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Ms Anissa Levy
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Queensland Building & Construction Commission
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QBCC RESET ROUNDTABLE

Dear Anissa,

Thank you for inviting Master Builders to attend the roundtable meeting on 17 January 2023 to discuss Phase 2 of the QBCC Reset project and your invitation for stakeholders to make a submission on the information presented.

Subject to the specific commentary below, Master Builders supports the two project objectives relating to:

- Transforming the QBCC into an “outcomes focussed regulator”; and
- The removal of barriers to make it easier for QBCC customers to engage with the regulator.

However, while Master Builders appreciates the intent behind the third project objective of “making it easier for QBCC officers to do their jobs”, we believe that it needs to be qualified. Specifically, the objective needs to be tempered to consider that the QBCC must also strive to be an efficient and effective regulator that is able to make prompt, fair and proportionate regulatory decisions.

Our detailed submissions on the QBCC Reset project follow.

(1) Outcomes focussed regulator

Master Builders is familiar with the innovative work of various regulators both in Australia and overseas to adopt an outcomes focussed regulatory model. Master Builders supports regulatory models of this kind as they deliver regulatory outcomes specifically targeted at preventing and mitigating harm to the community and industry, while at the same time minimising unnecessary compliance burden on those they regulate.

Also important is that the successful transformations of these regulators are typically achieved without the need for substantive additional funding.

It is also evident that the successful transformations of these regulators relied on clearly defining the regulatory outcomes they were seeking to achieve from the outset, including how success was to be

measured. Master Builders would welcome any information that QBCC could provide as to the work it has done to date in this regard, including how the structural refit will contribute to its regulatory outcomes. Master Builders would also welcome being part of any consultation process on these matters.

In relation to the organisational structure proposal presented to industry, it appears to be adding a high number of new functions for no perceived or stated benefit. There appear to be greater resources allocated to 'support services' than regulatory services. It is also unclear why there is a separation of 'corporate' support services from 'regulatory' support services when the organisation is a regulator. There seem to be more Senior Leadership Team members allocated to support services than regulatory, despite an already-high number of Senior officers in the regulatory arm.

We have not been provided with any analysis explaining the basis for the proposed increased functions and increase staffing levels. We are unclear what is proposed to be achieved and why the regulator cannot focus its existing resources more efficiently to improve its performance.

There also appears to be duplication of functions between the regulatory and support arms of the organisation, as well as within divisions. Noting that a number of new functions and positions are unfunded and/or vacant, it is suggested QBCC minimise its structure and reallocate existing resources as needed, without adding to overall staff numbers.

I should add that Master Builders supports QBCC adjusting its current organisational structure and processes to allow it to focus on achieving measurable and published outcomes targeted at reducing rates of:

- Defective and incomplete work.
- Financial failures and non-payment of debts.
- Unsafe building products.

In summary, we believe that QBCC should endeavour to move to an outcomes focussed regulator without increasing its funding base.

(2) Removal of barriers to allow consumer engagement

A common complaint that Master Builders receives from its members is that QBCC investigators, auditors, and licensing entitlement officers do not answer their telephone. There is also a perception that many officers have insufficient understanding of industry and legislation to make appropriate regulatory and licensing decisions or provide information to assist members in their compliance with the legislation.

It is also common for QBCC officers to refer consumers to Master Builders so that we can assist them with information about QBCC processes and legislation associated with defective work, licensing requirements and home warranty insurance. The inability or unwillingness of the referring QBCC officers to educate and assist consumers regarding QBCC's regulatory activities represents a major barrier to consumer engagement that needs to be addressed. It also impacts on the credibility of the QBCC in the eyes of the community.

Resolving these issues would improve consumer (and industry) engagement.

(3) Making it easier for QBCC staff to do their work

As part of its move to an outcomes focussed regulator, it is recommended that the QBCC adopts a “one-stop shop” approach when dealing with its regulatory activities, especially those activities dealing with licensing and compliance intervention. For example, it is quite common for persons being investigated for non-complex breaches of the legislation to be investigated by multiple branches and officers in the QBCC for the same matter. This leads to delay in finalisation, inconsistent outcomes, wasted QBCC resources and general confusion.

To address this, it recommended that QBCC adopt the outcomes focussed regulator concept that regulatory decision-making is a “craft”. Consistent with concept, QBCC should explore whether non-complex investigations about breaches of the QBCC Act should be dealt with by the one officer (including compliance and licensing responses). To enable this to occur, officers conducting such investigations would need to be given sufficient training so that they know the range of licensing and compliance responses available to address a legislative breach, the correct responses to apply to achieve a proportionate and effective regulatory outcome, and the correct sequence for applying the responses.

I trust the above information is of assistance.

Yours faithfully



Paul Bidwell
CEO