



Australian Government  
Department of Defence

# **DEFENCE INFRASTRUCTURE PANEL - ENVIRONMENT, HERITAGE AND ESTATE ENGINEERING 2020 - 2027 GENERAL REMEDIATION CONTRACT (GRC-1) GUIDANCE**

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## **DISCLAIMER:**

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# GENERAL REMEDIATION CONTRACT GUIDANCE

## Overview

This guidance document provides a brief overview of the General Remediation Contract (**GRC**) set out in Section 4B of the Panel Agreement for the Defence Infrastructure Panel - Environment, Heritage and Estate Engineering 2020 - 2027 (**DIP - EHEE**).

Remediation projects have distinct features, which affect the fundamental delivery model and risk allocation. These features include the:

- uncertainty as to the extent and nature of contamination and therefore scope of work;
- existence of different technical solutions for achieving the remediation; and
- need to optimise the solution to meet the specified objective.

The GRC-1 addresses the delivery and risk issues specific to remediation contracting, including:

- roles and responsibilities of various project parties;
- quality - remediating the site so it can be used for a specified objective;
- time and cost certainty - including in respect of scoping of the remediation works and quantities of materials to be remediated; and
- variations and "unidentified site condition".

The GRC is a "works-based" contract rather than a "services" contract. Accordingly, it includes provisions regarding:

- additional insurances that must be effected and maintained by the Contractor;
- security that must be provided by the Contractor;
- Site access to be given to, and assessments to be undertaken by, the Contractor;
- additional Project Plans that must be prepared by the Contractor;
- the time for the provision of the Remediation Works, and the payment for the same; and
- how the Remediation Works/Services will be performed.

## When to use the GRC-1

Section 4B of the Panel Agreement (being GRC-1) has been included in the executed Panel Agreement between the Commonwealth and Consultants that were successful in respect of the following service categories:

- Contamination Remediation Works; and
- Unexploded Ordnance Remediation.

Section 4B of the Panel Agreement has not been included in the executed Panel Agreement between the Commonwealth and Consultants that were only successful in respect of the other service categories under the DIP - EHEE.

The GRC must be used for the Engagement of any Consultants under the Contamination Remediation Works and Unexploded Ordnance Remediation Services Categories.

## Building Code / WHS Requirements

The Building Code requirements specified in clause 18 of the GRC will apply to Commonwealth Funded Building Work as set out in items 1 to 8 of Schedule 1 of the *Code for the Tendering and Performance of Building Work 2016* (Cth) (**Building Code 2016**).

"Building Work", as described in the Building Code 2016, can only be undertaken by a Contractor after they have been assessed as Building Code 2016 compliant (and a "contract" cannot be awarded to a Contractor for Building Work by the Commonwealth unless the Contractor has been assessed as Building Code 2016 compliant).

Assessing the key criteria for eligibility to be awarded a contract for Commonwealth Funded Building Work is a crucial component of assessing a Contractor's Building Code 2016 compliance. This assessment requires the Contractor to provide the Commonwealth with either a Letter of Compliance issued by the Australian Building and Construction Commission (**ABCC**) or an executed Self Declaration A (the ABCC website provides guidance on

when Self Declaration A is required). The Contractor must also not be subject to an "Exclusion Sanction" issued by the relevant Minister administering the Building Code 2016.

What is considered "Building Work" for the purposes of the Building Code 2016 is broad and includes the construction, alteration, extension, restoration, repair, demolition or dismantling of buildings and structures, the installation of fittings forming or to form part of land, and other preparatory works such as site clearance, laying foundations and site restoration.

The Contractor is required to provide a Workplace Relations Management Plan with their proposal for the Contractor's Activities where:

- the Commonwealth's contribution to the project is at least \$5,000,000 and represents at least 50% of the total construction project value proportion of the project; or
- the Commonwealth's contribution to the project is at least \$10,000,000 (irrespective of its proportion of the total construction project value).

In carrying out the Contractor's Activities and performing the Remediation Works under the GRC, the Contractor must comply with the WHS Legislation at all times, including all duties imposed on it under the WHS Legislation, such as:

- the primary duty of care to ensure, so far as is reasonably practicable, the health and safety of workers and other persons when carrying out the Contractor's Activities and the associated Remediation Works;
- the duty to consult, cooperate and coordinate with all other persons who have a work health and safety duty in relation to the same matter (including the Commonwealth);
- the duty to notify the relevant regulator of notifiable incidents immediately upon becoming aware that a notifiable incident has occurred; and
- where a notifiable incident has occurred, ensure, so far as is reasonably practicable, the site of the notifiable incident is not disturbed until an inspector arrives, unless it is for one of the reasons stated in the WHS Legislation.

A Work Health and Safety Plan must be prepared by the Contractor and finalised under clause 7.7 of the GRC. The specific requirements of the Work Health and Safety Plan are set out in clause 1.1 of the GRC. The Contractor must regularly review its Work Health and Safety Plan and update it as required.

If the project value will exceed \$4 million (GST inclusive), the Contractor must maintain accreditation in accordance with the Work Health and Safety Accreditation Scheme (**Scheme**) and comply with all conditions of the Scheme.

### Clause-by-Clause Guidance

The Commonwealth has made available, at <https://www.defence.gov.au/estatemangement/Support/SuiteContracts/Manual/index.htm>, the Department of Defence CFI Contracts Manual (**Manual**). This is a fully searchable online resource designed to provide guidance and collateral resources for Defence and industry personnel using and administering CFI's suite of contracts for construction and infrastructure works.

The Manual provides guidance in respect of the following contracts:

- Head Contract (HC-1 2003);
- Managing Contractor Contract (MCC-1 2003);
- Design Services Contract (DSC-1 2003); and
- Medium Works Contract (MW-2 2004).

However, much of the guidance included in the Manual (in particular, in respect of HC-1), will also be relevant to GRC-1. We recommend that, for general guidance, you judiciously consider the guidance available in the Department of Defence CFI Contracts Manual for the corresponding clauses in the above contracts.

For specific guidance on the terms of the GRC, you should seek guidance from your legal advisors or the Directorate of Program Assurance.