E16A PROCUREMENT OF ROLLING STOCK

PURPOSE AND SCOPE

The purpose of this Procedure is to advise Laing O’Rourke personnel involved in the purchasing and procurement of rolling stock of the processes to be applied during the relevant phase. In particular, the following issues need to be addressed:

- Determine that the item of rolling stock is appropriate for its intended use
- Procurement Risk assessment is undertaken prior to purchase.
- Receive from the manufacturer / supplier details of all tests and examinations undertaken prior to supply
- Receive from the manufacturer / supplier a risk assessment of the specific item which incorporates all aspects of the machine itself and operations it is capable of performing. Where the machine itself has hi-rail gear fitted by another organisation it will be the responsibility of Select to undertake the risk assessment if the item is to be part of Select’s inventory.
- Receive from the manufacturer / supplier verification that an independent, qualified assessment and certification of the item of rolling stock against relevant standards has been undertaken prior to delivery
- Ensure Laing O’Rourke receives all relevant information and documentation prior to acceptance of delivery
- Ensure all contractual specifications have been met.

This Procedure applies to all items of rolling stock purchased, leased or hired by Select Plant Hire on behalf of Laing O’Rourke for the railway operations they will be engaged in throughout Australia.

Whilst the process will be generic across the country, there will be specific requirements set by the relevant rail infrastructure manager (RIM) for the network on whose railway the rolling stock will operate that will need to be taken in to account prior to the purchasing process.

PROCEDURES

Purchasing of plant - Concept

At the preliminary stage, when a need is identified for an item of rolling stock, the Select Commercial Manager must ensure that:

- Approval has been obtained from Rail Operations for all rail plant purchases, whether being as a replacement or an additional item.
- A business case has been completed by Select
• Approval has been obtained according to CAPEX procedures and authority levels

**Design**

Design management processes contained in [E17F Design Management of Rolling Stock](#) will be determined where relevant prior to procurement. This will enable the management of the design function for rolling stock to be applied during the procurement process and prior to the commissioning process and will include (but not be limited to) the following:

- Identification of the standards to be applied for all items of rolling stock.
- Procurement Risk Assessment – [E-C-8-0522i Track Bound Procurement Checklist](#) or [E-C-8-0522j Road Rail Vehicle Procurement Checklist](#) must be completed prior to purchase.
- Assignment of verification and validation functions prior to the commissioning process
- Control of any changes following purchase through the application of the change management process.

**Purchase**

Prior to purchase [E-P-8-0533 Fixed Asset & CAPEX purchase, transfer, disposal and depreciation procedure](#) must be followed. Suppliers confirm they are able to meet the relevant standards for the location(s) the rolling stock is to operate. Details of the standards need to be provided to the suppliers at the earliest stage of negotiations for the purchase of the item(s).

The final authorisation needs to be applied by Select’s Plant Operations Manager to ensure what was originally determined as being the item of rolling stock required is the item to be purchased.

The purchase order needs to be supported with full details of the item of rolling stock, including the make and model, and also needs to have supporting standards identified and any training requirements to be provided by the manufacturer / supplier. It must also include the operation and maintenance manuals for the item to be purchased. A detailed Scope Of Supply is to be provided to the supplier as part of the capex process.

Prior to delivery, the Asset Manager Rail shall arrange for an evaluation of the item of rolling stock at the place of manufacture or purchase. A detailed analysis of the item of rolling stock will be undertaken by a suitably qualified Laing O’Rourke representative or agent approved by Select’s Plant Operations Manager. The analysis will be recorded as confirmation that the item of rolling stock being presented for purchase meets the standards provided with the purchase order.

Should there be any deficiencies identified during the detailed analysis Select’s Plant Operations Manager is to consult with key stakeholders within Laing O’Rourke, including Rail Operations, to determine the implications of the identified deficiency. There may be cases where the deficiency is accepted. However, the change management process shall be applied to analyse all risks that may be generated by the change.

Should the defect not be acceptable to the key stakeholders, the manufacturer / supplier shall be advised by Select’s Plant Operations Manager and appropriate action taken against the manufacturer / supplier. Under no circumstances shall an item of rolling stock with an unacceptable defect be accepted by Laing O’Rourke.
It is Select’s Plant Operations Manager responsibility to ensure that the rolling stock is delivered in accordance with the CAPEX specifications, complies with relevant rail safety requirements and is correctly tagged with an asset number and appropriate Laing O’Rourke and Select logos.

The Rail Operations Plant Manager shall ensure that any training required to be undertaken is undertaken by those involved in the operation and maintenance of the item of rolling stock. Receipt of the relevant manuals will be acknowledged with instruction of each provided to the respective personnel.

Where additional work is required, the change management process shall be applied with the relevant Select Depot Manager to oversee the commissioning process until the asset is fully commissioned and available for use.

At this stage the custody of the asset is assumed by Select.

When received at the relevant Select depot a detailed Plant risk assessment must be undertaken by key LOR Rail Operations personnel. This is in addition to the Procurement risk assessment undertaken during the procurement stage by the OEM / supplier or Select itself.

**Procurement of Rolling Stock through Hire**

Where it is necessary for a project to require items of rolling stock from 3rd party suppliers unless there is alternative approved processes applied, all such hires must be sourced through the Select Hire Desk.

Where the Select Hire Desk procure items of rolling stock from 3rd party suppliers the pre-mobilisation process contained below must be applied with the plant assessor/manager maintaining a database within Fieldview of those items of rolling stock that have been issued with a Registration Sticker.

There are specific responsibilities applied to representatives from the project / operations, hire desk, plant assessor as well as the supplier.

The below process flow represents one plant inspection or mobilisation. The same process should be repeated for each asset within a suppliers fleet so that items are inspected in advance of the project requiring the plant. Expiry dates in Field View should be set to 12 months, and a designated person (or people) from the business should monitor the expiry dates in Field View and schedule reinspections in advance.

A registration sticker as identified below must be displayed on all items of plant supplied to Laing O’Rourke.
It will be the responsibility of a project representative to conduct a final check of the items and record the findings on E-C-8-0549e Mobilisation Checklist Workplace Acceptance form.

Audits of third party suppliers must be undertaken on an as needs basis in line with the Select audit program and be undertaken by a person competent in the operation of the respective items of rolling stock.

Let's all get home safely, every day.
**Introduction of Rolling Stock**

Procurement documents must ensure that the supplier is aware of the requirements of any applicable certification and registration process and is committed to assisting, through the provision of material such as documentation and test reports, Laing O’Rourke achieve this certification and / or registration efficiently. Where a supplier is unable to comply, for reasons such as design propriety, this should be brought to the attention of Select’s Plant Operations Manager immediately.

Prior to use on rail infrastructure, for any new or significantly altered rolling stock, the relevant Depot Manager must ensure the commissioning processes defined in E17A Commissioning of Rolling Stock are applied. Where rolling Stock is to operate across networks, arrangements must be made to have the relevant access agreements obtained from the respective network owners.

**LEGISLATION, GUIDES AND STANDARDS**

Rail Safety National Law
ONRSR Guideline Preparation of a Safety Management System
PS Plant and Equipment
Rail Infrastructure Manager’s rolling stock standards
Rail Industry Safety Standards Board Rolling Stock Standards

**FORMS, TEMPLATES AND REPORTS**

Supply Chain Audit
- Plant Hire: E-T-8-0596a
- Material suppliers: E-T-8-0596b
- Transport providers: E-T-8-0596c
- Service providers: E-8-T-0598d

E-C-8-0522i Track Bound Plant Procurement Checklist
E-C-8-0522j Road Rail Vehicle Procurement Checklist
E-C-8-0549e Mobilisation Checklist Workplace Acceptance

Inspection test and commissioning plan
Pre-mobilisation Checksheet relative to the item of rolling stock
E-P-8-0533 Fixed Asset & CAPEX purchase, transfer, disposal and depreciation