



Guidelines to apply for a Building Work Contractors Licence Body Corporate

Licensing and Registration

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Who needs to be licensed?

A body corporate must be licensed as a building work contractor if it carries on the business of performing building work for others or performing building work with a view to the sale or letting of land or buildings improved by that work. The body corporate (eg a company) must hold its own licence; it is not covered by a licence held by one of its directors or shareholders. Licences usually contain conditions restricting the scope of work they cover.

Please note:

“Performing” building work includes causing building work to be performed or organising or arranging for the performance of building work.

“Building work” includes a broad range of construction, trade and associated work. It includes demolition and site preparation work.

Licence eligibility

A body corporate is entitled to be licensed as a building work contractor if it meets the following criteria:

- The body corporate and each of its directors are not suspended or disqualified from practicing or carrying on an occupation, trade or business under Australian law.
- It is not being wound up and is not under official management or receivership.
- During the last 10 years no director has been an insolvent under administration within the meaning of the *Corporations Act 2001* (eg bankrupt) or subject to a composition or deed or scheme of arrangement with or for the benefit of creditors.
- During the last 10 years no director has been a director of a body corporate wound up for the benefit of creditors when it was being wound up or within 12 months before it commenced winding up.
- The directors have sufficient business knowledge and experience to properly direct the business to be authorised by the licence.
- Each director is a fit and proper person.
- The body corporate has sufficient financial resources.

How to apply for a licence

To apply for a building work contractors licence, please call our office or come into our Adelaide office and we will ask you a series of questions and complete the application form for you. You can then check and lodge this form, along with the supporting documentation listed below.

For further information on licensing requirements or to commence the application process, please contact the Construction Industry Licensing section on 131 882.

Information to be provided with your application

National Police Certificate

A National Police Certificate is required for all directors, except when:

- The applicant company is listed on the Australian Stock Exchange or is a subsidiary and the director is also a director of the listed company;
- The applicant is a body established by statute (eg a council or Government authority);
- The director has lodged a National Police Certificate with CBS within the previous 12 months; or
- The director is an overseas resident who has never resided in Australia.

The certificates must be no more than three months old at the time of lodging your application and must be either original documents or certified copies. To obtain these certificates, please apply direct to the South Australia Police or interstate police authority for any director who resides in another State.

Business qualifications

At least one director must hold one of the approved business qualifications (as listed in the *Business Qualifications* section below) and must provide a copy of their qualification. This must be an original document or a certified copy.

Financial information

You must provide evidence to show that the company meets the financial requirements (as listed in the *Financial Requirements* section below) for the type of licence sought.

Company extract

You must provide a copy of the company's extract from the Australian Securities and Investments Commission. The extract must be no more than three months old at the time of lodging your application.

Fees

All applications must be accompanied by the application and pre-grant fees listed on the attached fee schedule.

Nomination of a building work supervisor

A company will be required to nominate an appropriately registered building work supervisor to ensure that the work performed is properly supervised and meets required standards. This person must be either a director or employee of the company (not a sub-contractor or consultant) and their registration must cover all of the work to be authorised by the company's building work contractors licence. Alternatively, the company may nominate more than one supervisor, provided that their registrations, either individually or combined, cover all of the work to be authorised by the company's building work contractors licence.

If the company does not have an approved supervisor in place for more than 28 days, its licence is suspended.

Certified copies

Any copies of documents you supply with your application can be certified by a person authorised to do so under the *Statutory Declarations Act 1959* (see list below). They can do this by comparing the copy against the original, writing "Verified to be a true copy" on the document, signing it and printing their name and profession.

Please note that any documents lodged with us cannot be returned to you. If you wish to retain your originals, please obtain certified copies and lodge these with your application.

Persons who can certify documents

- Bailiff
- CEO of a Commonwealth court
- Chiropractor
- Civil marriage celebrant
- Clerk of a court
- Dentist
- Judge of a court
- Justice of the Peace
- Legal practitioner
- Magistrate
- Master of a court
- Medical practitioner
- Notary public
- Nurse
- Patent attorney
- Pharmacist
- Police officer
- Registrar of a court
- Deputy Registrar of a court
- Sherriff or Sheriff's officer
- Veterinary surgeon
- Teacher employed on a full-time basis at a school or tertiary education institution
- Agent of the Australian Postal Corporation who is in charge of an office supplying postal services to the public
- Australian Consular Officer, or Australian Diplomatic Officer, (within the meaning of the *Consular Fees Act 1985*)
- Bank, building society or credit union officer with 5 or more continuous years of service
- Commissioner for Affidavits or Commissioner for Declarations
- Member of the Australian Defence Force who is an officer; a non-commissioned officer with 5 or more years of continuous service; or a warrant officer
- Member of the Institute of Chartered Accountants in Australia, the Australian Society of Certified Practising Accountants or the National Institute of Accountants
- Member of the Institute of Corporate Managers, Secretaries and Administrators
- Member of the Institution of Engineers, Australia, other than at the grade of student
- Member of the: Parliament of the Commonwealth; or the Parliament of a State; or a Territory legislature; or a local government authority of a State or Territory
- Minister of religion registered under the Marriage Act 1961
- Permanent employee of the Australian Postal Corporation with 5 or more years of continuous service employed in an office supplying postal services to the public
- Permanent employee, with 5 or more years of continuous service, of: the Commonwealth or of a Commonwealth authority; or a State or Territory or of a State or Territory authority; or a local government authority.
- Senior Executive Service officer of the Commonwealth, or of a State or Territory, or of a Commonwealth, State or Territory authority

Fee schedule

Fees and charges effective 1 July 2011 and reviewed annually

No GST is applicable - our ABN is 15 088 976 178

Application fees

Application for a building work contractors licence	\$173.00
Application for approval of a building work supervisor	\$103.00

Pre-grant fee (equivalent to the first annual fee)

Any building work	\$809.00
Light commercial/industrial and residential building work	\$809.00
Residential building work	\$809.00
Specified building work.	\$412.00

Note

- The fees payable for your application will be listed on the application form we prepare for you.
- If your application is refused or withdrawn, your pre-grant fee will be refunded.
- Application fees are generally non-refundable.
- Fees and charges are subject to change and are usually adjusted each financial year.

Maintaining a contractors licence

To maintain your contractors licence you are required to lodge a return together with a fee annually. Penalty fees can apply for late lodgement.

Business qualifications for building work contractors

To meet the business knowledge and experience requirements to be granted a building work contractors licence, at least one director must hold one of the qualifications below.

Please Note:

- All qualifications and documentation submitted with an application must be in the person's full and legal name and must be an original or certified copy.
- If a director does not presently hold one of the approved qualifications but believes they have equivalent knowledge, they can have this assessed by contacting any Registered Training Organisation that delivers an approved qualification listed below and seeking Recognition of Prior Learning for that qualification.

1

Currently hold a contractor licence under the *Building Work Contractors Act 1995*; *Plumbers, Gas Fitters and Electricians Act 1995* or *Security and Investigation Agents Act 1995*, which authorises you to carry on business as a sole trader or as a sole director; or currently hold an interstate licence to contract as a builder.

OR

2

The applicant is a company listed on the Australian Stock Exchange or a subsidiary of a listed company.

OR

3

A Statement of Attainment showing successful completion of, or status granted in, the following two units of competency conferred by a Registered Training Organisation to deliver the units:

- BSBSBM401A/ BSBSMB401A - Establish business & legal requirements/Establish legal and risk management requirements of small business; and
- BSBSBM402A/BSBSMB402A - Undertake financial planning/Plan small business finances.

OR

4

A Statement of Attainment showing successful completion of, or status granted in, the following two units of competency from the *BCG03 General Training Package* or *CPC08 Construction, Plumbing and Services Training Package*, conferred by a Registered Training Organisation:

- BCGBC4009A/CPCCBC4009A - Apply legal requirements to building and construction projects; and
- BSBSBM406A/BSBSMB406A - Manage finances/Manage small business finances

OR

5

An academic statement showing successful completion of, or status granted in the four modules from the Certificate IV in Small Business Management:

- Cost Profit Breakeven; and
- Business Finance; and
- Ownership Structures; and
- Business Law.

OR

6

Successful completion of a business, economics or accounting related degree or diploma from Australia or New Zealand.

OR

7

One of the following approved qualifications:

- Contractors Management Program Certificate IV - Master Builders Association
- Diploma in Building - TAFE SA ADELAIDE SOUTH - Marleston Campus (with academic record)
- Certificate IV in Building - TAFE SA ADELAIDE SOUTH - Marleston Campus (with academic record)
- Business Management for Building 1 (AQF 4) & Business Management for Building 2 (AQF 5) - Housing Industry Association (with academic record)

Contractor licence is dependant upon specific modules completed of the above courses. For details of the *specified modules and sections* please contact the Occupational Licensing and Registration Branch.

OR

8

Successful completion of a Bachelor of Construction Management & Economics degree (Delivered by University of SA).

REGISTERED TRAINING ORGANISATIONS

Below is a list of Registered Training Organisations known to CBS to be offering one or more of the approved qualifications:

- TAFE SA - 1800 882 661
- Housing Industry Association - (08) 8340 5900
- Master Builders Association - (08) 8211 7466
- Peer VEET - (08) 8348 1200
- Training Prospects - (08) 8287 2566
- BRACE (Education Training & Employment) - (08) 8440 2404

For further information please contact the Licensing and Registration Branch on **131 882** or send an email to **bld.bos@agd.sa.gov.au**.

Office Hours: **8.30am to 5pm, Monday to Friday** (excluding public holidays).

Financial requirements for building work contractors

To qualify for a building work contractors licence, a body corporate must have sufficient financial resources for the purposes of properly carrying on the business to be authorised by the licence. An applicant can meet this requirement by satisfying one of the requirements below.

Specified building work

This type of licence authorises trade work or similar. To meet the financial requirements, the company must either:

- Have a minimum of \$10,000 in tangible net assets. Where the company will be carrying on the building business as a trustee, this includes the net tangible assets of the trust.

or

- Provide a letter from a Chartered Accountant, Certified Practising Accountant or NIA Public Accountant certifying that the accountant has examined the financial position of the company, the company is solvent and has an ongoing (minimum 12 months) source of finance in place sufficient to meet its business needs.

If the company cannot meet either of these requirements, it can still qualify for a licence restricted to subcontracting to licensed builders.

Residential building work

This type of licence authorises the construction of major residential building work that requires Building Indemnity Insurance. To meet the financial requirements, the company must either:

- Provide a certificate of eligibility for Building Indemnity Insurance;

or

- Provide a letter from a Chartered Accountant, Certified Practising Accountant or NIA Public Accountant certifying that the company has at least \$100,000 in tangible net assets and is solvent. Where the company will be carrying on the building business as a trustee, this includes the net tangible assets of the trust.

Industrial, commercial and civil builders

This type of licence authorises the construction of major non-residential building work. To meet the financial requirements, the company must provide a declaration on the licence application form that it is solvent and has access to sufficient financial resources to carry on this type of business.

Any building work

This type of licence authorises the construction of all types of building work. The financial requirements are the same as those above for residential building work licences.