## Welcome



Thank you for joining today's roundtable on Licensing Framework – Proposals in the Building Bill.

The roundtable will begin at 1pm.

# Licensing Framework – Proposals in the Building Bill



Licensing Proposals in the Building Bill

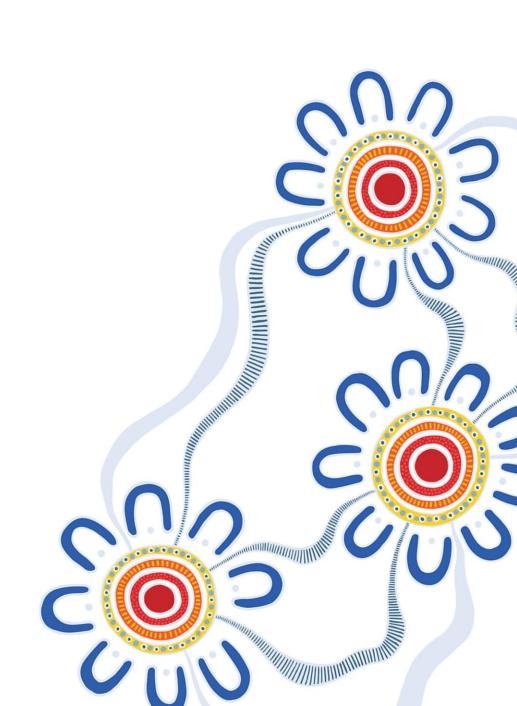
Tuesday, 18 July 2023

# Acknowledgement of Country

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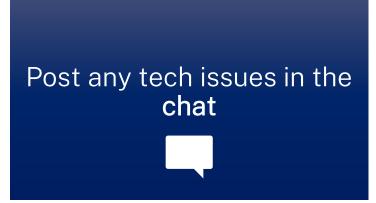
The 'Connecting Communities' artwork used here is by Alison Williams, a proud Gumbaynggirr woman.



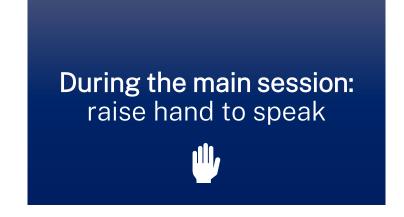
### Participating in today's roundtable

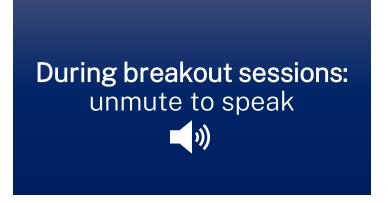












## Agenda



#	Agenda Item	Time
1	Welcome and introduction	1:00 pm – 1:10 pm
2	Part 1: Framework  • Presentation  • Breakout session	1:10 pm – 2:00 pm
3	Part 2: Licence class changes  • Presentation  • Breakout session	2:00 pm – 2:40 pm
4	10 min break	2:40 pm – 2:50 pm
5	Part 3: Using licensing to support career growth  • Presentation  • Breakout session	2:50 pm – 3:30 pm
6	Next steps, general Q&A and close	3:30 pm – 3:45 pm

## Review of the Home Building Act 1989



2021 and 2022

Sept 2022

Nov 2022

Nov 22-Jun 23

Jun 2023

Jul 2023

Jul 23-2024

Q2 2024

2025-2026

Industry roundtables, focus groups and written submissions

Draft
Building Bill
released for
public
consultation

Public consultation closed

Department reviewed submissions and revised proposals

Released Licensing Proposals paper Industry roundtables to refine proposals

Ongoing engagement and drafting

Building Bill scheduled for Parliament Building Act proposed to take effect

## Licensing Proposals paper

- What work needs a licence?
- Proposed licence classes
  - Specialist work
  - Builders
  - Trades
  - Design work
- Description of works authorised by each licence
- In scope (C)

- Owner-builder permits
- CPD
- Qualifications
- Fire safety licensing
- Engineers
- Pre-fabricated building work

Out of scope



Department of Customer Service



#### Building Bill 2023 -Licensing Proposals

A review of building licensing and registration in NSW

June 2023



Written submissions due to <a href="mailto:hbareview@customers">hbareview@customers</a> ervice.nsw.gov.au by COB 11 August 2023

## Part 1: Framework



### What work will need a licence?



### Regulated work on:

Class 1 and 2 (residential)

Class 3 and Class 4 parts (other residential e.g. boarding house)

Class 5 (offices)

Class 6 (shops, restaurants)

Class 7 (storage)

Class 8 (factories)

Class 9 (public buildings)

Class 10 (nonhabitable buildings or structures) A value threshold of \$3,000 will apply to licensing requirements for most work

Some high-risk work (e.g. specialist work) will require a licence regardless of value



Civil construction will be excluded from licensing requirements

### Who can apply for a licence?









Unlicensed persons e.g. labourers must work under the supervision of a licensed person

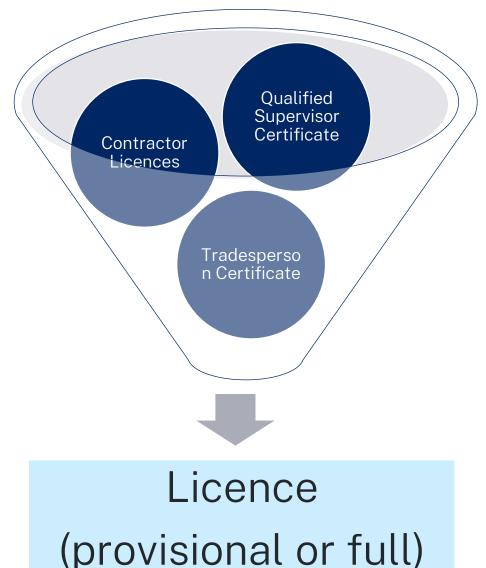


Corporations must have at least one **nominee** who is responsible for supervising work and ensuring it is delivered to standard

## What licences will be available?

- •Can obtain a provisional licence while they gain required skills and experience
- Needs to work under supervision until they attain a full licence

Case study: Tradesperson without required qualifications e.g. from interstate or overseas





## Licensing framework in practice



- Simplified customer experience
- Saves fees by not needing a qualified supervisor certificate (QSC)

Small business owner / sole trader



- Must obtain licence
- If unable to obtain licence, must work under supervision

Current QSC/ TPC holder



- More flexibility around nominee, including multiple nominees
- More oversight and accountability e.g. documented procedures

Corporate licence holders



- Must ensure work is compliant
- Must report noncompliance to NSW Fair Trading or risk penalties / loss of licence

Nominee



- Can continue to work unlicensed under supervision of licence holder
- e.g. labourer, apprentice, trainee

Unlicensed people







## Breakout session: Framework

### Break out session #1: Framework



### Questions for discussion:

- 1. Are there any situations where the proposals for the new licence framework may have unintended consequences? Are there any challenges or considerations for the Department to investigate?
- 2. Do the changes to the nominee role clarify how this role will operate? Are there any outstanding questions or considerations about how this role will operate for the Department to resolve?
- 3. Do the proposals for unlicensed work create any unintended gaps or impacts for industry, tradespeople or consumers?



# Part 2: Licence class changes



## Summary of proposals for discussion today



Register pre-purchase and defect building inspectors and establish minimum standards for inspections Register pre-purchase
pest inspectors and
establish minimum
standards for prepurchase pest
inspections

Retire several low-risk licence classes:

- ·Minor trade work
- Decorating
- •Swimming pool repairs

Consolidate two **roofing**licences into one
licence

Deregulate certain types of painting and fencing work

Review scope of works for all licence classes

## Deregulate certain types of painting and fencing work





### Painting

- Deregulate painting work done for decorative purposes
- Continue regulating painting work for weatherproofing and protective purposes



### Fencing

- Amend fencing licence to only capture swimming pool barrier installation
- Deregulate non-structural fencing work
- Continue regulating structural fencing work under other licences

## Register pre-purchase and defect building inspectors and pest inspectors



Introduce limited registration scheme

Establish minimum standards for inspections

Improve consumer confidence in quality of work

Lower regulatory burden by removing licensing requirements e.g. financial and background checks

Allow experienced builders to transition to a new career

## Retire licence classes and simplify framework



### Deregulate certain work

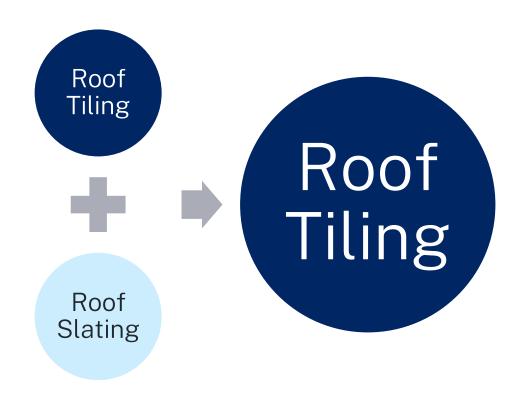
Decorating

Swimming Pool Servicing & Repairs

#### Absorb work into other licences

Minor Trade Work

### Consolidate licences



## Scope of works for all licence classes



### Building Bill 2023 -Licensing Proposals

Attachment Paper – Descriptions of work authorised by a licence

June 2023



#### Review to ensure scope of works reflect:

- Modern industry practices
- Impacts of the proposed expansion into all building classes
- New building materials or technologies





## Breakout session: Licence class changes

### Summary of proposals



#### For discussion today:

Register prepurchase and defect building inspectors Register prepurchase pest inspectors

Deregulate certain types of **painting** and **fencing** work

Retire several lowrisk licence classes:

- Minor trade work
- Decorating
- · Swimming pool repairs

Consolidate two roofing licences into one licence

Review scope of works for all licence classes

#### For discussion at other roundtables:

Establish four levels of **builder** licence

Continue to review evidence to support licensing project managers

Introduce a licence for building designers and investigate regulating other design roles

Make waterproofing a new class of specialist work Combine work
permitted in the
connect / disconnect of
fixed electrical
components in the
plumbing licence

Continue reviewing the electrical licensing framework

Establish a new licence for the installation of ducting work

Create a separate
licence for medical gas
and work with industry
to create new
mechanical services
licence

Introduce a new licence class for Type B gas fitting work, and merge the LP gas fitting work licence into the gas fitting work licence

Absorb the kitchen, bathroom and laundry renovation licence class into builder licence framework

## Break out session #2: Licence class changes



### General questions to guide discussion:

- 1. How will these proposals impact costs for consumers and businesses? How can this risk be mitigated?
- 2. Will any of the proposals contribute to or exacerbate industry skills shortages? How can this risk be mitigated?
- 3. What implementation and transitional arrangements should the Department consider for these proposals?
- 4. Are there any other changes to these licence types the Department should consider?



20 mins





### Using licensing to support career growth



### Proposed outcome:

A licence can be endorsed with additional licence classes at a reduced fee as a person continues with professional development

### Proposed outcome:

Study and gaining competence towards another vocation will be accepted as CPD

### Benefits of the endorsement approach





Encourage lifelong education and training



Support mobility throughout a career



Address labour shortages by retaining and upskilling practitioners



Reduced costs for businesses and consumers, if one trade can do the work to complete the job



Ensure CPD is relevant, practical and tangible

### Endorsement approach: case studies



 Glazing licence + competency in swimming pool barriers = endorsement for glass pool barriers

Glass pool barriers



 Electrician can undertake further education and training to be competent in replacing electric hot water systems

Hot water systems







Breakout session: Using licensing to support career growth

## Break out session #3: Using licensing to support career growth



### Questions for discussion:

- 1. How would your industry use the endorsement approach?
- 2. Should endorsements only be available for certain licence classes with related or overlapping qualifications? Why / why not?
- 3. Are there any other opportunities for the licensing framework to support lifelong learning, industry mobility and upskilling?





## Next steps & close

Written submissions due to Reminder: <a href="mailto:hbareview@customerservice.nsw.gov.au">hbareview@customerservice.nsw.gov.au</a> by COB 11 August 2023

# Builder Licensing Framework – Proposals in the Building Bill



Licensing Proposals in the Building Bill

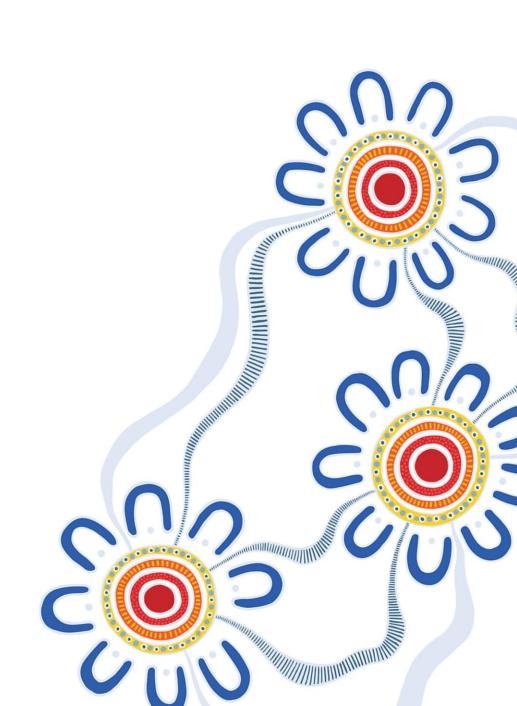
Tuesday, 25 July 2023

# Acknowledgement of Country

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The 'Connecting Communities' artwork used here is by Alison Williams, a proud Gumbaynggirr woman.





## Introduction



## Participating in today's roundtable



Please consider keeping cameras on

Post any tech issues in the chat

Keep microphones muted unless speaking

During group discussions: raise hand to speak

## Agenda



#	Agenda Item	Time
1	Welcome and introduction	1:00 pm – 1:05 pm
2	Overview of builder licence proposals and What does a builder do?  • Presentation and group discussion	1:05 pm – 1:50 pm
4	<ul><li>Implementation plan; knowledge and experience requirements</li><li>Presentation</li><li>Group discussion</li></ul>	1:50 pm – 2:15 pm
5	Public register  • Presentation  • Group discussion	2:15 pm – 2:45 pm
6	Next steps and close	2.40 pm – 2:45 pm

Department of Customer Service 5

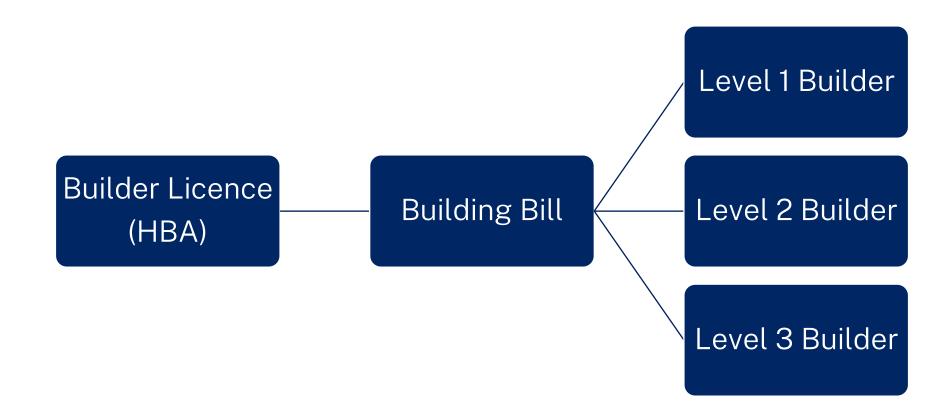


## Part 1: Builder Licence Proposals



### Transforming builder licenses in the Building Bill





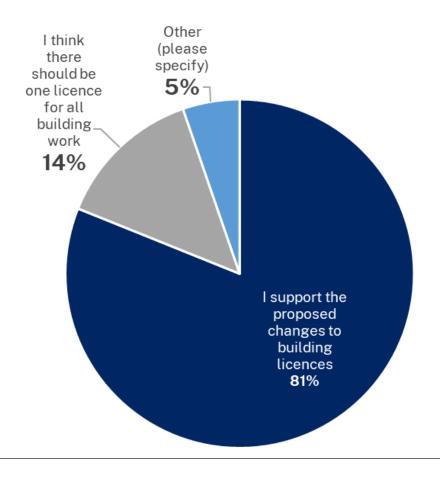
# Public consultation



#### Proposal in public consultation

Licence Class		Scope of work	
Builder 1	High rise and commercial	Work on any class of building	
Builder 2	Medium-rise	Work on any class of building up to 3 storeys and 2,000m2 in area	
Builder 3	Low-rise; residential	Work on class 1 and Class 10 buildings	

#### Stakeholder feedback



# Revised proposal: builder licences



Lie	cence Class	Scope of work	
Builder A	Unrestricted / High- rise	Work on any class of building	
Builder B	Medium-rise	Work on any class of building up to 3 storeys	
Builder C	Low-rise	Work on class 1 and Class 10 buildings	
Builder D	Internal fit-outs	Non-structural building work and fit-outs	

#### **Key changes**

- Introduced Builder D Internal fit-outs
- Removed 2,000m<sup>2</sup> floor area restriction from Builder B – Medium rise

#### What does a Builder do?



#### **Building work**

means any work involved in, or involved in co-ordinating or supervising any work involved in—

- (a) the construction of a building, or
- (b) the making of alterations or additions to a building, or
- (c) the repairing, maintenance, renovation, or protective treatment of a building

Note — Specialist work within this category is required to be specialist work.

subcontracted to a licence holder in the relevant category of

Lic	cence Class	Scope of work	
Builder A	Unrestricted / High- rise	Work on any class of building	
Builder B	Medium-rise	Work on any class of building up to 3 storeys	
Builder C	Low-rise	Work on class 1 and Class 10 buildings	
Builder D Internal fit-outs		Non-structural building work and fit-outs	

(clause 5 Building Bill 2022)

# What is different about the Level D Builder licence?



Licence Class		Scope of works – early discussion starting point
Builder D	Internal fit-outs	Work to fit out or refurbish internal built environments, and installing and finishing shopfronts, internal shopfitting units, and partitions, other than work affecting any internal or external load bearing component of the building that is essential to the stability of the building or any part of it, including things such as foundations, floors, walls, roof, columns and beams.  Work involved in the installation, refurbishment, restoration and on-site repairs of or to a kitchen, bathroom or laundry.  Specialist work that is an integral part of an overall contract.  Note — Specialist work within this category is required to be subcontracted to a licence holder in the relevant category of specialist work

### Role of Project Managers on Site



#### To be considered for the role of the Site Manager you will require:

Construction Management/Building or equivalent

Proven industry experience on luxury residential projects.

Previous experience working in the high-rise development space

Strong negotiating skills to implement contracts with subcontractors and suppliers to satisfy budgets, quality, safety and time requirements.

Experience site managing apartments / Townhouses

#### To be considered for the role of Site Manager you will require:

Minimum 5 years' experience in a Site Management position for a principal contractor

Experience working on projects from \$10M to 30M

Construction-related tertiary qualification

Strong communication, negotiation and business development skills

The ability to lead a team, communicating effectively with people at every stage of the project

A desire to take on a long-term role where you will grow with the business

Strong stakeholder support for licensing project managers

Definition of building work includes "coordinating or supervising work"

Role of 'nominee' for corporate licence holders

### Recap and Topics of Discussion



- Four levels of builder licence
- Work that a builder can do
- Role of project managers/nominees
- Remedial builders
- Modernising scope of works e.g. new and emerging technologies in products and materials







# Group discussion:

Builder licence classes and Scope of Works

# Group discussion #1: Licence classes and scope of works



#### Changes to licence levels

- Do you support the changes to the licence levels? Are there any other changes we should consider?
- 2. Is the 3-storey limitation for Builder B suitable?

#### **Builder D licence**

- 1. Is the terminology used in the scope of works for Builder D clear? e.g. "fit out" and work not affecting "any internal or external load bearing component of the building".
- 2. Should Builder D be able to work on all building classes, or should they be restricted from certain classes? e.g. high-risk buildings with complex fire and smoke compartment considerations.
- 3. Are there any potential challenges with the consolidation of the kitchen, bathroom and laundry renovation licence into Builder D licence?

#### Scope of works

- 1. Does the scope of works sufficiently capture the work of remedial builders? Do descriptions such as "repairing, maintenance, renovation, or protective treatment of a building" suffice?
- 2. Does the framework capture project managers? Do project managers operate differently to a builder and/or nominee? How might a specific licence for project managers operate?
- 3. How can we modernise the scope of works for builders? Should any new and emerging technologies in products and materials be considered?



# Part 2: Implementation Plan and knowledge and experience requirements



# Implementation



New licence levels will commence gradually

#### **Transition Plan**

New Builder licenses are expected to commence four years after the introduction of the Bill to parliament

Support and time to access current skills and qualifications against new requirements

# Proposed Knowledge and Experience Requirements



Licence Class	Knowledge requirements	Practical experience requirements
Builder A	Relevant diploma or tertiary qualification	5 years relevant practical experience in the work authorised by the licence
Builder B	Relevant diploma or tertiary qualification	3 years relevant practical experience in the work authorised by the licence
Builder C	Cert IV or above	2 years relevant practical experience in the work authorised by the licence
Builder D	Cert IV or above	1 year relevant practical experience in the work authorised by the licence

# Recap and Topics of Discussion



- Implementation and transition for existing builders
- Assessing relevant practical experience for each licence level
- Suitability of knowledge requirements for each licence level
- Pathways between each licence level





Group discussion: Knowledge and experience requirements; implementation

# Group discussion #2: Implementation and knowledge and experience requirements

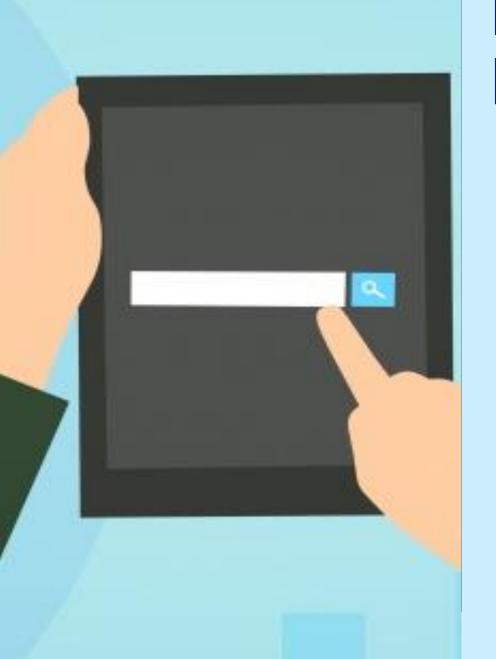


#### **Questions for discussion:**

- 1. Do you support the differences between years of practical experience requirements for different builder levels? Why / why not? Do these differences reflect the different complexities of work for each level?
- 2. Do you see any implementation challenges for builders meeting the new experience requirements? How could these be mitigated?
- How should builders move between each licence level?
- 4. Are there any circumstances where the knowledge and experience requirements should be reduced? E.g. carpentry licence holders having reduced years of practical experience / reduced qualifications.



25 mins



# Part 3: Public Register



# Public register

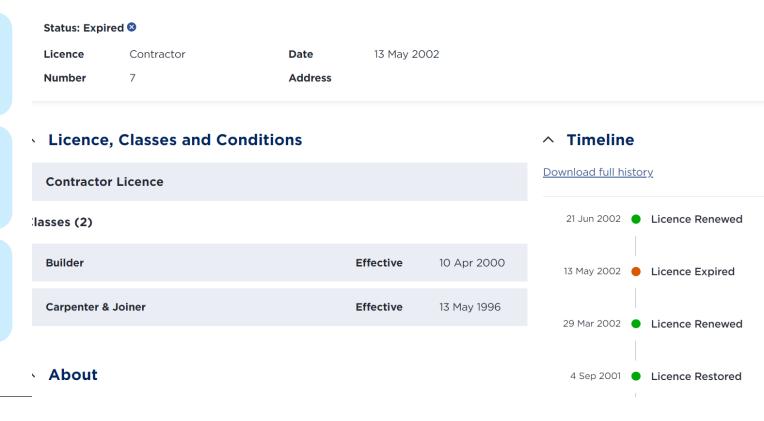


Assessing how industry and consumers use the register

Bob

Reviewing types of information on the register

Mitigating privacy risks







# Group discussion: Public Register

# Group discussion: Public register



#### **Questions for discussion:**

- 1. How do businesses and industry use the public register?
- 2. In your experience, how do consumers use the public register?
- 3. Do you or your industry members have any privacy concerns about the information available on the public register?





# Next steps & close

Written submissions due to Reminder: <a href="mailto:hbareview@customerservice.nsw.gov.au">hbareview@customerservice.nsw.gov.au</a> by COB 11 August 2023

# Specialist Licences: Proposals in the Building Bill



Licensing Proposals in the Building Bill

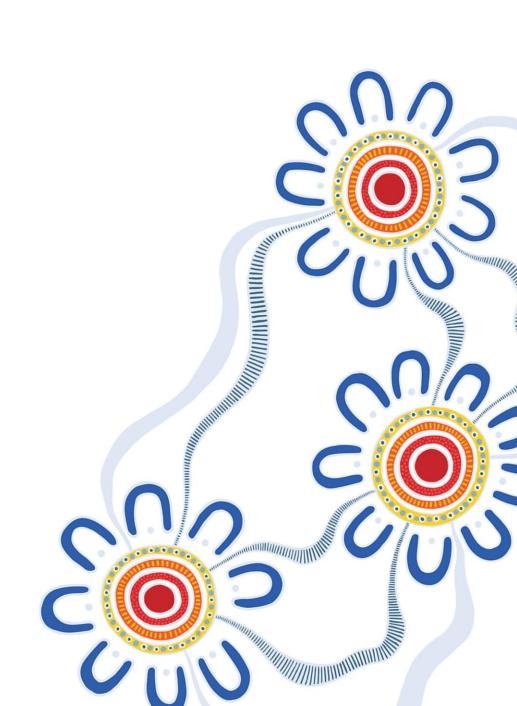
Thursday, 27 July 2023

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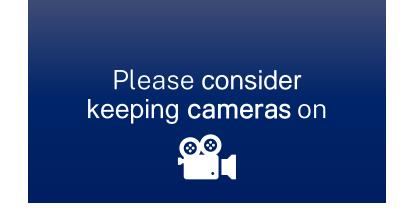
# Agenda

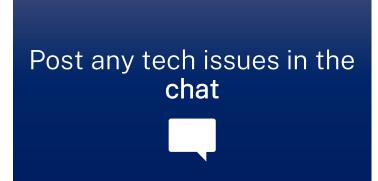


#	Agenda Item	Time
1	Welcome and introduction	1:00 pm – 1:05 pm
2	<ul><li>Licensing proposals for waterproofing</li><li>Presentation</li><li>All group discussion</li></ul>	1:05 pm – 1:40 pm
3	<ul> <li>Licensing proposals for electrical work, plumbing and gas fitting</li> <li>Presentation</li> <li>All group discussion</li> </ul>	1:40 pm – 2:20 pm
4	Next steps and close	2:20 pm – 2:25 pm

# Participating in today's roundtable











# Waterproofing



### Proposal: Waterproofing as specialist work



Increased complexity of waterproofing

Poor product knowledge or incorrect application of products

Scarcity of advanced skills around complex waterproofing systems and critical inspections

Limited integration of trades

#### Specialist work:

- Licence required for all work (Value threshold does not apply)
- Can prescribe certificate of compliance requirements

# Waterproofing licensing framework



### Licensing framework considerations

- Scope of works
- Qualifications and experience requirements
- CPD requirements
- Accountability mechanisms e.g. certificate of compliance requirements

### Waterproofing: scope of works



#### Under Home Building Act 1989

Work involved in any protective treatment of a dwelling designed to prevent the penetration of water or moisture into the dwelling or in the protective treatment of wet areas in a dwelling designed to prevent the unwanted escape of water from those areas by using solid membranes or membranes applied by brush, roller or any other method.

#### New scope under Building Bill could capture:

- Buildings (not just dwellings)
- External and internal work, remedial work, work above and below ground
- Selection of suitable materials
- Correct application of suitable materials
- Interpreting waterproofing designs
- Protecting contents and structural integrity of buildings

### Waterproofing: interaction with other trades



#### Scope of works for wall and floor tiling

Under Home Building Act 1989

"Examples of works and materials within the category of wall and floor tiling include ... waterproofing of wet areas in preparation for the laying of tiles ..."



Proposal under Building Bill

This work "does not include any waterproofing of wet areas in preparation for the laying of tiles, which is work within the category waterproofing."

# Alternative licensing options explored



Strengthen requirements for waterproofing design

Multiple licence levels

Different requirements for work based on building class

Waterproofing endorsement or 'add-on' for trade licence holders





# Group discussion: Waterproofing

# Group discussion #1: Waterproofing



#### **Questions for discussion:**

- 1. What work should be included in the scope of works for waterproofing?
- 2. How should the waterproofing licensing framework factor in the integration of trades?
- 3. What are the risks of this proposal and how can they be managed?



25 mins

#### Current scope of works:

Work involved in any protective treatment of a dwelling designed to prevent the penetration of water or moisture into the dwelling or in the protective treatment of wet areas in a dwelling designed to prevent the unwanted escape of water from those areas by using solid membranes or membranes applied by brush, roller or any other method.

#### New scope of works could capture:

- Buildings (not just dwellings)
- External and internal work, remedial work, work above and below ground
- Selection of suitable materials
- Correct application of suitable materials
- Interpreting waterproofing designs
- Protecting contents and structural integrity of buildings



# Electrical, plumbing and gas fitting

# Electrical licensing framework



Holistic approach to determining the electrical licensing framework

Proposal to remove the connection and disconnection of fixed electrical equipment licence

Work continuing to review electrical licensing framework and determine if other electrical licences should be prescribed

### Investigating new licence classes



Which other trades could be regulated under the new electrical licensing framework?

#### e.g. Trades doing work on:

- Electrical equipment, including maintenance of equipment
- Control systems
- Plants and machinery
- Biomedical equipment
- Switchboards

# Plumbing licence proposals



**Proposal**: Include connection/disconnection of fixed electrical components in the plumbing licence

#### Current plumbing licence structure – no change proposed

- Plumbing
  - Water plumbing
    - Water plumbing fire protection systems
    - Water plumbing fire sprinkler systems
    - Water plumbing urban irrigation
  - Draining work

- Plumber could complete hot water system installation without requiring disconnect / reconnect certificate
- Plumber would have requisite skills and training
- Consumer saves costs and time

Case study: hot water systems



# Gas fitting licence proposals



#### Current gas-fitting licence structure

- Gas fitting work
  - LP gas fitting work (restricted gas fitting work)
  - Advanced LP gas fitting work

#### Proposed changes



#### Proposed gas-fitting licence structure

- Gas fitting work
  - Advanced LP gas fitting work
  - Type B gas fitting work

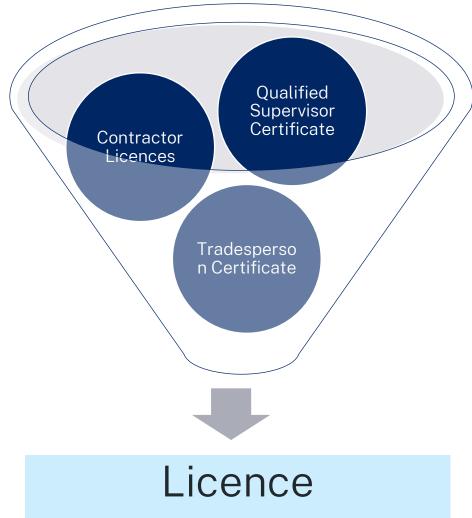
# Scope of works for each gas fitting licence



Type of work  Licence	All other types of gas fitting work	Advanced LP work (any pressure, liquid or vapour phase)	LP work (restricted gas in vapour phase with pressure below 150 kPA)	Type A appliances	Type B appliances
Gas fitting work licence	Υ	Υ	Υ	Υ	Υ
Advanced LP gas fitting work		Υ	Υ	Υ	
Type B gas fitting work			Υ	Υ	Υ

# Other changes impacting specialist licences





Provisional tradesperson certificate



Provisional licence

- Allow work under supervision
- Work must be overseen and signed off by licence holder
- Allows time to attain required skills
- Issued for limited duration; can't be renewed

(provisional or full)





Group discussion: Electrical, plumbing and gas fitting

# Group discussion: Electrical



#### **Questions for discussion**

- 1. Which other trades could be regulated under the new electrical licensing framework?
- 2. How could the electrical licensing framework in NSW align better to other electrical licensing framework/s across Australia?
- 3. Are there other opportunities to use the provisional licence in the electrical licensing framework? e.g. to recognise skills gaps, allow certain work under supervision.



# Group discussion: Plumbing and gas fitting



#### **Questions for discussion:**

- 1. Do you support the proposal to combine the work permitted in the connect/disconnect of fixed components in the plumbing licence?
- 2. Are there any other changes to the plumbing licence that the Department should investigate and consider?
- 3. Is the new gas fitting licence structure suitable? Are there other opportunities to simplify and clarify the licence structure?
- 4. Do all existing licence holders have relevant knowledge and skills to work on Type A appliances and restricted LP work?
- 5. Will existing licence holders have any challenges attaining the Type B gas fitting work licence? How can these challenges be managed?
- 6. Are there other opportunities to use the provisional licence in the plumbing and gas-fitting licensing frameworks? e.g. to recognise skills gaps, allow certain work under supervision.





# Next steps & close

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