of the contract.

It is considered important that the employer is visible and engaged in site activities, even in scenarios where scopes are sub-contracted. Within Appendix 2 of this document, example detailed assurance activities are provided to ensure that all barriers in place to prevent impacts to site safety and/or production interruptions are in place and suitable.

Self-Verification, Assurance and Audit

It is recommended that operators implement a Business Management System process that is aimed at ensuring that activities at site are completed in such a way that they comply with legal, regulatory, legislative, contractual and best practice.

Having a process established as to how this is managed, executed and followed up on will be a fundamental pillar in delivering a culture of continuous improvement. The principle of Self-verification, Assurance and Audit is detailed in the following image.

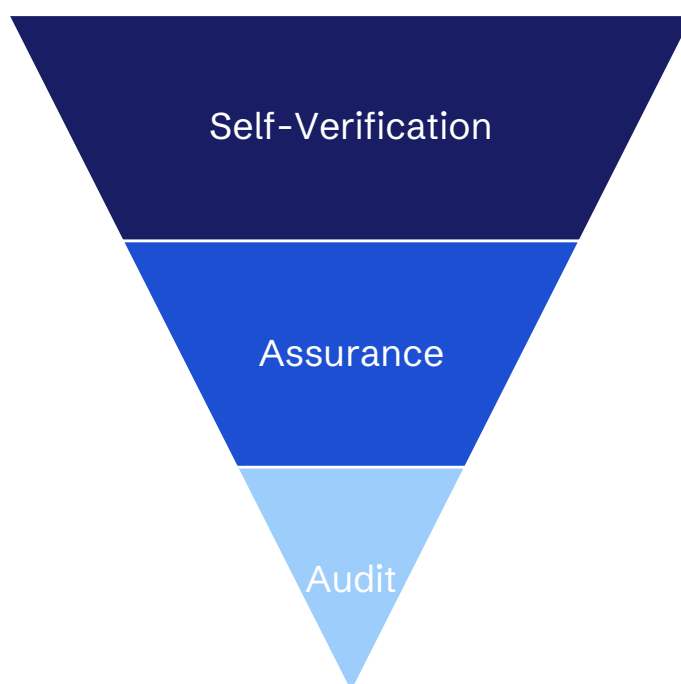


Figure 1: Self-verification, Audit and Assurance

Self-Verification. Activity to be executed by the local team to verify that work is being conducted consistent with management system requirements, that there is site preparedness should either a business interruption event or emergency incident occur.

In many cases, site-based activities are outsourced, and therefore the contractor is likely to implement a process of self-verification. It would be recommended that the need for self-verification is incorporated into the contract, and the quality of the contractor's procedure is assessed to ensure suitability.

As suggested by figure 1, the volume of self-verification activities should exceed the number of assurance and audit activities.

Assurance. Comparable to self-verification but executed by a team that is independent of those that execute work locally. In the case of services that are outsourced, this will likely be the employer asset management team that are performing assurance that compliance is being achieved, and that the local team is delivering to the expected level of quality.

Audit: Expected that this is fulfilled by an external party; this may be contracted by the employer or a statutory audit by an independent agency e.g. Health and Safety Executive.

For auditing services that are outsourced, this may be to seek the expert opinion of contractor performance or even to assess compliance with standards e.g. audit of the employer's compliance with ISO standards.

This section provides further guidance specifically for assurance activities. As part of the planning process for assurance, a risk-based approach should be adopted, with consideration given to conditions that include, but are not limited to:

- Type, complexity, risk and amount of work activity in a site's plan/schedule.
- Familiarity with the tasks to be undertaken.
- Historic assurance activity findings to manage risks, periodicity and scope of the assurance activities.
- Activities and tasks that have historically been a contributing factor in safety and/or business interruption events.
- Routine activities that are completed on a high-volume basis.
- Work activities that are well known to be a contributing factor to industry safety related incidents.

The key barriers include, but are not limited to:

- Emergency Response*.
- Permit to Work*.
- HV and Electromechanical Safety Rules*.
- Procedures*.
- Contractor Management*.
- Maintenance and Inspection.
- Operational Risk Assessments (ORAs).
- Management of Change.
- Lifting Operations.
- Marine Operations.
- Shift Handovers.
- Contract Placement.
- Obligations and Legal Requirements Management.
- Competence Management.

On completion of assurance activities, an overall rating (*a set of examples is provided in Appendix 2) should be fed back to the asset team, with the corrective actions, deadlines and accountable persons documented.

Additional examples of assurance activities that could be considered include:

- Rescue plans and overall preparedness.
- Completion of key site planning and scheduling activities.
- Review of safety reporting to ensure actions are closed out in an adequate and timely fashion.
- Management of hazardous chemicals and materials.
- Occupational health management.

Note: Users of the document should consider those specific areas of assurance that apply to their line of business.

Assurance activities should be proactively planned, and a record retained. An assurance action tracker should be implemented to ensure that accountability and deadlines are specified to drive the required improvements.

Summary

Active and regular engagement, whether virtually or at the contract site, is encouraged to foster collaborative relationships and ensure that both the employer and the contractor are meeting the requirements of the contract/agreement.

Being visible and actively engaged with activities undertaken at the site provides assurance that the contractor is conducting safe, compliant, and value-creating operations on behalf of the employer.

Contact Information

United Kingdom

Please visit [Aviva Risk Management Solutions](#) or email us at riskadvice@aviva.com. To speak to one of our advisors, call 0345 366 6666.*

*The cost of calls to 03 prefixed numbers are charged at national call rates (charges may vary dependent on your network provider) and are usually included in inclusive minute plans from landlines and mobiles. For our joint protection telephone calls may be recorded and/or monitored.

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Please visit [Aviva Risk Management Solutions | Aviva Canada](#) or email us at arms.canada@aviva.com

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Standards, Sources and Useful Links

- [ISO 9001 – Quality Management Systems – Requirements](#)
- [ISO 14001 – Environmental Management Systems – Requirements with Guidance for Use](#)
- [ISO 45001 – Occupational Health and Safety Management Systems – Requirements with Guidance for Use](#)

Loss Prevention Standards

These documents set out best practice recommendations to help reduce the likelihood and impact of losses.

- **Managing Contractors - Property**
- **Permit to Work Systems**
- **Hot Work Operations**
- **Delivering Successful Construction Projects**

Please visit [Loss Prevention Standards](#) to view the full library.

Aviva Risks Training Solutions (United Kingdom Only)

Aviva Risk Training Solutions, delivered through our Specialist Partner, SafetyCulture, provide free, bite-sized learning modules exclusively for Aviva policyholders.

Please visit [Aviva Risk Training Solutions](#) for further guidance.

Appendix 1 – Contract Prioritisation

This table provides an example method for categorising the criticality of contracts to allow for employers to prioritise those contracts that have the potential to drive the most significant impact on their operations.

Factor/Framing Condition	Scoring		
	Low (Score 1)	Medium (Score 2)	High (Score 3)
Annual Cost Expressed as the cost to perform the scope of service as annual amount	£0 to £50k	£50k to £250k	£250k+
Criticality of Delivery Effect on the operability of the asset if this contract is not placed and or available	No tangible impact on operations	Potential to impact asset production	Potential to impact the assets' ability to perform safe and compliant operations
Time to Deliver Duration required to deliver the contract	Less than 3months	3 – 12months	>12months
Risk of Poor Quality Consequence of the scope, task, goods, and or services being delivered to a poor level of quality	No associated risk of poor quality, linked to frequency in that this task is well understood and regularly occurring	Task is infrequently executed, with limited experience. Risk of poor quality has the potential to impact the site production, safety and or economics	Risk of task being executed by personnel with previous competence associated with the task. Poor delivery of the task has the potential to impact on safety, production, the environment, plant technical integrity, site economics and or the owner/operator reputation
Complexity of Contract Delivery Process and requirements to deliver the contract	Procurement of goods, or low value services not requiring large input	Either high workload for the Scope of Work, or high input into the follow up post award. Or a moderate amount of either	Multiple internal and contractor/sub-contractor interfaces and high workload for Scope of Work and potential engineering input
Market Context Knowledge of local rules, regulations and legislation and what the local supply chain has to offer	Limited local knowledge required to execute the task, with no potential for commercial benefits for knowing the local market	General knowledge of the task in the context of local rules/regulations/legislation required, but knowledge of the local supply chain has the potential to reduce cost, improve productivity and execution time	Task requires specific knowledge of the local market and or rules / legislation / regulations, with specific competence required to fulfil the task
Market Condition Combination of the local market's costs, availability, and maturity in the supply of goods and services	Cost of services and products are competitive. Services and products are readily available and or there is a mature supply chain / market	Cost of services and products are above market rates. Services and products have a lead time which can be prohibitive. Market is maturing.	Cost of service and products is extremely high. Lead times can be extremely high. Market is not mature.
Compounding Risks Associated with Contract Award The level of impact of this contract may have on related contracts	No related contracts or scopes that will be impacted by the contract award	Ongoing or future procurement activity that may be considered as affected or at risk	Ongoing or future procurement activity that will be affected or at risk

Table 2: Contract Priority – Example Scoring Matrix

*Those applying the principles of this table may need to adjust thresholds, e.g. Annual Cost, to better align with the specific business within which you work.

Contract Priority - Tier	Contract Priority Definition	Score
Tier 1	High Priority	20 - 24
Tier 2	Medium-High Priority	15 - 19
Tier 3	Medium-Low Priority	11 - 14
Tier 4	Low Priority	8 - 10

Table 3: Contract Priority - Scoring Classification

Appendix 2 – Assurance

The following tables offer example assurance templates that could be used or adapted by the document user to perform assurance of their contractors.

The key themes of assurance set out in the [‘Collaboration and Management’](#) section of this document have been covered.

Emergency Response				
Context Sites will have identified those hazards that have the potential to result in a significant HSE incident, and or have the potential to impact the operability of the asset. All foreseeable events should be identified, control measures implemented using the hierarchy of control, as well as methods to recover if such a hazard is realised.		Principles 1. All foreseeable major safety events. 2. All foreseeable business interruption events. 3. Emergency response procedure and bridging documents are in place, up to date and periodically tested. 4. Rescue plans developed for all foreseeable events, and locations. They are up to date and periodically tested. 5. Members of the Emergency and Incident Management teams have planned and periodic training. 6. Comms are established with key stakeholders. 7. Team members are available to respond should an incident arise.		
Assurance Opportunities • Desktop review of the Incident Management Team. • Local review of the rescue plans and observation of plans in action. • Review of relevant procedures and processes.				
#	Assurance	Status	Observations	Additional Information
1.	Have all major safety events been identified?	☐		
2.	Have all major safety events been considered in the site Emergency Response Plan?	☐		
3.	Are those in attendance at site familiar with the Emergency Response Plan?	☐		
4.	Is the Emergency Response Plan issued and up to date?	☐		
5.	Is there a clear view of who the Incident Management Team is and are they contactable?	☐		
6.	Is there an establish plan for exercises both at site and tabletop exercises?	☐		
7.	Have exercises both locally and as tabletops been completed, actions identified and closed out?	☐		

#	Assurance	Status	Observations	Additional Information
8.	Are Rescue Plan/s available at site?	☐		
9.	Are people in attendance at site familiar with the Rescue Plan/s?	☐		
10.	Do those in attendance feel suitably competent to implement the requirements of the rescue plan?	☐		
11.	Is there a fire and security risk assessment available and up to date for the site?	☐		
12.	Is there a Business Continuity Plan available and up to date for the site?	☐		
13.	Are all foreseeable scenarios covered by the Business Continuity Plan?	☐		

Table 4: Example Assurance Form - Emergency Response

Permit to Work				
Context A Permit to Work is used to control activities and manage risk. The permit will typically document the location, type of work, reference to maintenance documentation, reference the task risk assessment and method statement, including the hazards and control measures, any related safety documents, pre-work requirements, and the names/signatures of those authorising and performing the scope.			Principles 1. Personnel are trained in the use of the Permit to Work System. 2. The scope of work has been clearly categorised, clearly defined and broken down into appropriate steps. 3. Task, process and worksite hazards are covered in the risk assessment. 4. Hazards have, as far as is reasonably practicable, been eliminated via a hierarchy of control. 5. Additional considerations have been provided for those activities that have a higher risk potential e.g., confined space entry. 6. All referenced and associated documents are up to date, understood and the measures implemented. 7. Emergency response requirements are identified and implemented. 8. The team responsible for performing the activities understand the control measures and have appropriately implemented them. 9. A point of work risk assessment has been performed to identify any additional hazards that may not have been foreseeable at the time of preparing the risk assessment e.g., weather conditions, or plant condition.	
Assurance Opportunities • Post activity assessment of the permits used to complete a particular scope. • Perform a live assurance of a permit being used. • Review of relevant procedures and processes.				
#	Assurance	Status	Observations	Additional Information
1.	Does the task description fully describe the work scope?	☐		
2.	Is a relevant and up to date risk assessment referenced?	☐		
3.	Is a relevant and up to date method statement referenced?	☐		
4.	Is a reasonable time frame allowed within the permit?	☐		
5.	Have additional hazards and potential simultaneous operations been identified?	☐		

#	Assurance	Status	Observations	Additional Information
6.	Are supporting documents referenced e.g. a COSHH Assessment or Lifting Plan?	☐		
7.	Have supporting procedures been referenced?	☐		
8.	Has the relevant approval process been adhered to?	☐		
9.	Has a toolbox talk been undertaken?	☐		
10.	Do all members of the work party understand the scope, hazards and control measures?	☐		
11.	Are there any open permits?	☐		

Table 5: Example Assurance Form – Permit to Work

HV and Electromechanical Safety Rules				
Context High Voltage (HV) and Electromechanical Safety Rules are a model set of safety rules and procedures to help formalise the Permit to Work System to manage the significant risk posed by HV, LV and Mechanical plant and apparatus. The rules are established to achieve safety and general safety from the system. This is a process that safeguards persons from the apparatus and associated system derived hazards.			Principles 1. Personnel with a role in the HV and or Electromechanical Safety Rules are sufficiently competent and appointed to carry out their responsibilities. 2. A formal appointment process is in place to verify the competence of those working under the rules. 3. Isolations are planned, verified and approved via a formalised switching schedule. 4. The scope of work is sufficiently detailed, and the equipment, plant and or apparatus is understood. 5. A principle of the system being dead, isolated, earthed, screened, identified and released for work – most notably for HV plant. 6. Tasks are risk assessed and suitable control measures have been identified and implement consistent with the hierarchy of control. 7. All tools, PPE and equipment are in a serviceable condition and where appropriate calibrated with an in-date inspection certificate.	
Assurance Opportunities • It is possible to complete post activity assessment of completed tasks – this may include the competence of those performing activities, authorisation of those performing activities, utilised RAMS, monitoring activities, and general safety management measures used to control the activities. • Perform a site-based assurance a scope that utilises the HV / electromechanical safety rules. • Review of relevant procedures and processes.				
#	Assurance	Status	Observations	Additional Information
1.	Does the task description fully align with what is being / has been completed?	☐		
2.	Is a relevant and up to date set of RAMS linked to the scope?	☐		
3.	Have all hazards been identified and reasonable control measures implemented?	☐		
4.	Are supporting documents, processes and procedures referenced and the latest versions applied?	☐		
5.	Have documents been appropriately approved and authorised?	☐		

#	Assurance	Status	Observations	Additional Information
6.	Are all members of the work party suitably authorised?	☐		
7.	Have switching documents been followed correctly?	☐		
8.	Have all required safety measures been implemented as required?	☐		
9.	Was the site restored to an operational state on completion of the site work?	☐		

Table 6: Example Assurance Form – HV and Electromechanical Safety Rules

Procedures				
Context The application of procedures manages the risk of an incident occurring. Procedures contain proven practice to identify hazards and control measures to provide safe and consistent method for performing work.		Principles 1. Operations and operating procedures are documented, in date and adhered to. 2. Procedures are subject to periodic review. 3. Process exists for proposing improvements and how to create a deviation. 4. Processes and procedures are prepared by an appropriate multi-discipline team.		
Assurance Opportunities • Desktop review of procedures, and their application at site. • Site based review of procedures and their application. • Organisational understanding of procedures.				
	Assurance	Status	Observations	Additional Information
1	Are procedures being applied and followed?	☐		
2	Can those working at site refer to and access required procedures?	☐		
3	Are used procedures approved for use and within their review period?	☐		
4	Is there evidence that updated procedures have been communicated?	☐		
5	Do personnel at site understand their role within procedures?	☐		
6.	Do personnel understand how an improvement can be recommended or a deviation applied for?	☐		

Table 7: Example Assurance Form - Procedures

Contractor Management				
Context Contractors often form a critical part of an organisations ability to deliver, safe, compliant and value focused operations. Working with contractors to ensure that the scope of work is being delivered, as expected, and that they are treated as being part of the overall team, will be key to the overall success of the site.			Principles 1. Specific scopes of work for which the company is neither capable nor competent to perform are outsourced to a specialist provider. 2. A multi-discipline team is drawn on in the development of an outsourced scope of work. 3. A robust process is followed to identify the most appropriate supplier is selected. 4. Suppliers are onboarded at the site. 5. CAMs are identified and regularly engage - periodicity is linked to the risk.	
Assurance Opportunities - Combination of desktop and site-based assurance activities are undertaken. - CAM meetings. - Report and data reviews.				
#	Assurance	Status	Observations	Additional Information
1.	Has the procurement process been followed in the selection of the contractor?	☐		
2.	Has the contractor been onboarded?	☐		
3.	Have the contractual obligations been identified and captured within an obligations register?	☐		
4.	Have CAMs been identified and onboarded?	☐		
5.	Has the contractor been subject to an audit?	☐		
6.	Have any audits findings, recommendations or improvements been resolved?	☐		
7.	Has the contractor provided the required documentation?	☐		
8.	Has the contractor provided evidence of staff competence/CVs prior to execution of work at site?	☐		

#	Assurance	Status	Observations	Additional Information
9.	Has the contractor appropriately identified the risks and control measures to execute their scopes of work?	☐		
10.	Are contractors familiar with the site's ways of working?	☐		
11.	Are contractors familiar with the site's emergency response procedures?	☐		
12.	Is an emergency response bridging procedure in place?	☐		
13.	Is contractor supplied with appropriate PPE?	☐		
14.	Is contractor provided tooling, equipment and accessories in a serviceable condition?	☐		
15.	Is the contractor providing reports and data as obligated within the contract?	☐		

Table 8: Example Assurance Form - Contractor Management

Assurance Activity Rating	Description	Action Required
1	Non-compliance	Operational Risk Assessment to be prepared. Immediate action required, which may include the decision to stop operations until such time that the improvement requirements have been implemented. Senior management team notified of the findings.
2	Improvement Required	Actions required within a short time. Senior Management team notified of the findings.
3	Conforming	Improvement opportunities, identify actions, allocate action owner and required close out date.
4	Exceeding Conformance	Improvement opportunities minor in nature. Share best practice with wider portfolio. Improvement opportunities, identify actions, allocate action owner and required close out date.
5	Leading Conformance	Lessons from the site to be shared with the wider portfolio.

Table 9: Example Assurance Categorisation

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