Media Release

For immediate release 23 July 2014

Levy audit finds $334,000 in unpaid building permit levies

The Victorian Building Authority’s (VBA) building permit levy audit program has identified more than $334,000 in unpaid building permit levies in 2013-2014.

Compliance and Performance Director Murray Smith said the VBA regularly performs audits to ensure building surveyors comply with their obligations to report and submit building permit levies.

Building permit levies fund the building control system in Victoria. Anyone applying for a building permit for works costing more than $10,000 must pay a levy before the permit is issued. Each month building surveyors must provide the VBA with a report of the building permits they have issued, along with the levy payments they have collected.

“In the 2013-2014 financial year, the VBA’s levy auditors identified 685 building permits that building surveyors either hadn’t reported to the VBA or had reported incorrectly,” Mr Smith said.

“This meant that $334,746 in levies was not passed on to the VBA, although in many cases, consumers have paid the amount in full to their building surveyor.”

The VBA carries out a risk-based analysis to identify which building surveyors will be audited.

Most of the problems discovered during the audits are the result of issues with systems and processes, or genuine mistakes. However, where instances of intentional wrong-doing are discovered, the VBA has an enforcement strategy in place to ensure appropriate action is taken to recover unpaid money.

“As well as recovering the payments, we need to ensure that those who do the wrong thing don’t gain a financial advantage over the rest of the industry,” Mr Smith said.

In May a building surveyor paid more than $72,000 in outstanding building permit levies after the VBA took legal action to recover the money he had collected from his clients for building permits he issued. The building surveyor faced an inquiry into his conduct as a result of not complying with the relevant legislation. He was found guilty of several allegations and fined $14,436.

ENDS

Media enquiries
Senior Communications Advisor – Larissa Bell – 03 9618 9330 - larissa.bell@vba.vic.gov.au
Communications Manager – Kate Volard – 0418 271 988 (after hours)