

Building Audit Program

As the regulator of the building industry, the Victorian Building Authority (VBA) has a number of responsibilities, including consumer protection and ensuring the safety of the public. One of the key ways VBA fulfills this role is through audits. This factsheet provides an overview of the Building Audit Program, which conducts performance audits of the building industry.

What are performance audits?

Performance audits of the building industry are an examination of work carried out by registered building practitioners. They are designed to:

- assess compliance of building work with the *Building Act 1993* (the Act) and the *Building Regulations 2006* (the Regulations)
- ensure building work is carried out competently and to a professional standard
- ensure building work does not pose any risk of injury or damage to people
- monitor performance of building practitioners against their legislated obligations.

Performance audits can be carried out on any type of work governed by the Act and the Regulations. This includes physical work at a building site, building permit documentation, administrative procedures and practitioner conduct.

The Building Audit Program may audit any registered building practitioner, including but not limited to building surveyors, builders, engineers and draftspersons.

The performance audit functions are detailed in Part 13, Division 1A of the Act.

What is the audit process?

When planning building audits, VBA will:

1. Set clear objectives

Audits are designed to monitor specific, targeted criteria and have a well-defined scope. These criteria are established by taking into consideration the legislative requirements for the type of building work audited, and the functions and responsibilities of the building practitioner group being audited.

2. Create an audit checklist

This tool ensures that audits are conducted using a consistent, systematic approach. Checklists are reviewed by industry representatives and tested before being used on a larger scale.

3. Generate an audit sample

Once the audit scope is determined, VBA uses a range of sources to define the audit sample. Audit samples are, in most cases, randomly generated using a set of criteria to match proportions in the industry.

4. Undertake the audits

Audits are performed by professionals with the appropriate technical expertise and training to ensure fair and objective assessments. Audits are documented and copies of evidence gathered, ensuring all findings are substantiated and supported.

5. Analyse the results

Analysis is performed at both an individual level (the audited practitioner) and at a group level (all audits) to extract information that is relevant and meaningful to the practitioner, VBA and industry.

If an audit reveals instances of significant non-compliance, the Building Audit Program can escalate the case via existing VBA compliance processes.

6. Report on findings

All audited parties receive an audit report that advises them of their level of compliance and, where relevant, equips them with a better understanding of, and opportunity to focus on, areas for improvement.

7. Inform industry

Insights gathered through individual audits are often applicable to the wider practitioner group. By sharing findings (while maintaining confidentiality), VBA aims to promote voluntary compliance throughout the industry.

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What gets audited?

The Building Audit Program focuses on building work that could pose the greatest risks of injury or damage to the public.

This risk-based approach maximises public benefit while minimising unnecessary burden on industry and the community.

What are the benefits of audits?

Audit findings will highlight positive compliance results and initiatives to support the improvement of industry practices. In turn, this will help build consumer confidence in the industry.

Instances of non-compliance will highlight areas for improvement and act as catalysts for positive change for both individual practitioners and the industry as a whole.

Collectively, all findings will inform other areas of VBA in the undertaking of its regulatory function.

How are performance audits different to investigations and inspections?

The Building Audit Program observes practices across the building industry to ensure compliance with legislative requirements, safety of consumers and professionalism of practitioners.

The table below provides an overview of the differences between the types of monitoring and compliance activities VBA carries out.

If you have information about a practitioner or building work that does not comply with legislation, we encourage you to report it to VBA Complaints by calling 1300 815 127.

Table 1: VBA compliance functions

	AUDIT	INVESTIGATION	TECHNICAL INSPECTION
Initiated via	VBA risk-based assessment	General complaint, or request from the Building Practitioners Board or VBA's own motion	General complaint, general request or through Building Advice and Conciliation Victoria/Consumer Affairs Victoria
Purpose	Monitor compliance with legislation and ensure there is no risk of injury or damage to people	Identify breaches of legislation, including professional conduct	Carry out independent assessment of building work Achieve on-site conciliation
Selection method	Sample selection based on objectives of the audit	Assessment of all cases Investigations based on risk	Assessment of all cases Inspections based on risk
Subject	Building work carried out by registered building practitioners matching the criteria to be monitored	Specific building work or building practitioner	Specific building work

Find out more

The Building Audit Program will communicate with stakeholders at the start of each audit to provide an overview of the project, and at the end to share key findings.

If you have any questions about VBA's Building Audit Program, please contact:

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