



Fact Sheet

Definition of 'builder' for accreditation purposes

The Scheme

The Australian Government Building and Construction OHS Accreditation Scheme (the Scheme) is established by the *Building and Construction Industry Improvement Act 2005* (the BCII Act) and the *Building and Construction Industry Improvement (Accreditation Scheme) Regulations 2005* (the Regulations).

The Scheme operates such that only 'builders' who are accredited under the Scheme can enter into head contracts for building work that is funded directly or indirectly by the Australian Government, subject to certain conditions.

Definition of 'builder'

The BCII Act defines a builder, in relation to 'building work', as 'a person who carries out any of the building work'.

'Building work' can cover a number of activities, including commercial, civil and some residential works. As such 'builders' should also be read to include civil contractors.

For more information on what constitutes 'building work', refer to our fact sheet 'Definition of building work' and section 5 of the BCII Act.

Subcontractors and accreditation

Accreditation is not a requirement for subcontractors and they are specifically excluded from the Scheme by regulation 24(1)(f) of the Regulations.

Project managers, contract managers and developers

Where a project or contract manager, or developer carries out 'building work' in accordance with the BCII Act, they will be required to obtain Scheme accreditation.

However, where a project manager, contract manager or developer is not carrying out building work, they will not require accreditation.

In these circumstances, they will be required to engage an accredited builder or civil contractor to carry out the 'building work'.

Who in an Alliance or Joint Venture needs to be accredited?

In alliances and joint venture arrangements only the person carrying out 'building work' (that is, the builder or civil contractor) will require Scheme accreditation.

Importantly, in the event that multiple alliance or joint venture members will be undertaking building work, all builders and/or civil contractors party to the alliance or joint venture will require Scheme accreditation, even where the proportion of work is under \$3 million.

Informing the OFSC

When an accredited company becomes involved in any alliance or joint venture, they are required to contact the Office of the Federal Safety Commissioner (OFSC) with the following information:

- the entity's name
- the project they are tendering for or have been engaged on
- the companies involved in the project and 'building work' (as defined in section 5 of the BCII Act).

Reporting and Auditing responsibilities

Alliances and joint ventures vary in composition and complexity, and for this reason, the OFSC will determine reporting and auditing arrangements on a case by case basis.

For further information you can:

- visit the FSC website at fsc.gov.au
- contact the FSC Assist Line on **1800 652 500**
- contact the OFSC via email at ofsc@deewr.gov.au

This fact sheet is correct as of 22 December 2009. Produced by the Office of the Federal Safety Commissioner.

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