

# Proposed "Enforceable Undertaking" per section 123(1) of the Health and Safety at Work Act 2015 (HSWA)

Proposed by: Directionz Ltd

Proposal dated: 14 September 2017

## Section 1: GENERAL INFORMATION

### 1.1 Details of the Person/ PCBU giving the undertaking:

Directionz limited

Nominated person: (point of contact for WorkSafe communications):  
Reno Wijnstok

Street address:  
31 Maurice Road, Penrose  
Auckland 1061

Mailing address:  
PO Box 14111  
Panmure  
Auckland 1741

**Work phone:** 09 259-2626

**Mobile phone:** [REDACTED]

**Email:** reno.wijnstok@traffitech.co.nz

**Type of legal entity:** Limited liability company

**Industry:** Reading maintenance and construction, public amenity.

**Workers:** (enter numbers) Full time: 41 Part time: 2 Casual: 3

**Products and services:** Supply and installation of signage for traffic, wayfinding and public spaces; street furniture and amenity maintenance.

### **Comments:**

Directionz is a SME business that has operated since 1999 and undertakes services as listed above on both a head contract and a sub-contract basis.

During our entire time in operation, the Company has not received any enforcement notices from the Regulator, nor been prosecuted for any health and safety breach. Until the Employee's incident, the Company has had an exemplary record in respect of Health and Safety of its employees and actively embraces and promotes a "Remember Safety First" philosophy.

Directionz has H&S systems, processes and disciplines in place to prevent incidents which are likely to result in any harm to employees and members of the public.

Unfortunately, these precautions did not foresee the circumstances of the Employee's incident and our employee suffered serious harm as the result of a fragmenting fibre cut-off blade.

Work involving an angle grinder fitted with a German design, European made 1mm thick fibre cut-off blade which, in New Zealand, we are advised from the supplier, is sold in large quantities. Up until the day of the incident (12th May 2016), using an angle grinder with this cut-off blade had been an everyday activity and without any sign of disintegration or fragmentation.

Immediately following the incident, Directionz undertook amendments to our Health and Safety Policy and work practices to prevent the Employee's type of accident occurring again. A review of all PPE procedures was also undertaken.

During the Employee's convalescence period, Directionz provided both emotional and financial support and encouraged a moderated return to work once The Employee's confidence was restored.

## **1.2 Detail the contravention**

On the 12th May 2016, the Employee, whilst undertaking work as described below, was permanently harmed and suffered face laceration and the loss of The Employee's left eye when a 1mm fibre cut-off blade exploded.

WorkSafe have alleged

To ensure the health and safety of the Employee, Directionz should have:

1. identified the hazards and conducted an adequate risk assessment for the use of angle grinders
2. provided suitable PPE to the Employee to wear while operating the angle grinder
3. ensured the Employee utilised safe plant to carry out the task of cutting the bolts by
  - providing alternative plant such as a reciprocating saw
  - requiring workers to consider the use of alternative plant before using an angle grinder for cutting work

## **1.3 Detail the events surrounding the contravention**

The Employee, an experienced traffic services technician employed by Directionz Limited for over 14 years (returning after a short absence in 2015), was injured on a job where Directionz was a subcontractor.

On the 12th May 2016, whilst cutting the 4<sup>th</sup> bolt using an angle grinder, the 1mm fibre cut-off disc disintegrated with fragments striking the Employee on the Employee's face and penetrating medium impact safety glasses and into the Employee's eye.

This was the first cut with a new disc. The Employee has said he had checked the blade for damage and integrity before fitting. The blade was found to be in 'as manufactured' condition.

The Employee was positioned kneeling on firm ground at the outer limit of the work space using the angle grinder in a vertical position to cut off the first of two nuts from the concrete embedded studs to then remove a wooden post.

Almost immediately following the application of the disc to the bolt, the disc fractured and disintegrated penetrating through the Employee's safety glasses.

Emergency attention was immediately called and the Employee was transported by ambulance to Waikato Hospital. During that day at hospital and following surgery, our Waikato based Regional Manager, visited with the Employee and communicated with the Employee's family.

Immediately after the accident, the Directionz General Manager was contacted and he immediately dispatched our HSQE Advisor to investigate the incident, to ensure notification to WorkSafe was undertaken as duly required and on behalf of the GM, visit the Employee in hospital. The HSQE Advisor further assisted with emotional support for another Directionz worker who had been on site with the Employee.

At the start of the next day (13th May 2016) the Directionz GM notified the Head Contractor's Alliance Manager of the incident and the situation regarding the Employee. He then issued a notice to all Directionz staff banning all use of angle grinders on Directionz work until our investigation provided a result where a decision on further use could be made.

later, on 13th May 2016, Directionz issued a 'SAN' (Safety Alert Notice) confirming storage and handling of fibre discs, mandating a further set of eye wear protection as PPE to allow for two forms of protection when using an angle grinder and a mandatory re-assessment to prove competency in angle grinder use. Competency checks were thereafter, mandatory for all Directionz staff before undertaking work involving an angle grinder.

On the 29th June 2016, after further research, fibre blades for both cutting and grinding with an angle grinder were banned from further use. Henceforth, reciprocating (sabre) saws were to be used as the primary tool for all metal cutting. Any cutting using an angle grinder would only be allowed with a steel diamond tipped blade and grinding would only be undertaken with a non-fibre disc. All fibre blades anywhere within the firm were recalled and disposed of.

On the 3rd November 2016, Directionz issued a revised Risk Assessment Worksheet to better contribute to "cutting poles, grinding off redundant sockets, concrete cutting, sharpening metal tools - (when) using an angle grinder."

On 23rd November 2016, fibre grinding (only - no cut-off) discs were trialled and determined that a 6mm thickness grinding disc, could be reintroduced.

On 13th April 2017, Directionz advised all staff that as a result of a successful trial, a more efficient cut-off blade was to be used.

#### 1.4 Detail any enforcement notices issued that relate to the contravention

DATE ISSUED	NOTICE TYPE	NOTICE NUMBER	CONTRAVENTION OR PROHIBITED ACTIVITY	ACTION TAKEN IN RESPONSE TO NOTICE
Nil				

**1.5 Detail the rectifications to the workplace, or work practices, made as a result of the contravention, the events and the enforcement notices issued.**

Steel and diamond tipped cut-off blades are now mandated: Kronenflex 1 mm fibre blade= \$3.69; Tusk diamond tipped= \$59.00 (on going consumable cost difference)	\$ 1,650
Reciprocating saw purchases	\$ 2,600
Additional full-face PPE purchases	\$ 790
Undertake full assessment of employee competency for angle grinder operation and time for team discussions on the incident and the learnings	\$ 7,500
<b>Total amount of money spent on rectifications</b>	<b>\$ 12,540</b>

**1.6 Detail the injury sustained or illness suffered by victim or others as a consequence of the contravention**

The worker sustained a left globe rupture associated with a left orbital floor blowout fracture, undisplaced fracture of the anterior wall of the left maxilla and soft tissue injuries to the Employee's cheek and eye region.

The Employee subsequently had the left eye removed and a prosthetic eye fitted.

**1.7 Detail any offer of amends or payments made to the victim(s) who sustained injury or suffered illness**

DESCRIPTION OF PAYMENT	AMOUNT
First week injury pay with a gross payment of	\$ 684
Topping up ACC payments to 100% of average pay. From 19th May 2016 to 14th August 2016 with a gross payment value of	\$ 2,108
Proposed payment to The Employee of	\$ 60,000
<b>TOTAL PAYMENTS</b>	<b>\$ 62,792</b>

We understand that the Employee has also received a lump sum pay-out amounting to \$29,700 for the Employee's injury and sight loss, from ACC.

**1.8 Detail the support provided, or proposed, by the person to the Worker-**

DATE	DESCRIPTION OF SUPPORT	COMMENTS
	Personal and emotional support during convalescence;	
	Providing transport to and from work when the Employee could not drive during the Employee's recovery and adjustment period	
	Providing opportunity to ensure that the Employee continued to feel and be associated with the Employee's colleagues and place of work, for example, attending Toolbox and social functions	
	<p>Provided a re-orientation and gradual return to work rehabilitation by structuring and providing a non-routine work approach to work to assist with re-adjustment by creating a two-man crew operation (when ordinarily, only one man was required in the field) whereby the Employee could adjust and assimilate back into the Employee's former role.</p> <p>This included:</p> <ul style="list-style-type: none"> <li>● weeks of part time work in warehouse</li> <li>● two-man crew in the field</li> <li>● approximately a further 4 weeks of solo work, with lower productivity expectations including self driving to site to work at greenfield locations; i.e. no traffichazards</li> </ul>	
	<p>We will be assisting the Employee with the development of a Trauma Management System. The Employee has identified whilst there are significant resources and programmes to prepare for Worker safety and wellbeing including hazard identification, risk management etc. there is very little to assist victims of trauma. The Employee wishes to share his experiences and assist others in coping with the emotional, psychological as well as the physical consequences of major trauma.</p>	

**1.9 Detail any current HSMS Implemented and maintained by the person**

(Describe how health and safety risks are managed, including types of procedures or policies or standards)

Directionz has a functioning Health and Safety Policy (system/manual) which is reviewed ongoing and is accredited to ACC Tertiary Level. As a subsection, each field employee is provided with a Directionz Field Manual, which contains for each respective contract:

- Emergency Information
- Company Statement & Policies
- Procedures & SOPs
- Contract Specific Information
- SDS Information
- Standard Forms

Health and **safety risks are** managed:

Through personal interaction at our Health and Safety Committee meetings, at which we have both staff and management representatives, at regular Toolbox meetings, job pre-start planning meetings, at team pre-start meetings (specifically to review the methodology and identify hazards and the amount of risk they could pose) and any other one off/special need briefings.

By using, including staff involvement, formal training for high risk work such as working at height, elevated work platform use, forklift use, temporary traffic management, Safe Operating Procedures (SOP), competency checks and authorisation to undertake the task, Safe Work Method Statements and specific methodologies.

Recording, investigating and taking corrective or improvement measures on all incidents and accidents. Incidents and accidents are recorded at the minor level through our 'Remember Safety First (RSF)' record and those requiring investigation and a higher level of attention are recorded through our Event and Improvement Report (EAIR). Regional Managers are trained and qualified with an investigation awareness (ICAM).

At the start of each day or if the nature of the work or the environment changes through the day, a Pre-start safety check to note the methodology, any hazards present or likely occurring during the work, the severity of these those hazards, should they occur and the management controls of those hazards.

Clear operating procedures have been established to ensure that all activities are conducted methodically, reproducibly and safely. This is achieved by the identification of which activities and work methods, processes or tasks potentially have safety implications and we develop safe operating procedures to prevent associated incidents.

Constant vigilance for changing conditions may result in either minor methodology changes or changes in the use of equipment or PPE gear or both to control a hazard. A significant methodology change requires the involvement and approval of a senior Directionz staff (such as a RM). In the case of an unsafe condition, Directionz staff will not in any circumstances engage in the work activity. The Employee's example is illustrated as noted above on the Wainui Bridge, where, at the first attempt to carry out work, a strong gaseous smell was noted and the Directionz staff (the Employee) called a halt to the work and identified the smell as an unknown problem/hazard.

#### 1.10 Detail the level of auditing undertaken on the HSMS, Including compliance audits and audit frequency

Primarily as a safety specialist and for independence, Directionz has utilised external expert Consultants but intend to recruit a suitably qualified HSQE Coordinator to undertake work operations safety audits. These will be scheduled quarterly.

Regional Managers and their local supervisors also will undertake safety observations and as required, safety discussions with staff on their daily work encounter. Formal safety auditing will be undertaken by Regional Managers on a quarterly cycle.

On many contracts, both long term maintenance and projects, head contractors and principals undertake their own safety auditing of Directionz. This will continue with Directionz accepting such audit results.

1.11 **Detail** the consultation undertaken or proposed to be undertaken, in relation to this undertaking

The incident was discussed at Toolbox meetings through review of what occurred, steps we had immediately taken and as an example of why we must continually challenge the risk with all work we undertake and determine the safest methodology.

The Employee's incident was used as an example in our 'Road Show' when introducing the HSWA to our staff. In this case the subject was used within the presentation of 'General Risk and Workplace Management Regulations 2016.

The Employee's incident has been referred to many times as an illustration at our Health and Safety Committee meetings.

We have discussed the contents of this Enforceable Undertaking with the Employee and he supports the initiatives contained herein.

**The Future:**

At a regional level, the scope of the Enforceable Undertaking and the specifics will be presented to all Directionz staff at their respective regional and satellite bases.

We will be working with the Employee to develop a Video and Power Point presentation illustrating the effects of Trauma as a means to communicate the ramifications of workplace safety.

We will continue to work closely with the Employee to ensure his emotional and physical needs are being monitored and addressed with regular "one on one" sessions by the Regional Manager, his immediate supervisor.

## **Section 2: GENERAL TERMS**

The person acknowledges and commits to the general terms set forth in the sub terms below.

### **2.1 Acknowledgement that the regulator alleges a contravention occurred**

Directionz accepts that the regulator alleges a contravention occurred as described above.

### **2.2 Statement of regret that the contravention occurred and the reasons the person considers this undertaking is the most appropriate response to the contravention**

Directionz sincerely regrets that the incident in May 2016 occurred and that a serious injury was suffered by the Employee. All workers at Directionz are valued employees and the Company has taken and continues to take steps to prevent such an incident from occurring again.

We have undertaken and now completed a return to work programme with The Employee. He is now fully reintegrated within the team and enjoying being back at work. The Employee has continued since his return to work, as the staff representative for the Employee's Waikato-Bay of Plenty based colleague. A moderated return to work was a priority for both parties.

Directionz considers that an Enforceable Undertaking is the most appropriate response to the contravention as it provides for a structured education and safety awareness programme to ensure the industry and community will not only benefit from the initiatives proposed but it will also prevent similar incidents occurring again.

### **2.3 Statement of commitment that the behaviour, activities and other factors which caused or led to the contravention has ceased and will not reoccur**

Directionz maintains a position through its systems and organisational culture of providing a harm free environment for all Directionz workers and those who come into contact with our work. We have been in business for nearly 20 years and have not received an enforcement notice or been prosecuted for any health and safety breach.

We take our health and safety responsibilities very seriously and have a strong focus on staff involvement with this goal.

Notwithstanding that prior to this incident, Directionz were unaware of alternatives to undertake these works. Directionz records our commitment that the behaviour, activities and other factors which led to the incident, will not re-occur through the following rectifications:

- Enforcement of constant vigilance for changing conditions which may result in either methodology changes, use or type of equipment or PPE gear or both to control a hazard.
- Requiring reciprocating saws to always be used as the first tool of choice for cutting;
- We improved our SOP - Angle Grinder by augmenting PPE for angle grinder use to require double layer face/eye protection; requiring the operator be checked as fully trained and competent; prohibiting the use of fibre cut off blades of all types; continuing to research for the safest and most efficient steel diamond tipped cut off blade and mandating these;
- Requiring a written and agreed methodology for unusual, different or higher risk work (different to our normal or routine work undertaken).



- To improve a proactive and consultative approach to safety with contractors and all other workers and PCBUs.
- Continuing to expand the Directionz health and safety culture to achieve a harm free work environment.

#### **2.4 Acknowledgement of the policy published by the regulator for the acceptance of an undertaking**

I have read and understood:

WorkSafe's Enforceable Undertakings Operational Policy

Version: December 2016

Confirmed:

May 2017

#### **2.5 Acknowledgement that this undertaking will be published and publicised in full**

Directionz Limited acknowledges that the undertaking will, if accepted, be published on WorkSafe's website in full and referenced in WorkSafe material.

#### **2.6 Statement of the person's ability to comply with the terms of this undertaking and meet the projected costs of the activities**

- Directionz is committed to Health and Safety and will meet both the financial and non-financial terms of the Enforceable Undertaking.
- Directionz has adequate financial resources to meet the commitments as contained in the Enforceable Undertaking.

Directionz has the financial ability to comply with the terms of the Enforceable Undertaking (and the anticipated "reasonable" monitoring and compliance by WorkSafe) and it has provided evidence of this ability by way of providing financial accounts with Directionz undertaking to support this declaration.

In the event of impending receivership, liquidation or sale of the entity, Directionz will advise WorkSafe of the relevant circumstances and its capacity to comply with the outstanding terms of the Enforceable Undertaking.

#### **2.7 Statement outlining any relationship between the person and any corporations, officers, employees, contractors, proposed beneficiaries of donations or scholarship or other recipient of financial benefit contained In this undertaking**

None

#### **2.8 Statement regarding Intellectual Property outlining any relationship between the person and any corporations, officers, employees, contractors, proposed beneficiaries of donations or scholarship or other recipient of financial benefit contained in this undertaking**

Directionz grants WorkSafe a perpetual, non-exclusive, worldwide and royalty-free licence to use, for any purpose, all Intellectual Property Rights in relation to any material developed as a result of this Undertaking. This licence includes the right to use, copy, modify and distribute the materials

## **2.9 Acknowledgement that the person may be required to provide a statutory declaration**

Directionz acknowledges that it may be necessary for WorkSafe to obtain a statutory declaration outlining details of any prior convictions (safety related) outside of New Zealand and that it will provide such declaration if required by WorkSafe.

Directionz Ltd does not have any previous convictions outside the New Zealand jurisdiction which may be relevant to WorkSafe's consideration on the suitability of the company for an Enforceable Undertaking.

## **2.10 Statement of commitment from the person to participate constructively in all compliance monitoring activities for this undertaking**

It is acknowledged that responsibility for demonstrating compliance with this undertaking rests with the person.

Evidence to demonstrate compliance with the terms will be provided to WorkSafe by the due date for each term.

The evidence provided to demonstrate compliance with this undertaking will be retained by the person until advised by the regulator, that this undertaking has been completely discharged.

It is acknowledged that any failure to meet the due date for an enforceable term will result in the matter being escalated and may lead to enforcement action.

It is acknowledged that WorkSafe may undertake other compliance monitoring activities to verify the evidence and compliance with an enforceable term, and cooperation will be provided to WorkSafe.

It is acknowledged that WorkSafe may initiate additional compliance monitoring activities, such as inspections, as considered necessary at WorkSafe's expense.

It is acknowledged that details of all seminars, workshops and training conducted by a non-registered training provider must be notified to WorkSafe, by email, at least one-week prior. Notification should include time, date, location and the trainer/facilitator.

### **Section 3: ENFORCEABLE TERMS**

The company acknowledges that the terms set forth in the enforceable terms below must be auditable and include a date for completion and an estimated cost for each activity

The company commits to performing the activities below diligently, competently and with all reasonable endeavours by the completion dates.

#### **3.1 A commitment by the person to perform activities will ensure the ongoing effective management of risks to health and safety in the future conduct of its business or undertaking**

Directionz commits to its Health and Safety Management System and more specifically commits to perform the activities detailed in section 3.3 below, which will ensure that ongoing effective management of risks to health and safety in the future conduct of its business and this Enforceable Undertaking.

By way of evidence there are specific Health & Safety references and reporting requirements included in the Directionz General Manager's:

- Position description
- Employee Performance Review (annual)
- Monthly report to Directors
- Maintain current accreditations of ACC Tertiary (which Directionz are to replace with AS/NZS 4801) and ISO 9001 QMS

#### **3.2 A commitment by the person to disseminate information about this undertaking (once agreed) to workers, and other relevant parties:**

Directionz commits to disseminate information about this Enforceable Undertaking to workers and other relevant parties including all Company staff and the wider community.

Dissemination will be achieved by doing the following immediately following an acceptance decision by the Regulator:

- A presentation, fully detailing the terms, objectives and outcomes of the EU, by the Directionz GM at 'road shows' at Directionz regional bases;
- In the Directionz Overview Monthly report, where the audience are the Directors of the Company, in the month immediately following, Directionz will provide a full commentary and record the forward plan for dissemination of the EU outcomes.
- The EU outcomes will be key agenda items at all Toolbox meetings for an initial presentation and subsequent review.
- The EU outcome and progress reports will be a key agenda item for the Directionz Health and Safety Committee meeting.
- All Monthly management meetings will include a progress report on the progress of the EU outcomes, a copy of which will be made available to the Directors.

All dissemination above will occur within 3 months of acceptance of the EU with ongoing responsibility.

**3.3 Activities to be undertaken to promote the objects of the safety legislation that will deliver benefits for workers/others**

ACTIVITIES	TIMEFRAME	COST(\$)
<p>Deployment of 30% of a higher qualified HSQE Manager to oversee and enforce the implementation of the commitments to improvements in Directionz H&amp;S systems and enforceable terms of the Undertaking including but not limited to:</p> <ul style="list-style-type: none"> <li>• Dissemination of information</li> <li>• Monthly Reporting and confirmation of achievements</li> <li>• Ongoing consultation with the Employee</li> <li>• Competency testing for hazardous activities</li> <li>• Development of working guide for Grinder use</li> <li>• Supervision of ICAM training</li> <li>• Supervision of SiteSafe accreditation requirements</li> <li>• Supervision of Construct safe requirements</li> <li>• Reviewing safe work method statements</li> <li>• Revising Safe Operating Procedures</li> <li>• Reporting on Incidents and Improvements</li> <li>• Undertaking Operation Safety Audits</li> </ul>	<p>Within six months of EU Acceptance</p>	<p>\$ 36,000</p>
<p>A commitment to have each Regional Manager and at least one other regional counterpart undertakes 'ICAM' (incident cause analysis method) training and maintain at this level. Having ICAM training will ensure learnings from events will avoid reoccurrence and improve future management strategies.</p>	<p>By Mar 18</p>	<p>\$ 4,400</p>
<p>A commitment that all operational staff who are responsible for staff, are to be trained and accredited with SiteSafe Supervisor Gold Card. (10 no.)</p>	<p>By Mar 18</p>	<p>\$ 10,800</p>
<p>A commitment that in addition to SiteSafe Passport and SiteSafe Tools and Plant, all Directionz staff would be required to gain a pass in the CONSTRUCTSAFE programme.</p> <p>The Passport Plus extends the general level of Health and Safety understanding to an increased awareness and safety behaviour. The Tools and Plant addendum focuses on the key risks associated with operation of equipment specifically identifying and controlling risk when working with plant.</p> <p>Note: SiteSafe is not simply a site access Passport but a "genuine" level of H&amp;S understanding which will create a safer environment for all Employees.</p> <p>SiteSafe Passport (29 no.)</p>	<p>By Mar 18</p>	<p>\$ 14,000</p>
<p>CONSTRUCTSAFE is a testing mechanism to determine whether the safety messages have been retained by the Employees. It tests a level of competence and understanding of health and safety awareness.</p> <p>Construct Safe (30 no.)</p>	<p>By Mar 18</p>	<p>\$ 6,750</p>
<p><b>TOTAL WORKER BENEFITS</b></p>		<p>\$ <b>71,950</b></p>

**3.4 Activities to be undertaken to promote the objects of the safety legislation that will deliver benefits to the industry**

ACTIVITIES	TIMEFRAME	COST(\$)
<p>Directionz will engage the services of Massey University and other Consultants/Experts to provide an appropriate "best practice" working guide to be able to meet the expectations of NZS 1336 and specifically Table 4.2 to ensure that "laymen" can assess equipment use and PPE suitability. This is aimed at Employers, PCBU's and workers.</p> <p>This revised laymen's guide will be communicated to the industry via a general mailout to the EMA database and provide the wider industry with access to our developed resources which will be designed to reinforcing a safe working environment.</p> <p>Directionz will coordinate the development (in conjunction with industry experts) and arrange for the structured distribution of this material to a wide audience.</p>	<p>Within nine months of EU Acceptance</p>	<p>\$ 30,000</p>
<p>Provide documentation to Retail and Safety Suppliers to be able to distribute to Staff and potential purchasers of Grinders and Cutting Discs as a means of identifying the hazards relating to the use and "safe operation" of grinding equipment in the workplace in concert with the correct level of PPE gear.</p> <p>Readers will gain knowledge of the relevant safety issues, their responsibilities, obligations and reinforcement of risk management as well as the careful selection of appropriate PPE gear.</p>	<p>Within nine months of EU Acceptance</p>	<p>\$ 5,000</p>
<p>Purchase space for an advertorial in the New Zealand Herald relating to the use and "safe operation" of grinding equipment in the workplace in concert with the correct level of PPE gear using the incident to provide real life learnings of this hazardous activity.</p> <p>Readers will gain knowledge of the relevant safety issues, their responsibilities, obligations and reinforcement of risk management.</p>	<p>Within nine months of EU Acceptance</p>	<p>\$ 5,000</p>
<p>Purchase space for a full-page advertorial in the magazine of the New Zealand Civil Contractors relating to the use and "safe operation" of grinding equipment in the workplace in concert with the correct level of PPE gear.</p> <p>Readers will gain knowledge of the relevant safety issues, their responsibilities, obligations and reinforcement of risk management.</p>	<p>Within nine months of EU Acceptance</p>	<p>\$ 2,500</p>
<p><b>TOTAL INDUSTRY BENEFITS</b></p>		<p><b>\$ 42,500</b></p>

**3.5** Activities to be undertaken to promote the objects of the safety legislation that will deliver benefits for the community

ACTIVITIES	TIMEFRAME	COST(\$)
Provide a lump sum donation to the Blind Foundation	By Dec 17	\$ 2,500
<p>Work and Safety Experience for Local High School Students</p> <p>In this new initiative, Directionz will provide skills and knowledge through a programme of "paid" training and work experience to high school students who may be considering a career in construction or related industry activities. It may also provide benefit through the provision of practical experience in the workplace to those who <i>may</i> face the prospect of unemployment. Accordingly, we see this scheme being applied to the lower socio-economic areas (and lower decile high schools) within the Auckland region.</p> <p>This will also provide an opportunity to impart and reinforce the fundamentals of the Directionz "safety first" culture resulting in a better understanding of safety precautions. The training will have safety as a foundation principle, including the importance of not only selecting the correct equipment but also the selection of the correct PPE gear along with maintaining safe systems of work. We will incorporate the affected Employee's experience, learnings and Trauma presentation as a key component of this training programme.</p> <p>The programme will run for 8 weeks with one day of training per week alternating with one day of practical experience per week for the duration of the programme. At the end of the Programme a "test" of Safety Principles will be given to determine level of understanding.</p> <p>A total of 8 students will participate over an 8-week period once per annum for a two-year period following the implementation of the enforceable undertaking. This amounts to 16 local students receiving skills, training and knowledge that will shape participants thinking to be safety oriented in the workplace. They will be paid the minimum wage as well as receiving appropriate PPE gear. They will receive a Certificate of Attainment (Pass) or a Certificate of Attendance (Fail) of the Safety test. They may also be offered employment at the end of their school term.</p> <p>These students will be actively encouraged to take the foundation of the "<b>safety first</b>" concept and apply it to their lives.</p> <p>In addition, materials will be provided to the Tutors/Teachers of the respective High Schools of the importance of a safety first decision making process when undertaking any hazardous activity.</p>	Within nine months of EU Acceptance	\$ 35,464
<b>TOTAL COMMUNITY BENEFITS</b>		<b>\$ 37,964</b>

### 3.6 Agreement to pay WorkSafe's recoverable costs

Directionz Limited agrees to pay WorkSafe's costs associated with this Undertaking, as itemised below, and it is acknowledged that payment is due 30 days after receipt of the WorkSafe invoice.

<b>COSTS</b>	<b>MINIMUM SPEND(\$)</b>
Administrative	
Legal	\$1,928.18
Compliance Monitoring	
Publication (if any)	
<b>Total Recoverable Costs</b>	<b>\$1,928.18</b>

### 3.7 Acknowledgment regarding any promotion of the person in relation to this Undertaking

Directionz Limited agrees that it will not undertake any activities that may promote or benefit the person without explicitly linking that activity/benefit to this undertaking

Directionz Limited commits to ensuring that within 12 months of the acceptance of this undertaking the HSMS shall be compliant with AS/NZS: 4801 2001 Occupational health and safety management systems - General guidelines on principles, systems and supporting techniques

Directionz has an agenda to seek NZS 4801 Health and Safety MS accreditation by 1st July 2018. This will be undertaken as a replacement for our ACC Tertiary Level accreditation which expires at that time.

Directionz Limited acknowledges that the HSMS will be maintained in accordance with any reasonable directions of WorkSafe New Zealand

### 3.9 Minimum spend:

In terms of Compliance Costs but excluded from this Enforceable Undertaking Directionz commits to expenditure (approx. \$50,000pa) on:

- ISO 9001 accreditation costs p.a.
- AS/NZS 4801 initial accreditation costs
- Review and maintaining the Directionz HealU, and Safety System

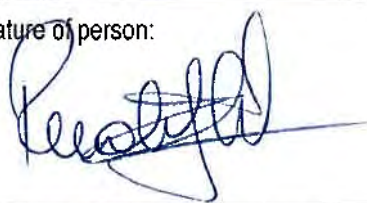

Directionz commits to a minimum spend of \$ 229,674.18 (\$ minimum spend) for this undertaking.


Directionz Limited agrees to spend any residual amount arising from an original term not being completed or being less costly than estimated in this undertaking. Agreement on how to spend the Employee's residual will be sought from the regulator.

Directionz Limited acknowledges that the minimum spend comprises of the:

<b>TOTAL COST</b>	<b>MINIMUM SPEND (\$)</b>
Rectifications	\$ 12,540
Benefit to victim who sustained injury	\$ 62,792
Benefits to workers / others	\$ 71,950
Benefits to industry	\$ 42,500
Benefits to community	\$ 37,964
OIR's recoverable costs	\$ 1,928.18
<b>Estimated total cost of the undertaking</b>	<b>\$ 229,674.18</b>



<b>SECTION 4: EXECUTION</b>	
<b>Directionz Limited</b>	
on the 17 <sup>th</sup> day of OCTOBER 2017	
Signature of person: 	
Witness name: Shavron Slater	Witness address: 
Witness signature: 	

<b>SECTION 5: ACCEPTANCE</b>	
This undertaking is accepted by the Regulator – WorkSafe NZ:	
on the 31 <sup>st</sup> day of October 2017	
Signature of authorised WorkSafe representative / EU Panel Member: 	
Witness name: Cordell Weir	Witness address: WorkSafe New Zealand 86 Customhouse Quay Wellington 6140
Witness signature: 