

BCR Implementation Report

December 2021



The Problem

A spate of building defects and failures since the Lacrosse Apartments fire in November 2014 have badly impacted owners and raised serious questions about the quality of building design, construction and certification in Australia. While there has been no direct loss of life in Australia, similar failures in other countries have caused significant death and injury.

In response to these reports of systemic and widespread regulatory non-compliance in the Australian building industry, building ministers commissioned the Building Confidence Report (BCR) to examine the effectiveness of compliance and enforcement systems for the building and construction industry across Australia. Building ministers accepted the 24 BCR recommendations in principle and agreed on a national approach to implementation. To guide this, Building Ministers asked the Australian Building Codes Board (ABCB) to develop and coordinate responses in consultation with industry and governments.

The <u>Centre for International Economics</u> found the cost to consumers from building defects relating to regulatory non-compliance currently is \$2.5 billion annually with \$1.3 billion of that attributed to multi-storey apartment buildings. The report estimates that nationally consistent implementation of BCR recommendations would reduce the costs of building defects by approximately \$1.4 billion annually and offer time savings worth approximately \$375 million annually.

The Task

The building industry and building regulatory processes work differently in each state and territory and there is no single path to implement the BCR recommendations. To guide and complement direct actions by state and territory governments, building ministers established an implementation team through the ABCB to develop a national framework for the consistent implementation of BCR recommendations, as well as the design,

construction and certification of complex buildings. The Building Confidence National Framework, that links the Implementation Team outputs to each BCR recommendation, is available on the ABCB website.

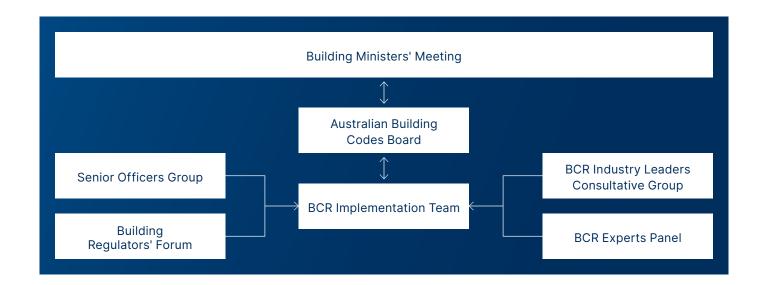
The Approach

The ABCB set up the BCR Implementation Team with wideranging skills and received guidance from, and reported regularly to:

- Governments, through the Building Ministers Meeting, the Senior Officers Group that supports it and the Building Regulators Forum.
- an Expert Panel of experienced practitioners and consultants, including one of the BCR authors, Bronwyn Weir, to provide specific advice on the BCR recommendations.
- an Industry Leaders Consultative Group with broad knowledge of the construction sector.
- the ABCB and its CEO.

The Implementation Team published 15 public consultation papers outlining possible reforms. With help from the public responses and targeted consultation with industry bodies and subject-matter experts, the Implementation Team developed these into a set of implementation tools consisting of:

- model guidance documents for governments to implement their own reforms;
- resources for industry associations and education providers to use; and
- model codes of conduct and model processes for governments and individuals to use.





Implementation Team Outputs

Using these guides, tools, education programs and National Construction Code (NCC) amendments will deliver better building design and construction, improve certification and assessment, strengthen regulatory oversight, and better inform owners.



Expanded registration and training

The **National Registration Framework** (NRF) provides consistent standards for registration of core building practitioners and work that should be restricted to registered people. It sets out separate requirements for NCC accreditation and PII accreditation in order to do restricted work. (BCR recommendations 1 and 2)

Evidence of experience for building surveyor registration provides detailed criteria for registration bodies to assess building surveyor experience. (BCR recommendation 4)

Continuing Professional Development (CPD) on the NCC and ethics provides specific criteria for introducing mandatory CPD on the NCC and ethics into new and existing CPD schemes. (BCR recommendation 3)

NCC CPD Education provides specialist training prepared by ABCB for practitioners to help achieve and maintain NCC knowledge and registration. (BCR recommendation 3)



Better design, construction and certification processes

Design acceptance sets out processes to improve the standard and compliance of project documentation, including variations during the construction process. (BCR recommendations 13 to 16)

Building product safety provides a Product Assurance Framework to improve building product compliance through a holistic package of measures that include information obligations for manufacturers and suppliers, improved surveillance and expanded enforcement. (BCR recommendation 21)

Independent third party review sets out criteria and processes for the independent review of complex and high-risk buildings or parts of buildings. (BCR recommendation 17)

Mandatory inspections gives guidance on when a building surveyor acting as an approval authority should inspect work under construction and initiate enforcement action. (BCR recommendation 18)



Engagement of fire authorities in the design process sets out criteria and processes for building designers to consult fire authorities during the design process and for fire authority advice to be considered during the approval process. (BCR recommendation 8)

Code of conduct for fire safety engineers supplements generic codes of conduct and the Australian Fire Engineering Guidelines to clarify what is expected of fire safety engineers. (BCR recommendation 8)

Fire safety systems safety gives guidance on the installation, testing, certification and maintenance of fire safety systems. (BCR recommendation 19)



Building surveyor integrity and their role in enforcement sets out the core obligations of a building surveyor when acting as an approval authority and acting in the public interest. (BCR recommendations 9 and 11)

Code of conduct for building surveyors supplements existing codes of conduct to clarify what is expected of building surveyors when acting as an approval authority. (BCR recommendation 10)



Stronger regulatory oversight

Building regulator collaboration provides guidance on how different regulators at all levels of government should work together to provide seamless regulation. (BCR recommendation 5)

Building regulator powers sets out the necessary powers for building industry regulators to work effectively. (BCR recommendation 6)

Auditing and compliance provides guidance on priorities and processes for regulators to assess and enforce compliance with building standards and laws. (BCR recommendation 7)

🙎 🙎 Better information sharing

Data sharing MOU is an undertaking between state and territory governments to enhance data collection and sharing to improve regulatory oversight while safeguarding privacy. (BCR recommendation 12)

Building manuals provides building owners, managers and regulators with minimum information required for the safe and proper maintenance and use of buildings, so they can continue to perform as intended. (BCR recommendation 20)

Building Confidence Glossary compiles and explains key terms from the Implementation Team Outputs to help understand and use them. (BCR recommendation 22)

Standards Australia's construction dictionary provides a central repository of definitions from the NCC and Australian Standards and improves understanding by defining and explaining key building terminology. (BCR recommendation 22)



Improved technical regulation

Measurable performance requirements further developed and proposed for inclusion in NCC 2022. (BCR recommendation 14)

Complex buildings definition provides a model for third party review and is proposed for inclusion in NCC 2022.

Mandatory performance based design briefs in NCC Amendment 1, sets out a process for developing and verifying performance solutions to support the increased and competent use of performance. (BCR recommendation 14)

Implementation Tools can be accessed at: abcb.gov.au/BCR

The Future

States and territories are already taking action in response to the BCR and are using some of the outputs developed by the Implementation Team. Building ministers share a national vision to provide safe and high quality buildings which support Australia's diverse communities and progress reforms to support safety and quality and improved compliance with the NCC. The implementation team outputs are designed for a future where:

Competent people do the work

Each state and territory registers building occupations consistent with the National Registration Framework. Individuals maintain their skills through CPD.

Building designs perform

Registered designers prepare and verify their building designs and documentation to meet the performance and governing requirements of the NCC. Third party experts check complex and high-risk buildings. Fire authorities are engaged and fire safety engineers abide by a strict code of conduct

Construction work complies

Registered builders supervise and verify work and licensed trades install and certify key systems and products to comply with the building approval and associated legislation. Products are tested and labelled. The statutory building surveyor inspects key stages of building work.

Certification and approval is robust

Registered building surveyors with demonstrated experience and following a strict code of conduct assess proposed building designs and completed buildings. Building information is gathered and stored in a database accessible by owners and regulators.

Regulators are effective

Building regulators use powers in registration and building approval legislation to audit individuals, processes and buildings, share information and enforce compliance. Regulators work together to police the whole building production and certification system.

Owners and investors are informed and keen to engage

Building owners have current, comprehensive building manuals to help them get the best out of their buildings. Owners and investors are confident to engage with a transparent and capable industry.

Opportunities for action

Each state and territory will continue to implement the BCR recommendations and use the outputs endorsed by Building Ministers to help identify:

- · opportunities for regulatory reform; and
- matters requiring cooperation with other jurisdictions to improve national consistency and workforce mobility.

The ABCB will continue to support states and territories with implementation of the BCR including:

- additional CPD education programs and support materials (BCR recommendation 3);
- development and application of the complex building definition;
- establishment and maintenance of national data sharing (BCR recommendation 12); and
- maintaining NCC definitions in the Construction Dictionary (BCR recommendation 22).

Governments will progress the next stage of the Building Product Assurance Framework with the assistance of the ABCB and industry (BCR recommendation 21).