

## VBA's Progress Towards the Minister's Statement of Expectations 2019-21 (30 June 2020)

The VBA's response to the Minister's Statement of Expectations (SOE) 2019-21 was submitted on 11 November 2019. In a year marked by summer bushfires and the coronavirus pandemic, the VBA has adapted quickly, keeping consumers and industry top of mind as we continually adjusted and embraced change to improve performance. Over half of the VBA's commitments in the response to the SOE and additional 2019-20 VBA Annual Plan priority actions were delivered by 30 June 2020. However, Coronavirus restrictions required re-prioritisation, revised timelines and approaches. Remaining commitments will be delivered in 2020--21 and 2021-22.

### Part A: Improving Monitoring and Enforcement of Regulation

Expectation	VBA Progress – 2019-20
<b>Strengthen the VBA's regulatory practice and outcomes to drive rogue elements from the building industry</b>	
<p>The VBA will make full use of its legislative powers to safeguard the public interest when this is required, without fear or favour. Using its powers to immediately suspend practitioners, the VBA will ensure those who do the wrong thing are stopped from causing further harm to the community, pending further investigation of their practices and a show cause process</p>	<p>During 2019-20, three practitioners were suspended immediately in the public interest.</p> <p>Investigations that lead to deregistration or other disciplinary action:</p> <ul style="list-style-type: none"> <li>• Of the 28 registrations suspended in 2019-20, 14 of those were immediate suspensions for insolvency or non-compliant insurance coverage (compared with 18 in 2018 -19, including 12 immediate suspensions for insolvency/insurance issue)</li> <li>• Six registrations were cancelled due to practitioner conduct (4 in 2018-19)</li> <li>• Six practitioners were disqualified from registration (4 in 2018-19).</li> </ul>
<b>Supporting the Department of Environment, Land, Water and Planning (DELWP) in delivering the State Government's reform agenda</b>	
<p>The VBA will support DELWP and contribute to legislative reform of the building system, drawing on the VBA's evidence-based research program and insights gained from the VBA's regulatory activities about system failures, gaps and the causes of poor outcomes for the community.</p>	<p>DELWP has consulted with the VBA on component projects under the Building System Review.</p> <p>Insights from the VBA's regulatory activities and research program were presented by the VBA CEO to the Expert Panel on the Building System Review.</p>
<b>Continuing to deliver the state-wide cladding audit and related cladding tasks</b>	
<p>The VBA will continue to fulfil its accountabilities to ensure highest risk non-compliant cladding buildings are rectified and occupants are kept safe in the meantime. The VBA will continue to build its relationships with partner agencies including Consumer Affairs Victoria (CAV), the Municipal Association of Victoria (MAV) and local councils, Domestic Building Dispute Resolution Victoria (DBDRV), the Metropolitan Fire Brigade (MFB) and the Country Fire Authority (CFA) to achieve the best outcomes for the Victorian community. The formation of Cladding Safety Victoria will contribute substantially to the rectification of fire safety in existing buildings clad with combustible materials.</p>	<p>A total of 373 building audits were undertaken by the VBA to identify the use of combustible cladding and the risks to safety of occupants of in-scope buildings (or 78 per cent of the annual target of 480 cladding audits completed). This was impacted by the urgency of supporting the bushfire response and recovery efforts and coronavirus restrictions.</p> <p>Owners and occupants were better informed of audit outcomes and fire safety risks. Communications to owners and occupants included fire safety tips, essential safety measures guides, ARP outcomes, and Building Notices with Owners Corporations guide. Tailored communications support was provided for Municipal Building Surveyor activity. The VBA website and social media posts were also utilised throughout 2019-20.</p> <p>Immediate safety measures were imposed within 14 days of private multi-storey apartment buildings being rated as having higher fire risk.</p>

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<b><i>Play a leadership role in strengthening the building surveyor profession</i></b>	
<p>The VBA recognises that building surveyors perform an important statutory function in ensuring building work in Victoria meets regulatory requirements and buildings are safe to occupy. To fulfil this important role, building surveyors must display the highest standards of professionalism.</p> <p>The VBA will lead action to ensure high ethical and competence standards for building surveyors across Victoria and take regulatory action against those who fail to discharge their statutory obligations and responsibilities. The State Building Surveyor who joined the VBA on 29 July 2019 will lead this effort.</p>	<p>Education campaign to support building surveyors to effectively undertake their statutory role commenced with two webinars on performance solutions and the publishing guidance materials on key interpretation issues.</p> <p>Formal building surveyor working group was established and met twice.</p> <p>The VBA hosted the second Building Surveyors' Conference in February 2020.</p> <p>A Code of Conduct and Guide for Building Surveyors was developed early 2020.</p>
<p>Education and training of new building surveyors, and continuous professional development for those already registered, are important building blocks for ensuring a robust and viable profession. The VBA continues to support the profession to execute its statutory role consistently and to a high professional standard through engagement and professional development initiatives with industry associations and other relevant institutions.</p>	<p>The VBA has representation on, and continues to be actively engaged with, the Australian Building Codes Board (ABCB), contributing to the national building policy agenda and supporting the implementation of the Shergold-Weir report recommendations including dissemination of enhanced education materials and tools for practitioners in Victoria.</p>

## Part B: Performance Improvements

Expectation	VBA Progress - 2019-20
<b><i>Faster and easier for registered entities and members of the public to submit required data online, check on their application status and remain compliant with their obligations</i></b>	
<p>Processing of 80 per cent of new building registration decisions within 45 days of receipt for the period from 1 July 2019 to 30 June 2020 with further improvements to be delivered in the following year</p>	<p>Processing of owner-builder and company registration applications exceeded the target at 96 per cent and 95 per cent, respectively. Timeliness of processing new building (natural persons) applications did not meet the target (38 per cent within 45 days) due to increased volumes and the impact of coronavirus restrictions.</p>
<p>Review how information is sought from practitioners and members of the public to ensure relevance, usability, and fitness for purpose</p>	<p>Company registration application e-form released on 29 August 2019</p> <p>Processing timelines reduced with rapid uptake of digital technology during COVID-19.</p> <p>Website content was reviewed twice yearly and updated to ensure it was relevant and accurate.</p> <p>The VBA's contact centre was upskilled to triage and assist multiple enquiry types, including enquiries received via the Department of Health and Human Services' COVID Support Line.</p>

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<b>Proactive inspections of building and plumbing work</b>	
Inspect 10% of building work associated with new building permits every year underpinned by a risk-based decision-making tool	Proactive inspection activity exceeded the 10 per cent target with 11,912 inspections (or 11 per cent of new building permits) completed over 2019-20.
<b>Improved capture and monitoring of risks and performance</b>	
Review the current risk management framework to implement a consistent approach to risk management for the VBA's regulatory strategies by 30 June 2020	The VBA Risk Management Framework was implemented from 1 July 2019 and reviewed by the Audit and Risk Committee and the VBA Board.
Greater use of data to refine the VBA's risk-based strategies including leveraging the new Building Activity Management System (BAMS)	BAMS was a key data source used to guide risk-based regulatory activities in the Statewide Cladding Audit and Proactive Inspections Programs.
<b>Increased information for practitioners</b>	
Draw on compliance and enforcement activities to identify key industry risks and develop educative materials for practitioners aimed at mitigating these risks by 30 June 2021	Guidelines on performance solutions and code compliance developed to mitigate industry risks.
Review and update the VBA website and related communications platforms which support enquiries by 30 June 2020	A new VBA website with improved functionality for online interactions was launched on 29 August 2019. Further upgrades to social media platforms were implemented in 2019-20.
<b>Strengthening understanding by co-regulators of their role</b>	
Develop specific information and engagement tools for building surveyors to reinforce their statutory role as a regulator by 30 June 2020	Quality Improvement Working Group meetings held to develop information and engagement tools.
<b>Transparency in the VBA's compliance and enforcement activities</b>	
Establish a modern and comprehensive approach to integrity by 30 June 2021	Whistle blower hotline established 12 months before expected completion date.
Develop an internal complaints management system by 30 June 2020	The VBA's <i>Internal Complaints Management Policy</i> implemented.
	An internal complaints management system established.
<b>Process improvements driven by efficient business systems</b>	
Collect building permit data and levy data successfully through BAMS on a monthly basis from 1 July 2019	The deployment of BAMS in July 2019 has increased the data accuracy of building permit and levy data.
Develop and implement an information and communication technology strategy to ensure the VBA's digital platforms continue to improve user experience by 30 June 2020.	A new ICT Strategy was approved and commenced implementation, focused on digital transformation that improves consumer and practitioner interactions, efficiency and effectiveness of regulatory functions.
	Project Management Office established to support transformation and improvement.

## Additional 2019-20 Annual Plan priority actions completed

Annual Plan Priority Action	End of Financial Year Result
<b>Strategic Objective 1: Protect our community</b>	
Ensure licensing and registration practices are efficient and support the entry and retention of qualified practitioners of good character	Website statistics showed increased use of practitioner registers with 69,085 recorded visits.
<b>Strategic Objective 2: Respond to risks and concerns</b>	
Act on consumer complaints promptly and fairly, with escalation of VBA intervention based on risk	Risk-based case prioritisation system implemented for complaints and statutory referral matters. Statutory notifications and single-issue proven complaints for fast track to Show Cause and proportionate disciplinary action trialled successfully.
<b>Strategic Objective 3: Empower industry, practitioners and consumers</b>	
Publicly report on VBA regulatory activity to influence practitioner behaviour	Proactive communication releases of regulatory enforcement outcomes published.
<b>Strategic Objective 4: Influence industry and key-decision makers</b>	
Ensure Victoria influences the national building policy agenda	Strong involvement in the Building Codes Committee, Building Regulators' Forum, Australian Building Codes Board (ABCB), Plumbing Advisory Council and Building Regulations Advisory Committee. Influenced the out of cycle National Construction Code (NCC) 2019 Amendment, which included clarification on the timber frame concession for combustible cladding, process and documentation requirements for performance solutions to apply to all building and plumbing work. Ensured projects of Victorian interest (i.e., vulnerable children in high rise buildings, lead in plumbing products) were priorities in the ABCB work program and national policy on energy efficiency improvements included Victorian residential rating tools as approved verification solutions under the NCC.
<b>Strategic Objective 5: Improve our internal culture and capability</b>	
Implement the VBA People Strategy 2022	VBA People Strategy 2022 launched; Safety First training rolled out with 90 per cent compliance.
Workforce accommodation plan developed to respond to increasing regulatory responsibilities	Short-term accommodation needs resolved in September 2019. VBA workforce transferred to remote working in response to coronavirus pandemic declaration in March 2020.