Building and Plumbing Newsflash 536

Release of an external review of the *Building Act 1975* and building certification in Queensland

Purpose

To advise that an external review of the *Building Act 1975* and building certification in Queensland has been released for public feedback.

Background

A Parliamentary Inquiry into the former Queensland Building Services Authority was undertaken in 2012, putting on hold a review of the building certification system at the time. The Queensland Government responded to the parliamentary inquiry report in May 2013 in the form of a Ten Point Action Plan released by the Minister for Housing and Public Works, the Honourable Tim Mander MP. The Ten Point Action Plan included establishing the Queensland Building and Construction Commission (the Commission).

An Implementation Committee was established to oversee the implementation of all items in the Ten Point Action Plan. Action Item 9 of the Ten Point Action Plan committed the Government to undertake a review of the role of private certifiers practising in Queensland. The item places an emphasis on probity, conflicts of interest, quality and appropriate accountability for private certifiers to ensure they adequately perform their functions.

In early 2014, the government also became aware of potential issues with certification in Mackay relating to framing requirements in high wind areas. A subsequent compliance audit by the Commission inspected 112 properties and identified 11 which failed to meet acceptable framing requirements.

As a result the Commission engaged construction law barrister Mr Andrew Wallace to undertake an external review of the *Building Act 1975* and building certification in Queensland.

Mr Wallace's final report has now been delivered. The report contains 122 recommendations for improving the building and construction industry.

The report takes account of stakeholder feedback received during public consultation on a discussion paper which was released on 15 June 2014. The consultation included written submissions and feedback received during public forums held across Queensland. The public forums were conducted jointly by the Department of Housing and Public Works, the Commission and Mr Wallace.

Mr Wallace was tasked with reviewing stakeholder submissions and providing a report to government with the aim of cutting costs and reducing delays within the building and construction industry, as well as delivering greater accountability to consumers and helping protect against conflicts of interest.



Public release and feedback

The Wallace Report raises some new ideas and approaches to issues that were not previously canvassed in the discussion paper released on 15 June 2014. These include:

- a new licence and scope of work for building surveyors—separate to building certifiers (recommendations 24 to 28)
- introducing default lapsing times on building approvals (recommendations 55 and 56)
- enabling the Commission to issue directions against building certifiers for the rectification of defective building work and/or completion of building work and apportionment of liability (recommendation 107)
- requiring all waterproofing to be conducted by a licensed person regardless of value (recommendation 108)
- barring of any action against a builder or building certifier after 10 years (recommendation 109)
- increasing minimum indemnity insurance for building certifiers to \$2 million (recommendation 110).

The <u>Wallace Report</u> has been released for consultation until **30 January 2015** to seek industry and community feedback on the recommendations.

While the Wallace Report provides explanation about how the recommendations were reached, the government is interested in hearing feedback about the recommendations, including any cost impacts or unintended consequences. In particular, specific feedback is sought on the following:

- 1. Are there any additional costs associated with any of the recommendations?
- 2. Are there any additional benefits associated with any of the recommendations?
- 3. If there are additional benefits, do these outweigh any additional costs associated with the recommendation?
- 4. Will there be any significant increase in red tape associated with any of the recommendations?
- 5. If there is a significant increase in red tape, do the benefits associated with the recommendation justify the increase?
- 6. Could there be any delays or increased inefficiencies associated with any of the recommendations or vice versa?

Evidence from stakeholders to support, or contest, the recommendations contained in the Wallace Report is also sought. The feedback will be used to help inform the government's response to the Wallace Report and set the policy agenda for future legislative reform.

Further information on how to provide feedback can be found at the Department's website or by emailing buildingcodes@gld.gov.au. Feedback closes on **30 January 2015**.

Contact for further information

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