

Loss Control Suggestions for Scaffold & Rental Equipment Businesses

The following are suggestions for establishing a “paper trail” and working towards preventing loss. Should you have any questions about creating and implementing a proper loss control program for your business, please do not hesitate to contact your Allied Insurance Brokers representative.

1. All risks should have a written safety policy

This document is intended to convey to all the employees of the risk commitment to safety as envisioned by management. This can be done by a single document or multi-page.

2. Rental, rental and erection, and erection only risk should have hold harmless agreements either in their rental contract or in a separate form.

The strength of the insured’s loss control program is the ability to maintain a “paper trail”. This “paper trail” will include a completed and signed rental contract that incorporates a properly worded indemnity provision (hold harmless clause).

3. Rental, rental and erection, and erection only risk should furnish written instructions and/or safety sheets with each rental.

The SIA publishes this material identified as codes of safe practices. These documents convey to the users the necessary instructional and warning material.

4. The customer should sign for receiving the safety instructions.

As part of the well designed and executed rental contract a provision must be made for customers acknowledging receipt of the manufacturers written instructions and/or codes of safe practices.

5. Rental, rental and erection, and erection only risk should have customers’ signed agreement (preferably on the rental contract) to provide his own safety equipment when he (customer) refuses to accept such safety equipment.

A furthering of the paper trail documenting the customer’s acknowledgement to provide safety items if not supplied by the risk.

6. Rental, rental/erection, and erection risk should establish a record-keeping system to provide a full paper trail covering equipment sent out and returned.

The rental contract should incorporate an item count as should the return documents. This would provide the risk with the ability to document his inventory.

7. Rental risk should keep service and repair records for all serialized equipment.

Computerized or handwritten records are both acceptable.

8. Rental and rental/erection risks should post their policy and procedures for checkout and check-in of non-serialized items in the scaffold inventory.

This document further supports the insured’s paper trail by establishing procedures for non-serialized equipment.

9. Rental and rental/erection risks should remove equipment damaged beyond repair from regular stocking areas.

The removal of damaged equipment should occur as a result of the inspection process done before or after a rental.

10. Rental risk should remove equipment damaged beyond repair from regular stocking areas.

A red tag system simply prevents a product going back out on rent before it has been serviced or repaired.

11. Rental risk should not rent fall protection equipment with suspended scaffolding products.

Selling the fall protection equipment would be an acceptable risk.

12. Rental and erection and erection only risk should incorporate a check sheet to be signed by the risk and the risk customer for erection jobs.

The final aspect for the paper trail is to have the customer confirm that the scaffold has been erected according to OSHA standards.

13. Codes of Safe Practice should be passed out to all customers on the sale of scaffold equipment.

The risk should show on his sale invoice that the codes were provided at the time of the sale.

14. Distributing and rental risk should require manufacturers to provide Certificates of Insurance and, if possible, a broad form vendor's endorsement (where the risk is solely a distributor).

While the certificate simply confirms liability coverage in place, the broad form vendor's endorsement will provide a defense and indemnification for items sold by the distributor.

15. All risk handling rental of aerial platforms should have a Compliance Program in effect to respond to ANSI/SIA A92.

The ANSI A92 standards are critical to the risk paper trail. A compliance program must be established and in place.

16. Manufacturers should have their products designed and the design specifications for their products in writing.

If practical, a sample copy of design and design specifications should accompany the finalized report.

17. Manufacturers should have written quality control procedures to include inspection and test results.

These items must accompany the finalized report.

18. A manufacturer of aerial platforms should comply with ANSI/SIA A92 regarding controls, testing, guardrails, instructions and warnings, and providing manuals for the units.

This loss control suggestion is as crucial to the manufacturing risk as it is to the rental risk.

19. A formal recall procedure for manufacturers is highly desirable.

If the risk has a recall program a copy should be submitted.