

VBA's Progress Towards the Minister's Statement of Expectations 2019-21 (30 June 2021)

The VBA's response to the Minister's Statement of Expectations (SOE) 2019-21 was submitted on 11 November 2019. While the 2020-21 financial year was marked by continuing coronavirus pandemic restrictions, the VBA maintained a strong regulatory presence, kept consumers and industry top of mind as we adapted to respond to challenges and improve performance. Most of the VBA's commitments in the response to the 2019-21 SOE were delivered in full or part by 30 June 2021. Remaining commitments are scheduled for delivery in the 2021-22 financial year.

PART A: Improving Monitoring and Enforcement of Regulation

<i>Expectation</i>	<i>VBA Progress – 2020-21</i>
<i>Strengthen the VBA's regulatory practice and outcomes to drive rogue elements from the building industry</i>	
The VBA will continue to grow its risk-based intelligence and research capability to drive regulatory activity. This approach will ensure that the VBA is focussed on reducing the greatest harms to the community and holding those who do the wrong thing to account.	<p>The VBA continued to hone its risk-based regulatory approach and use its intelligence and research capability to promote improved compliance and inform regulatory reform in the building industry. Further enhancements are scheduled in 2021-22.</p> <p>Risk-rating of building permits has been automated. System design to fully automate site selection will be a focus in 2021-22.</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>The VBA disciplined building practitioners under the show cause process for matters other than non-compliant combustible cladding, in 78 cases.</p> <p>More than 1,100 investigations were carried out in the year which resulted in more than 155 separate sanctions issued against practitioners. The VBA's 'firm but fair' regulatory posture to protect the industry and the community was evident:</p> <ul style="list-style-type: none"> • A total of 33 building practitioners had their registrations suspended or cancelled (compared with 28 in 2019-20). This figure includes 7 building practitioners who had their registration suspended over solvency concerns. • Of 133 Show Cause Notices issued during 2020-21, 4 of those were issued to practitioners arising from scrutiny over illegal phoenixing activity.
<i>Supporting the Department of Environment, Land, Water and Planning (DELWP) in delivering the State Government's reform agenda</i>	
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>The VBA and DELWP regularly consulted on component projects throughout the financial year.</p> <p>Insights from the VBA's regulatory activities and research program informed a presentation by the VBA CEO and a formal submission to the Expert Panel on the Building System Review.</p>
<i>Continuing to deliver the state-wide cladding audit and related cladding tasks</i>	
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>Despite the impact of COVID-19, the Statewide Cladding Audit conducted 490 inspections of buildings and convened independent expert Advisory Reference Panels (ARP), which determined a risk rating for 276 buildings. Audits of these 276 buildings were undertaken to identify the use of combustible cladding and the risks to safety of occupants of in-scope buildings. Audits completed was impacted by coronavirus restrictions.</p> <p>An Essential Safety Measures (ESM) maintenance framework was developed and established in collaboration with the Metropolitan Fire Brigade, City of Melbourne, Consumer Affairs Victoria and DELWP.</p> <p>Improved communications to owners and occupants included fire safety tips, essential safety measures guides, Advisory Reference Panel 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 utilised throughout 2020-21.</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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<i>Play a leadership role in strengthening the building surveyor profession</i>	
<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 23 July 2019 will lead this effort.</p>	<p>The Code of Conduct for Building Surveyors, a first for Victoria and key recommendation of the Building Confidence Report, commenced on 1 January 2021. The Code aims to lift the standard of the building surveying profession by outlining inappropriate behaviours and practices and establishing eight areas of professional conduct that building surveyors in Victoria must follow.</p> <p>Work to strengthen the building surveyor profession has seen the VBA undertake 141 proactive desktop audits of surveyors' work located across 35 municipalities in the six months to 30 June 2021. This work to identify whether registered surveyors are carrying out their functions in accordance with the Act, Regulations and National Construction Code, identifies non-compliances and documentation gaps, and aims at educating practitioners early and assisting them improve their practices, while also holding them to account for work standards.</p> <p>A record 727 practitioners virtually attended VBA's Building Surveyors' Conference in March 2021 to hear industry experts discuss emerging trends and take part in interactive forums. The theme of the conference was 'reset and rebuild', with presenters discussing the need to prepare for a fundamentally different COVID normal operating environment.</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 partnered with the Victorian Managed Insurance Authority (VMIA) and DBDRV to launch the inaugural Building Surveyor Career Pathways Program in February 2021 with six cadets who will spend six months in each organisation over an 18-month period, gaining invaluable skills and knowledge, learning while contributing to the vital work of each organisation.</p> <p>In 2020–21, the VBA provided advice into the Australian Building Codes Board's (ABCB) proposed implementation of the Building Confidence Report (BCR) recommendations. The VBA worked closely with DELWP on preparing 10 Victorian submissions to ABCB's discussion papers on the BCR recommendations that were released for public consultation in 2020–21.</p>

PART B: Performance Improvements

Expectation	VBA Progress – 2020-21
<i>Faster and easier for registered entities and members of the public to submit required data online, check their application status and remain compliant with their obligations</i>	
<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 (2020-21)</p>	<p>Timeliness for processing of building registrations within 45 days of receipt continues to improve year-on-year:</p> <ul style="list-style-type: none"> • Building registrations -71% (compared with 65% in 2019-20) • Plumbing registrations - 83% (compared with 76% in 2019-20).
<p>Progressive roll out, and strong adoption, of e-enabled systems by 30 June 2021 as shown by an increase in take-up of e-forms annually</p>	<p>In June 2021, the VBA launched online exams, allowing some building practitioners applying for registration to complete exams digitally. The portal is secure and easy to use, increasing flexibility for practitioners by reducing travel and supervision time, resulting in a more accessible and efficient exam process. The new online exams are for registration in Domestic Builder Unlimited, Domestic Builder Limited to Carpentry Work and Building Inspector (Pool Safety).</p> <p>Additionally, work on a holistic scope for e-enabled systems commenced with broader e-forms development to be sequenced with the practitioner identity, register and general forms work to be undertaken in 2021-22.</p>

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Proactive inspections of building and plumbing work	
Inspect 10% of building work associated with new building permits every year underpinned by a risk based decision-making tool	<p>Proactive inspection activity exceeded the 10 percent target with 13,083 inspections (or 10.6% percent of new building permits) carried out in 61 municipalities during 2020-21.</p> <p>This work led to the VBA sending more than 3,400 notifications to practitioners requiring a response to the compliance risks identified.</p> <p>The Plumbing Audit Program conducted 7,901 audits, drain inspections and follow-up visits, with 1,898 of these completed virtually.</p>
Improved captured and monitoring of risks and performance	
Introduce technology to enable legacy business systems to provide improved data quality by 30 June 2021 with this data to inform VBA regulatory action in the following year.	Building stock data first release was completed and work progressed on data analytics for a Practitioner Risk Dashboard. Practitioner registration, customer foundation and digital ID projects commenced in the last quarter of the 2020-21 financial year.
Develop and implement an outcomes assessment framework to be imbedded within the VBA annual and corporate planning processes by 30 June 2020	An evaluation framework will be developed in conjunction with a new VBA Strategic Plan 2022-27, designed to have the VBA future-ready to deal with anticipated change. The framework will enable the VBA to evaluate and demonstrate success in delivering on the VBA's strategic direction and contribution to public value outcomes over the next five years.
Increased information for practitioners	
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.	<p>The VBA continued to work with industry to improve competency through educative materials. Practice note on fire safety performance solutions was developed by 30 June 2021 to assist practitioners with mitigating identified compliance risks and trends.</p> <p>The Stakeholder Perceptions Measurement Framework project was re-scoped to better service the VBA's post-pandemic needs. Survey design commenced by the end of the financial year.</p>
Review and update the VBA website and related communications platforms which support enquiries by 30 June 2020.	<p>Improved website functionality and information provision generated positive industry sentiment in 2020-21.</p> <p>Website statistics showed increased use of practitioner registers with 2,281,529 recorded visits.</p>
Understand the trends in performance for specific practitioners who have been subject to regulatory action	
Develop a Practitioner Performance Scorecard that provides practitioners with an indication of how they are performing on compliance, safety and consumer response (indicated by complaints) in comparison with industry peers in a particular class of registration or licence by 30 June 2021.	A Data Strategy incorporating data scope, collection methodology and system support was developed to inform the development of Practitioner Profiles. Further refinement of the Practitioner Profiles will occur in alignment with enhancement of the VBA's risk-based regulatory approach in the 2021-22 financial year.
Strengthening understanding by co-regulators of their role	
Develop specific information and engagement tools for building surveyors to reinforce their statutory role as a regulator by 30 June 2020	Education campaign to support building surveyors to effectively undertake their statutory role continued with the addition of a new Practitioner Education series launched March 2021. Throughout 2020-21, the VBA saw 10,973 participants across 47 education webinars, averaging 750 attendees per session.
Finalise Statements of Intent with majority of municipal councils to strengthen information sharing and grow VBA's intelligence gathering network by 31 December 2020	Revised approach with DELWP now leading development of VBA/LG Protocol as part of Building System Review early initiatives (currently under development with VBA active contribution).

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Improved leveraging of information from other regulators	
Develop new information sharing protocols with key stakeholders by 30 June 2020	<p>VBA led development of interagency Rapid Response Guide in consultation with DELWP, MFB, CFA, Victoria Police, Energy Safe Victoria, Worksafe Victoria and municipal building surveyors. Given some members were unable to contribute and endorse, DELWP finalised consultation.</p> <p>VBA shared all information with Cladding Safety Victoria (CSV) where a building had been triaged as high or extreme triage rating in order to facilitate CSV's Cladding Rectification Program.</p> <p>There was a total of eleven (active) information sharing protocols / agreements in place as of 30 June 2021.</p>
Improve understanding of current efforts to provide information	
Undertake targeted satisfaction surveys to ensure clarity, ease of access, and value of information provided to the public, consumers, owner builders and building and plumbing practitioners by 30 June 2021	The Stakeholder Perceptions Measurement Framework project was re-scoped to better serve the VBA's post-pandemic needs. Design of surveys commenced, with intended launch following COVID lockdowns (anticipated in 2021-2022).
Transparency in the VBA's compliance and enforcement activities	
Publish regulatory activity, including pro-active inspections, with consideration of broader information campaigns to influence practitioner behaviour by 30 June 2021.	<p>The VBA published quarterly reports on proactive inspections activity during the year.</p> <p>The VBA collaborated with other departments and agencies to support the Victorian Government's COVID-19 response. The VBA was an active participant in the Building and Construction Industry Taskforce that continued to revise industry COVIDSafe Guidelines to reflect lessons learnt and changing risks, while supporting the industry to remain operational. The VBA also offered fee relief to 3,000 building and plumbing practitioners on JobKeeper and JobSeeker, collectively saving them more than \$600,000, and answered 33,718 calls on the COVID-19 Hotline.</p>
Establish a modern and comprehensive approach to integrity by 30 June 2021.	An external IntegrityVBA hotline was established early 2021 and allows practitioners, suppliers, and the public to call 1300 30 45 64 or email IntegrityVBA@stopline.com.au to make any complaint about VBA's employees, products, services, or the handling of a complaint. IntegrityVBA delivers on the VBA's responsibilities in alignment with national integrity standards.
Process improvements driven by efficient business systems	
Introduce a Field Services Application (FSA) to reduce double handling by the VBA's increasingly mobile workforce by 30 June 2021.	Refinements to Field Services Applications (FSA) were progressively rolled out from 30 June 2021 and consolidation of FSA will progress in the 2021-22 financial year as part of the Building Systems Technology Roadmap.
Develop and implement an information and communication technology (ICT) strategy to ensure the VBA's digital platforms continue to improve user experience by 30 June 2020	<p>In 2020–21, the VBA continued implementing the Building System Technology (BST) roadmap. This initiative signifies a turning point in the VBA's commitment to improving services for practitioners and consumers including:</p> <ul style="list-style-type: none"> • introduction of online exams, this will make it quicker and easier for practitioners to complete exams. • partnership with Services Victoria to commence the implementation of a digital licence card for practitioners. This will also benefit consumers, who will gain access to real time information on the status of a licence • enhancing our building stock database for Victoria. Enhancements have included connecting geospatial data, specific industry data sets and the VBA data about buildings. These integrated data sets have enabled the VBA to further target its regulatory activity • development of a case system to support the implementation of the Building Surveyor Code of Conduct. This system allows tracking and reporting of matters from a secure system and will help with supporting Building Surveyors to comply with the Code.