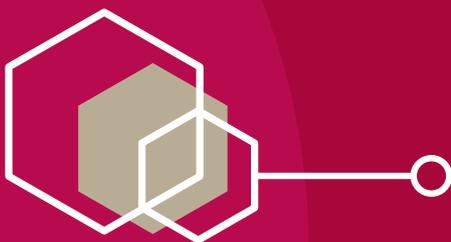


# Queensland Government Response to the Queensland Building and Construction Commission Governance Review



June 2022



This publication has been compiled by the Department of Energy and Public Works.

© State of Queensland, 2022

The Queensland government supports and encourages the dissemination and exchange of its information. The copyright in this publication is licensed under a Creative Commons Attribution 4.0 International (CC BY 4.0) licence.



Under this licence you are free, without having to seek our permission, to use this publication in accordance with the licence terms. You must keep intact the copyright notice and attribute the State of Queensland as the source of the publication.

Note: Some content in this publication may have different licence terms as indicated.

For more information on this licence, visit <https://creativecommons.org/licenses/by/4.0/>.

The information contained herein is subject to change without notice.

The Queensland government shall not be liable for technical or other errors or omissions contained herein. The reader/user accepts all risks and responsibility for losses, damages, costs and other consequences resulting directly or indirectly from using this information.

Interpreter statement:

The Queensland government is committed to providing accessible services to Queenslanders from all culturally and linguistically diverse backgrounds. If you have difficulty in understanding this document, you can contact us within Australia on 13QGOV (13 74 68) and we will arrange an interpreter to effectively communicate the report to you.



# Contents

Minister’s message .....	2
Introduction .....	4
Role of the QBCC .....	5
QBCC’s role compared with other jurisdictions .....	5
QBCC work already underway .....	6
Governance.....	6
The QBCC Governance Review Report and recommendations .....	7
Summary of Review findings .....	8
Queensland governments response to the report recommendations .....	9
<b>Recommendation 1:</b> Refocus the QBCC’s regulatory role to licensing and compliance of the industry. ....	10
<b>Recommendation 2:</b> Establish an independent, quarantined Mediation, Resolution and Review Unit within the QBCC.....	10
<b>Recommendation 3:</b> Reduce the size of the QBC Board and realign measures to demonstrate alignment with continuous improvement practices .....	10
<b>Recommendation 4:</b> Realign structure and recognise specialist skills .....	10
<b>Recommendation 5:</b> Enhance the QBCC’s reputation based on consistency, transparency, fair and impartial decision-making.....	10
<b>Recommendation 6:</b> Enhance the transparency and accountability of the conflicts of interest framework.....	10
<b>Recommendation 7:</b> Invest in an integrated information management system that is contemporary, fit-for-purpose and aligns with the organisation’s functions .....	10
<b>Recommendation 10:</b> Strengthen and enhance management, licensing, investigative and technical staffing capability .....	11
<b>Recommendation 11:</b> Implement a comprehensive and public compliance and enforcement strategy. ....	11
<b>Recommendation 12:</b> Strengthen and develop the building industry through effective education, support, information, and advice.....	11
<b>Recommendation 13:</b> Embed cooperative and collaborative relationships with stakeholders that promote trust, improve customer service which leads to a better understanding of the operating environment .....	11
<b>Recommendation 14:</b> Implement a contemporary and sustainable funding model to enable the QBCC to effectively regulate the industry.....	11
<b>Recommendation 17:</b> Establish an implementation group to monitor and report on the progress of the QBCC Review recommendations .....	11
Attachment 1 – 90-DAY ACTION PLAN .....	12

## Minister's message

**Globally, building industries have been impacted by supply chain disruptions and skills shortages caused by the COVID-19 pandemic and conflict in Ukraine. I am proud of our state's building and construction industry, which has faced these challenges head on and worked with the government to make the sector stronger, fairer, resilient, and more sustainable.**

It is important that Queenslanders and the 230,000 families that rely on this sector for a living, feel secure and have confidence in the built environment. In 2017, the Queensland government released the Queensland Building Plan (QBP), aimed at strengthening the industry that is the third largest contributor to the state's economy.

Since releasing the QBP, the government with industry, has made exceptional progress in delivering key reforms and tackling tough issues including non-conforming building products, security of payment for subcontractors, and financial sustainability for construction companies. In addition, licensing reforms improve consumer protection by ensuring the people who perform the work are appropriately qualified.

These reforms are underpinned by a robust regulatory framework. Today, the Queensland Building and Construction Commission (QBCC) has stronger powers to ensure high standards are set and maintained for Queensland. I acknowledge the efforts and good work performed by QBCC staff in protecting Queenslanders, who rely on a strong effective regulatory framework to give them confidence that they are safe in the buildings that they work, live, and play in.

In 2021, the government reaffirmed its commitment to build a safer, fairer, and more sustainable industry, through the Queensland Building Plan Update (2021 Update). It was also time for the QBCC governance arrangements to be reviewed to ensure the model was contemporary, fit-for-purpose and reflected best-practice.

On 16 November 2021, the Queensland government announced the review into the QBCC's governance arrangements, to be led by Mr Jim Varghese AM, a highly experienced and well-respected independent professional. During the review, Mr Varghese has been supported by the Australian and New Zealand School of Government (ANZSOG) and Queensland University of Technology (QUT). The review has built on previous work undertaken by the QBCC to improve and streamline processes and procedures, in an environment of significant change.

The Queensland government and Mr Varghese were committed to undertaking this review and ensuring the momentum to reform the industry was maintained.

The Queensland government welcomes the QBCC Governance Review Report (Review Report) and recommendations and thanks Mr Varghese as well as ANZSOG, QUT, and the Governance Review Secretariat, for their significant efforts in completing the review. The government would also like to acknowledge everyone who contributed their time and ideas.

Overall, the independent reviewer recognised the wide-ranging functions delivered by the QBCC across a diverse industry in an increasingly, complex environment. The Review Report makes 17 important recommendations, including 77 actions, setting the QBCC on a transformational program of reform to become a more customer and outcomes-focused regulator. These recommendations complement and build on the Queensland government's QBP reform agenda and 2021 Update.

While many actions will be implemented through administrative processes, others will require a detailed business case to ensure the government is implementing reforms in a considered and fiscally responsible way. Actions that strengthen the conflicts of interest framework, improve transparency, and consistency in the QBCC's decision making processes, will be prioritised.

As a first step, a robust 90-day action plan has been developed to address the matters raised in the Review Report. As the independent reviewer highlights, it is now time to roll up the sleeves and get on with the job.



**The Honourable Mick de Brenni MP**

Minister for Energy, Renewables and Hydrogen and  
Minister for Public Works and Procurement



## Introduction

Queensland's \$47 billion building and construction industry (including the residential, non-residential, and engineering construction sectors) is a key economic driver for the state's economy and employs approximately 230,000 people. The Queensland government's QBP aims to make the industry safer, fairer, and more sustainable by fostering confidence, creating jobs, and strengthening the state's economy. The QBP targets ten key areas of reform including security of payment, non-conforming building products, building certification, plumbing and drainage licensing, and managing the Queensland Home Warranty Scheme (Scheme).

In the environment of local and national reform, the Queensland government recognised the importance of the building and construction industry being underpinned by a strong regulatory framework. The 2021 Update highlights the significant progress that has been made in rolling out the QBP reforms. The 2021 Update also included a commitment to a review into the governance arrangements of the QBCC.

On 16 November 2021, the Queensland government announced the Department of Energy and Public Works (EPW) had commissioned an independent review into the governance arrangements of the QBCC, which would be led by Mr Jim Varghese an independent and well-respected professional.

The objective of the review was to ensure the governance of the QBCC is contemporary and fit-for-purpose. Outcomes of the review were to include advice and practical recommendations for any potential improvements to support the QBCC in being the strong, effective regulator that the industry and community expect and deserve.

The Terms of Reference required a report to be delivered to the EPW detailing findings and recommendations for the Minister's consideration. The review considered, and further advanced work, already undertaken by the QBCC to improve procedures and systems and review its dispute resolution and decision-making processes.

The recommendations were informed by extensive consultation through a range of communication channels, with research undertaken with support from ANZSOG, QUT and EPW.

On 12 May 2022, the independent reviewer presented the Review Report to EPW. The Review Report contains the review findings and recommendations to transition the QBCC into an insights-driven, customer and outcomes-focused regulator.



## Role of the QBCC

The QBCC regulates the Queensland building and construction industry – the third largest sector of the Queensland economy. Its regulatory functions are more comprehensive than any other building regulator in Australia. Employing more than 500 people, its functions cover:

- licensing (skills, experience, and minimum financial requirements)
- building product safety compliance
- security of payment
- dispute resolution
- managing the Queensland Home Warranty Scheme
- adjudication services,
- education and advice.

The QBCC has been leading the nation in its regulation of more than 70,000 licensees and delivering services that enhance industry and consumer protections. However, as identified in the Review Report, there is scope for improvement.

## QBCC's role compared with other jurisdictions

Queensland is the only Australian jurisdiction to have an independent, statutory building regulator in a single agency. Other jurisdictions regulate the industry through a government department or hybrid model made up of statutory officials or bodies supported by government departments.

Compared to other jurisdictions, the QBCC provides a unique and broad scope of services. For example, the QBCC administers a 'first resort' home warranty insurance fund, which differs from other regulators who only generally offer last-resort insurance coverage. The QBCC regulates Australia's most comprehensive non-conforming building product and security of payment laws.

The QBCC also regulates a more rigorous financial disclosure reporting framework for licensees. By making the disclosure of financial records a condition of contractor licensing, it provides the QBCC with greater transparency of the industry so they can support operators to remain financially viable.

The QBCC administers a comprehensive suite of anti-phoenixing laws that take a proactive regulatory approach towards payment claims. Specifically, the QBCC reviews the financial information it receives from contractors and checks for signs of financial distress or phoenixing activity.

The QBCC is responsible for the second highest number of building and construction industry licensees across Australia, and has a lower dollar threshold for regulated work when compared to New South Wales, Victoria, and Western Australia.

As an independent regulator, the QBCC's compliance and enforcement operations are primarily funded through licensing and compliance fees and charges. Separately, the legislation has established an Insurance Fund, which can only be used to pay claims and administer the Queensland Home Warranty Scheme (Scheme). It cannot be used to fund operational activity.

Since its inception in 2013, the QBCC's general operating budget has been operating in a deficit, with the Queensland government supporting the regulator through appropriation. Successive government reforms have added further responsibility to the QBCC's regulatory framework, but its revenue stream or funding model has not changed. The Review Report notes the QBCC is the only regulator not funded by a building levy, and that the current fee structure is not fit-for-purpose.

## QBCC work already underway

The QBCC Board and the QBCC have already commenced planning for, and implementation of, a range of initiatives that align with the recommendations of the Review Report. Some of these initiatives include:

- preparing for a major review of the Strategic Plan and Service Delivery Statement measures to support becoming a more outcomes-focused organisation.
- commencing changes to the current QBCC organisational structure and recruitment of key senior leadership roles.
- completing a comprehensive review of the dispute resolution services process, including a complex case management team, and planning a pilot mediation service.
- launching a revamped QBCC website and public awareness campaign in April 2022.
- strengthening industry relationships through engagement with key industry bodies and establishing regular forums consulting with industry leaders.
- bringing a customer-focus to the organisation.
- planning for a:
  - » digital transformation
  - » regulatory assurance framework including internal regulatory audit functions (non-financial)
  - » new regional model to ensure consistency and transparency across the organisation
  - » workplace strategy including flexible working arrangements, office locations and front counter services.
- making improvements to staff communication and engagement.
- exploring collaboration opportunities across government to drive efficiencies.

## Governance

The portfolio responsibilities of the Minister for Public Works and Procurement include seven pieces of principal legislation relating to the building and construction industry. These Acts cover:

- building and plumbing standards
- regulation of the Queensland building industry
- licensing of plumbers and drainers
- the Queensland Home Warranty Scheme (Scheme),
- the registration of professional engineers and architects.

EPW, and its responsible head, the Director-General, support the Minister by developing policy and legislation for executive government consideration in support of achieving its objectives for the building industry.

The QBCC, established through the *Queensland Building and Construction Commission Act 1991*, is a separate statutory body reporting through a governing Board to the Minister, while QBCC employees are appointed under this Act. The QBCC Act outlines the functions of these roles including the Queensland Building and Construction (QBC) Board, the Commissioner, the Adjudication Registrar, and the Insurance Manager. The Service Trades Council is established under the *Plumbing and Drainage Act 2018*.

# The QBCC Governance Review Report and recommendations

On 12 May 2022, the independent reviewer presented the Review Report to the Director-General. The Review Report makes 17 recommendations to support the transition of the QBCC into an insights-driven, customer and outcomes-focused regulator.

The recommendations are accompanied by actions that provide focus to ensure effective implementation of all the recommendations.

The 17 recommendations can be categorised into these seven themes:

» 1. Structure and processes

» 2. Decision-making

» 3. Organisational transformation

» 4. Strategy and planning

» 5. Capability and culture

» 6. Performance

» 7. Implementation

# Summary of review findings

Over the past 20 years, the QBCC and former Queensland Building Services Authority (QBSA) have undergone several reviews to assess the regulator's effectiveness and performance. The QBCC and QBC Board have also initiated a range of studies to improve the performance and effectiveness of the organisation. As a part of this review, consideration was given to the findings and recommendations of the previous review reports into the QBCC and former QBSA, and work undertaken by the QBCC in recent years. Many of the Review Report's recommendations reflect or build on this previous work.

The Review Report makes important recommendations which can be broadly categorised as:



## Setting up the QBCC for success

The report makes important recommendations which will assist the QBCC in delivering its regulatory functions in this complex environment.



## Significant structural change

The report recommends refocusing the QBCC's regulatory functions on licensing and compliance, partially achieved by separating operation of the Scheme from the task of assessing claims, as well as establishing an independent mediation, resolution, and review unit as a statutory function within the QBCC.



## Changes to the Board

The report finds improvements can be made to support more effective Board operations, by reducing its size, making the conflicts of interest framework publicly available and, annually appraising the Board's performance. The report also recommends a formal industry advisory body be created to support the Board.



## Improved decision-making

The report supports work to develop and document operational procedures for all key regulatory activities, including disciplinary action against licensees, as well as compliance and enforcement strategies. This should ensure rigour, consistency, and transparency in decision-making and consumer and industry confidence in the regulator's actions.



## A focus on people and culture

The report finds opportunities to strengthen and enhance management, licensing, investigative and technical staffing capability. It recognises the need for staff to be supported by a culture of continuous improvement and contemporary information systems and the regulator's important work is supported by a sustainable funding model.



## Clearer roles

The report identifies the importance of delineating the functions of the government departments and regulators to support a better understanding of these separate and distinct roles, as well as ensuring the government's expectations of the regulator are clear, and it supports continuous improvement of the industry.



## Implementation is critical

Emphasising the importance of a strong focus on implementation, the report provides a clear pathway to ensure the QBCC can move to be an outcomes-focused statutory authority. Implementation should be overseen by a committee chaired by EPW, with progress reported publicly.

# Queensland government response to the report recommendations

The Queensland government supports the 17 recommendations (in principle), and is committed to addressing the independent reviewer's findings to deliver reforms that reflect the outcomes being sought.

The recommendations set out a transformational program of reform which will deliver improvements to the regulatory framework for the building and construction industry. Implementation of this suite of recommendations involves legislative, administrative, and structural reform that will need to be supported by communication and engagement activities. The government acknowledges structural reform can be challenging for staff, however, when reform is implemented well, it can have long-lasting benefits for staff, industry, and customers.

The Queensland government also notes that many of the specific actions are complex and will require detailed analysis of the costs and benefits. This additional analysis will inform consideration about any proposed approach to achieving the intent of the Review Report recommendations.

Together, the Review Report and the Queensland government's response provides a comprehensive reform agenda which will help the QBCC to become a more customer and outcomes-focused regulator, with functions that are aligned with community and industry expectations. It will also support the critical work that QBCC staff are tasked to complete every day.

## 90-DAY ACTION PLAN

To implement the recommendations, some matters will be subject to further executive government and parliamentary consideration, while others can be implemented administratively by the QBCC Board, the QBCC and EPW.

Some actions can be implemented now or started quickly, and these form the basis of a robust 90-day action plan (**Attachment 1**). More complex recommendations will require a detailed business case be prepared and consideration to how best implement the intended outcome of the recommendation to ensure the QBCC can effectively regulate the industry.

An implementation steering committee (implementation group) will report regularly to the government, and the government commits to reporting publicly on the progress.

The following recommendations are supported without further comment, as they are important reforms that may be achieved administratively and with the existing resources.

- **Recommendation 8:** Ensure strategic planning reflects government's expectations of the regulator and supports continuous improvement from the industry.
- **Recommendation 9:** Foster a culture of continuous improvement, respectful engagement, and effective reporting.
- **Recommendation 15:** Support the independent review of the role of developers within the Queensland building and construction industry.
- **Recommendation 16:** Improve building resilience to the impacts of natural disasters.

Additional comments in relation to the other recommendations are provided below.

### **Recommendation 1: Refocus the QBCC’s regulatory role to licensing and compliance of the industry.**

The Queensland government supports this recommendation in principle. Implementation of the actions have commenced with the referral of comments about the QHWS, which were out of scope for the review, to the QHWS review team.

The recommendation contains some actions that will be implemented quickly, such as establishment of the committee to assist in assessing and prescribing technical qualifications (action item 1.4). Other actions will require further analysis, such as transferring the administration of the Scheme to another government department or agency. It is important that a detailed business case and consultation is undertaken to ensure the economic, social, and regulatory outcomes envisaged in the recommendation will be implemented.

The government will continue to progress the review of the Scheme and action 1.2 concurrently. Therefore, there is no need to expand the Terms of Reference to include transfer of the administration to another agency, as recommended.

### **Recommendation 2: Establish an independent, quarantined Mediation, Resolution and Review Unit within the QBCC.**

The Queensland government supports this recommendation in principle. While the government acknowledges the benefits of separating the functions of the Mediation, Resolution and Review Unit from the existing QBCC licensing and compliance functions, there are several ways separation can be achieved. A detailed business case will need to be prepared to inform decisions about the most appropriate method of implementation.

### **Recommendation 3: Reduce the size of the QBC Board and realign measures to demonstrate alignment with continuous improvement practices.**

The Queensland government supports this recommendation and considers it timely as the current QBC Board appointment expires on 30 November 2022. This recommendation will be implemented through an appointment process, which is subject to executive government consideration.

### **Recommendation 4: Realign structure and recognise specialist skills.**

The Queensland government supports this recommendation. In acknowledgment of the functions and independence of the QBC Board and QBCC Commissioner, the implementation group will support the QBCC to give effect to this recommendation.

### **Recommendation 5: Enhance the QBCC’s reputation based on consistency, transparency, fair and impartial decision-making.**

The government supports this recommendation, noting it builds on the industry reforms progressed through the QBP and the 2021 Update.

The *Building and Other Legislation Amendment Act 2022* passed by the Queensland Parliament on 25 May 2022, partially delivers this recommendation.

### **Recommendation 6: Enhance the transparency and accountability of the conflicts of interest framework.**

The Queensland government supports this recommendation. Improving the transparency and accountability of the conflicts of interest framework is considered a priority.

### **Recommendation 7: Invest in an integrated information management system that is contemporary, fit-for-purpose and aligns with the organisation’s functions.**

The Queensland government supports this recommendation in principle, recognising a detailed business case will need to be prepared to identify functionality requirements and funding implications.

### **Recommendation 10: Strengthen and enhance management, licensing, investigative and technical staffing capability.**

The Queensland government supports this recommendation in principle, recognising a detailed business case will need to be prepared to identify, any skills and knowledge gaps within the organisation as well as the costs and benefits associated with the specific actions.

### **Recommendation 11: Implement a comprehensive and public compliance and enforcement strategy.**

The Queensland government supports this recommendation in principle. It is recognised that the extent of the reform will be dependent on other recommendations and any identified gaps in resourcing. Existing resources may be refocused, but it is yet to be determined whether further resourcing is required. To inform these decisions and how to best achieve the desired outcomes of the recommendation, a business case will need to be prepared.

### **Recommendation 12: Strengthen and develop the building industry through effective education, support, information, and advice.**

The Queensland government supports this recommendation in principle and welcomes changes to improve customer service and improve standards within the industry. The government recognise some actions, such as the introduction of a continuing professional development program will involve legislative and administrative reforms and broad consultation through a regulatory impact assessment process.

### **Recommendation 13: Embed cooperative and collaborative relationships with stakeholders that promote trust, improve customer service which leads to a better understanding of the operating environment.**

The Queensland government supports this recommendation and will take steps to improve clarity and understanding about the regulatory role of the QBCC and the policy role of EPW. It is acknowledged that the QBCC has already undertaken steps to improve the useability of the website as recommended in the Review Report.

### **Recommendation 14: Implement a contemporary and sustainable funding model to enable the QBCC to effectively regulate the industry.**

The Queensland government supports this recommendation in principle and recognises the need for a one-off capital investment to fund new information technology, the immediate upskilling of staff, and the implementation of a modern recurring funding source. While the government is committed to addressing the independent reviewer's findings, further analysis of the costs and benefits is required to accurately balance industry and consumer needs without unnecessarily adding to costs.

### **Recommendation 17: Establish an implementation group to monitor and report on the progress of the QBCC Review recommendations.**

The Queensland government supports this recommendation and has established a dedicated implementation group comprising of senior representatives from the Departments of Energy and Public Works, Premier and Cabinet, Queensland Treasury, the QBCC and Commissioner of the QBCC. All parties will play a critical role in driving implementation of these recommendations.

This implementation group will be responsible for monitoring and reporting on the progress of implementation of the Review Report recommendations. This group will also analyse each of the Review Report's proposed actions and consider funding and any other impacts on industry, customers, and government, and in course, may identify alternative methods of implementation to achieve the outcomes sought by the review.

The 90-day action plan is **Attachment 1**.

## Attachment 1 – 90-DAY ACTION PLAN

Reference	Deliverable (within 90-days)	Considerations
Not applicable	<ul style="list-style-type: none"> <li>three-year implementation plan.</li> </ul>	The three-year implementation plan will be subject to Executive government processes and published with the first report following the 90-day period.
<b>Recommendation 1 – Refocus the QBCC’s regulatory role to licensing and compliance of the industry</b>		
<b>Action 1.3</b> – Transfer responsibility for prescribing technical qualification requirements across all QBCC licensees to EPW, to clarify and distinguish the policy and regulatory responsibilities.	<ul style="list-style-type: none"> <li>Commence consultation process.</li> <li>Analyse resourcing implications.</li> <li>Identify potential legislative amendments.</li> </ul>	Further consultation and analysis, including the preparation of a detailed business case is required to inform executive government decision making about implementation of later elements and actions of recommendation 1.
<b>Action 1.4</b> – Establish a implementation group comprising the Queensland Training Ombudsman and representatives from EPW, QBCC, Construction Skills Queensland (CSQ), Department of Employment, Small Business and Training, industry representatives and other experts as required, to assist in assessing and prescribing the technical qualification requirements for QBCC licensees.	<ul style="list-style-type: none"> <li>Establish the implementation group in consultation with relevant agencies and organisations.</li> <li>Finalise the scope of the roles and responsibilities of the implementation group.</li> </ul>	Action item 1.5 has been delivered, with the QHWS review team being provided with the comments about the Scheme, which were out of scope of the Governance review.
<b>Action 1.5</b> – Refer comments about the QHWS, which are out of scope for this review, to the QHWS review team.	<ul style="list-style-type: none"> <li>The QHWS review team has been provided all comments received during the review about the Scheme.</li> </ul>	
<b>Recommendation 3 – Reduce the size of the QBC Board and realign measures to demonstrate alignment with continuous improvement practices</b>		
<b>Action 3.1</b> – In accordance with best-practice, right size the QBC Board to seven persons, including the Chair.	<ul style="list-style-type: none"> <li>Commence executive government process by seeking nominations for seven QBC Board positions.</li> </ul>	The current Board appointments end 30 November 2022. Delivery of this item is dependent on executive government processes.
<b>Action 3.2</b> – The composition of the reformed board must have an appropriate mix of relevant skills and experience.	<ul style="list-style-type: none"> <li>Consider relevant skills and experience as part of the executive government appointment process for the QBC Board.</li> </ul>	
<b>Action 3.3</b> – Apply the principles of gender equality, diversity, and inclusiveness in selecting members of the QBC Board.	<ul style="list-style-type: none"> <li>Consider gender equality, diversity, and inclusiveness as part of the significant appointment process.</li> </ul>	
<b>Action 3.4</b> – Establish an industry advisory body to allow the QBC Board to effectively engage with the sector.	<ul style="list-style-type: none"> <li>Develop scope of the roles and responsibilities of the advisory body.</li> <li>Identify and consult about membership.</li> <li>Establish the advisory body.</li> </ul>	

Reference	Deliverable (within 90-days)	Considerations
<b>Recommendation 4 – Realign structure and recognise specialist skills</b>		
<b>Action 4.1</b> – Undertake a structural realignment within the QBCC that supports an outcomes-focused regulator.	<ul style="list-style-type: none"> <li>Develop and consult on a structural realignment strategy.</li> </ul>	<p>While work can commence on this action, further consultation and analysis is required to ensure any realignment incorporates the other relevant recommendations and actions being progressed.</p> <p>Action item 4.2 is dependent on recommendation 10 and the associated action items, which will impact the timing of implementation.</p>
<b>Action 4.2</b> – Recognise and promote specialist career pathways and attract specialist skills and expertise.	<ul style="list-style-type: none"> <li>Identify specialist skills required to deliver functions.</li> <li>Commence process to identify if any skill gaps exist.</li> <li>Develop strategies to address any identified skills gaps.</li> </ul>	
<b>Recommendation 5 – Enhance the QBCC’s reputation based on consistency, transparency, fair and impartial decision-making</b>		
<b>Action 5.3</b> – Improve the customer experience through responsive and timely investigation, accurate advice and managing expectations through guidance and communication material.	<ul style="list-style-type: none"> <li>Undertake customer journey mapping.</li> <li>Prepare a baseline analysis.</li> </ul>	<p>The deliverables will be used to inform milestones needed to progress this recommendation.</p> <p>Amendments passed in the Building and Other Legislation Amendment Bill 2022 (BOLA Bill) will improve the QBCC’s ability to share information with other statutory bodies.</p> <p>Action 5.7 was delivered with passage of the BOLA Bill on 25 May 2022.</p>
<b>Action 5.4</b> – Establish a precedent register to improve consistency of disciplinary action, including fines and education requirements.	<ul style="list-style-type: none"> <li>Develop and establish a precedent register.</li> </ul>	
<b>Action 5.5</b> – Actively report on the outcomes of QBCC decisions.	<ul style="list-style-type: none"> <li>Develop protocols for reporting of decisions.</li> <li>Adopt practices to implement legislative reform passed through the parliament.</li> </ul>	
<b>Action 5.6</b> – Implement streamlined processes across regulatory agencies to reduce duplication in reporting and supports a customer focus, e.g., reporting of health and safety risks.	<ul style="list-style-type: none"> <li>Consult with other regulatory agencies to identify options to enhance industry and consumer reporting arrangements, e.g. work health and safety risk reporting on construction sites.</li> </ul>	
<b>Action 5.7</b> – The Transport and Resources Committee support the amendments in the BOLA Bill to improve consumer rights to information.	<ul style="list-style-type: none"> <li>The Transport and Resource Committee considered the BOLA Bill in its Report No. 18, May 2022 and recommended the Bill be passed.</li> </ul>	

Reference	Deliverable (within 90-days)	Considerations
<b>Recommendation 6 – Enhance the transparency and accountability of the conflicts of interest framework</b>		
<b>Action 6.1</b> – Establish a public-facing conflict of interest register for the QBC Board.	<ul style="list-style-type: none"> <li>Develop protocols for the public register, noting that sensitive, private information should not be publicly disclosed.</li> <li>Establish and publish a public-facing conflict of interest register.</li> </ul>	Responding to this recommendation is considered a priority for the Queensland government.
<b>Action 6.2</b> – Promote and monitor the disclosure of all forms of conflicts of interest including unreasonable and unacceptable forms of private interest for individuals in decision-making.	<ul style="list-style-type: none"> <li>Conduct training regarding the QBCC conflicts of industry policy.</li> </ul>	
<b>Recommendation 7 – Invest in an integrated information management system that is contemporary, fit-for-purpose and aligns with the organisation’s functions</b>		
<b>Action 7.2</b> – Recruit business transformation skills and expertise to improve the likelihood of success of organisational change.	<ul style="list-style-type: none"> <li>Recruit resources with transformational skills.</li> </ul>	<p>Further detailed analysis and consultation is required to identify the scope and implications of this recommendation as well as potential options for implementing the outcome being sought.</p> <p>The necessary transformational skills may initially be recruited through various methods, with the medium-long term goal incorporating the skills into the QBCC.</p>
<b>Recommendation 8 – Ensure strategic planning reflects government’s expectations of the regulator and supports continuous improvement from the industry</b>		
<b>Action 8.4</b> – Update the service charter to include an education program about the roles, responsibilities, and functions of the QBCC.	<ul style="list-style-type: none"> <li>Amend the QBCC’s service charter (now ‘Our commitment to you’) to incorporate information about the roles, responsibilities, and functions of the QBCC.</li> </ul>	
<b>Recommendation 9 – Foster a culture of continuous improvement, respectful engagement, and effective reporting</b>		
<b>Action 9.4</b> – Communicate and report on the organisation’s priorities, ongoing work commitments and emerging issues impacting service delivery, to encourage a collaborative approach to resolving matters and effectively managing resources.	<ul style="list-style-type: none"> <li>Establish clear channels of communication between QBCC leadership, management, and staff.</li> </ul>	<p>This recommendation is interdependent with recommendation 10 and further analysis is required to identify the scope and implications of this recommendation as well as potential options for implementing the outcome being sought.</p> <p>This recommendation will require further consideration by executive government.</p>
<b>Action 9.5</b> – Empower staff to perform their roles and responsibilities with the support of appropriate training.	<ul style="list-style-type: none"> <li>Consult within the QBCC to determine scope of the action required.</li> <li>Develop a framework for training protocols and programs.</li> <li>Develop a strategy to implement a feedback mechanism to evaluate effectiveness of programs.</li> </ul>	

Reference	Deliverable (within 90-days)	Considerations
<b>Recommendation 11 – Implement a comprehensive and public compliance and enforcement strategy</b>		
<b>Action 11.1</b> – Establish a rigorous and ongoing auditing process to strengthen compliance with regulatory actions taken by the QBCC.	<ul style="list-style-type: none"> <li>• Publish the results of compliance and enforcement activities undertaken during the 2021-2022 financial year.</li> <li>• Develop a six-month interim compliance and enforcement strategy for the period of 1 July 2022 – 31 December 2022.</li> </ul>	<p>The compliance and enforcement activities to be published will identify the QBCC’s focus of activities over the past financial year, such as key campaigns, auditing work and operations. However, some investigations or operational information maybe ongoing and if published could compromise the outcome or effective of operation and shall be withheld on this basis.</p> <p>An interim compliance and auditing strategy is proposed because of the suite of interdependent recommendations and actions, such as recommendations 1 and 2.</p> <p>The scope of resourcing and activities for a medium-long term compliance and auditing strategy will require further consideration by executive government.</p>
<b>Recommendation 13 – Embed cooperative and collaborative relationships with stakeholders that promote trust, improve customer service which leads to a better understanding of the operating environment</b>		
<b>Action 13.5</b> – Establish protocols between the QBCC and EPW regarding the respective roles and responsibilities in policy development.	<ul style="list-style-type: none"> <li>• Consultation to determine the best approach to the development to establishing protocols as recommended.</li> </ul>	
<b>Action 13.6</b> – The government develop a statement of expectations or similar which provides clear guidance to QBCC on the strategic priorities, emerging risks, engagement philosophy, performance and conduct. Consideration should also be given to the incorporation of the statement of expectations into QBCC’s existing business planning processes and these processes should include milestones for reporting on progress.	<ul style="list-style-type: none"> <li>• Develop statement of expectations.</li> </ul>	
<b>Recommendation 15 – Support the independent review of the role of developers within the Queensland building and construction industry</b>		
<b>Action 15.1</b> – Inform the independent review panel of the findings of this review, the unique identity of developers, and liaise as appropriate with the proposed review implementation working group.	<ul style="list-style-type: none"> <li>• The independent Developer Review panel has been informed of the findings of the QBCC Governance Review.</li> </ul>	Action item 15.1 has been delivered.

Reference	Deliverable (within 90-days)	Considerations
<b>Recommendation 17 – Establish an implementation group to monitor and report on the progress of the Review Report recommendations</b>		
<p><b>Action 17.1</b> – Establish a implementation group comprising the Director-General of EPW (Chair), a QBC Board member, the QBCC Commissioner and representatives from the Department of Premier and Cabinet, Queensland Treasury and any other person or agency deemed necessary by the Chair, to oversee implementation of the recommendations.</p>	<ul style="list-style-type: none"> <li>• The implementation group has been established.</li> <li>• Develop three-year implementation plan.</li> </ul>	<p>The implementation group has been established.</p> <p>After two-years, an evaluation into the effectiveness of the reforms implemented should be completed.</p>

This page is intentionally left blank

Department of Energy and Public Works

 13 QGOV (13 74 68)

 [www.epw.qld.gov.au](http://www.epw.qld.gov.au)



**Queensland**  
Government