



Fact Sheet - Advice for funding recipients: Applying the Work Health and Safety Accreditation Scheme

The Australian Government is committed to improving workplace health and safety (WHS) in the building and construction industry.

As a funding recipient you may be obliged to engage a builder who has been accredited under the Work Health and Safety Accreditation Scheme or become accredited yourself if you undertake building work. The Scheme is established under the *Building and Construction Industry (Improving Productivity) Act 2016* (the Act) supported by the *Fair Work (Building Industry - Accreditation Scheme) Regulation 2016**. This fact sheet outlines your responsibilities and how to meet them.

How the Scheme affects you

Under the Act, Australian Government agencies can only fund 'building work' when, subject to thresholds, an accredited builder is engaged.

If an Australian Government agency has provided you with funding for building work, your funding agreement should include a clause requiring that contracts for building work are only entered into with builders accredited under the Scheme.

The Australian Government will be unable to make funds available to you should an unaccredited builder be engaged.

Subcontractors, project managers, architects, designers and other parties not undertaking building work do not require accreditation.

Financial thresholds

The Scheme applies to projects that are indirectly funded by the Australian Government where a head contract under the project includes building work of \$4 million or more (GST inclusive) AND:

- the value of the Australian Government contribution to the project is at least \$6 million and represents at least 50 per cent of the total construction project value or

- the Australian Government contribution to a project is \$10 million (including GST) or more, irrespective of the proportion of Australian Government funding.

Engaging a builder

Your tender documentation and contracts for building work must state that the Scheme applies to the project, and that you require the builder to be accredited under the Scheme in order to perform the work.

The Office of the Federal Safety Commissioner (OFSC) provides Model Clauses for use by funding recipients for these purposes. The Model Clauses are available at www.fsc.gov.au.

While the model clauses are recommended, they are not mandatory. Funding recipients and others may substitute these model clauses with their own, providing that the replacement clauses achieve at least the same effect of the model clause.

The OFSC model clauses are available at www.fsc.gov.au.

A list of accredited builders is also available at www.fsc.gov.au.

Joint Venture arrangements

In joint venture arrangements only the person/s conducting 'building work' will require Scheme accreditation.

Provisions apply for joint venture arrangements that include both accredited and unaccredited builders seeking to undertake Australian Government funded building work.

You should note that parties to a joint venture arrangement that include an unaccredited builder are required to provide certain undertakings to the Federal Safety Commissioner, before they may enter into a contract for building work.

The Federal Safety Commissioner will provide written acknowledgement to the joint venture partners, that the required undertakings have been received.

For information on joint venture arrangements under the Scheme, please refer to our Fact Sheet on Joint Venture Arrangements or please contact the OFSC.

Contract notification

Funding recipients are encouraged to notify the OFSC about the engagement of a successful builder after completing a procurement process, by completing a 'Client Agency Contract Notification Form'. This form and additional information on contract notifications are available on the OFSC's website at www.fsc.gov.au:

For further information:

- Visit the FSC website at www.fsc.gov.au
- Contact the FSC Assist Line on **1800 652 500**
- Contact the OFSC via email at ofsc@jobs.gov.au

This fact sheet was last updated 16 January 2020. The Office of the Federal Safety Commissioner (OFSC) has prepared this fact sheet for general information only, and it does not replace professional advice. This fact sheet is derived from a variety of sources and has been prepared without taking into account your individual objectives, situations or needs. You should consider your personal circumstances, and if appropriate, seek independent legal, financial or other professional advice before acting. The OFSC has endeavoured to ensure the currency and completeness of the information in this fact sheet at the time of publication; however, this information may change over time. The OFSC expressly disclaims any liability caused, whether directly or indirectly, to any person in respect of any action taken on the basis of the content of this fact sheet.

**The Fair Work (Building Industry – Accreditation Scheme) Regulation 2016 (which was continued in force by item 11 of Schedule 2 to the Building and Construction Industry (Consequential and Transitional Provisions) Act 2016 as rules made by the Minister for the purposes of section 43 of the Building and Construction Industry (Improving Productivity) Act 2016 (BCI Act)).*