INQUIRY INTO REVIEW INTO THE DESIGN AND BUILDING PRACTITIONERS ACT 2020 AND THE RESIDENTIAL APARTMENT BUILDINGS (COMPLIANCE AND ENFORCEMENT POWERS) ACT 2020

Organisation:Plumbing Industry Climate Action CentreDate Received:2 July 2024

2 July 2024



Building the Plumbing

Workforce of the Future

The Secretariat Public Accounts and Works Committee NSW Legislative Council

pawc@parliament.nsw.gov.au

Dear Madam/Sir

Review into the Design and Building Practitioners Act 2020 and the Residential Apartment Buildings (Compliance and Enforcement Powers) Act 2020

Thank you for the opportunity to contribute to the Public Accounts and Works Committee's review of the *Design and Building Practitioners Act 2020* (DBP) and the *Residential Apartment Buildings Act 2020* (RAB). This submission is from the Plumbing Industry Climate Action Centre (PICAC) on behalf of the leading stakeholder representatives in the Plumbing and Fire Protection Industry (the Industry) and the Plumbing and Pipe Trades Employees Union.

The DBP and RAB Acts are important pieces of legislation and form a key part of the broader regulatory framework for the Construction Industry in New South Wales (NSW). Industry welcomed the legislation when it was introduced in 2020. It remains supportive because it has the potential, if properly overseen and enforced, to make a significant difference in terms of addressing the unacceptable rates of non-compliance and failure identified in the Shergold Weir Report (2018) and subsequent inquiries and reviews.

Industry believes the DBP Act introduced some very positive measures to the regulatory mix including a registration step for building designs for example and the introduction of the system for registration of practitioners involved in design and building work. It also supports the obligations the Act introduced around requiring these practitioners to declare the compliance of their work with the Building Code of Australia and clarification and specifics of where a duty of care is owed to consumers and by whom.

Similarly, Industry supports the additional regulatory rigour around developers brought by the RAB Act. The addition of the mandatory developer notification scheme and additional enforcement and stop work powers for the Secretary, are positive regulatory tools.





In broad terms, Industry believes the legislation is sound and appropriate. However, its effectiveness is determined by outcomes and the extent to which significant, life threatening, and potentially financially ruinous building or plumbing failures are avoided. As expanded upon below, to be effective, the legislation needs to be backed up by robust and meaningful oversight, inspection and audit.

An active audit and inspection program is particularly important when so much of the regulatory model is driven by self-certification or certification by another practitioner/ developer, and where there are persistent problem areas in terms of quality and poor outcomes which are being experienced by consumers and/or investors.

For example:

- There are several key areas where serious defects (work fails to comply with the Building Code of Australia) which put lives and property at risk, persist at unacceptably high levels in NSW including fire safety, waterproofing, roof plumbing, cladding and use of inappropriate materials.
- As well as inspection and enforcement, the other key regulatory arm with a big role to play in compliance, is licensing and registration. There is a significant amount of work going on in NSW currently aimed at updating the licensing frameworks for construction and rolling them all up into the new Building Bill. Industry is supportive of and participates in that work which is seen as very important because there are many known instances where people are working outside of their licensed work scopes, or completely unlicensed. Alarmingly, some of these examples involve workers who are completely untrained working in areas where training is essential to quality and community safety. This is particularly a problem in key identified areas like fire protection and waterproofing.
- The legislation under review was made shortly after the residents of the 10 storey Mascot Towers development in Sydney had to vacate their homes due to building cracks and other faults. The building is still uninhabitable, and many of the residents/owners who bought into the development, have been ruined financially and endured a prolonged period of stress and trauma. The NSW Government is millions of dollars out of pocket.
- A key part of mitigating against another Mascot Towers is a strong regulatory presence. Builders and developers need to be aware that there is regulatory scrutiny in the sector and they could be subject to audit and inspection, and most importantly for developers, they will be held to account.



The RAB provides a suite of comprehensive investigation, rectification and enforcement powers to the Secretary of the Department of Customer Service and other delegated persons, including the Building Commissioner, for certain types of residential apartment building work and completed buildings. It establishes a mandatory developer notification scheme for building work which is at least six months from completion.

Industry makes the point that the legislation necessary to prevent a Mascot type disaster occurring is in place, but it needs to be strongly enforced and backed up with appropriate sanctions and penalties. This is particularly important when it comes to holding developers to account.

Thank you once more the opportunity to contribute to the Public Accounts and Works Committee's review of the DBP and the RAB. Industry would welcome the opportunity to discuss its views further with the Committee or provide more information via the Secretariat as appropriate.

Should you wish to discuss this submission, please do not hesitate to contact me via email: or mobile:

Yours sincerely

Shayne La Combre Chief Executive Officer