

Auditing and Compliance Publication Framework

Overview

The **Building Confidence Report**

<https://www.industry.gov.au/sites/default/files/July%202018/document/pdf/building_ministers_forum_expert_assessment_-_building_confidence.pdf> (BCR), published in 2018, identified there were regulatory and compliance deficiencies in the regulatory oversight of the construction of commercial buildings in Australia. Note the BCR defined commercial buildings as Class 2 – 9 buildings and we have continued to use this definition in this consultation.

Recommendation 7 of the BCR is: **That each jurisdiction makes public its audit strategy for regulatory oversight of the construction of commercial buildings, with annual reporting on audit findings and outcomes.**

In response to this recommendation, the BCR Implementation Team has developed a high-level principles-based framework to guide reporting on auditing. State and territory regulators are responsible for the development and publication of auditing strategies.

Reporting on the auditing of commercial buildings survey ran on the ABCB Consultation Hub from 29 June to 14 July 2020. The survey sought views on reporting on auditing including:

- how reporting of auditing information would impact compliance with the National Construction Code (NCC), state and territory legislation and Australian Standards,
- how and when auditing information should be reported,
- what measures of auditing activities and outcomes should be reported, and
- perceptions of the benefits or disadvantages of reporting about auditing.

There were 199 responses to the survey. The BCR Implementation Team drew on these to inform the draft Auditing and Compliance Publication Framework (the draft Framework), on which we are now seeking your feedback.

As the BCR noted, the focus of recommendation 7 on Class 2 – 9 buildings does not mean that the auditing and oversight of Class 1 or 10 is not necessary or is unimportant. The intention of the recommendation is that audit programs for commercial buildings are prioritised but that auditing strategies might include domestic buildings in future noting that some jurisdictions are already actively auditing domestic buildings. This is in recognition that defects and non-compliances in commercial buildings usually present a higher risk to occupant safety and are more difficult and expensive to rectify.

This consultation uses the BCR's definitions of commercial and domestic buildings.

- 'Commercial buildings' refers to Class 2 – 9 buildings, including multi-storey residential buildings and public buildings. The term captures both public and privately-owned buildings, including those intended to be occupied by vulnerable people, such as aged care facilities, hospitals, childcare centres and low-cost accommodation.
- 'Domestic buildings' refers to Class 1 and 10 buildings which includes dwellings, whether detached or attached (such as terrace houses and villas), sheds, swimming pools and other non-habitable structures.

Additional information on building classifications is available on the **ABCB**

<<https://www.abcb.gov.au/Resources/Publications/Education-Training/Building-classifications>> website.

Why we are consulting

The draft Framework is targeted at state and territory building regulators with primary responsibility for the regulation of the construction of Class 2 – 9 buildings. The draft Framework:

- encourages regulators and industry to have a continuous conversation about auditing with a focus on increasing compliance with the NCC, state and territory legislation and standards,
- recognises education and training and access to information as an important aspect of conversing with industry about auditing,
- is high-level and principles-based so that state and territory regulators can adapt each principle to their legislative and regulatory contexts, and
- encourages collaboration between state and territory regulators to facilitate national consistency in reporting on auditing, where possible.

Your feedback about the draft Framework will help us to ensure it reflects the needs of regulators, industry and the public and will support increased compliance with the National Construction Code, state and territory legislation and standards. This will deliver better outcomes for industry and for owners, tenants and users of Class 2 – 9 buildings in Australia.

Providing comment

Comments are open until **11:59PM AEDT Sunday 17 January 2021**. Only comments submitted using the online form will be considered.

A preview of the consultation form is provided below.

If you have a question about this consultation, please contact [**bcrimplementationteam@abcb.gov.au**](mailto:bcrimplementationteam@abcb.gov.au).

Information Collection

1 Important: Please ensure that you have read and understood the below statements before proceeding

Privacy Collection Statement

The Australian Building Codes Board (ABCB) is bound by the Australian Privacy Principles (APPs) outlined in Schedule 1 of the *Privacy Act 1988* (Cth) (Privacy Act), which regulates how entities may collect, use, disclose and store personal information.

Your personal and sensitive information is being collected by the ABCB Office to assist the ABCB to carry out its functions, to inform the consultation process and for other purposes including to communicate with individuals or organisations about their submission.

The personal and sensitive information collected as part of the submission process may be disclosed to and used by the following individuals or organisations:

- the Department of Industry, Science, Energy and Resources or the ABCB Office, and the staff of the Department and the ABCB Office;
- the ABCB, its committees and any working groups established by the ABCB, and their staff and advisors;
- the Commonwealth Government, and State and Territory Ministers responsible for building regulation and policy, and their staff and advisors;
- other Commonwealth or State and Territory government departments and agencies;
- any consultant or contractor engaged by the ABCB for the purpose of undertaking work in respect of the subject matter of the submission process.
- any organisation for any authorised purpose with your express consent, for the purposes set out above.

Personal and sensitive information obtained will be stored and held in accordance with the ABCB's obligations under the *Archives Act 1983* (Cth). Further information about how the ABCB collects, uses and discloses personal information is set out in its **Privacy Policy** <<https://abcb.gov.au/Footer/Privacy>> .

If you have an enquiry or request relating to your personal information, please contact:

Privacy Contact Officer
Australian Building Codes Board
GPO Box 2013
Canberra ACT 2601

All submissions and comments will be published unless they are marked 'commercial-in-confidence'. However, any contact details you provide within your submission will be redacted prior to the submission being published.

In order to promote debate and transparency, the ABCB prefers that all submissions and comments be provided in a way that does not require confidentiality to be maintained. However, it recognises that in some circumstances you may want to provide information in confidence.

It is the responsibility of the person making the submission to ensure that any 'commercial-in-confidence' information is clearly identified. Please consider if you can structure your response to keep only some parts confidential. If only part of your submission is confidential, you can provide the confidential part as a separate submission so that the ABCB can publish the non-confidential part of the submission.

Where confidentiality is requested for an entire submission, it will not be published by the ABCB, nor will your name or organisation details; however, see the comments below regarding Regulation Impact Statements.

Please note that we may still disclose the confidential part of your submission to any of the above identified users of the information as part of the consultation process and we will use reasonable efforts to ensure that the recipients keep the submission confidential.

Submissions for Regulation Impact Statements will be made public in accordance with the Council of Australian Government's **Best Practice Regulation: A Guide for Ministerial Councils and National Standard Setting Bodies** <<https://www.pmc.gov.au/resource-centre/regulation/best-practice-regulation-guide-ministerial-councils-and-national-standard-setting-bodies>> . A summary of the views expressed in the submissions will be published as part of the Regulation Impact Statement.

The ABCB or the ABCB Office may also disclose confidential information in circumstances where:

- we are required or authorised by law disclose it;
- you agree to the information being disclosed; or
- someone other than you has made the confidential information public.

Your submission, comments, opinions and responses will not be published if the ABCB or the ABCB Office considers that your submission, comments, opinions and responses may contain potentially defamatory statements or other offensive comments.

2 By making a submission to this consultation you agree to the collection of the information you provide in your submission; and the use and disclosure of the information you provide in your submission as outlined above.

(Required)

Please select only one item

- Publish response
- Publish response anonymously (this will remove personal identifiers including, name and organisation)
- Do not publish

Personal Information

3 What is your name?

(Required)

4 What is your email address?

If you enter your email address then you will automatically receive an acknowledgement email when you submit your response.

(Required)

5 On whose behalf are you making this submission?

Please select only one item

- I am making this submission on my own behalf
 I am making this submission on behalf of a business
 I am making this submission on behalf of an industry body
 I am making this submission on behalf of a government agency

6 What is your organisation (if relevant)?

7 Which best describes your industry sector?

Please select only one item

- Building Commercial
 Building Residential
 Building Commercial and Residential
 Building and plumbing products
 Building Certification/ Surveying
 Architecture and design
 Engineering
 Plumbing
 Compliance, testing and accreditation
 Legal and Finance
 Specialist - disability access
 Specialist - energy efficiency
 Specialist - fire safety
 Specialist - health
 Specialist - hydraulic/ plumbing
 Student/ apprentices
 Trades and other construction services
 Education
 Community and Non-Government organisations
 Government
 General Public
 Other

If other, please specify

8 Please select your state or territory

Please select only one item

- ACT
 NSW
 NT
 Qld
 SA
 Tas
 Vic
 WA

9 If you work in the building industry, in which state or territory do you undertake the most work?

Please select only one item

- ACT
 NSW
 NT
 Qld
 SA
 Tas
 Vic
 WA
 NA - I do not work in the building industry

Principle 1

10 Do you agree with the intent of Principle 1?

Principle 1: Auditing information is clear and concise

Information about auditing should be easy to find, accessible and use unambiguous language. Regulators should include definitions of essential terms and use visual aids such as flow charts, diagrams and infographics, where appropriate, to engage with the broadest range of industry participants. Regulators should provide opportunities for industry participants to engage in-person and online.

Please select only one item

Yes No Unsure

Please explain your reasoning and provide suggestions for improvement.

Principle 2

11 Do you agree with the intent of Principle 2?

Principle 2: Regulators to promote and discuss auditing

Regulators should use formal reporting combined with interactive communication channels such as their websites and social media to encourage continuous conversation with industry and the public about auditing activities and outcomes. Communications should focus on benefits to industry, prevention of non-compliance, learning from case studies and education and training.

Please select only one item

Yes No Unsure

Please explain your reasoning and provide suggestions for improvement.

Principle 3

12 Do you agree with the intent of Principle 3?

Principle 3: Regulator performance to be publicly reported

Regulators should report on whether they met auditing targets and/or delivered on their auditing strategies. Regulators should report on how their performance is measured and how they are held accountable. They should explain whether they view auditing outcomes reported as regulatory 'success' and if not, what they define as regulatory 'success'.

Please select only one item

Yes No Unsure

Please explain your reasoning and provide suggestions for improvement.

Principle 4

13 Do you agree with the intent of Principle 4?

Principle 4: Data collection to support reporting and continuous improvement

Data collection should be designed to support reporting measures that enable a story to be told, including of long-term trends. Regulators should be transparent about the sources of their data and any limitations of the data. Regulators should also regularly review data collection and reporting measures and adapt them, if necessary, to ensure they remain relevant and continue to inform collaborative conversations with industry about auditing.

Please select only one item

Yes No Unsure

Please explain your reasoning and provide suggestions for improvement.

Principle 5

14 Do you agree with the intent of Principle 5?

Principle 5: Enforcement action to be published

Reporting and discussions about auditing should demonstrate a range of proportionate responses to issues identified through auditing, including strong responses where appropriate. States and territories should establish public registers of enforcement action taken against any registered practitioners and report additions to the register using a range of communication tools including social media.

Please select only one item

Yes No Unsure

Please explain your reasoning and provide suggestions for improvement.

Principle 6

15 Do you agree with the intent of Principle 6?

Principle 6: Regulators to collaborate within and across jurisdictions

Regulators within each jurisdiction and, where appropriate, across jurisdictions collaborate and communicate about auditing regularly.

Please select only one item

Yes No Unsure

Please explain your reasoning and provide suggestions for improvement.

General Questions

16 To what extent do you believe the proposed draft framework, if implemented by building regulators alongside public auditing strategies, can contribute to improved compliance with the National Construction Code, state and territory legislation and referenced Standards?

Please select only one item

- Compliance will increase a lot Compliance will increase a little No change
 Compliance will decrease a little Compliance will decrease a lot

Please explain your reasoning.

17 Does the draft Framework cover all aspects of reporting on auditing that you believe would be useful?

Please select only one item

- Yes No Unsure

Please explain your reasoning and provide suggestions for other aspects of reporting.

18 Do you have any other comments about the draft Framework?

19 Supporting documentation

Please attach a copy of any documents you wish to include to this printout.

Supporting documentation, such as diagrams, research papers or other information, can be uploaded here to substantiate your comments. Supporting documentation will not be published.

File Upload

Please provide supporting documentation in .doc, docx or PDF format.