



Government of **Western Australia**
Department of **Commerce**

Building
Commission

Policy Paper

REDUCING THE ADMINISTRATIVE BURDEN ON PLUMBERS: MULTI-ENTRY CERTIFICATES

March 2016

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1. Introduction

The Plumbers Licensing Board (the 'Board') was established as an agency of the Department of Consumer and Employment Protection in 2000. The role of the Board at that time was limited to the licensing of plumbers in Western Australia through powers under the *Plumbers Licensing Act 1995*.

In 2004, the Board was provided with additional powers to regulate the carrying out of plumbing work. This included ensuring compliance with the prescribed plumbing standards through issuing rectification notices or taking prosecution action where instances of sub-standard plumbing work were found. These two functions - licensing and compliance - continue to this day.

In order to perform its compliance function effectively, the Board needs to be aware of instances of plumbing work performed in Western Australia. It does this by requiring plumbers to submit notices of intention prior to performing major plumbing work. Plumbers must also submit certificates of compliance on completion of major plumbing work and a multi-entry certificate outlining all minor plumbing work performed during the previous month.

The system under which licensed plumbers notify the Board of plumbing work has not materially changed since its inception in 2004. During that time however, there have been a number of changes to how the Board administers its functions. These include:

- a) machinery of government changes, with administrative support provided by the Building Commission Division of the Department of Commerce since 2010;
- b) increased use of licensed plumbing contractor audits, in which a selection of the work notified by a plumber is inspected, with less emphasis placed on random inspections; and
- c) a proposal to introduce electronic lodgement of plumbing notices in 2016.

2 Scope of this Policy Paper

This policy paper only looks at whether there should be amendments to the reporting requirements for minor plumbing work. Reporting requirements for major plumbing work, as well as the definitions of minor and major plumbing work, will be considered as part of the reform program currently underway following the 2013/14 review of plumbing regulation conducted by ACIL Allen Consulting.

3. Outline of existing process

Self-certification forms the basis of Western Australia's regulatory framework for plumbing. This means that licensed plumbing contractors are responsible for all plumbing work they perform for a period of six years from the time the work is completed. At the end of each job, they must certify that the work is complete and that it complies with all of the relevant regulations and technical standards.

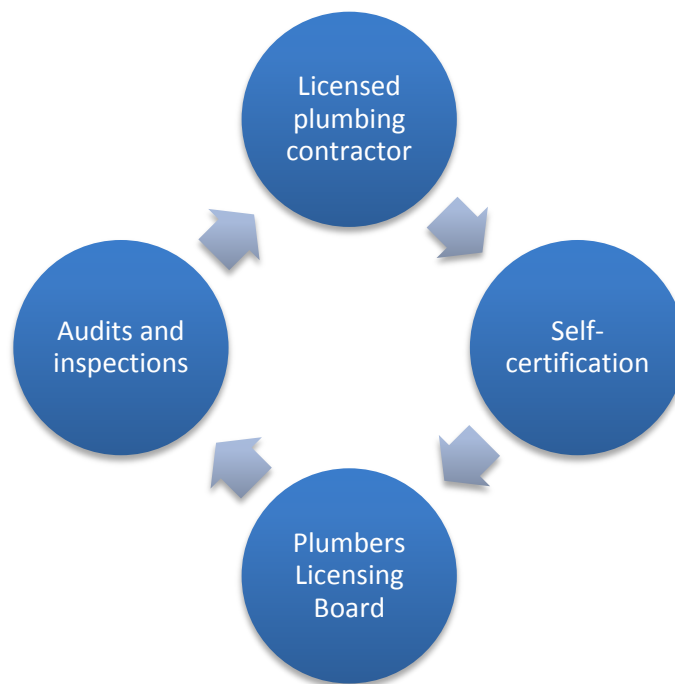


Figure 1: The system of self-certification is a closed cycle of accountability.

To enable the Board to undertake its audits and inspections (or compliance) program effectively, plumbers are required to provide notification of any plumbing work performed. This includes water supply plumbing work, sanitary plumbing work and drainage plumbing work as defined by Regulation 4 of the Plumbers Licensing and Plumbing Standards Regulations 2000 (the 'Plumbing Regulations').

There are two levels of notification required depending on whether plumbing work is classified as minor plumbing work or major plumbing work.

3.1 Minor plumbing work

Regulation 3 of the Plumbing Regulations defines minor plumbing work as:

- a) the maintenance, repair or replacement of existing water supply plumbing;
- b) the maintenance or repair of an existing water heater;
- c) the connection of a garden reticulation system to a water supply system;
- d) the maintenance, repair or replacement of existing sanitary plumbing fixtures;
- e) the maintenance or repair of existing drainage plumbing; and
- f) the replacement or alteration of less than 5 metres of existing drainage plumbing.

Minor plumbing work does not include the installation or replacement of a backflow prevention device or a water heater.

All minor plumbing work carried out must be certified on a multi-entry certificate (see **Attachment A**). A multi-entry certificate can record up to 25 individual jobs and must be submitted within five working days after the end of each calendar month.

A licensed plumbing contractor who lodges a multi-entry certificate must keep their copy of the certificate at his or her principal place of business for six years.

In order to complete a multi-entry certificate licensed plumbing contractors must first purchase one from the Board. Multi-entry certificates can be purchased individually for \$17 or a booklet of 12 for \$192.

3.2 Major plumbing work

The Plumbing Regulations define major plumbing work as

- a) plumbing work that is not minor plumbing work; and
- b) minor plumbing work to the extent to which it is part of plumbing work that is major plumbing work.

All major plumbing work requires the submission of:

- a) a notice of intention at least 24 hours before the commencement of the work (except for emergency work); and
- b) a corresponding certificate of compliance within five working days of completing the work.

For major plumbing work that incorporates an alternative solution, a notice of intention must be submitted at least five working days before the commencement of the work.

Requiring notification of major plumbing work prior to the work commencing enables the Board to undertake inspections of plumbing work during the plumbing installation.

The certificate of compliance both informs the Board that work has finished and can be inspected in its entirety, and establishes the commencement date for the period the Board can issue rectification notices.

In addition to providing the certificate of compliance to the Board, licensed plumbing contractors must keep a copy of the certificate at their principle place of business for at least six years after giving the certificate.

A single (or books of 10 or 20) notice of intention and its corresponding certificate of compliance can be purchased at the rate of \$22.50 per certificate.

3.3 Further information on notification requirements

As noted earlier, the primary purpose for the notification of minor and major plumbing work is to inform the compliance activities of the Plumbers Licensing Board.

In 2014/15, there were 59,967 notices of intention and 12,864 multi-entry certificates lodged. Plumbing Inspectors regularly use the information contained in notices of intention in determining plumbing installations to be inspected. Multi-entry certificates are much less useful for this purpose however. This is because there is a much lower risk that inadequately performed minor plumbing work will result in health or safety risks to consumers. For this reason, plumbing inspectors focus on major plumbing work in determining when an inspection should be undertaken.

That said, while it is not imperative for the Plumbers Licensing Board to be notified of minor plumbing work as and when it occurs (such as through multi-entry certificates); requiring licensed plumbers to maintain a record of minor plumbing work can still be beneficial in two ways. First, the record can assist in determining who performed the plumbing work if a complaint is received (e.g. if there is a dispute about whether a licensed plumbing contractor performed plumbing work the Plumbers Licensing Board may ask to see the register of minor plumbing work performed). Second, the records are an important source of information when auditing licensed plumbing contractors and help to provide information on the type of plumbing operation being audited.

Payment for notices of intention and multi-entry certificates (as well as fixture fee payments) are used to fund the compliance activity of the Board and allow audits and inspections to be undertaken. Of the \$4.15 million in plumbing compliance fees paid in 2014/15, \$2.55 million was for installation fees, \$1.37 million for the purchase of notices of intention and \$239,000 for the purchase of multi-entry certificates.

3.4 Other reforms

There are two plumbing reforms occurring at this time that have a bearing on the future of multi-entry certificates and the reporting of plumbing work more broadly. These are the reforms arising from the ACIL Allen Consulting review and the proposal to introduce electronic lodgement of plumbing notices.

3.4.1 Plumbing review reforms

In June 2013, the State Government announced that an independent review of Western Australia's plumbing laws would be undertaken by ACIL Allen Consulting (ACIL Allen). ACIL Allen presented its final report, the 'Review of Plumbing Regulations in WA' to the Minister for Commerce on 8 November 2013. After further consultation with key plumbing industry stakeholders, the report was made publicly available on 13 February 2014.

The review examined the effectiveness of the current plumbing laws and made a number of recommendations for change aimed at putting in place a more modern and flexible

regulatory framework for plumbing work and plumbing standards in Western Australia. Recommendations from the ACIL Allen report are being implemented in stages, with a number of amendments already made to the plumbers licensing system and the prescribed plumbing standards.

Future amendments resulting from the ACIL Allen review may see changes to how plumbing regulation is funded in Western Australia as well as the definition of plumbing work, including major and minor work. Notification requirements may also be amended.

3.4.2 Electronic lodgement of plumbing notifications

The Building Commission is currently investigating options to enable plumbing notifications to be submitted online. This would replace the existing paper-based system which requires licensed plumbing contractors to purchase hard copies of notification forms (notices of intention and multi-entry certificates), fill them in by hand, and then return them to the Board either by post or fax. This process also requires a high level of processing by Building Commission staff.

It is anticipated that the ability to be able to lodge plumbing notifications online will be implemented by the middle part of 2017.

4. The proposal for minor plumbing work

As noted above, requiring licensed plumbing contractors to record minor plumbing work remains a useful tool that assists plumbing inspectors when complaints about plumbing work are made or when undertaking audits of licensed plumbing contractors.

However, there is little obvious benefit in requiring this information to be submitted to the Board at regular intervals. The time costs for licensed plumbing contractors to submit multi-entry certificates on a monthly basis, as well as Board administration and system costs, are real however.

Even if a relatively short period of 5 minutes is assumed for the time taken for licensed plumbing contractors to purchase multi-entry certificates and send them back to the Board once completed, this equates to 5,360 working hours annually lost to administration.

This is in addition to the costs for the Building Commission to process and store multi-entry certificates. The \$239,000 in multi-entry certificate fees paid in 2014/15 is intended to cover compliance activities of the Board. The amount available for compliance activities however is greatly reduced due to these processing and storage costs.

In order to maintain the benefits of recording minor plumbing work while reducing the costs involved in processing certificates, it is proposed that the Plumbing Regulations be amended to remove the requirement for licensed plumbing contractors to lodge multi-entry certificates. Instead, licensed plumbing contractors will only have to record minor plumbing

work performed and ensure that a record of this work is maintained at their principle place of business for six years and made available for inspection by a plumbing inspector upon request. This is no different to the current requirement to keep a copy of a multi-entry certificates.

A further benefit of this approach is that licensed plumbing contractors will have some flexibility in how the information is recorded. For instance, while the type of information to be recorded may be prescribed, such as the address where the work was performed and the type of plumbing work undertaken, this information will no longer need to be recorded in the form of a multi-entry certificate. Licensed plumbing contractors could instead choose to record the information electronically such as on a spreadsheet or in other ways that align with their business processes.

5. Have you say

Stakeholders are invited to consider the proposal outlined in Section 4 of this policy paper and advise the Building Commission of any comments or concerns they may have.

There is no specified format for providing your comment. You are welcome to:

- write a short letter outlining your comments or concerns; or
- send an email.

Submissions can be mailed to:

Plumbing Review Team
Building Commission
Locked Bag 14
CLOISTERS SQUARE WA 6850

Or emailed to: plumbingreview@commerce.wa.gov.au

5.1 Closing date for submissions

To assist us in finalising a position on multi-entry certificates, we need to receive your feedback by **no later than 5.00pm (AWST) on Friday, 9 April 2016.**

5.2 Information provided may become public

After the consultation period concludes, all responses received may be publicly available on the Department of Commerce website. Please note that because your feedback forms part of a public consultation process, the Government may quote from your comments in future publications. If you prefer your name to remain confidential, please indicate that in your submission. As submissions made in response to this paper will be subject to freedom of information requests, please do not include any personal or confidential information that you do not wish to become available to the public.

5.3 How your input will be used

The information gathered from this consultation will be taken into account when finalising the submission to the Minister for Commerce seeking approval to make the relevant amendments to the Plumbing Regulations. Your input is crucial as it will assist in identifying issues of concern and will help in the formulation of the advice provided to the Minister.

5.4 Review updates

You can keep up to date with progress on proposed changes to multi-entry certificates, along with the progress of the other plumbing reforms arising from the ACIL Allen Consulting review report, by visiting the website at: www.commerce.wa.gov.au/building-commission

You can also call the general enquiry line on telephone number 1300 489 099 or (08) 6251 1377, or send an email to: plumbingreview@commerce.wa.gov.au



MULTI-ENTRY COMPLIANCE CERTIFICATE

Plumbers Licensing and Plumbing Standards Regulations 2000

[illegible]

Licence Number (PL)						
Date Submitted				2	0	

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MULTI-ENTRY COMPLIANCE CERTIFICATE NOTES

1. Form Completion

- 1.1 Multi-entry compliance certificates can only be lodged by licensed plumbing contractors.
- 1.2 Multi-entry compliance certificates must be lodged within 5 working days of the last day of the calendar month.
- 1.3 Clearly insert the date that the work was undertaken and the property details in the table on the form.
- 1.4 Clearly insert the correct job code onto the form.
- 1.5 If more than 1 minor plumbing work (job) is carried out at an address at the same time the job codes for all the work carried out must be inserted on the form.
- 1.6 Multi-entry compliance certificates must be filled out completely prior to forwarding to the Plumbers Licensing Board. Partially filled or unreadable certificates will not be accepted.

2. Scope of Work

- 2.1 Minor plumbing work is the:
 - maintenance, repair or replacement of existing water supply plumbing;
 - maintenance or repair of an existing hot water unit;
 - connection of a garden reticulation system to a water supply system;
 - maintenance, repair or replacement of sanitary plumbing fixtures;
 - maintenance or repair of existing drainage plumbing; and
 - replacement or alteration of less than 5 metres of existing drainage plumbing,but does not include installing or replacing a backflow prevention device or hot water unit.
- 2.2 All minor plumbing work is to be certified using a multi-entry certificate.

3. Description of Forms

- 3.1 The original multi-entry compliance certificate (white) must be forwarded at the end of the calendar month to the Plumbers Licensing Board at Locked Bag 12, West Perth WA 6872.
- 3.2 The duplicate multi-entry compliance certificate (pink copy) is to be kept at the licensed plumbing contractors principle place of business for 6 years.

4. As Constructed Property Drainage Installation Diagrams

- 4.1 Where drainage plumbing is altered in non-sewered areas, an as constructed diagram should be provided directly to the local government authority, if required.
- 4.2 In sewerred areas, when drainage plumbing is altered, an as constructed diagram should be provided directly to the licensed water services provider. The Plumbers Licensing Board will accept as constructed diagrams on behalf of the Water Corporation.

5. Job Codes

- 5.1 All minor plumbing work is coded as follows:

Description of Work	Code
Repair or maintenance of cold water supply plumbing	12
Cold water valve maintenance or repair	12
Cold water valve replacement	13
Replacement of cold water supply plumbing	13
Garden reticulation connections	15
Repair or maintenance of hot water supply plumbing	22
Hot water valve maintenance or repair	22
Hot water valve replacement	23
Replacement of hot water supply plumbing	23
Repairs or maintenance to existing hot water units	32
Repair or maintenance of backflow prevention devices	42
Sanitary and waste fixture repair or maintenance	52
Sanitary and waste fixture replacement	53
Clearing of blocked drains	62
Replacement of drainage plumbing where 5 metres or less in length	63
Alteration of drainage plumbing where 5 metres or less in length	64