



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 WHS Accreditation Scheme (the 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 *Building and Construction Industry (Improving Productivity) (Accreditation Scheme) Rules 2019* (the Rules). 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 or corporate Commonwealth entity 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 accredited builders when the project is captured under the Scheme and the financial thresholds are met.

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 and is valued at \$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.

More information on the application of the financial thresholds and when an accredited builder must be engaged is available in the fact sheet '**Applying the Scheme to indirectly funded building work**'.

Engaging a builder

If you are not a builder and intend to engage another entity to do the building work where the value of the contract is expected to meet the thresholds, you should ensure that:

- your tender documentation and contracts for building work state that the Scheme applies to the project, and
- the builder will need to be accredited and remain 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.

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 where the project is captured under the Scheme.

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 '**Joint Venture Arrangements**' or 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:

This fact sheet was last updated 15 April 2021. 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.

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@dewr.gov.au