

Application for an enforceable undertaking

June 2019

Part 4, Health and Safety at Work Act 2015

The commitments in this application are offered to WorkSafe New Zealand by

Name of entity or, partnership or individual applying for this undertaking

Ashley Industrial Services Limited

Application for an enforceable undertaking

Part 4, Health and Safety at Work Act 2015

The commitments in this application are offered to WorkSafe New Zealand by

Name of the person or persons who will be signing this undertaking in section 4:

Aaron Fisher (Managing Director)

On behalf of:

Ashley Industrial Services Limited

Name of the entity giving this undertaking (if an individual or sole trader, leave blank - complete in all other cases)

Ashley Industrial Services Limited

This enforceable undertaking is given on the day and date that it is accepted and signed by WorkSafe. The undertaking and its enforceable terms will operate as a legally binding commitment on the part of the person from the date it is given.

Do not refer to the victim by name in this document. Please refer to the victim/worker/employee/volunteer/or other term as appropriate.

WorkSafe respects your privacy and is committed to protecting personal information. The information provided in this document is for the purpose of an undertaking given to WorkSafe under Part 4 of the *Health and Safety at Work Act 2015*. This information will be managed within the requirements of both the *Privacy Act 1993* and the *Official Information Act 1982*.

There is an expectation that WorkSafe will generally publish the undertaking in full on its website.

TERM	DEFINITION
Contravention	An action which offends against the <i>Health and Safety at Work Act 2015</i> and/or any Regulations made under it. It includes both health and safety contraventions. A contravention also includes an alleged contravention.
HSMS	A Health and Safety Management System.
Person	An individual who or a legal entity which has a duty under the <i>Health and Safety at Work Act 2015</i> and can give a written undertaking. The term includes individuals, each partner in a partnership, corporations, trustees of trusts, and crown organisations.
Health and Safety legislation	<i>Health and Safety at Work Act 2015</i> and associated regulations.
Enforceable undertaking	An enforcement pathway that allows a duty holder to voluntarily enter into a binding agreement with WorkSafe. The agreement outlines actions the duty holder will undertake to address the contravention. It is expected to deliver activities which benefit workers, the wider industry or sector and/or the community as well as acceptable amends to any victim(s).

1. General information

1.1 Details of the person/persons/entity giving the undertaking

Name of person(s) making this undertaking: (in all cases complete with the name(s) of those who are signing this undertaking under Section 4)

Aaron Fisher

Name of entity: (if applicable, leave blank if an individual)

Ashley Industrial Services Limited (AIS)

Type of legal entity: (complete in all cases, for example individual, sole trader, partnership, trust, company, etc)

Company

Nominated contact person: (the same person listed above/one of those listed above)

As above

Physical address:

8 Mill Road
Oxford 7430

Postal address: (if different from physical address)

As above

Work phone: 03 312 3341

Mobile phone: [REDACTED]

Email: admin@ais.co.nz

Industry: Saw milling

Workers (enter numbers):

Full-time: 25 Part time: 0 Casual: 10

Description of the products and services provided by the business or undertaking:

AIS is a Canterbury-based second generation family business established in 1984. We specialise in Domestic and International Customised Timber Packaging, sawmilling, timber processing, timber treatment and manufacturing.

Comments:

The pride AIS takes in providing innovative and cost effective MDF, Ply and timber packaging solutions, for both the export and domestic markets, has seen us build a reputation for quality and reliability which is second to none. AIS sets the standards with leading technology, first class staff and attention to detail. As AIS is an AsureQuality accredited supplier, our packaging has the highest standards of biosecurity - which minimise delays in clearing domestic and overseas customs, improving the timeliness of your deliveries.

The environmentally friendly operation is a corner stone of Ashley Industrial Services approach to business. 100% of the raw material is utilised for the product, right down to the sawdust! This keeps valuable lumber and MDF out of our landfill sites and reduces costs to the client.

1.2 Detail of the contravention

On 20 December 2021 at Ashley Industrial Services Limited (AIS) work site, AIS failed to ensure so far as was reasonably practicable, the health and safety of workers, including the victim, who worked in the business or undertaking, namely operating a Trimming Saw on the Green Table, did fail to comply with that duty, and that failure exposed workers, including the victim, to a risk of serious injury arising from exposure to a cutting hazard. In particular, that it was reasonably practicable for Ashley Industrial Services Limited to have ensured effective guarding or controls for the safe operation of the Trim Saw in accordance with relevant standards (AS/NZS 4024:2014, Safety of Machinery series or a similar standard).

1.3 Detail the events surrounding the contravention

The facts are as set out in the enclosed agreed summary of facts.

1.4 Detail any enforcement notices issued that relate to the contravention as detailed in term 1.2

DATE	NOTICE TYPE	NOTICE NUMBER	CONTRAVENTION OR PROHIBITED ACTIVITY	ACTION TAKEN IN RESPONSE TO NOTICE
22 / 12 / 2021	Prohibition notice	N/A	See below	See below
DD / MM / YEAR				
DD / MM / YEAR				

1.5 Detail the rectifications to the workplace or work practices made as a result of the contravention (1.2), events (1.3) and the enforcement notices issued (1.4)

A prohibition notice was served on Wednesday 22 December 2021 at 4pm in relation to the currently obsolete, manual feed, semi-automatic pneumatic pendulum cross-cut saw (i.e. the Trim Saw), located with the Green Table.

Please see attached appendix at 1.5 for further details.

1.6 Total amount of money spent on rectifications

The total amount of money spent on rectifications is \$665,108.54. Please see the appendix at 1.6 for further details.

1.7 Detail the injury sustained or illness suffered by victim(s) or other(s) as a consequence of the contravention or, (as applicable) the *potential* for fatal injury or future fatal illness

The victim lost his middle finger and index finger on his left hand below the knuckle. The victim's ring finger was also damaged, it was cut and successfully reattached but does not have a middle knuckle or tendon in the top.

In the months following the incident the victim underwent several surgeries (including a failed attempt to replant his left index and middle finger) and had his left hand sewn into his hip for five weeks, known as a groin flap.

1.8 Detail any offer of amends or payments made to the victim(s) who sustained injury or suffered illness (the total monetary amount here is also to be included in the table at 3.12.3)

Describe the victim(s) relationship to you/the entity in question: (eg employee(s)/shareholder/director/family member/contractor, etc. If the relationship has more than one dimension, for example a family member who is also an employee and a director and/or shareholder of the business, or an employee who is a shareholder (etc) – then please describe this)

The victim was an employee of AIS.

Detail offer of amends or payments:

The following support was provided to the victim following the incident:



In addition to the financial support above, AIS supported the victim in a number of other ways including:

- a. called him on a number of occasions to check in;
- b. [redacted] and
- c. supplied firewood and groceries.

AIS offered to pay the victim \$40,000 by way of reparation in its letter referred to below in section 1.9, in addition to the above contributions, to make amends for any further financial losses he may have suffered as a result of the incident, and to acknowledge the emotional harm he will have suffered as a consequence. The victim has accepted the offer of reparation and this was paid on 13/9/2023.

While AIS considers no amount of money can make right the harm the victim has suffered, that sum is intended to reflect the reparation order a Court would have made as part of a sentencing. The reparation payment will be paid to the victim in any event and is not contingent on this enforceable undertaking being accepted.

1.9 Detail any consultation with the victim(s) as to their views on whether an enforceable undertaking would be an acceptable alternative to prosecution

The Victim resigned from AIS with his last day being 29 June 2022. The employment ended on good terms and AIS supported the victim as much as possible, allowing him to stay employed for the period of his leave to assist with ACC payments.

AIS has consulted with the victim as to the option of applying for an enforceable undertaking. It wrote a letter to the victim following a restorative justice conference requesting his view and/or position on AIS being granted an enforceable undertaking. The victim strongly supports the proposal. Copies of the letter, and the victim's response, are enclosed with this application.

1.10 Detail any consultation with unions/sector/industry as to their views on whether an enforceable undertaking would be an acceptable alternative to prosecution

AIS director and management consider that an enforceable undertaking is an acceptable alternative to prosecution because of the benefits it can achieve both for the improvement of the health and safety of AIS's workers and for the continued improvement and progressively higher standards of work health and safety in the sawmilling industry. AIS staff have chosen not to be part of any union and there has been no union involvement in AIS. AIS prides itself on looking after their staff well and supporting them to train to improve their salaries and offer a number of financial supports to their employees including loans, free firewood, loaning equipment and vehicles and groceries. AIS staff, through the Health and Safety committee, has been consulted on the process of undertaking of an EU and were asked to go back to their teams and discuss the opportunity of an EU. AIS was humbled by the support from our staff who have become a group of friends from different backgrounds, religions, ethnicities, ages, genders, and the list goes on.

The New Zealand Timber Industry Federation (NZTIF) is supportive of AIS and its suggested collaborated public speaking events outlined as an activity below. AIS considers NZTIF's response would reflect other similar groups views within the industry.

1.11 Detail the support provided or proposed by the person to the victim(s), other(s)

DATE	DESCRIPTION OF SUPPORT	COMMENTS
DD / MM / YEAR		
DD / MM / YEAR		
DD / MM / YEAR		
DD / MM / YEAR		
DD / MM / YEAR	Reparation paid 13/9/2023	\$40,000
DD / MM / YEAR		
DD / MM / YEAR	See above at section 1.8 for further details	
DD / MM / YEAR		
DD / MM / YEAR		
DD / MM / YEAR		
DD / MM / YEAR		
DD / MM / YEAR		
DD / MM / YEAR	Total value	\$46,977.24

1.12 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:

AIS has a comprehensive Health and Safety Management system – general details of which are set out below.

The current HSMS is paper-based and maintained/recorded within an electronic system which suits the size and structure of AIS. Paper versions of policies and procedures are available in the office for all workers to view. AIS has engaged a health and safety specialist to review our H&S system and practices, See Appendix point 11.

AIS employs two staff who have responsibilities as Health and Safety Officers, who implement and maintain the health and safety management system and also undertake training. The HSMS is managed and maintained by the two Health and Safety Officers, with support from the Managing Director, General Manager, Heads of Departments and Health and Safety Representatives. Procedures have been developed with support from health and safety officers, ensuring buy-in at the front line and that safe systems of work are effective and workable.

AIS also has a Health and Safety committee made up of one representative from every department (there are four departments) and two representatives from management and the Health and Safety officers.

The committee aims to meet monthly and no longer than 6 weeks apart. A significant workstream is being undertaken to re-align and structure the HSMS to ensure monitoring and reviewing the system is more straightforward and timelier. This is being achieved with the help of an external Health and Safety Specialist (discussed above). It is intended that AIS's HSMS will align with best practice and comply with the philosophy and principles set out in AS/NZS ISO 45001:2018 Plan, Do, Check, Act.

As well as an overarching Health and Safety Policy Statement, there are procedures in place which cover planning and review, risk management, training, incident management, emergency management, contractor management, and worker engagement. Machinery use is covered by Standard Operating Procedures for regular tasks. Training Assessments are also being reviewed to ensure they cover all aspects of regular work. Risks are identified and managed in a number of ways, including the following which help to identify areas for improvement:

- Systematic hazard and associated risk identification from walkarounds and observations
- Daily machine checks
- Regular checks by Health and Safety Officers
- Learnings from incidents and investigations
- Development and regular review of Machinery Risk Assessments
- Review of existing Risk Register
- Review of industry guidelines and best practice guides
- Regular discussion of control implementation between heads of departments and the Managing Director
- Preventative maintenance programme to pick up on wear and tear

Risks and opportunities for improvement have always been discussed at the all-staff health and safety meetings; now being monitored by the Health and Safety Committee. Following health and safety meetings, reporting is undertaken by each representative back to their team/department in toolbox meetings.

AIS also sits down individually with each of its staff at the beginning of the year, as well as with their managers to work out what trainings would suit the employee. AIS often have staff attend courses through the NZ Institute of Management Leadership which offers a lot of different trainings e.g. leadership courses. All of the employees have an opportunity to do these trainings and to go off site to complete them.

AIS also bring in trainers from around the country and have sessions for all staff. For example, they have done a full day course on mental health to support the diverse needs of their employees.

1.13 Detail the level of auditing undertaken on the HSMS, including compliance audits and audit frequency

AIS has a number of external audits completed, such as audits by the Council (Safe Building and Grounds audit) and Assure Quality (ISPM – 15). AIS also has inspections from ECAN and WorkSafe (Treatment System).

It is the role of the Health and Safety Officers to continually review all health and safety matters.

Going forward AIS intends to improve its planning, monitoring, review, and audit procedures, with the assistance of the external Health and Safety Specialist and intends to implement the following:

- AIS will implement a review programme to ensure all its written systems are reviewed annually, in consultation with its workers, through the Health and Safety Representatives.
- Create an audit and monitoring schedule (internal and external) which is time framed over the year, outlining specific persons responsible for each area.
- Increase of internal routine audits, with specific procedures audited quarterly, as well using an external audit from a suitable provider, to help identify any further areas of improvement in future.

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

AIS are in consultation with the following persons/organisations as part of this undertaking:

1. The victim (injured person) – a letter has been sent to seek his comment on our outlined proposals, including our intent to make a difference to the industry and reparations to him and his family. As noted above, the victim is supportive of the proposal.
2. AIS Health and Safety representatives and staff – as noted above, there has been wide consultation with health and safety representatives as to the basis of this proposed undertaking and proposed projects, with meetings held to seek staff's opinions on our proposals and to listen to ideas for a transposable project which will deliver benefits for the wider community as well as for their own workers. Our health and safety expert has been consulted in the preparation of this EU
3. The NZTIF – conversations and consultation are being undertaken with NZTIF to discuss the involvement and funding of a suitable project with the NZTIF, to benefit the wider industry and contribute to ongoing and intergenerational improvement of safety standards in the timber milling industry. The details of these proposals are set out further below, and supporting document will follow in due course.
4. Ara Institute of Canterbury Ltd – AIS is currently consulting with Ara Institute personnel (Vanessa Gooch, Academic Manager for Construction and Trades programmes, and Peter Saucer, Head of Department for Trades, Woolston Campus) in relation to the proposed delivery of a Student Workplace Safety Programme described below and to enhance the intergenerational improvement in health and safety standards in the industry. The proposal is further detailed below.
5. AIS is open to consultation with any other appropriate persons or bodies WorkSafe suggests.

2. General terms

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

2.1 Acknowledgement that WorkSafe alleges a contravention occurred as detailed in term 1.2

AIS acknowledges that WorkSafe alleges AIS contravened sections 36(1)(a), 48(1) and 48(2)(c) of the Health and Safety at Work Act 2015. Similarly, AIS accept that a serious incident, which resulted in two of the victim's fingers being amputated and one finger being degloved.

AIS has taken this incident extremely seriously and has demonstrated this through its internal investigations, corrective actions, continuous health and safety enhancements with an external health and safety specialist, their management team and health and safety committee, and the further proposals set out below.

2.2 Statement of regret that the contravention occurred

AIS deeply regrets and is saddened by the incident, the impact that it has had on his life and those close to him, his family, friends, and work colleagues, and the contravention that caused the incident. It extends its deepest sympathies and acknowledges that when something terrible like this happens, the impact can be far reaching. AIS is genuinely remorseful for the incident, given its strong family values as a family-owned business and the deep care it holds for all of its staff and the local community.

AIS took immediate steps to address the underlying issues that contributed to the incident as detailed above and has continued to support the victim both financially and on a personal level. It remains committed to providing ongoing support in the workplace and wider community, recognising the crucial role its business plays in providing a safe and harmonious working environment for its staff.

AIS also acknowledges the opportunity to improve its safety performance and has since demonstrated a strong focus on improvement, building on work that was already underway before the incident. They are dedicated to:

- sharing their learnings across the wider sawmill sector to drive improvement in risk management and safety for their workers and others they interact with; and
- investing heavily in improving health and safety systems and investing in new machinery with modern and up-to-date safety features..

2.3 Statement of the reasons why, on balance, the person considers this undertaking is the most appropriate response to the contravention

AIS consider that an enforceable undertaking is the most appropriate response to the contravention because of the positive outcomes it will achieve within their small family-owned business, tight-knit community, and the sector more broadly.

AIS deeply cares about its staff and community. Already with the investment over the last twelve months since victim 's incident, AIS has demonstrated it is motivated and has proven it has a "can do" attitude to embrace and implement change.

AIS is compliant, diligent and takes the safety of its staff seriously. AIS is heavily involved in the community donating to different causes every year. It has committed to making significant amends to the victim.

The terms of the proposed EU will also allow AIS to support a larger network of businesses in the sawmilling industry and the community. AIS already supports the local fire brigade practice drills and donates to the local rugby, golf, and football teams, and supports educational learning for disadvantaged children and wishes to build on this wider community support through the terms of the proposed EU.

Caring isn't just about feelings; it's about doing good for those around you. AIS would like to see some good come out of the incident, which has negatively impacted not only victim, his family but also AIS staff. AIS considers an EU would have the best possible outcomes and impacts, more than what prosecution would achieve, and meet WorkSafe's Health and Safety at Work Strategy and the main purpose of the Health and Safety at Work Act 2015 by way of implementing real improvements to both AIS's health and safety systems and the sawmilling industry more broadly.

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

As noted above, the Trim Saw has been decommissioned ensuring this incident will never happen again. AIS was and is committed to the input of staff in this regard and chose to spend significant funds to replace the Trim Saw. The replacement for the Trim Saw is fully physically and electronically guarded and interlocked with integrated clamping. Staff are important to AIS, they are our friends, and their safety is paramount to AIS.

AIS commits more generally to ensuring a safer working environment where an incident of this nature can never happen again.

2.5 Acknowledgment of the policy published by WorkSafe for the acceptance of an undertaking

(write the name of the person(s) or entity giving the undertaking)

Ashley Industrial Services Limited

has read and understood the Enforcement Undertaking Operational Policy.

2.6 Acknowledgement that this undertaking will be published and publicised in full

(write the name of the person(s) or entity giving the undertaking)

Ashley Industrial Services Limited

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

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

(write the name of the person(s) or entity giving the undertaking)

Ashley Industrial Services Limited

has the financial ability to comply with the terms of this undertaking and have provided evidence by way of

(type of evidence provided)

Profit and loss report for year ended 31 March 2023.

with this undertaking to support this declaration.

In the event of impending receivership, liquidation or sale of the entity, (write the name of the person(s) or entity giving the undertaking)

Ashley Industrial Services Limited

will advise WorkSafe of the relevant circumstances and its capacity to comply with the outstanding terms of this undertaking.

2.8 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

N/A

2.9 Statement regarding Intellectual Property

(write the name of the person(s) or entity giving the undertaking)

Ashley Industrial Services Limited

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.

2.10 Acknowledgement that the person may be required to provide a statutory declaration

(write the name of the person(s) or entity giving the undertaking)

Ashley Industrial Services Limited

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

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

1. It is acknowledged that responsibility for demonstrating compliance with this undertaking rests with the person.
2. Evidence to demonstrate compliance with the terms will be provided to WorkSafe by the due date for each term.
3. The evidence provided to demonstrate compliance with this undertaking will be retained by the person until advised by WorkSafe, that this undertaking has been completely discharged.
4. 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.
5. 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.
6. It is acknowledged that WorkSafe may initiate additional compliance monitoring activities, such as inspections, as considered necessary at WorkSafe's expense.
7. 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.

(write the name of the person(s) or entity giving the undertaking)

Ashley Industrial Services Limited

3. Enforceable terms

The person acknowledges all activities set forth in the enforceable terms below must be auditable and include a date for completion and an estimated cost for each activity.

The person commits to performing the activities below diligently, competently and by the respective completion date.

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

Detail the management strategies to be employed that will satisfy and demonstrate to officer/s of the person that this commitment is being met:

AIS does not take the duties and responsibilities of this proposed Enforceable Undertaking lightly. AIS is committed to implementing all reasonably necessary human resource, asset, funds, and time into all components of this application to ensure the best results are achieved.

AIS is committed to and dedicated to continuous improvement to ensure the ongoing effective management of risks to health and safety now and in the future. This is and will continue to be supported with specific oversight by Kate Sutcliffe - Health and Safety Specialist, an external consultant.

AIS's director and senior management are committed to prioritising the importance of Health and Safety practices and are the facilitators of this application, and of health and safety matters within the business. As a small family-owned business, AIS is devoted to ensuring the success of the terms of this proposal and the improvement of their HSMS. Our focus is on developing strong leadership within AIS and to bring in the entire team and community on the journey of improving health and safety practices at our work site together.

AIS Management (with the assistance of Kate Sutcliffe) recognise the terms as an opportunity to significantly improve health and safety practices focused on:

- 1) improving training practices;
- 2) implementing better methods for day-to-day machinery guarding checks;
- 3) improved auditing of health and safety practices;
- 4) providing more opportunities for involvement from health and safety representatives and the wider team; and
- 5) better dynamic risk management, in consultation with the team.

3.2 A commitment by the person to disseminate information about this undertaking to workers, and other relevant parties

(this may include to work health and safety representatives and in the organisation's annual report, if applicable)

Dissemination will be achieved by doing the following:

AIS commits to disseminating information about this undertaking to workers and other relevant parties.

The General Manager (with oversight of Kate Sutcliffe) will oversee and implement all activities, specifically,

- 1) General Manager – responsible for disseminating all information about the incident, the terms of this undertaking, and the lessons learnt to managers, workers, and the wider timber community, holding trainings, and implementing community project; and
- 2) General Manager - being the person people can contact if they have any questions in relation to the application and its terms and communicating to staff within 14 days of the EU being accepted (if it is accepted).

In addition to the above, the incident, all lessons learnt, and all activities undertaken within this application will be shared publicly with members of the Timber Federation in a session proposed below.

Dissemination will occur by: DD / MM / YEAR

3.3 Activities to be undertaken to promote the objectives of the health and safety legislation that will deliver benefits for workers and/or work and/or the workplace

ACTIVITIES	COST (\$)	TIMEFRAME
Outline the activity and the expected outcomes		
3.3.1 HSMS/Risk Management Project – continuous improvement	\$20,000	24 months
3.3.2 External Health and Safety Audit	\$2,500	24 months
3.3.3 Training for Health and Safety Representatives	\$3,000	24 months

Please see appendix at 3.3 for further details

Total estimated cost of benefits for workers/others

\$ \$25,500

3.4 Activities to be undertaken to promote the objectives of the health and safety legislation that will deliver benefits for the wider industry or sector

ACTIVITIES	COST (\$)	TIMEFRAME
Outline the activity and the expected outcomes		
3.4.1 Workshop series in conjunction with NZTIF	\$15,000	12 months
3.4.2 Student Workplace Safety Programme	\$15,000	24 months
3.4.3 Preparation and dissemination of a publication addressing incident and learnings	\$1,000	12 months
3.4.4 Preparation and dissemination of a saw guarding technical bulletin	\$2,500	12 months

Please see appendix at 3.4 for further details

Total estimated cost of benefits for industry

\$ \$33,500

3.5 Activities to be undertaken to promote the objectives of the health and safety legislation that will deliver benefits for community

ACTIVITIES	COST (\$)	TIMEFRAME
3.5.1 Donation to Oxford Fire Brigade	\$10,000	1 month

Please see appendix at 3.5 for further details

Total estimated cost of benefits for the community \$ \$10,000

3.6 Where WorkSafe considers appropriate in the circumstances, undertaking a SafePlus Onsite Assessment

Further information about SafePlus can be found here: worksafe.govt.nz/about-us/who-we-are/our-priorities/safeplus/about-safeplus

- 3.6.1 The suitability of a SafePlus assessment will be determined by the Enforceable Undertakings Panel when your application is considered.
- 3.6.2 In addition to the total cost below (3.7) all costs of a SafePlus Onsite Assessment will be met by the person making this undertaking. The fee charged for an Onsite Assessment is a commercial matter between your business and the SafePlus Accredited Assessors that you commission.
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3.7 Minimum spend

(write the name of the person(s) or entity giving the undertaking)

3.7.1 Ashley Industrial Services Limited

commits to a minimum spend of \$ \$115,977.24 for this undertaking.

(write the name of the person(s) or entity giving the undertaking)

3.7.2 Ashley Industrial Services 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 this residual amount will be sought from WorkSafe

(write the name of the person(s) or entity giving the undertaking)

3.7.3 Ashley Industrial Services Limited

Acknowledges the minimum spend comprises of the:

TOTAL COST	MINIMUM SPEND
Financial amends paid to victims (if applicable)	\$46,977.24
Benefits to workers/others	\$25,500
Benefits to industry	\$33,500
Benefits to community	\$10,000
Estimated cost of the undertaking Plus GST (if any)	\$ \$115,977.24

4. Execution

Authorised representative of an organisation

Undertaking given by (name of authorised representative)

Aaron Fisher

In my own right and in my capacity as (eg President, Chairperson, etc)

Managing Director

of (eg organisation name) Ashley Industrial Services Ltd

On the (day) 1 day of (month) MARCH, 2024 (year).

Signature of the person giving the undertaking:

Undertaking given before me:

Witness name:

Witness address:

Witness signature:

5. Acceptance

This undertaking is accepted by WorkSafe. On

the (day) 12th day of March, 2024

Signature of person accepting the undertaking:

Name of WorkSafe representative: (General Manager, WorkSafe (or delegate))

Tracey Conlon

Undertaking given before me:

Witness name:

Appendix to Ashley Industrial Services Ltd's EU application

1.5 Detail the rectifications to the workplace or work practices made as a result of the contravention (1.2), events (1.3) and the enforcement notices issued (1.4)

The following actions have been completed following the incident:

1. Decommissioning of the semi-automatic Trim Saw

The Trim Saw involved in the incident was shut off, taped up and removed from the production line immediately. WorkSafe proposed an alternative to decommissioning it, which was to fix up the Trim Saw and reinstall it. AIS was aware that its staff had never seen or experienced any incidents on the saw or at the site before. To engage with and hear from the staff, AIS undertook its own consultation to find out how its staff felt about using the Trim Saw. After consultation, the staff feedback was now that they were not comfortable using the existing Trim Saw. Immediately following this feedback, AIS decommissioned the Trim Saw.

In its replacement AIS installed a Jump Saw with enhanced physical electronic guarding (see point 2) and also purchased, imported, and installed an Optimiser. AIS had been considering whether it would purchase an Optimiser but had not made a decision about it or prioritised it. As a result of the incident and the internal consultation, AIS accelerated purchasing an Optimiser and prioritised installing it. The Optimiser came from Germany and cost \$328,900. It was too large to house in our existing workshop because of its size, therefore in addition to importing and installing the Optimiser Saw AIS also spent approximately \$200,000 building a shed to house it in.

AIS now uses the Optimiser Saw as a replacement saw. It trims and cuts like the Trim Saw but it has a lot more guarding and better safety features. It cost \$528,900 in total to purchase, import and install.

2. Re-fitting of Jump Saw and Conveyor

In addition to the Optimiser, that is now used for docking, AIS also re-fitted the following machinery:

- a) the upgraded Jump Saw (for the purpose of trimming ends) in place of the decommissioned Trim Saw;
- b) an electronic light curtain interlocked with the clamp and blade was installed on the Jump Saw
- c) the foot peddle operation has been modified and upgraded; and
- d) an installed unloading Conveyor for the Jump Saw, lowering manual handling.

3. Compliance with prohibition notices:

See above regarding the Trim Saw.

4. Attendance of Training in Guarding and The Safe Use of Machinery

AIS's Managing Director and Head Engineer attended Training in Guarding and The Safe Use of Machinery with Craig Carlyle from HazTrak (CMSE® - Certified Machinery Safety Expert (TÜV Nord)) in December 2022.

This training covered responsibilities and duties, identifying, assessing, and controlling machinery hazards and risks, eliminating hazards at the design process, guarding types and their selection, introduction to AS 4024 and further WorkSafe guidance, and safe systems of work.

5. Attendance of the Certified Machinery Safety Expert Course

AIS's Head Engineer attended the Certified Machinery Safety Expert Course in September 2022. On completion of this course the employee gained certification as a Certified Machinery Safety Expert (CMSE®). The course was focused on gaining knowledge in machine guarding requirements and ensuring in-house expertise in this area. A tablet was purchased for the employee to use on the course and to complete ongoing internal health and safety audits.

6. Machine guarding audits

Updated and ongoing systematic audits have been completed by the Managing Director, Head Engineer, Health and Safety Officer and Operations Manager on all large operational machinery in the business and any additional guarding requirements have been established, based on the updated knowledge learned on the updated Safety of Machinery courses. Additional guarding will be prioritised based on risk and added or improved on existing or bespoke machinery, where the machine cannot be replaced with a safer model.

7. Risk assessments of all machinery and equipment

Thorough and systematic risk assessments have been completed by the department managers for all large equipment, in consultation with workers and the Health and Safety Officers. This includes an assessment of initial and residual risk, as well as suggestions for further controls to reduce residual risk to an even lower level.

8. Review of Risk Assessments and updates to the Risk Register

The existing Risk Register has been reviewed by management and workers and improved to include a suitable risk scoring matrix to clearly outline initial and residual risks. The Risk Register will be reviewed regularly by management and the Health and Safety Committee.

9. Establishment of Health and Safety Representatives and Committee

AIS has upgraded worker engagement by establishing a new Health and Safety Committee. The Committee is made up of Health and Safety Representatives from each of AIS defined work groups. This has allowed for better consultation and decision-making, which has come from good participation and engagement from dedicated representatives. This is in addition to periodic all-staff health and safety meetings which have been AIS's practice until recently, and which company growth has rendered insufficient going forward.

10. Guarding upgrades to other Machinery

As well as improvements to the upgraded Jump Saw, guarding upgrades have also been completed on the Head Rig and Breast Bench to reduce exposure to moving parts.

11. Engagement of a Health and Safety Specialist

An external Health and Safety Consultant has been engaged, Kate Sutcliffe, supporting management and staff to review/restructure the existing Health and Safety Management System, making changes as part of the continuous improvement process.

Kate has over 20 years' experience working in health and safety. Qualifications include:

- NEBOSH National General Certificate in Occupational Health and Safety;
- Diploma in Health and Safety at Work Enforcement;
- OHS Management Systems Auditor Course, Health, and Safety Auditing (Certificate)

- No: ACC-0614-08OHS); and
- Fulfilled the following requirements:
 - RABQSA-AU (Management Systems Auditing);
 - RABQSA-OH (Auditing OHS Management Systems); and
 - RABQSA-TL (Leading Management Systems Audit Teams).

Kate is also a member of New Zealand Institute of Safety Management (ProfNZISM) and registered with the Health and Safety Association New Zealand (HASANZ Registered Health and Safety Professional).

12. Packsaw Project

AIS has decided to purchase a Packsaw on finance.

A Packsaw is machinery that significantly improves the safety of cutting and packing process of packs of timber. AIS is investing heavily into the purchase, installation, improvement of a new Packsaw, and training staff as to its use, to immensely improve the safety of its staff and reduce any risks.

The Packsaw machine is one of the best possible machines for cutting packs of timber because it decreases significantly the manual shifting of timber across various machines. The new Packsaw meets the appropriate safety and guarding requirements.

In addition to the purchase and install, AIS leading staff have received specialised upskilling and induction training with the manufacturer. Comprehensive internal training, competency assessments and records has been provided for all designated operators.

1.6 Total amount of money spent on rectifications

For ease of reference these costs are separated out into categories in the table below.

Category	Expense	Amount
Upgrades to existing machinery and guarding	Re-fit and upgrade of Jump Saw & conveyor on Green Chain	\$ 6,500.00
	Re-configure operation peddle on Jump Saw	\$ 832.00
	Guarding upgrades to Head Rig	\$ 23,095.61
	Guarding upgrades to Breast Bench	\$ 5,949.21
New saws and equipment	Optimizer & installation	\$ 328,900.00
	Upgraded shed to house the Optimizer	\$ 200,000.00
Health and safety training and Consultant Coaching Time	Fees to date for Health and Safety Specialist	\$ 4,312.50
	CMSE Certified Machinery Safety Expert course	\$ 3,990.50
	Expenses for AIS Head Engineer to attend course and undertake internal health and safety audits	\$ 4,698.56
	HazTrak Guarding & Safe use of machinery course	\$ 2,109.03
Packsaw project	Purchase and installation of packsaw, staff upskilling and induction training with manufacturer	\$ 84,721.13
Total		\$ 665,108.54

3.3 Activities to be undertaken to promote the objectives of the health and safety legislation that will deliver benefit to workers and/or work and/or the workplace.

Outline the activity and the expected outcomes

3.3.1. HSMS/Risk Management Project – continuous improvement

- AIS will engage in a comprehensive and systematic upgrade to its HSMS including by:
- Working with an external health and safety specialist to upgrade its existing HSMS in order that it will align with best practice and comply with the philosophy and principles set out in AS/NZS ISO 45001:2018 *Plan, Do, Check, Act*.
 - AIS will consult with Health and Safety Representatives through the H&S Committee, to gain insights and provide opportunities for engagement and participation in this project.
 - AIS will implement further risk controls, as suggested by operators, to minimise or eliminate any residual risks.
 - AIS will undertake machinery risk assessments to continue for smaller equipment, in consultation with Health and Safety Representatives and operators.
 - AIS will continue with the re-configuration of Daily Machine Checks to highlight any machinery issues.
 - AIS will continue with the documented Preventative Maintenance Programme to include all equipment.
 - AIS will implement a time-tabled review programme for health and safety policies, procedures, and checks and will initiate an internal auditing programme.

Cost: \$20,000
Timeframe: 24 months

3.3.2. External Health and Safety Audit

AIS will undertake a bespoke audit performed by an External Auditor, aligned with AS/NZS ISO 45001:2018 or other health and safety standard.

Cost: \$2,500
Timeframe: 24 months

3.3.3. Training for Health and Safety Representatives

Unit Standard 29315 Training to be offered to all Health and Safety Representatives and Internal Training Programme to be delivered to all representatives to upskill, develop their knowledge, and give confidence to speak up.

Cost: \$3,000
Timeframe: 24 months

Activity	Cost	Timeframe
HSMS/Risk Management Project – continuous improvement	\$ 20,000	24 months
External Health and Safety Audit	\$ 2,500	24 months
Training for Health and Safety Representatives	\$ 3,000	24 months
Total	\$ 25,500	

3.4 Activities to be undertaken to promote the objectives of the health and safety legislation that will deliver benefits for the wider industry or sector.

3.4.1. Workshop series in conjunction with NZTIF

AIS has consulted with NZTIF, and will continue to do so, to develop a series of public sessions and training/workshops for either at their annual meeting or separately. These will be on timber, manufacturing, safe machine operation and guarding schedules, but could also cover such topics as human factors and machine interaction, better governance, improving staff engagement or psychologically safe workplaces. AIS proposes hosting one session in Christchurch and one in Rotorua, which NZTIF suggests would ensure the greatest ease of access for the greatest number of attendees.

AIS proposes the following in relation to these sessions:

1. AIS will consult a suitably qualified and certified machine safety expert or Certified Professional Engineer with sufficient knowledge and experience in the relevant standards (and particularly AS/NZS 4024:2014 Safety of Machinery series, or a similar standard) to design and deliver the sessions, in conjunction with AIS, using the incident that is the subject of this enforceable undertaking as a compelling story for taking action to manage hazards and risks associated with using machinery (and in particular saws).
2. AIS proposes to bring in public speakers for this series, its newly qualified CMSC head engineer, as well as an independent expert as referred to above to deliver the sessions. This will be specifically for those working across the timber industry with a focus on guarding standards, the risks, our incident, and all steps taken since including our lessons. AIS proposes running two such sessions, one in the South Island (Christchurch) and one in the North Island (Rotorua).
3. In referring to the incident in the series (and as part of a campaign to publicise the series to relevant industry participants), AIS will ensure the importance of risk assessments and machine guarding is addressed as well as the replacement of aged machinery and equipment. AIS will share its learnings from the rectifications carried out, including the Packsaw Project, and the health and safety benefits that the project has had for AIS workers.

AIS expects the series will contribute to improvements in health and safety in the sawmilling industry through an increased awareness of the management of workplace hazards and risks associated with the use of saws and guarding in compliance with applicable standards, including by highlighting that machinery upgrade projects can contribute to improving productivity and health and safety performance.

4. AIS will ensure that any materials prepared and used in the course of the sessions (for example, any presentation slides, are continuously made available to the industry (for example through NZTIF's and AIS's respective websites).

AIS has consulted with NZTIF which is fully supportive of the proposal. NZTIF advises its seminars are typically attended by Company Management / Senior Personnel and have proven to be a valuable way of conveying important information in an easily digestible format and more importantly, allows the group to have a discussion with people within the industry about different means of solving problems and talking about their own experiences. Tapping into NZTIF's network will ensure that the series is delivered directly to the industry participants whose businesses and undertakings most directly engage with health and safety issues AIS proposes addressing as part of this proposal.

Cost: \$15,000 run regionally for one year

Timeframe: 12 months (Christchurch and Rotorua)

3.4.2. Student Workplace Safety Programme in conjunction with Ara Institute of Canterbury

Overview

AIS Ltd will develop a day-long workshop in consultation with relevant representatives (including Ara Institute of Canterbury, and local high school representatives – Oxford Area School, Rangiora High School and Darfield School). The content and delivery of the workshop will be led and supervised by an AIS Ltd external health and safety specialist who is HASANZ registered and AIS Ltd's qualified CMSC engineer. The workshop will run once in 2024 and once in 2025. AIS will submit the proposed content to WorkSafe for approval prior to delivery of the workshops.

The workshop is designed to be used by tertiary/high school education facilities in partnership with local businesses.

Primary Objectives of the workshop

- to highlight the importance of safety when working around machinery
- to provide knowledge about machine guarding
- to provide an opportunity for students to safely operate industrial sized machinery, in a work setting and under supervision, and make something to take home

Secondary Objectives of the workshop

- provide real life exposure to the workplace
- to encourage students into the industry
- help to re-enforce the 'safety message' already encouraged by the education facility, which is so vital around machinery

Benefits to Ara and the Education Providers

- provides an ongoing working relationship between the education facilities, their students and businesses
- allows tutors to have direct input into the lesson plan and learning outcomes from the start
- there is no cost for Ara or the schools, as the project is fully funded by AIS Ltd. Tutors and teachers would be paid for their time during the project development phase.

The workshops

AIS Ltd will develop a one-day workshop with the groups and individuals described above, with a documented lesson plan and intended outcomes. AIS Ltd will host two workshops, one in 2024 and one in 2025.

AIS plans to share the lesson plan with other tertiary educational facilities and high schools so they can use this free of charge. After completing the second workshop in 2025, AIS could make the lesson plan and resources available more widely, for example via the Ministry of Education, Te Pūkenga, NZISM and/or WorkSafe New Zealand.

The workshop will be a 6-hour workshop, and lunch, morning tea, and afternoon tea would be provided by AIS Ltd. The maximum number of students on each workshop will be 10, to allow for the safety of the students and a better learning experience. It will be delivered by AIS Ltd staff and the students' tutor, who will also be present for the day. Written resources/presentations/booklet will be made available as part of the workshop and shared as part of the workshop resources. The content of the written resources will be reviewed and approved by AIS Ltd external health and safety specialist who is HASANZ registered and AIS Ltd's qualified CMSC engineer.

The workshop and written lesson plan will include:

- Site Induction
- Introduction to Health and Safety – hazards, risks and their controls (including the hierarchy of controls), removing the risks at source, etc
- Benefits of machines versus the risks – the need for adequate and appropriate guarding
- Site Tour (splitting into two groups)
- Machinery Audit – looking at guarding requirements with the engineer, across two machines
- Speaking with health and safety representatives regarding safety and consultation, question time with reps
- Assemble a small crate on the workplace machinery to take home
- Completion of a Workshop Feedback Evaluation Form, so improvements can be made for future workshops

Proposed timeframe

AIS plans to deliver the two workshops as follows:

- Year One: Term 2 (April – July 2024) – Workshop development and submission of written resources/presentations/booklet to WorkSafe for prior approval
- Term 3 (July – September 2024) – Delivery of first workshop
- Year Two: Term 2 (April/May 2025) – Delivery of second workshop
- Term 3 (July – August 2025) – Finalise the lesson plan and resources, to share with other providers with WorkSafe's prior approval

Outcomes

The outcome would be the creation of a deliverable resource which would be easy for other providers and businesses to use in their areas, for the benefit of the wider education and business community.

If successful, AIS Ltd may continue to deliver the workshop annually, in order to encourage more young people into the industry, to learn from more experienced staff, before skills are lost, and to maintain an intergenerationally safe workforce.

AIS considers the benefits of this project include:

- a) wider community involvement;
- b) opportunity to work with our younger generation to build and understanding of safety in the workplace at a young age as part of providing continuous improvement and progressively higher standards of work health and safety in the sawmilling industry;
- c) creating knowledge and better understanding of how a sawmill and manufacturing plant works;
- d) encouraging potential future employees into the timber industry; and
- e) creating a resource that is transposable across multiple businesses and industries and therefore creating benefits for the wider community and in conjunction with a leading local training organisation, Ara.

AIS has consulted with its Health and Safety Representatives, who have suggested and fully support this initiative. AIS has consulted with Ara. Further details are to be agreed in consultation with Ara.

AIS is currently engaging with Ara personnel (Vanessa Gooch, Academic Manager for

Construction and Trades programmes and Peter Saucer (Head of Department for Trades, Woolston Campus)) in relation to the proposal. That engagement is ongoing.

Cost: \$15,000 (please note: all staff time is considered part of this calculation along with cost of any supplies used)

Timeframe: over 24 months, depending on Ara's course schedule and time to integrate the programme

3.4.3. Preparation and dissemination of a publication addressing the incident and learnings

AIS will prepare, and submit for publication in an appropriate industry publication, an article that describes the incident, learnings from the incident, and broader safety messaging for the sawmilling sector and others who use saws in the course of their businesses or undertakings.

Cost: \$1,000

Timeframe: 12 months

3.4.4. Preparation and dissemination of a saw guarding technical bulletin

AIS will prepare and arrange for the distribution to key industry participants (likely via NZTIF) of a technical bulletin. AIS will develop the technical bulletin by reference to the structure and content of other similar WorkSafe published technical bulletins (appropriately adapted to the incident that occurred at AIS) and in consultation with WorkSafe. The technical bulletin will cover what happened, what the findings were, what AIS did in response, recommendations.

AIS will distribute the technical bulletin as part of its workshop series, through NZTIF's website, and any other distribution avenue identified in consultation with WorkSafe (including through WorkSafe itself) ideally in advance of the workshop series.

Cost: \$2,500

Timeframe: 12 months

Activity	Cost	Timeframe
Workshop series in conjunction with NZTIF	\$ 15,000	12 months
Student Workplace Safety Programme	\$ 15,000	24 months
Preparation and dissemination of a publication	\$ 1,000	12 months
Technical bulletin	\$ 2,500	12 months
Total	\$ 33,500	

3.5 Activities to be undertaken to promote the objectives of the health and safety legislation that will deliver benefits for community

Donation

AIS will donate \$10,000 to the local Oxford Fire Brigade. AIS will consult with them as to what this donation would support but it is proposed it would be directed to a community event or the purchasing of supplies e.g. fire safety supplies, or support post trauma care.

Cost: \$10,000

Timeframe: 1 month

Activity	Cost	Timeframe
Donation to Oxford Fire Brigade	\$ 10,000	1 month
Total	\$ 10,000	