



Australian Government

CPCCB6018A Manage processes for complying with legal obligations of a building or construction contractor

Release 1

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Modification History

Changes to unit title, descriptor, application, required knowledge and critical aspects
Not equivalent to CPCBC6004A

Unit Descriptor

This unit of competency specifies the outcomes required to manage the processes to ensure the legal obligations of a building or construction contractor involved in either residential or commercial contracting projects are fully met.

It involves managing relationships with advisors and ensuring that the organisation meets the requirements of licensing, health and safety, welfare, workers compensation, taxation, insurance, fair trading and environmental legislation.

Application of the Unit

This unit of competency supports builders, project managers and related construction industry professionals responsible for ensuring the legal obligations of a contractor are met.

Licensing/Regulatory Information

Not applicable.

Pre-Requisites

Nil

Employability Skills Information

This unit contains employability skills.

Elements and Performance Criteria Pre-Content

Elements describe the essential outcomes of a unit of competency.

Performance criteria describe the performance needed to demonstrate achievement of the element. Where bold italicised text is used, further information is detailed in the required skills and knowledge section and the range statement. Assessment of performance is to be consistent with the evidence guide.

Elements and Performance Criteria

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| 1 | Manage compliance with laws relating to establishing and licensing of a building contractor. | 1.1 | Company employees are aware of and comply with requirements of <i>laws relating to establishing and licensing of a building contractor</i> . |
| | | 1.2 | Company takes necessary steps to obtain the necessary building or construction licenses. |
| | | 1.3 | Changes to licensing arrangements are identified and responded to in a timely manner. |
| | | 1.4 | Staff members are advised of the consequences of non-compliance with relevant legal obligations. |
| 2 | Manage relationships on legal matters. | 2.1 | Processes are introduced and managed which enable the company to obtain such legal advice as may be required in relation to particular contracts. |
| | | 2.2 | Systems are introduced and managed through which legal interpretations of contract clauses or clauses within tender documents may be obtained before submission of the tender. |
| | | 2.3 | Mechanisms for dialogue are established and managed between the company and the client to improve communication and facilitate conciliation. |

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| 3 | Manage the administration of regulations relating to work health and safety (WHS) and welfare, workers' compensation, noise abatement and working hours. | 3.1 | Administration systems that facilitate the organisation conforming to its obligations and regulations under WHS and welfare, workers' compensation, noise abatement and working hours, are developed and managed. |
| | | 3.2 | Records demonstrating organisational compliance with legal obligations are maintained and managed. |
| | | 3.3 | Administrative guidelines and facilities for the proper and secure storage of organisational legal documentation are established and managed. |
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| 4 | Manage company compliance with taxation and insurance requirements of federal, state and territory legislation. | 4.1 | Systems that support and maintain organisational capacity to meet legal obligations with regard to insurance and taxation are instigated and managed. |
| | | 4.2 | Personnel receive appropriate training and instruction in matters relating to insurance and taxation and are made aware of their responsibilities. |
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| 5 | Manage organisational obligations and observe fair trading practice. | 5.1 | Practices and policies are developed and implemented which facilitate the organisation meeting its obligations to its clients, subcontractors and employees. |
| | | 5.2 | Codes of conduct are established and enforced for all employees and subcontractors. |
| | | 5.3 | Remedial action is taken where evidence of non-compliance with fair trading principles is identified. |
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| 6 | Manage compliance with environmental legislation. | 6.1 | Mechanisms to gather information in relation to the organisational environmental management plan are established and managed. |
| | | 6.2 | Supply and removal of subcontract works and materials are managed and subject to constant scrutiny to ensure compliance with environmental standards. |
| | | 6.3 | Changes to legislation or environmental requirements are recorded and organisational activities and systems altered to ensure ongoing compliance. |

Required Skills and Knowledge

This section describes the skills and knowledge required for this unit.

Required skills

- communication skills to:
 - enable clear and direct communication, using questioning to identify and confirm requirements, share information, listen and understand
 - communicate with clients
 - provide information and training to staff
 - use and interpret non-verbal communication
 - use language and concepts appropriate to cultural differences
 - written skills to maintain records
- initiative and enterprise skills to conceptualise and envisage unique solutions to complex problems and situations
- facilitation skills to implement new and modified contract management systems
- literacy skills to:
 - interpret strategic and often ambiguous information to ensure logical and practical decisions
 - read and interpret legislation, contracts and other relevant documentation
- management skills to delegate tasks within specific functional guidelines and direct the activities of personnel involved in the contracts management process
- supervisory skills to monitor and oversee the performance of the contract management systems and individuals involved in the process
- technology skills to facilitate use of the organisation's software and office equipment

Required knowledge

- appropriate sector of the building and construction industry and the nature of the contracts upon which its activities are based
- factors to be considered in assessing the risk inherent in different types of building and construction projects
- financial and business administration principles commensurate with organisational needs
- human resource practices and the industry's industrial relations climate and practices
- legislative, regulatory, and administrative obligations incumbent on a building and construction contractor for licensing, WHS, welfare, workers compensation, noise abatement, working hours, taxation, insurance, fair trading and care of the environment

Evidence Guide

The evidence guide provides advice on assessment and must be read in conjunction with the performance criteria, required skills and knowledge, range statement and the Assessment Guidelines for the Training Package.

Overview of assessment

This unit of competency could be assessed by the development and implementation of policies, practices and administrative measures which ensure an organisation meets its legal obligations in a timely manner.

This unit of competency can be assessed in the workplace or a close simulation of the workplace environment, provided that simulated or project-based assessment techniques fully replicate construction workplace conditions, materials, activities, responsibilities and procedures.

Critical aspects for assessment and evidence required to demonstrate competency in this unit

A person who demonstrates competency in this unit must be able to provide evidence of the ability to:

- ensure contractor licensing requirements are met
- develop and maintain relationships with appropriate legal advisors and obtain advice and clarification as required
- establish and maintain suitable communication mechanisms between the organisation and its clients
- develop and manage administrative systems to facilitate compliance with legislation
- develop and manage appropriate record-keeping procedures and storage of legal documentation
- ensure relevant personnel are informed, trained and updated regarding legal requirements and consequences of non-compliance
- manage organisational activities and systems to ensure ongoing legal compliance.

Context of and specific resources for assessment

This competency is to be assessed using standard and authorised work practices, safety requirements and environmental constraints.

Assessment of essential underpinning knowledge will usually be conducted in an off-site context.

Assessment is to comply with relevant regulatory or

Australian standards' requirements.

Resource implications for assessment include:

- documentation normally available in either a building or construction office
- relevant codes, standards and regulations
- office equipment, including calculators, photocopiers and telephone systems
- computers with appropriate software
- a technical reference library with current publications on measurement, design, building construction and manufacturers' product literature
- copies of appropriate awards and workplace agreements
- a suitable work area appropriate to the construction process.

Reasonable adjustments for people with disabilities must be made to assessment processes where required. This could include access to modified equipment and other physical resources, and the provision of appropriate assessment support.

Method of assessment

Assessment methods must:

- satisfy the endorsed Assessment Guidelines of the Construction, Plumbing and Services Training Package
- include direct observation of tasks in real or simulated work conditions, with questioning to confirm the ability to consistently identify and correctly interpret the essential underpinning knowledge required for practical application
- reinforce the integration of employability skills with workplace tasks and job roles
- confirm that competency is verified and able to be transferred to other circumstances and environments.

Validity and sufficiency of evidence requires that:

- competency will need to be demonstrated over a period of time reflecting the scope of the role and the practical requirements of the workplace
- where the assessment is part of a structured learning experience the evidence collected must relate to a number of performances assessed at different points in time and separated by further

learning and practice, with a decision on competency only taken at the point when the assessor has complete confidence in the person's demonstrated ability and applied knowledge

- all assessment that is part of a structured learning experience must include a combination of direct, indirect and supplementary evidence.

Assessment processes and techniques should as far as is practical take into account the language, literacy and numeracy capacity of the candidate in relation to the competency being assessed.

Supplementary evidence of competency may be obtained from relevant authenticated documentation from third parties, such as existing supervisors, team leaders or specialist training staff.

Range Statement

The range statement relates to the unit of competency as a whole. It allows for different work environments and situations that may affect performance. Bold italicised wording, if used in the performance criteria, is detailed below. Essential operating conditions that may be present with training and assessment (depending on the work situation, needs of the candidate, accessibility of the item, and local industry and regional contexts) may also be included.

Laws relating to establishing and licensing of a building contractor include state laws such as:

- Builders Registration Act 1939 and the Home Building Contracts Act 1991 in Western Australia
- Home Building Act and Regulations 1989 in New South Wales.

Regulations include:

- federal, state or territory environmental protection legislation
- local government Acts and the by-laws derived from them
- state and federal industrial relations legislation
- state codes of practice applicable to the various regulations
- state laws, such as the Workers Compensation and Rehabilitation Act 1981 in Western Australia
- state WHS legislation and regulations.

Legal obligations with regard to insurance and taxation include:

- appropriate business and project insurances
- Fringe Benefits Tax Act 1986
- Goods and Services Tax Act 1999
- Income Tax Assessment Act 1987
- Insurance Contracts Act 1984
- pay-as-you-go (PAYG) taxes
- payroll tax
- stamp duty
- workers' compensation.

Unit Sector(s)

Functional area

Unit sector Construction

Custom Content Section

Not applicable.