

CPCCBC6018

MANAGE PROCESSES FOR COMPLYING WITH LEGAL OBLIGATIONS OF A BUILDING AND CONSTRUCTION CONTRACTOR

THEORY EXAM

Participant name	
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FOR THE PARTICIPANT

Instructions

- You will complete written questions as outlined on the following page. You must attempt all questions and provide enough detail in your response to demonstrate your knowledge.
- It is anticipated that you should complete this assessment within two (2) hours, but additional time may be allowed upon negotiation with the Assessor.
- You must complete all questions unassisted by the Assessor or other personnel but may refer to reference material as needed. All questions must be answered correctly for a 'Satisfactory' assessment outcome to be awarded.
- An oral examination may be allowed under certain circumstances, whereby your answers will be documented by another party.
- Any written questions that are incomplete, or not answered satisfactorily will need to be completed again after further training support.
- If you answer a question incorrectly but modify your response, put your initials next to the written change (or the Assessor must initial a verbal change).

Resources required

Pen

FOR THE ASSESSOR

Instructions

- Where oral examination has occurred, ensure that this is acknowledged in writing (e.g. FT001 and Assessor Comments).
- All questions must be satisfactorily demonstrated by the Participant for a Satisfactory determination (indicated by an Assessor tick to the right of the question).
- Assessors are to complete marking in pen of a different colour to the Participant.
- If the Participant verbally modifies their response, write in the modified response verbatim and put your initials next to the written change.

ASSESSOR COMMENTS

As necessary, outline:

- Details on reattempts, alternative arrangements or reasonable adjustments made.
- Where a Participant is deemed 'Not Satisfactory', provide recommendations for future training.

Q1. Discuss the following types of building contract and identify provisions relating to these in the State/Territory you are working.

State/Territory:

Answer

Contracts	Purpose/requirement
Commercial contract	e.g. Used exclusively for the construction of commercial buildings. Similar to residential contracts in most cases. Depending on the applicable zoning and other construction rules, additional permissions and paperwork may be required.
Residential contract	e.g. Qld – required for domestic building work over \$3,300. Contractor must provide customer with a consumer building guide before contract signing occurs, for any domestic building work priced at \$20,000 or more (i.e. level 2 contracts). Variations should be kept to a minimum to avoid cost overruns and potential confusion on site. It is important to document agreed variations in writing.
Lump Sum contract	e.g. Customer and the contractor agree on a "fixed fee" for the work to be done before work begins. This contract can be used to build both residential and commercial buildings. A lump sum construction contract is risky because the contractor has fewer options for modifying their price.
Sub-contract agreement	e.g. Agreement between the main contractor and a subcontractor relates to expert work performed on behalf of the main contractor on a construction project
Cost-plus contract	e.g. Specifies that a client agrees to reimburse a construction business for building expenses such as labour, materials, and other costs, as well as an additional payment, commonly expressed as a percentage of the total contract price. May include a guaranteed maximum price.



Q2. Discuss contract terms, conditions, and inclusions you are likely to encounter.

Answer

Should reflect but is not limited to clarification of: Terms- may include items such as Date for possession, progress, progress reports, delays and notifications, completion date, Suspension of works, and termination; Access to the construction site; Partial possession; Sub-contractors to be engaged; Quality of works; Practical completion; Insolvency; Contract sum and adjustment; Dispute resolution procedures and alternative dispute resolution; Compensation events; Injury, damage, and insurance; Payments, valuation (including off-site materials); Certificates, fluctuations, and retention; Statutory obligations; Testing and defects (defects liability period); Variations, prime cost sums, and provisional sums



Q3. Discuss the importance of adding variation clause to the contract and what you may need to include in the contract documents.

Answer

Should reflect but is not limited to: variations may be required to address changes in quantities of materials, changes to working conditions, changes to the design or quality or changes to the sequence of the work.

If the contract documents fail to accurately depict the actual works required, variations may be discovered. Because there is no implied ability to seek variations, contracts must include clear language conferring the authority to do so. In the absence of such written terms, the contractor is free to turn down requests for changes without consequence.



Q4. Discuss why builders should keep and maintain records of subcontractors, site supervisors and managers qualifications, competencies, and licences.

Answer

Should reflect knowledge of level of work that can be undertaken by subcontractors site supervisors and managers. To ensure that the person doing the work tasks is sufficiently qualified and holds the required licence to undertake the task.

Level of qualification will help to inform correct payment requirements.



Q5. Why would you access the Australian Business Licence and Information Service (ABLIS)?

Answer

Should reflect but is not limited to: to access information on state, territory, local and Australian government licences, permits, approvals, regulations and codes of practice.

The guided search uses information that users provide to find the information needed for their business.

The keyword search allows users to find information on specific licences and compliance information.

Through ABLIS, business operators and those intending to start a business can obtain detailed information to manage their compliance obligations.



Q6. How can you ensure you respond to changes to licensing arrangements in a timely manner?

Answer

Should reflect but is not limited to: Subscribe to relevant associations and newsletters be informed of changes as they occur. Diarise access dates to ABLIS and/or QBCC or equivalent to monitor for changes. Organise automated reminders for checking relevant websites such as QBCC.



Q7. Discuss areas of a building contract that may require you to organise professional legal advice.

Answer

Should reflect but is not limited to: The description of works and attached documentation such as architectural drawings; the list of specifications, finishes and fixtures, etc. These must be precise, adequately detailed and cover every aspect of the works to ensure both sides have the same ideas of the contracted job and how it will proceed. The solicitor can review agreed contract sum to ensure this is precise, reasonable and inclusive. The solicitor may check for milestones and a review process, including final sign-off. It is suggested to ensure payment schedules are precisely articulated, with amounts and dates and include agreed mechanism for resolving disputes. A section that demonstrates agreeing and documenting variations



Q8. What processes can you introduce and manage to enable the organisation to obtain effective legal advice relating to contract law?

Answer

Should reflect but is not limited to: Select a lawyer/solicitor who the workplace has used before or one that can demonstrate skills such as having experience dealt with contract law before and knows what to do; Keep a register of contacts applicable to contracts and include the solicitor/lawyer you prefer to work with.

Organise contracts management system software if not in place.

If not in place, organise and document policies and procedures that guide administration of contracts addressing legal and policy requirements.

Policies should include roles and responsibilities, Legal services procurement advice, contract management rules and guidelines, Contract register and recordkeeping requirements, related legislation and documents



Q9. Discuss the benefits of having a contract management system in place.

Answer

Should reflect but is not limited to: When people use the term contract management system, they usually mean an automated software that digitises contract lifecycle management. Automate highly complex approval routings so that the contract process takes less time from start to finish. This can include a combination of parallel and conditional approvals resulting in improved collaboration across different departments.. Assist in reducing risk while ensuring compliance and using advanced document management to get the data they need when they need it.



Q10. What mechanisms can you put in place to improve communication and dialogue with the client?

Answer

Should reflect but is not limited to: Agree and schedule routine communications, email or telephone call to the client with updates. Put together a communications plan that aligns with regularly used contracts. Employee training on communication, communication plans and conciliation. Put together a communications policy with procedures.



Q11. Describe what happens in conciliation.

Answer

Should reflect but is not limited to: Conciliation involves meeting/s to deal with issues such as claims for improvements or disputes. This is an interactive process involving two or more parties seeking agreement by sharing information and adjusting their views/positions while, as far as possible, preserving their interests. Conciliation begins by providing an overview of each parties roles and responsibilities, following this each party provides their side of the argument. If the disputing parties are still unable to agree, the conciliator may advise a next step, in which case both parties must act in good faith. After options have been broken down, a feasible agreement should be achieved. Conciliation is undertaken to avoid legal action and resolve issues between the parties.



Q12. Why would the builder change/adapt workplace procedures and workplace safety requirements at a new site?

Answer

Should reflect: to ensure the procedures are valid for the site and building requirements. Procedures and safety requirements, although similar must be applicable to the new work environment.

It may be an environment with specific environmental requirements, or it may be a situation where safety requirements must be altered such as working from heights requirements added, confined spaces or other safety concerns.

☐

Q13. Discuss strategies you can apply that ensure all workers are inducted, informed, and regularly updated of their on-site safety responsibilities.

Answer

Should reflect various procedures must be included in the policies and work schedule. e.g. Employee induction to include routine (updated) safety requirements; Site induction - a meeting of all involved in the build to discuss and clarify site specific safety requirements; Training – training regarding first aid and fire safety available to employees; Daily safety talks undertaken before the beginning of work on the site, to discuss the work schedule for the day and include days safety concerns and actions (e.g. signs/ barriers before truck arrives).

☐

Q14. A worker you have employed on the site has been injured and has lodged a request for workers compensation to reimburse their medical expenses. Explain the process you must follow in your State or Territory for claiming on behalf of the worker.

Answer

Should reflect the relevant claims process for the state/territory.



e.g. In Qld you may need to first notify Workplace Health and Safety Queensland (WHSQ) of the incident. If your worker was injured, you may also need to let WorkCover Queensland know.

If you have the worker's consent you can start the claim process on their behalf by submitting a claim form (unless you're self-insured).

Employers can access information on any existing claims by using the WorkCover Connect portal. Claims can be completed online by following the prompts.

Q15. What is inherent risk in construction? Discuss the factors to be considered in assessing risks inherent in building and construction projects.

Answer

Should reflect but is not limited to: Inherent risk is the amount of risk that exists when some threat goes untreated or unaddressed. Risks can be financial (theft, fraud, poor accounting, time and cost related, unexpected material costs) or physical such as safety hazards, incomplete drawings, site conditions, labour shortages, damage or theft. Adhere to risk management processes and the hierarchy of controls when eliminating, reducing and accepting risks.



Read the scenario below to respond to Q16. and Q17.

The subcontractor (first-tier subcontractor) you hired for this project is carrying on a business that is primarily in the building and construction industry. He has engaged another subcontractor (second-tier subcontractor) to assist with their current workload.

Q16. What subcontractor payments are you required to report to the Australian Taxation Office (ATO)?

Answer Should reflect: Payments made to the first-tier subcontractor ☐

Q17. Will the first-tier subcontractor also be required to report to the Australian Taxation Office (ATO)? Explain your answer.

Answer Should reflect: YES, the first-tier subcontractor must report payments made to the second-tier contractor. ☐

Q18. As the principal contractor, you will be withholding tax from the payments you make to your workers and contractors through PAYG withholding. Provide the four (4) activities that you must complete in compliance with the Australian Taxation Office's (ATO) requirements for those who make payments subject to withholding.

Answer ☐

1. Should reflect: four (4) activities that they must complete in compliance with the Australian Taxation Office's (ATO) requirements for those who make
2. payments subject to withholding. The response must be the following four (4) (in no particular order): register for PAYG withholding; lodge activity
3. statements and pay the withheld amounts to the ATO; Provide payment summaries to all employees and other payees by 14 July; Provide a PAYG
4. withholding payment summary annual report to the ATO by 14 August

Q19. Discuss the following types of insurance and the purpose that builders or building companies need to organise them.

Answer

Insurance	Purpose/requirement
Workers compensation	e.g. A type of insurance that can pay the wages and medical costs of employees who have been injured due to their employment. There is a scheme for each state and territory. Each one is governed by different laws and may vary in the way it operates. WorkCover Queensland is the provider of accident insurance for work-related injuries in Queensland.
Contract/Construction Works insurance	e.g. Tailored for construction businesses, can provide cover for the site and materials against theft, vandalism, fire, storm etc. throughout the construction period until handover. Policies may include public liability, materials in storage, stored offsite and in transit. Can include tools and plant. Financiers of construction projects generally require proof of construction insurance before they will make progress payments.
Public liability	e.g. The purpose of public liability insurance is to indemnify insured parties for legal liability to third parties for personal injury or property damage arising as a result of business activities. All parties that need to be insured must be included and may include current and past trading entities, subsidiaries, contract principals, subcontractors, consultants or others.
Professional indemnity	Used by estimators/ survey designers, this is designed to protect businesses that give professional advice or provide services to clients. If a client claims a mistake a business made caused them injury or financial loss, Professional Indemnity covers the cost of legal defence and damages.
Commercial Motor Vehicle	Designed to help your business cover the costs that may arise from accidental damage or theft of business vehicles. Limits apply to cost of personal property and tools stolen or damaged while in the vehicle.



Q20. Discuss how you can improve the organisational industrial relations climate while enforcing the company codes of conduct for employees and subcontractors.

Answer

Should reflect but is not limited to: Regular promotion of relevant workplace policies; Ask for feedback to ensure understanding of what is expected. Apply consultation methodologies within the organisation. Shou transparency and expect transparency in return. Consistent communication of the policies and procedures to your employees using induction packages, one-on-one training, the company intranet; an employee handbook; memos and noticeboards, undertake staff performance reviews, monitor work actions and behaviour. Listen and respond to feedback and issues.



Q21. What do the basic rights known as 'consumers' guarantees' cover?

Answer

Should reflect but is not limited to: Consumers have the right to expect certain things when they buy a product or service. These rights are protected under consumer law. Products and services that are normally bought for personal or household use are covered by consumer guarantees. A business is also a consumer, products or services bought for business use is covered by consumer guarantees, when it meets at least one of the following conditions: it costs less than \$100,000 including GST it is a product or service commonly bought for personal, domestic or household use. the good is a vehicle or trailer that is used mainly to transport goods on public roads



Read the scenario below to respond to Q22.

A Brisbane consumer hires a builder to undertake repairs on an outdoor patio. The consumer and the builder agree on a cost of \$4,200 but don't discuss the completion date. The builder starts the repairs but doesn't return for a month. The consumer claims that the service hasn't been supplied within a reasonable time even though heavy rain occurred during one (1) week of the month.

Q22. Discuss the compliance issues related to this activity and how this can be rectified.

Answer

Should reflect but is not limited to: Domestic building work over \$3,300, requires a contract. This contract should be in writing and not a verbal agreement, had a contract been used, a date for practical completion would have been agreed which would have made allowance for poor weather. Without the signed contract the consumer has no access to the benefits under the Queensland Home Warranty Scheme. This action is not compliant with the *Queensland Building and Construction Commission Act 1991* and the builder licence may be affected if reported to the QBCC.



Q23. Discuss how waste avoidance actions can be encouraged and monitored on-site.

Answer

May include but is not limited to actions including: Add topic to daily talks and/or toolbox talks; Offer reward system; Monitor actions of subcontractors and workers to ensure waste avoidance actions are understood and carried out.



CPCBC6018

MANAGE PROCESSES FOR COMPLYING WITH LEGAL OBLIGATIONS OF A BUILDING AND CONSTRUCTION CONTRACTOR

WORKBOOK

Participant name	
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FOR THE PARTICIPANT

Instructions

- You will complete written activities as outlined on the following pages. You must attempt all questions and provide enough detail in your responses to demonstrate your knowledge.
- The timeframe for these tasks will be established by your Assessor or Training Provider. Additional time may be allowed upon negotiation with the Assessor.
- You must complete all questions unless instructed otherwise by the Assessor or other personnel, but may refer to reference material as needed. All questions must be answered correctly for a 'Satisfactory' assessment outcome to be awarded.
- An oral examination may be allowed under certain circumstances, whereby your answers will be documented by another party.
- Any written questions that are incomplete, or not answered satisfactorily will need to be completed again after further training support.
- If you answer a question incorrectly but modify your response, put your initials next to the written change (or the Assessor must initial a verbal change).

Resources required

Pen

FOR THE ASSESSOR

Instructions

- Where oral examination has occurred, ensure that this is acknowledged in writing (e.g. FT001 and Assessor Comments)
- All questions must be satisfactorily demonstrated by the Participant for a Satisfactory determination (indicated by an Assessor tick to the right of the question).
- Assessors are to complete marking in pen of a different colour to the Participant.
- If the Participant verbally modifies their response, write in the modified response verbatim and put your initials next to the written change.

ASSESSOR COMMENTS

As necessary, outline:

- Details on reattempts, alternative arrangements or reasonable adjustments made.
- Where a Participant is deemed 'Not Satisfactory', provide recommendations for future training.

NOTE

At times, you will be provided with a specific business context to which you must respond, otherwise it is anticipated that you will use a workplace of your choosing (your own, or hypothetical) to provide the context to the task.

At all times, the responses in your assessment must reference **Australian** (Queensland or Federal) documentation, including legislation, regulations, codes of practice, standards and guidance publications.

ACTIVITY 1

Access the Queensland Building and Construction Commission to respond to the following questions.

- a) What is required to gain a Builder - medium rise licence?
- b) What is required to gain a Builder - low rise licence?
- c) Describe the scope of work for a Builder restricted to special structures (shade sails).

a) What is required to gain a Builder - medium rise licence?

e.g. You must have permission to work in Queensland; photographic id; evidence of business structure—if operating under a trading name, company, partnership or trust. You must have successfully completed a Diploma of Building and Construction (Building) (CPC50220) OR a course the commission considers is at least equivalent); OR a recognition certificate as a builder qualified to carry out the scope of work for the class; OR a qualification or statement of attainment of required competency for the class of licence. Evidence of qualifications in bricklaying/bricklaying or carpentry and two years' experience post apprenticeship. Or as documented on the site; Three referee reports which include confirmation of competency in the scope of works and supervisory experience claimed. Meet minimum financial requirements as per website by providing annual turnover documentation; Demonstrate safety management system in place to meet obligations under the Work Health and Safety Act 2011. Fee –determined by your annual turnover.

b) What is required to gain a Builder - low rise licence?

e.g. You must have permission to work in Queensland; photographic id; evidence of business structure—if operating under a trading name, company, partnership or trust; Evidence of successful completion of Certificate IV in Building and Construction (CPC40120) OR a course the commission considers is at least equivalent; A recognition certificate as a builder qualified to carry out the scope of work for the licence class OR qualification or statement of attainment of required competency for the class of licence. Evidence of qualifications in bricklaying/bricklaying or carpentry and two years' experience post apprenticeship. Or as documented on the site; evidence of experience building work (declaration) The majority of experience (i.e. greater than 50%) must be in Class 1 work; Three referee reports confirming experience; Meet minimum financial requirements as per website by providing annual turnover documentation; Demonstrate safety management system in place to meet obligations under the Work Health and Safety Act 2011. Fee – determined by your annual turnover.

c) Describe the scope of work for a Builder restricted to special structures (shade sails).

Construction, installation, maintenance or repair of membrane shade structures including metal brackets, cables and structural members for the structures.
Concreting work for footings for the structures, and
Prepare plans and specifications for membrane shade structures that are:
for the licensee's personal use, or for use in building work to be performed by the licensee personally.
Incidental work of another class.

**Satisfactory
Outcome**



ACTIVITY 2

Access the Fair Work Ombudsman website at <https://www.fairwork.gov.au/about-us/legislation#fair-work-legislation> and respond to the following questions.

- What is the purpose for the Fair Work Act 2009 and the Fair Work Regulations 2009?
- What actions are taken by the Fair Work Ombudsman in relation to compliance and enforcement?
- Describe the type of issues workers may contact the Fair Work Ombudsman about.

a) What is the purpose of the Fair Work Act 2009 and the Fair Work Regulations 2009?

e.g. To govern the employee and employer relationship in Australia.
These pieces of legislation provide a safety net of minimum entitlements, enable flexible working arrangements and provide fairness at work and prevent discrimination against employees.

b) What actions are taken by the Fair Work Ombudsman in relation to compliance and enforcement?

e.g. Not every request is investigated, serious issues are investigated and evidence such as time and wages records, employment contracts and other documents are collected, depending on what's being investigated. An infringement notice may be issued, this is similar to an on-the-spot fine. It can be issued by a Fair Work Inspector (FWI) to an employer who doesn't follow its record-keeping and pay slip obligations under Australian workplace laws.

If an employer doesn't cooperate with a Fair Work Inspector to fix a breach, a compliance notice can be issued instead of starting legal proceedings. If an employer doesn't comply with a compliance notice and we take them to court the employer can be fined.

c) Describe the type of issues workers may contact the Fair Work Ombudsman about.

e.g. Pay – award, agreements, allowances, pay slips, superannuation, migrant or visa workers

Termination – notices, entitlements

Bullying in the workplace

Employment status – employee or contractor.

**Satisfactory
Outcome**



ACTIVITY 3

Provide information that you would include in an email or memo to communicate to company employees and contractors:

- licencing and contract requirements for your State or Territory
- the consequences of non-compliance with relevant legal obligations and licensing requirements.

Answer:

e.g. Is your licence current? Are you looking to upgrade your licence?

Check the QBCC website for eligibility requirements.

We can help with Referee and Qualification requirements.

QBCC will send you a licence renewal notice one month before it is due.

If you don't pay your licence renewal fee by the due date, your licence may be suspended. This means you can't carry out any building work.

You have 3 months from licence expiry date to renew your licence. After that time QBCC may cancel your licence and you will have 3 months to apply to have it restored.

Are your contracts in writing and current?

A contractor commits an offence if they don't use a written contract which complies with the requirements of the QBCC act for regulated building.

Read this QBCC booklet for a summary of key legislative requirements, regarding contracts for the construction, renovation or repair of a home or associated domestic building work.

QBCC may prosecute or take disciplinary action and apply demerit points. This can lead to loss of licence and financial loss for the contractor.

**Satisfactory
Outcome**



ACTIVITY 4

Search the internet to locate information and training that you can organise that provide human resources administration staff information to assist them in understanding their responsibilities in relation to:

- a) insurance
- b) taxation matters.

a) Insurance

e.g. Access QBCC to learn of insurance requirements

e.g. Access to builder associations for information and subscriptions

e.g. Provide time during work hours for the employees to access to insurer websites for information

e.g. organise workplace mentoring and/or internal/external training

b) Taxation matters

e.g. Provide time during work hours for the employees to access to websites such as the ATO or appropriate personal with industry knowledge to determine and learn about Australian builders' taxation requirements

e.g. organise workplace mentoring

e.g. Encourage employees to subscribe to

e.g. consult with employees and if agreed, enrol them in a training program with an RTO

**Satisfactory
Outcome**



ACTIVITY 5

Write a Code of Conduct for all employees and subcontractors engaged in a building and construction company that outlines specific principles and standards of behaviour that underpin best practice and co-operation. Use the following headings for your Code of Conduct.

- a) Objectives
- b) Responsibilities
- c) Ethical principles
- d) Continuous improvement
- e) Project planning and contract documentation
- f) Management and administration of contracts
- g) Environmental management
- h) Security of payments
- i) Training and development
- j) Work health and safety
- k) Compliance

a) Objectives

e.g.

- Define ethics and standards of behaviour expected of all parties
- Encourage best practice and improve the performance of all parties
- Promote a cooperative (non-adversarial) approach by all parties in their dealings with
 - one another to achieve the objectives
 - outline expectations of performance for industrial relations
 - outline expectations for work health and safety and environmental management
 - encourage high standards and a commitment to comply with the spirit and intent of all laws, regulations, codes of practice and contracts
 - encourage professional development and industry training
 - support the principles of sustainable development and the use of technology

b) Responsibilities

e.g.

Parties shall make a positive commitment to develop relationships that are founded on common goals and shared benefits rather than conflict.

All parties to the Code are required to:

- comply with the Code and take action to address Code issues
- adopt and promote a cooperative approach and communicate honestly in all relationships and business dealings in all combinations and at all levels
- promote and strive to achieve the objectives
- improve skills and capabilities in specific area of expertise
- maintain confidentiality, particularly in connection with commercial issues
- operate within the law and comply with all relevant legislation, regulations, codes and policy regarding industrial relations, employment and training, work health and safety, and environmental management including the best practice principles for quality, safe workplaces.
- comply and promote compliance with the provisions of applicable awards and/or enterprise or project agreements, hours of work, dispute settlement procedures and all other legislative obligations relating to employment

c) Ethical principals

e.g.

- parties shall comply with all legislative obligations, including those required by trade practices and consumer affairs legislation
- parties shall not engage in practices such as collusion on tenders, inflation of prices to compensate unsuccessful tenderers, secret commissions or any other such improper arrangements
- parties shall adhere to workplace requirements, hours of work as set out in provisions of applicable awards and/or enterprise or project agreements
- parties shall not engage in practices that may cause harm to the business, physically or by reputation

d) Continuous improvement

e.g.

Required to:

- maintain and enhance company position in industry
- embrace best practice in:
 - business relationships and practices
 - organisational systems and standards
 - workforce-management policies and practices
 - time, cost and quality outcomes.

Commitment to continuous improvement and best practice will be tested and measured using criteria that reflect these qualities.

e) Project planning and contract documentation

e.g.

All parties have a responsibility to ensure that effective project planning is carried out and that an appropriate level of expertise and resourcing is applied.

All parties should adopt a proactive approach to project planning by:

- applying strategic management principles
- clearly defining project scopes
- developing clear risk-identification and management strategies
- identifying planning and resource issues early, including human, physical, work health and safety, rehabilitation, environmental and financial concerns
- establishing and maintaining well-defined lines of communication
- clearly defining roles and responsibilities
- deploying staff to tasks who have appropriate technical qualifications, skills and experience
- preparing contingency plans
- seeking approval to subcontract or sub-subcontract core works.

f) Management and administration of contracts

e.g.

All parties must devote an appropriate level of skill and competence to the management and administration of contracts. This incorporates:

- technical skills and experience
- financial skills
- knowledge of the applicable procurement and contract system
- commercial expertise
- identification and allocation of risk.
- Confidentiality
- Safe and appropriate storing of records and documents

g) Environmental management

e.g.

All parties shall work towards incorporating best-practice environmental management into the culture of their organisation. In this way, environmental practices that are above and beyond compliance with regulatory requirements will become integrated with day-to-day work practices.

All parties are to comply with all relevant legislation, associated regulations and environmental protection policies concerned with environmental protection.

h) Security of payment

e.g. At all levels throughout the contract chain, all parties are entitled to receive payments due to them under the contract. All parties are to comply with all relevant legislation concerning security of payment and to strive for best practice in this regard. In the context of best practice, this means a:

- responsibility on parties to consider, process, pay and finalise claims in a reasonable and timely manner
- requirement on parties to a claim to address, negotiate and settle any dispute in a reasonable, timely and cooperative way
- requirement by contractors, subcontractors, consultants and suppliers and employers to fulfil applicable industrial awards and/or certified agreements or legislative requirements regarding their employees
- responsibility to advise the client that wages and entitlements are owed to employees
- responsibility to seek approval to subcontract or sub-subcontract core works.

i) Training and development

e.g. Training and skill development on construction projects will be based on:

- compliance with training, skill development and equal employment opportunity policies for the construction industry
- training for the next generation of construction employees
- commitment to skilling workers to support technological changes
- equal employment strategies in non-traditional areas
- commitment to training, which leads to nationally recognised qualifications.

j) Work health and safety

e.g. Overall control of the management of work health and safety is the responsibility of the principal contractor as defined in the Work Health and Safety Act 2011.

The principal contractor, in meeting their duties under this Act, will:

- take all practical steps to ensure their service providers and workers engaged in work subject to the contract comply with all relevant legislation
- maintain a documented work health and safety management plan for each project
- develop a copy of the safe work method statement (SWMS) before high risk construction work commences and ensure compliance with SWMS
- implement a monitoring and self-assessment regime
- ensure on-site work health and safety provisions are met.

k) Compliance

e.g. A breach of the Code may also be a breach of contract and the contract manager will consider rights of enforcement or disciplinary action such as warnings.

**Satisfactory
Outcome**



ACTIVITY 6

Access the website for your State or Territory environmental regulator and respond to the following questions:

- What environmental authority conditions apply in relation to noise or dust at a sensitive place?
- Discuss guidelines regarding waste and waste avoidance that you can include in the site Environmental Management Plan (EMP).

a) What environmental authority conditions apply in relation to noise or dust odour, at a sensitive place?

e.g. (Environment DDES Qld) Environmental authority conditions apply that require companies to not cause environmental nuisance from noise at a sensitive receptor (a place where noise is measured to investigate whether impacts are occurring) or from dust, odour, light or smoke at a sensitive place.. The conditions also allow for alternative arrangements to be in place between the holder of the environmental authority and the person affected, or likely to be affected by the activity. Noise management plans can also be required to address how activities will be carried out, according to best practice noise management principles. Best-practice noise management principles include:

- noise impact assessments and emission calculations
- stakeholder engagement
- adoption of noise attenuating technologies for plant and equipment
- minimising background creep
- containing and minimising variable noise
- avoiding sleep disturbance.

Operators must ensure that the release of dust or any other airborne contaminants resulting from the activities do not cause an environmental nuisance to any sensitive receptor.

b) Discuss guidelines regarding waste and waste avoidance that you can include in the site Environmental Management Plan (EMP).

e.g. waste must be disposed of according to the Waste Reduction and Recycling Act 2011 (Qld)

Adhere to the three R's Recycle, reuse, remove.

Focus on waste avoidance – consider and action methods to avoid the generation of waste such as:

- use of materials that will be easy to modify in future and demolition works can be undertaken with a minimum of waste.
- make use of prefabrication of construction components off-site to reduce wastage on-site.
- specify exact requirements and minimise packaging, asking suppliers to take back packaging and unused materials, such as pallets and spare bricks
- Appropriate storage and management of materials and equipment on-site to minimise damage from weather and eliminating the need for the purchase of replacement and waste generation.

**Satisfactory
Outcome**



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MANAGE PROCESSES FOR COMPLYING WITH LEGAL OBLIGATIONS OF A BUILDING AND CONSTRUCTION CONTRACTOR

PRACTICAL ASSESSMENT

Participant name	
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FOR THE PARTICIPANT
Instructions
ANSWERS - The tasks outlined on the following pages will require performance of normal workplace activities, as a result of a structured activity set by an Observer in the workplace or a simulated activity set by your Assessor/Observer. - The timeframe for these tasks will be established by your Assessor/Observer, with consideration of location conditions and industry requirements. - You must complete all tasks as directed by the Assessor or other personnel unless the steps note this assistance. - You must attempt all tasks (and itemised steps) for a 'Satisfactory' assessment outcome to be awarded. - For an observation conducted that is incomplete, or without satisfactory performance, the observation will need to be completed again after further training support.

FOR THE ASSESSOR/OBSERVER
Instructions
- The following observation record should be used to judge and record your observations of the Participant as they complete the task(s) set. You must record your observations of the Participant's performance. - For each occasion, indicate the task performed and whether it was a simulation or workplace-based task. - Any simulated assessment must ensure the Participant still performs under workplace conditions which reflect industry standards. - In the comments, provide clear detail regarding the task that the Participant was required to do (e.g. PPE used, materials handled, attachments connected, plant types). - All steps must be satisfactorily demonstrated by the Participant for a 'Satisfactory' determination (indicated by an Assessor tick to the right of each itemised step, or an Observer tick to the right of each itemised step, and confirmation by an Assessor in the Assessor Comments). - Where you have determined that one or more task steps have not been satisfactorily demonstrated, provide the Participant with additional support and outline details of such assistance in the Assessor/Observer Comments. Allow the Participant two (2) further opportunities to demonstrate the task again to allow an opportunity for a 'Satisfactory' assessment outcome to be achieved. - If after three (3) attempts the Assessor determines that the Participant cannot demonstrate the required steps, a 'Not Satisfactory' outcome is to be determined.

TASK OUTCOME					
Task	Date	Task Type (Tick)	Location	Task outcome (Tick)	
				Satisfactory	Not Satisfactory
Task 1		☐ Workplace ☐ Simulation		☐	☐

ASSESSOR COMMENTS: GENERAL

As necessary, outline:

- Details on reattempts, alternative arrangements or reasonable adjustments made.
- Where a Participant is deemed 'Not Satisfactory', provide recommendations for future training.

ASSESSOR COMMENTS: PRACTICAL TASK 1

- ☐ Individual student (as named on cover page)
- ☐ Multiple students [☐ All from Attendance Report, ☐ Specific students involved – identify students]

Task	Provide detail
1.1A.	Specify type of building contract reviewed where provisions of the contract, terms, conditions, inclusions and variations were correctly identified: e.g. specify the type of contract reviewed – copy must also be provided.
1.1B. 1.1E.	Specify how building contractor licencing and contract requirements were reviewed for compliance: e.g. accessed QBCC for current compliance and licencing requirements for type of building
1.1C.	Specify how contractor licensing and contract requirements and non-compliance were communicated to workplace employees and others: e.g. face to face meeting; via email;
1.1F.	Specify where the application for necessary building or construction licenses was made: e.g. QBCC
1.2A.	Specify which areas of the contract reviewed required professional legal advice. e.g. variations
1.2B.	Specify processes managed to enable the workplace to obtain such legal advice. e.g. Agreement with the client and contracts solicitor obtained.
1.2C.	Specify contracts management system introduced and managed: Specify name of software introduced and managed, if in place specify how updates are obtained.

ASSESSOR COMMENTS: PRACTICAL TASK 1	
1.2D.	Specify how the efficiency and performance of the contract management systems and users was maintained: e.g. Documented user handbook; assisted in training of personnel in use of software system. Managed updates; checked input of information was correct and current.
1.2E.	Specify mechanisms applied and maintained to facilitate improved communications and dialogue with client: e.g. development and updates to communications plan; logged communications with milestones within the contract management system.
1.3A.	Specify administration systems developed and managed that facilitate conforming with workplace WHS responsibilities: e.g. Files and folders applicable to site, worker and public safety, including site safety plan, Hazard and risk assessment, emergency management, facility management, Bullying, workers compensation, SWMS and SOPs
1.3A. 1.3B. 1.6A.	Specify administration systems developed and managed that facilitate conforming with workplace Environmental responsibilities: EMP including: waste management, dust, noise abatement and working hours'.
1.4A. 1.4B.	Specify systems introduced and managed to ensure insurance and taxation requirements are met: e.g. subscription to insurer and tax dept for updates; log insurance requirement with specific contracts in contract management system for notifications; organised training and mentoring for administration personnel
1.4C.	Specify problems, symptoms and causes of non-compliance recognised and solutions generated: e.g. no awareness of updates and changes to requirements in any governmental area – solved by subscribing to notifications and information.
1.5C.	Specify remedial action undertaken where evidence of non-compliance with consumer protection principles is identified: e.g. disciplinary actions, stern meeting, suspended from site, warning letter
1.6B.	Specify how supply and removal of subcontract works and materials are monitored for compliance with EMP: e.g. observing work site behaviour during delivery, storage and waste handling
1.6C.	Specify changes to legislation or environmental requirements recorded and relevant organisational activities and systems altered to ensure ongoing compliance: e.g. EMP changed to include information relating to avoidance of waste