A new start for Victoria’s building industry regulation

Planning Minister Matthew Guy today launched the commencement of the new building industry regulatory body for Victoria, the Victorian Building Authority (VBA).

“The establishment of the VBA is the beginning of a new era in Victoria’s building industry regulation. It’s a critical step to ensure that the ad-hoc approach to industry regulation over the past decade is brought to an end,” Mr Guy said.

“The VBA is now the single over-arching body responsible for setting and enforcing building and plumbing industry regulation, following an extensive review of the existing structures. It will also add the regulation of the Architecture profession in 2014 and bring forward a clear, efficient, single structure in built environment regulation for Victoria.

“The VBA is the biggest overhaul of Victoria’s building industry regulation in decades and reinforces the Victorian Coalition Government’s belief that a strong industry regulator must be established,” Mr Guy said.

“The Coalition Government intends the new regulator to look to federal examples such as the Australian Prudential Regulatory Authority (APRA) or the Australian Securities Investments Commission (ASIC) for guidance around how best to conduct itself, how to operate as a regulator and how to manage its relationship with the industries that it is charged to oversee.”

The VBA will also become the one-stop shop for domestic building consumer protection and building practitioner regulation. The Authority’s oversight of the industry will include improved builder registration standards, inspectors to assist in resolving disputes and more accessible information for consumers.

The new VBA includes the appointment of a five person independent Board to improve accountability and transparency, including:

- Chief Commissioner, Mr Bill Kusznirczuk, who was appointed Chair of the Building Advisory Council in October 2011 and provided ongoing advice to the Coalition Government in relation to regulatory administration, corporate governance and financial management of the Building Commission. He has now resigned from that position;
- Deputy Chief Commissioner, Mr Damien Cremeans, who has extensive experience in the areas of building contract law, regulatory administration and dispute resolution;
- Commissioner Ms Prue Digby, Deputy Secretary Planning, Building and Heritage in the Department of Transport, Planning and Local Infrastructure;
- Commissioner Mr David Bennett QC, a senior fellow of the University of Melbourne Law School and Chairman of the Faculty of Law Advisory Board Specialisation in Construction Law; and

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• Commissioner Mr Geoffrey London, the Victorian Government Architect.

Current interim Commissioner, Greg Hyams has been appointed as the Chief Executive Officer until mid-September 2013 to assist with the transition into the new organisation. Mr Hyams has significant experience leading organisational change, strategic planning, risk management and governance. He has held several CEO and senior executive roles in both the private and public sector.

“It is important that we not only focus on how regulation is set, but also how it is enforced. The establishment of the VBA, along with the other reform measures, will enable us to do just that and assist in the further implementation of the Auditor-General’s recommendations on compliance with building permits,” Mr Guy said.

The Victorian Coalition Government commissioned KPMG to conduct consultation with industry stakeholders and they have subsequently made recommendations on how to establish the organisational structure of the VBA to be a best practice regulator.