

ANNUAL REPORT

2023-2024

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The State of Queensland (Queensland Building and Construction Commission) Annual Report 2023-2024.

About this report

This report summarises the activities and performance of the Queensland Building and Construction Commission (QBCC) for 2023-2024 against key business objectives and targets as set by the Queensland Building and Construction Board (QBC Board), the Government's objectives for the community and the QBCC Strategic Plan 2023-2027. The report reflects the QBCC's commitment to effective corporate governance through openness and accountability and provides an account of our revenue and expenditure.

This is the QBCC's 11th annual report since its commencement on 1 December 2013. The previous annual reports are available on our website at www.qbcc.qld.gov.au



Interpreter service statement

The QBCC is committed to providing accessible services to Queenslanders from all culturally and linguistically diverse backgrounds. If you experience difficulty in understanding the annual report, you can contact us on 139 333 and we will arrange an interpreter to effectively communicate the report to you.

Enquiries

Readers are encouraged to download the report online at www.qbcc.qld.gov.au/about-us/our-corporate-publications/annual-report.

Where this is not possible, printed copies are available using one of the contact options below.

299 Montague Road West End Qld 4101 or locate a regional service centre at www.qbcc.qld.gov.au/contact-us. Addresses are also available on page 12 of this report.

T: 139 333

E: info@qbcc.qld.gov.au

For more information on any of the initiatives or services mentioned in this report, visit the QBCC's website at www.qbcc.qld.gov.au

Acknowledgement of Country

The QBCC acknowledges the Aboriginal and Torres Strait Islander Traditional Custodians of Country throughout Australia and recognise the continuing connection to lands, water and communities. We pay our respect to Aboriginal and Torres Strait Islander cultures and to Elders past and present.

The QBCC is dedicated to advancing reconciliation and building a diverse workplace by adopting inclusive practices, encouraging learning, supporting tolerance and understanding, and respecting the diversity and traditions of Aboriginal and Torres Strait Islander communities. Our approach as an organisation will demonstrate commitment and enhance adoption within the wider community.

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LETTER OF COMPLIANCE



3 September 2024

The Honourable Meaghan Scanlon MP
Minister for Housing, Local Government and Planning
and Minister for Public Works
1 William Street
BRISBANE, QLD 4000

Dear Minister,

I am pleased to submit for presentation to the Parliament the Annual Report 2023-2024 and Financial Statements for the Queensland Building and Construction Commission.

I certify that this Annual Report complies with:

- the prescribed requirements of the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2019*
- the detailed requirements set out in the Annual report requirements for Queensland Government agencies.

A checklist outlining the annual reporting requirements is provided at page 118 of this Annual Report.

Yours sincerely

A handwritten signature in black ink that reads 'Michelle James'.

Michelle James
Chair
Queensland Building and Construction Board

ABOUT US

OUR ROLE

The Queensland Building and Construction Commission (QBCC) is Queensland's building and construction regulator. Our mandate is to independently regulate the building and construction sector, and efficiently manage the Queensland home warranty insurance fund (the Queensland Home Warranty Scheme).

We are an independent statutory body established under the *Queensland Building and Construction Commission Act 1991* (QBCC Act) governed by the Queensland Building and Construction Board (QBC Board). Due to machinery of government changes, our responsible Minister changed on 18 December 2023, from the Honourable Mick de Brenni MP, Minister for Energy, Renewables and Hydrogen and Minister for Public Works and Procurement to our current responsible Minister, the Honourable Meaghan Scanlon MP, Minister for Housing, Local Government and Planning, and Minister for Public Works.

The QBCC values the role of the Department of Housing, Local Government, Planning and Public Works (DHLGPPW) in supporting the government with policy and legislative responsibilities for the building and construction industry. We work with DHLGPPW to implement and progress government policy, while exercising our legislative responsibilities impartially, effectively, and consistently, to reduce risk and offer protection from harm.

Led by the Chief Executive Officer (CEO) and Commissioner, we are committed to supporting the growth of the State through our contribution to a thriving and resilient building and construction industry that inspires confidence. Our regulatory services minimise risks in the building and construction industry and protect property owners from harm. Our organisational objectives are focused towards supporting sustainable social, environmental and economic outcomes for Queenslanders. Our priorities and strategies support the Queensland Government's objectives for the community, especially in the focus areas of 'Supporting Jobs', 'Backing Small Business', and 'Building Queensland'.

OUR STRATEGIC PLAN

The QBCC undertook a comprehensive review of its Strategic Plan over the 2022-2023 financial year. The new Strategic Plan 2023-2027 was published on 30 June 2023. An annual review of the plan was undertaken throughout the 2023-2024 financial year and the revised Strategic Plan 2023-2027 (revised for 2024-25) was published on 1 July 2024.

The Strategic Plan 2023-2027 features a refreshed vision and purpose, along with a set of new corporate values that unite and inspire our people. It also outlines a set of refined objectives that speak more clearly across our role in the industry, the support we provide to our customers, the sustainability and capability of the organisation, and the value of our people. The five strategic objectives that guided our activities in the 2023-2024 financial year are:

1. Support a strong, safe and sustainable industry through responsive regulatory activity to reduce risk and harm
2. Improve the customer experience through the provision of information, advice and decisions that are practical, clearly communicated, transparent and timely
3. Educate and inform customers to support continuous quality improvement
4. Be a sustainable and digitally enabled organisation
5. Be an organisation that supports, values and empowers our people.

To support the delivery of the strategic objectives, the Strategic Plan 2023-2027 outlines a list of supporting strategies and performance measures for tracking progress. The Strategic Plan 2023-2027 also outlines a list of strategic risks and opportunities for consideration. Reviews of the Strategic Plan 2023-2027 occur annually.

OUR CORPORATE VALUES

In carrying out our work, the QBCC upholds these values in our people:

- pursue excellence
- be courageous
- be helpful
- focus on people
- be connected
- value customers.

Both the QBCC Strategic Plan 2023-2027 (revised for 2024-25) and the previous Strategic Plan 2023-2027 can be downloaded at www.qbcc.qld.gov.au/about-us/our-corporate-publications/strategic-plan.

CHAIR'S MESSAGE

This is my second Annual Report message as Chair of the Queensland Building and Construction (QBC) Board. I am pleased to share what the Queensland Building and Construction Commission (QBCC) has been focussing on in the past 12 months to ensure we achieve the best outcomes and experiences for our people, our customers, and our stakeholders.

In the 2023-2024 financial year, we continued working hard to implement the recommendations of the QBCC Governance Review*, which was released in May 2022.

The implementation of the recommendations and actions is progressing well and is on track to deliver the scheduled outcomes against the three-year implementation plan.

To date, eight of the 17 recommendations have been implemented, and 59 of the 77 actions have been completed.

Some of the key actions that have been delivered include:

- reforming the QBC Board to ensure there is an appropriate mix of relevant skills and experience
- undertaking a structural realignment within the QBCC that supports an outcomes-focused regulator
- establishing the Integrity and Risk Division within the QBCC to deliver the Mediation and Conciliation Pilot Service
- delivering a program of work to support, strengthen, and develop the building industry through effective education and support
- establishing a continuous improvement plan to provide a new customer-centric approach.

These and many other improvement opportunities from the QBCC Governance Review are leading to positive outcomes for our customers, stakeholders, and staff.

As an important strategic outcome for the industry regulator, the QBC Board recently approved the 2024-2025 revision** of the QBCC Strategic Plan 2023-2027. This plan articulates the QBCC's vision for a thriving and resilient building and construction industry, inspiring confidence, and supporting sustainable social, environmental, and economic outcomes for Queenslanders.

I would like to thank everyone involved in the review of the QBCC Strategic Plan 2023-2027. It was a momentous task that provided the opportunity for our people to reflect and prioritise our key objectives. The review also ensures that the QBCC is well positioned to effectively respond to the changing environment, both internally and externally, and that we are considering risks and benefits as part of our annual review.

The original QBCC Strategic Plan 2023-2027 had already placed a strong emphasis on harm minimisation and proactive organisational activities. The new QBCC Strategic Plan 2023-2027 (revised for 2024-25) now positions us well for our journey to become a more customer-centric and outcomes-focused regulator.

I have strongly encouraged our people to become familiar with this plan as it is crucial for us to align our daily work with the strategic direction of the QBCC.

Our people have engaged in a number of initiatives to improve the customer experience and our business activities over the 2023-2024 financial year. This includes the implementation of the Building Inspection Wait Time Reduction Program in July 2023 that is helping to improve timeframes for complaint resolution.

In the 2023-2024 financial year, the Building and Technical Inspectorate achieved a significant reduction in the Statewide average building inspection wait times. The Statewide average wait time is now less than half of what it was at the beginning of the 2023-2024 financial year. This improvement was the result of an enhanced central inspection process, increased administrative efficiencies, and allocating additional technical staff to respond to consumer complaints about defective building work.

In other news, the QBCC has been on a journey over the past year to better align our functions and resources to deliver goals, which has helped deliver fantastic results.

The QBCC CEO and Commissioner's Annual Report Foreword contains more information about our Reset journey, a highlight of which has been a recruitment drive which has boosted our full-time equivalent employee numbers from 579 to 659.

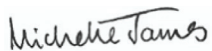
Looking to the year ahead, the QBC Board is aware of a number of important considerations and decisions awaiting us in what will undoubtedly be another busy 12 months.

We look forward to seeing the operational plans of all QBCC business units put into action, and lay a solid foundation guiding organisational priorities and outcomes for the coming year. This includes our transition to digital licensing. We will soon begin a process to include a licensee's photo on the licence card, which will help boost consumer confidence and offer greater protection to licensees and their businesses against licence theft and other acts of identity fraud. I am looking forward to seeing the QBCC engaging with licensees in a more digitally enabled way, fit for the 21st century.

The QBC Board is motivated to continue to build on the organisational improvements and achievements by working with the QBCC Senior Leadership Team, and ensuring that we continue to support all our stakeholders and the hard work of our people.

I would like to take the opportunity to thank all the QBCC staff for their hard work and efforts across the past year. Can I also thank my QBC Board colleagues for their commitment to excellence in governance for the QBCC.

On a final note, I am honoured and humbled to serve as the QBC Board Chair, and I look forward to the incredible achievements the QBCC will accomplish in the year ahead for the building and construction industry.



Michelle James

Chair

Queensland Building and Construction Board

* <https://www.housing.qld.gov.au/initiatives/qbcc-governance-review>

** <https://www.qbcc.qld.gov.au/about-us/our-corporate-publications/strategic-plan>

CHIEF EXECUTIVE OFFICER AND COMMISSIONER'S FOREWORD

The Queensland Building and Construction Commission (QBCC) has undergone a significant journey of transformation over the past decade. In December 2023, we celebrated our tenth birthday as the QBCC, formerly known as the Building Services Authority. This was not just a name change, it was a significant shift in the work undertaken by our organisation. The changes did not stop there though, and over the past 10 years we have undergone further significant change and growth. I am extremely proud of our achievements, which are a true testament to our coming of age.

As I pause to reflect on where we were, compared to where we are now, I am impressed by our people's commitment to pursuing regulatory excellence and improving the customer experience. Through a willingness to embrace change, combined with a concerted focus on people, we have significantly improved the way we do things here at the QBCC, while also taking on new responsibilities and an increased demand for our services.

The QBCC's evolution to becoming a better organisation for our staff, licensees, home owners and other stakeholders has occurred at a crucial juncture, in light of the challenges the building and construction industry continues to navigate. But as the industry continues to grow and change, so do we.

Not only has there been a substantial increase in the volume of work undertaken, notably in our building disputes and claims areas, the shifting regulatory landscape over the past decade has seen us implement many new pieces of legislation, expanding the responsibilities and breadth of services we provide to the building and construction industry throughout Queensland, including:

- during 2014, we saw the introduction of three new services - monies-owed complaints; Early Dispute Resolution; and Internal Review. We also saw the Queensland Home Warranty Scheme (QHWS) coverage extended to include new swimming pool construction and manufactured homes
- in 2015, multi-year licence renewals were introduced
- in 2017, new powers to address the use of Non-Conforming Building Products (NCBP) were introduced
- during 2018, the Safer Buildings Program was introduced, including Part 4A Combustible Cladding of the *Building Regulation 2006* and the new *Plumbing and Drainage Act 2018* (and subsequent regulation), to establish a contemporary, streamlined and flexible legislative framework for plumbing and drainage
- in 2019, the Minimum Financial Requirements Regulation was introduced, with enhanced reporting requirements for licensed contractors

- 2020 saw the new mechanical services licensing framework commence
- throughout 2021, the new Project Trust Accounts framework commenced under the *Building Industry Fairness (Security of Payment) Act 2017* to improve security of payment, and the new fire protection licensing framework commenced
- in 2022, the QBCC Governance Review made 17 recommendations with 77 corresponding actions, which were supported or supported in principle by the Queensland Government.

We are pleased to support an ever-growing number of licensees across the State, which has risen from 84,217 in 2013-2014 to 118,762 in 2023-2024 (41.0 per cent increase). Year on year, the number of new licences issued has increased, from 6,053 in 2016-2017 to 8,325 in 2023-2024 (37.5 per cent increase).

In respect of insurance policies and claims, we have also seen significant increases. The number of insurance policies issued almost doubled, from 79,802 in 2013-2014 to 150,825 in 2023-2024 (89.0 per cent increase). The number of insurance claims paid followed suit, rising from 1,496 claims received and \$36.9 million in claims paid in 2013-2014 to 2,299 claims received and \$88.7 million in claims paid in 2023-2024 - which is an increase of more than 140 per cent in claims paid.

With more licensees and more building work going on, we have also seen a rise in the number of building dispute cases and reviews of decisions. In 2013-2014, we finalised 4,374 dispute cases and in 2023-2024 we finalised 5,886 cases (34.6 per cent increase). We have seen a significant increase in the number of internal review cases, growing from 486 in 2014-2015 to 1,203 in 2023-2024 (147.5 per cent increase). Similarly, matters referred to the Queensland Civil and Administrative Tribunal (QCAT) have almost doubled since 2017-2018, rising from 158 to 299 in 2023-2024 (89.2 per cent increase).

We have had to increase our investment in frontline staff to keep up with the broader remit, increased demand for our services and to deliver improvements across critical service areas, such as dispute resolution, licensing, home warranty claims management and security of payment for subcontractors.

In July 2023, we launched the QBCC Reset, which was our first major organisational restructure since 2012. Following a significant period of planning, this functional and structural realignment has helped us to establish systems that are setting us up for ongoing success, including building a more cohesive organisation, streamlining our customer interactions, and creating more clarity around our functions and purpose.

One of Reset's major highlights was the introduction of our Building and Technical Inspectorate, which has significantly reduced building-inspection wait times for home owners and improved efficiencies in the construction industry. This year we also launched a new Mediation and Conciliation Pilot Service to help licensees and home owners quickly and practically resolve building disputes. In as little as eight months, the pilot service resolved 763 building dispute items from 342 home owners and contractors.

Another notable development was establishing the QBCC Regulatory Academy to improve the quality of our decision-making by training our regulatory officers to ensure they act consistently, transparently, fairly and impartially.

Other highlights of Reset include the establishment of our Customer and Strategy Division, and we have been investing in customer research and data analysis initiatives that will derive better insights and drive the QBCC's priorities, deliverables and improvements in customer experience. Our research work, and the benefits and insights produced by this, will continue to be a priority in the year ahead.

Our Digital Services Strategy and Digital Roadmap, which is focused on ensuring the QBCC's information systems are contemporary and integrated, will make it easier for our people to do their jobs while making it easier for our customers and stakeholders to interact with us.

Another recent body of work is the implementation of three education-focused strategies, aimed at encouraging quality improvements and compliance in the industry, supporting safe practice and raising awareness of legislative changes.

Our educational efforts to improve compliance in 2023-2024 were backed up by boots on the ground. During the year, the QBCC's Compliance and Enforcement team conducted 1,334 visits to active building sites, auditing 4,681 contractor licences. These audits identified 29 unlicensed contractors, illustrating that the majority of people in our industry are doing the right thing.

Additionally, the QBCC's NCBP team proactively engaged with 239 businesses during a regional educational campaign with suppliers of building products. These actions strengthen awareness of NCBP legislation among industry participants and the public and decrease the risk of unsafe building products being installed in Queensland buildings.

Our ongoing engagement with other industry participants through CEO Roundtables, the Service Trades Council, the Industry Advisory Committee and various other forums has bolstered our already good relationships with industry. This enables us to remain connected with a variety of industry representatives, which helps to improve our knowledge and understanding of the issues facing the industry.

This ensures we can be a more effective regulator, focusing our efforts on the areas of greatest risk and potential harm.

We have also participated in many externally hosted industry stakeholder events. In 2023-2024, our Education and Engagement team attended 45 external events and campuses, interacting with more than 4,200 customers and students. The team also participated in two Brisbane Home Show events, as well as two Mitre 10 and Bunnings trade expos.

The team also hosted 14 face-to-face Tradie Toolbox events and one webinar to help industry participants build financial success. Survey responses from attendees indicated that their understanding of this topic increased by almost 87 per cent because of the seminars.

Other key QBCC education and engagement activities included delivering 24 trust account information sessions to support and help trustees meet their regulatory requirements, as well as conducting sessions on Project Trust Accounts with 680 accountants.

Internally, we established a Wellness Network and the PRIDE Network for the LGBTQIA+ community and allies, creating a safe and inclusive environment at the QBCC.

We also continued to implement our Innovate Reconciliation Action Plan, which is dedicated to advancing reconciliation and building a diverse workplace by respecting the values of culture, experiences and the rights of Aboriginal and Torres Strait Islander communities.

The 2023-2024 year has been an incredible period of growth, change, evolution, continuous improvement and innovation, but it is my hope and intention that 2024-2025 will see a decrease in the pace of change at the QBCC.

What will not change is our commitment to providing high-quality, professional services to all our customers and stakeholders.

In closing, I want to take this opportunity to sincerely thank our people for their undivided attention and dedication over the past year to make a positive difference to the lives of many Queenslanders and help ensure the sustainability of the State's building and construction industry.

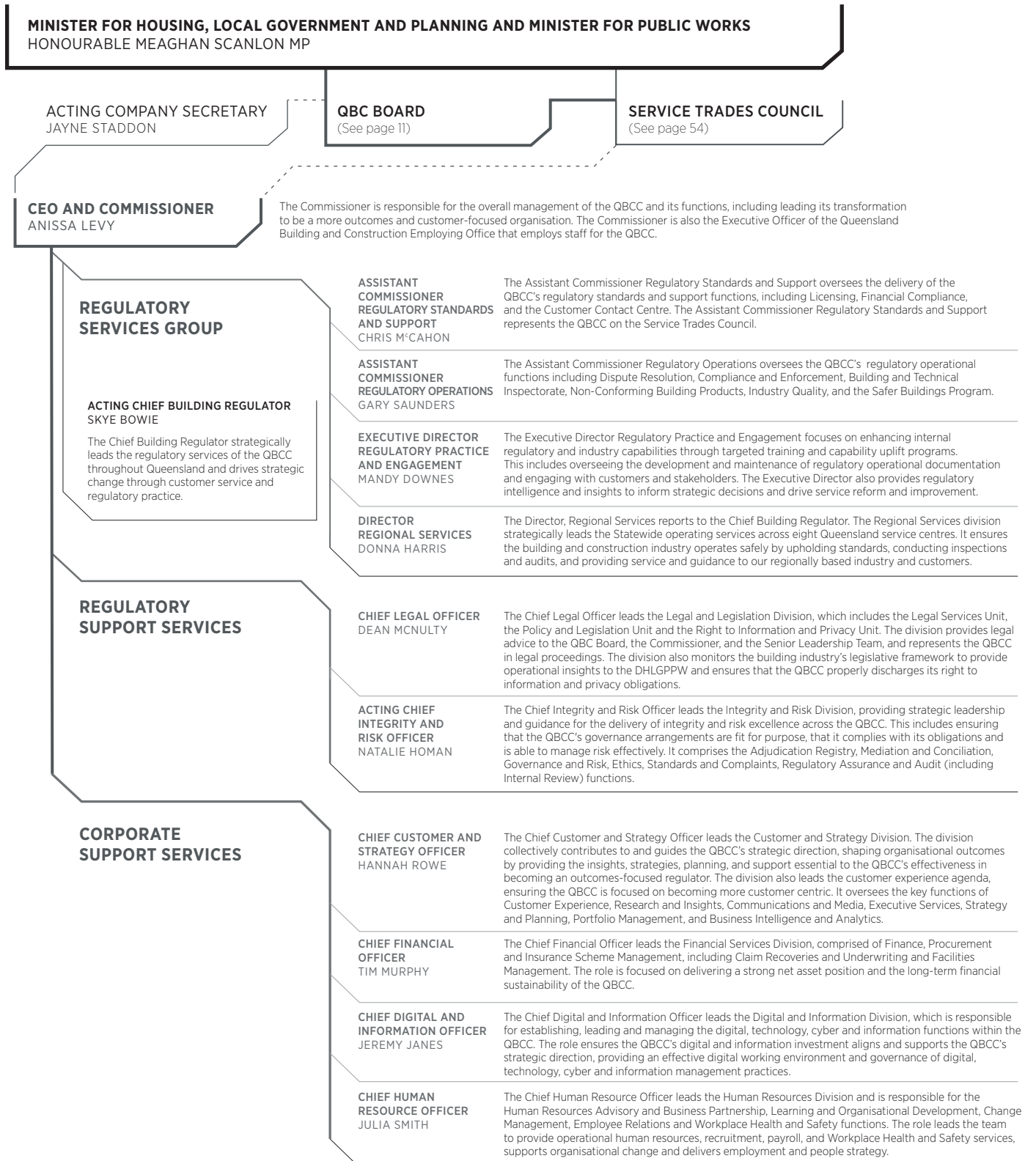


Anissa Levy

CEO and Commissioner,
Queensland Building and Construction Commission

OUR STRUCTURE

The QBCC's senior management structure chart identifies the key senior officers within the organisation and their areas of responsibility as at 30 June 2024.



OUR BOARD

MICHELLE JAMES (CHAIR) *LLB (HONS), GAICD*

The QBC Board Chair, Ms James is a Principal and Director with law firm Maurice Blackburn where she heads up its Queensland and Northern Territory personal injuries businesses. She has over 25 years of experience in litigation and significant experience advocating for the rights of injured people, particularly survivors of child sexual abuse. She has authored submissions to, and appeared before, numerous State and Federal Parliamentary and Senate Committees in relation to matters impacting injured people, and survivors of child sexual abuse. She has expertise in organisational leadership and governance and is an advocate for inclusion and diversity in governance. Ms James is National President and Director of the Australian Lawyers Alliance and was the first woman President of that organisation in Queensland. She is a recipient of the Queensland Law Society Agnes McWhinney Award and is a Queensland Law Society Accredited Specialist.

JOHN ANDERSON (DEPUTY CHAIR)

Mr Anderson is a respected Aboriginal Elder, tertiary qualified with extensive board and leadership experience. He is the Chair of Coexistence Queensland and a Community Member of the Board of Professional Engineers Queensland. Additionally, Mr Anderson is a sole trader and has been Executive Director of Pi-CaTS Pty Ltd since 2005 following a 30-year career with Queensland Government including with the then Queensland Transport and Main Roads, and the Rail and Ports Division of Queensland Transport throughout central west, south west, and south east Queensland. Mr Anderson is a former Toowoomba-based Regional Manager (Cultural Heritage) of the then Department of Environment and Heritage. He is also a former Federal Council Member of the Australian Council of Trade Unions through his membership of the Community and Public Sector Trade Union (State Public Services Federation Queensland) and was active in the public sector trade union movement representing Indigenous worker rights locally, nationally, and internationally.

SUZANNE BAKER

Ms Baker is a professional non-executive director with 25 years of experience as a non-executive director, committee member and chairperson. She has extensive experience on public sector boards and Audit Committees and holds tertiary qualifications and professional memberships in Accounting, Finance and Governance.

COLIN CASSIDY *PSM*

Mr Cassidy holds positions on the Metro South Hospital and Health Board and two of its committees. He has significant board and committee experience and has had a long public sector career, including several senior executive roles in the Queensland Government. In the January 2020 Australia Day Awards, Mr Cassidy was awarded the Public Service Medal for his contribution to town planning, corporate services and economic development in Queensland.

CHRISTOPHER EDWARDS *FAICD MBA PMP PMI-RMP PMI-PBA*

Mr Edwards is an infrastructure delivery specialist working as Managing Director with Mace Group APAC supporting the end-to-end strategy, design, contracting, procurement and construction of capital and infrastructure projects across industries, including the Brisbane 2032 Olympics and Paralympic Games. He currently serves on the boards of Racing Queensland, Aviation Australia and Community Enterprise Queensland. Previously, he has served on the Board of Professional Engineers and the Ministerial Construction Council.

MEG FRISBY *LLB*

Ms Frisby is the Director of Meg Frisby Consulting, a stakeholder relations consultancy based in north Queensland. She has extensive private and public sector experience having worked as a lawyer, a Chief of Staff in state and local government and in the resources sector as a Stakeholder Relations Specialist.

ROBYN PETROU

Ms Petrou has more than 15 years of experience as a non-executive director and committee member and more than 25 years of experience as a senior executive in the financial services industry. Her current board roles include director with ART Life and an Independent member of the Finance and Investment Committee for Australia Medical Association. She is also an executive coach and business strategist across multiple industries.

OUR REACH ACROSS QUEENSLAND

The QBCC offers customer, regulatory, and corporate services through nine service centres located across Queensland, including one Brisbane office located in West End. Active licensees as shown below include all the QBCC regulated licences under the QBCC Act, the *Building Act 1975* (Building Act) and the *Plumbing and Drainage Act 2018* (PD Act).

1. BRISBANE

299 Montague Road, West End, Brisbane Qld 4101
CEO and Commissioner: Anissa Levy
Active QBCC licensees: 61,098

2. GOLD COAST

Robina Super Centre, Suite 26,
86 Robina Town Centre Drive, Robina Qld 4226
Acting Manager: Simon Brown
Active QBCC licensees: 14,249

3. TOOWOOMBA

200 Hume Street, Toowoomba Qld 4350
Acting Manager: Ken Gray
Active QBCC licensees: 7,363

4. SUNSHINE COAST

6 Pikki Street, Maroochydore Qld 4558
Manager: Dani Benstead
Active QBCC licensees: 12,758

5. MARYBOROUGH

302 Alice Street, Maryborough Qld 4650
Manager: Daniel Stephensen
Active QBCC licensees: 5,299

6. ROCKHAMPTON

194 Alma Street, Rockhampton Qld 4700
Manager: Edward Goodsall
Active QBCC licensees: 3,697

7. MACKAY

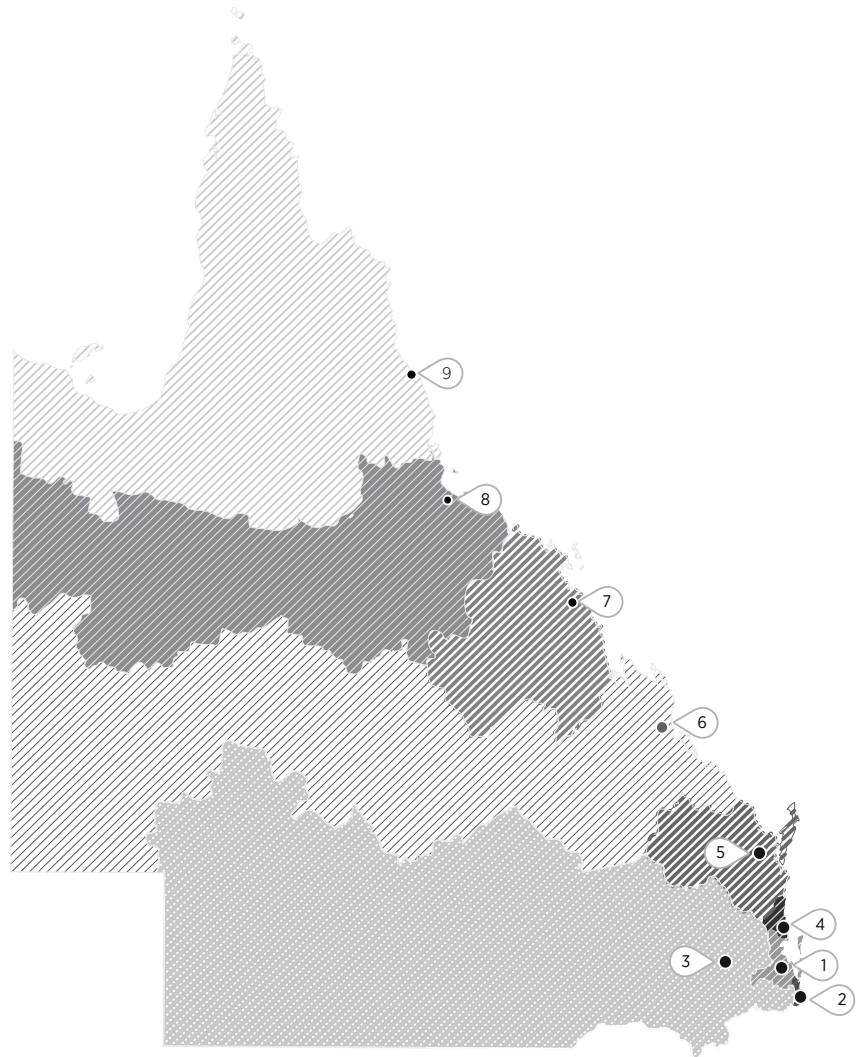
Tenancy 2, 42 East Gordon Street, Mackay Qld 4740
Manager: Karen Hold
Active QBCC licensees: 3,288

8. TOWNSVILLE

Unit 2, 22 Hervey Range Road, Thuringowa Central Qld 4817
Manager: William Piper
Active QBCC licensees: 4,703

9. CAIRNS

104-106 Mulgrave Road, Parramatta Park, Qld 4870
Manager: William Courtney
Active QBCC licensees: 6,307



OUR PERFORMANCE

The following section highlights our performance against our five strategic objectives outlined in the QBCC Strategic Plan 2023-2027.

OBJECTIVE 1: SUPPORT A STRONG, SAFE AND SUSTAINABLE INDUSTRY THROUGH RESPONSIVE REGULATORY ACTIVITY TO REDUCE RISK AND HARM.

As a regulator, the QBCC plays an important role in minimising harm, upholding industry standards and empowering everyone involved to make informed decisions to achieve better building and construction outcomes. When those who work in the industry are compliant and accountable, those who interact with them are protected.

Over the 2023-2024 financial year, the QBCC responded to the risks in the industry through the delivery of six strategies:

1. Adopt risk-based and targeted compliance and enforcement initiatives (including being a model litigant), and education activities, to improve industry compliance and the management of emerging regulatory risks
2. Maintain an open, consultative relationship with industry, consumers and government

3. Establish and implement an industry advisory body to allow the QBCC Board to effectively engage with the sector from 2023-2025
4. Proactively engaging with companies potentially at risk
5. Actively monitor compliance with Minimum Financial Requirements and security of payments legislation, including project trust account framework
6. Work with other government entities to streamline processes and share information to support the building and construction industry and emerging environmental ideas and trends.

Table 1 below details the performance of the organisation against the measures outlined in Objective 1 in the Strategic Plan 2023-2027.

Table 1: Objective 1 performance measures

MEASURES	TARGET	ACTUAL	STATUS*	COMMENTS**
Percentage of licensees in category 4-7 who improved their financial position to meet Minimum Financial Requirements to operate sustainably as a result of the QBCC regulatory action***	80.0%	83.0%	✓	Target achieved.
Percentage of plumbing licensees identified as non-compliant with their notifiable work (Form 4) obligations, found to be compliant following the QBCC intervention and re-audit	70.0%	89.6%	✓	The high rate of re-audit compliance can largely be attributed to the QBCC's commitment to providing education to licensees about meeting notifiable work requirements through: <ul style="list-style-type: none"> • improvements in the communication materials supplied with audits to help licensees understand how to comply • provision of education to licensees during their audit about specific compliance concerns • contacting licensees prior to a re-audit to check if there are any further questions or concerns.
Qualitative statement: outcomes of audit programs e.g. QBCC Act s 50A (Part 4A (commercial contracts), Part 5 (HWI) or Schedule 1B (domestic contracts) audits, Building Act chapter 8 audit (pool safety)	This measure is responded to qualitatively. The QBCC's regulatory activities in pursuit of this performance measure are described in the remainder of this chapter. Refer to the various inspection and investigation sections.			
Survey of industry advisory body to determine perception of effectiveness of engagement	This measure is responded to qualitatively. The QBCC's activities in pursuit of this performance measure are described in the remainder of this chapter. Refer to the <i>Engagement with industry advisory body and statutory council</i> section below.			

* Status symbols: ✓ = achieved or exceeded target, ○ = under-performing by 5% variance or less (acceptable tolerance), ✗ = under-performing by more than 5% variance (beyond tolerance).

** If there is any material variation greater than 5% from the 2023-2024 target to the actual result, commentary is provided to explain this variance.

*** This is a 2023-24 Service Delivery Statement (SDS) Service Standard performance measure. Commentary is provided to explain material variation of greater than 5% between the: 1) Actual and Target, and 2) Actual and 2023-2024 Estimated Actual as published in the 2024-25 SDS (refer https://budget.qld.gov.au/files/Budget_2024-25_SDS_Housing_Local%20Government_Planning_and_Public_Works.pdf).

SECURITY OF PAYMENT FOR SUBCONTRACTORS

In 2023-2024, the QBCC continued implementation of key activities which help to provide subcontractors with confidence they will be paid for the work they do. These included:

- undertaking investigations and compliance action for monies-owed complaints and security of payment under the *Building Industry Fairness (Security of Payment) 2017* (BIF Act) to ensure a safer, fairer and more sustainable building and construction industry
- conducting approved audit programs on project trust accounts and retention trust accounts
- conducting financial audits and other activities to monitor compliance with Minimum Financial Requirements (for licensees) and security of payment obligations (e.g. trust accounts)
- investigating the implications of insolvency events on trustee companies and the effects for the beneficiaries of affected trust accounts.

ACTIVITIES UNDER THE MINIMUM FINANCIAL REQUIREMENTS

The Minimum Financial Requirements (MFR) legislation was introduced to provide greater transparency and better equip the QBCC to detect and mitigate the impacts of potential insolvencies and corporate collapses, and to help ensure that subcontractors and suppliers are paid for their work. Meeting MFR is an indicator that contractor-type licensees have a financially sustainable business and appropriate levels of working capital.

As at 30 June 2024, 100 per cent of category 4-7 licensees had lodged annual financial information with the QBCC under the annual reporting requirements - this information was due 31 December 2023. The QBCC did not have to make any disciplinary action decisions against these licensees for failing to lodge the required annual reporting information on time, as all lodgements were received by the due date or during the disciplinary action process.

Regulatory action taken for suspected non-compliance with Minimum Financial Requirements for category 4-7 licensees based on annual reporting financial information provided, included:

- financial audits commenced: five
- issuing Show Cause Notices for suspected non-compliance with Minimum Financial Requirements: 57
- suspending licences: two
- cancelling licences: nil.

Regulatory action taken for suspected non-compliance with Minimum Financial Requirements for category 4-7 licensees outside of annual reporting included:

- financial audits commenced: 17
- issuing Show Cause Notices for suspected non-compliance with Minimum Financial Requirements: five
- licences suspended: one
- licences cancelled: nil.

As at 30 June 2024, 97.3 per cent of category 1-3 licensees had lodged their annual financial information for annual reporting requirements - this information was due 31 December 2023. The QBCC effected four imposition of conditions and 13 suspensions during the disciplinary action process against licensees for failing to lodge required financial information on time.

Regulatory action taken for suspected non-compliance with Minimum Financial Requirements for category 1-3 licensees based on annual reporting financial information provided, included:

- financial audits commenced: 134
- Show Cause Notices issued for suspected non-compliance with Minimum Financial Requirements: 58
- licences suspended: 18
- licences cancelled: eight.

Further regulatory action taken for category 1-3 licensees suspected of non-compliance with Minimum Financial Requirements outside of annual reporting included:

- financial audits commenced: 99
- Show Cause Notices issued for suspected non-compliance with Minimum Financial Requirements: 28
- licences suspended: 10
- licences cancelled: seven.

Approximately 84.7 per cent of licensees belonging to categories SC1 and SC2 had lodged their annual financial information as at 30 June 2024 - this information was due 31 March 2024.

Regulatory action taken for suspected non-compliance with Minimum Financial Requirements for categories SC1 and SC2 outside of annual reporting requirements included:

- financial audits commenced: 95
- Show Cause Notices issued for suspected non-compliance with Minimum Financial Requirements: 20
- licences suspended: five
- licences cancelled: one.

FINANCIAL AUDITS AND MONIES-OWED INVESTIGATIONS

The QBCC conducts financial audits of licensees and investigations into non-payment of debts. These can lead to licence suspensions and cancellations where breaches of Minimum Financial Requirements are found.

As outlined above, during the 2023-2024 financial year, the QBCC commenced a total of 350 financial audits of licensees. In addition to this, the QBCC issued 222 notices for proposed licence suspensions due to non-payment of debts during the 2023-2024 financial year, leading to 128 licence suspensions and 44 licence cancellations.

In the reporting period, approximately \$6.4 million in outstanding debts were paid to creditors who lodged a monies-owed complaint with the QBCC. The cumulative amount paid to monies-owed creditors since the commencement of the Minimum Financial Requirements policy in October 2014 up to 30 June 2024 is approximately \$56.4 million.

The QBCC Act establishes a framework for excluding individuals from holding a contractor licence, nominee supervisor licence, site supervisor licence, or being in an influential role in a licensed company where the individual has been involved with a financial failure (in specified circumstances). The QBCC excluded 263 individuals due to their involvement in a financial failure during the financial year. Of this number, 127 were licensees who had their licence cancelled. There were also 20 individuals permanently excluded due to their involvement in a second financial failure.

The QBCC may also exclude a company from holding a contractor licence if it has an excluded individual who is a director of, secretary of, or an influential person for the company. There were 85 companies excluded from holding a licence during the financial year for these reasons.

TRUST ACCOUNT AUDIT PROGRAMS

Parties that are required to use trust accounts (for progress payments and retention amounts) are subject to rules regarding deposits and withdrawals, recordkeeping and giving notifications.

To monitor compliance with these requirements, the QBCC conducts audits of project trust accounts. During the 2023-2024 financial year, the QBCC completed two approved audit programs. The first audit program commenced on 20 March 2023 and concluded on 29 September 2023. The second audit program commenced on 15 September 2023 and concluded on 30 June 2024.

Audits were commenced on the operation of the following:

- 50 project trust accounts in the target period of 20 March 2023 to 29 September 2023
- 97 project trust accounts in the target period of 15 September 2023 to 30 June 2024.

Twenty of the above audits were still in progress as at 30 June 2024. In total, 127 trust account audits were completed in the year ended 30 June 2024 under the approved audit programs.

These approved audit programs identified administrative anomalies that were attributable to industry adapting to new legislation and as such an educative approach has been applied on all audit findings as per the published regulatory guide. All audit findings have been communicated to the trustees of each audited trust account.

In addition to the audits undertaken as part of the approved audit program, there were an additional 29 unplanned audits of trust accounts undertaken as a result of external information received indicating an entity may be 'at-risk' of financial failure or where an entity administering a project or retention trust account became insolvent. The QBCC commenced three investigations into possible breaches relating to the proper administration of project and retention trust accounts in 2023-2024 which are ongoing.

REPORTING ON THE BUILDING INDUSTRY FAIRNESS (SECURITY OF PAYMENT) ACT 2017 (CHAPTER 3) AND THE ADJUDICATION REGISTRY

Section 157 of the *Building Industry Fairness (Security of Payment) Act 2017* (BIF Act) provides that the Commissioner must report on the operation of the BIF Act (Chapter 3) and the Adjudication Registry (Registry) and provide forecasts and recommended improvements for the Registry.

The following two sections provides the required reporting:

- offence provisions under Chapter 3 of the BIF Act
- Adjudication Registry.

OFFENCE PROVISIONS UNDER CHAPTER 3 OF THE BIF ACT

Chapter 3 of the BIF Act includes offence provisions under sections 75 (Making payment claim), 76 (Responding to payment claim), 88 (Adjudicator's decision), 90 (Respondent required to pay adjudicated amount), and Parts 4A (Payment withholding) and 6A (Charge over property). Section 104A of the QBCC Act provides the QBCC investigators with powers to investigate, monitor and enforce compliance with the BIF Act.

The below summarises activities that occurred in these areas in 2023-2024:

- initiated 10 cases for breaches of section 76 and closed 23 cases, including cases carried over from the previous year
- issued four penalty infringement notices for contraventions of section 76
- opened one case for offences of section 88
- issued nine penalty infringement notices for contraventions of section 90
- issued 13 warnings for breaches of section 90 (Failure to pay adjudicated amount) and section 76 (Failure to provide a payment schedule)
- initiated one case for a breach of section 19 (Payments to project trust accounts) and closed one case
- commenced prosecution proceedings for one breach of section 19.

To date, there have been no cases for offences under Part 4A, and Part 6A of the BIF Act.

ADJUDICATION REGISTRY

The Registry is established under the BIF Act. The main purpose of the BIF Act is to provide effective, efficient, and fair processes for securing payment in the construction industry. The Adjudication process contributes to achieving this purpose by confirming to parties in dispute:

- the amount of a progress payment, if any, to be paid by the respondent to the claimant (the adjudicated amount)
- the date on which any amount became or becomes payable
- the rate of interest payable on any adjudicated amount.

ADJUDICATION APPLICATIONS

Table 2 outlines the total number of valid adjudication applications received by the Registrar for the period 1 July 2023 to 30 June 2024.

Table 2: Number of valid adjudication applications received for 2023-2024

ADJUDICATION APPLICATION TYPE	NUMBER OF APPLICATIONS
Standard (less than \$750,000)	323
Complex (greater than \$750,000)	40
TOTAL	363

Table 3 outlines the total amount claimed from the 363 valid adjudication applications received by the Registrar for the period 1 July 2023 to 30 June 2024.

Table 3: Adjudication claimed amount for 2023-2024

TOTAL VALUE OF CLAIMS	\$1,307,799,056.59
Maximum claim	\$633,969,448.12
Minimum claim	\$309.14
Average claim	\$3,602,752.22

ADJUDICATION DECISIONS

A registered adjudicator is an independent person, qualified to determine payment disputes under the BIF Act. Table 4 sets out the total number of adjudicator registration and renewal applications for the period 1 July 2023 to 30 June 2024.

Table 4: Adjudicator registration and renewal applications for 2023-2024

APPLICATION TYPE	NUMBER	FEES PAID
Registration	4	\$3,576.24
Renewal	43*	\$38,444.58*

* The Registrar collects information about fees paid or payable to the Registrar under the *Building Industry Fairness (Security of Payment) Act 2017*. The renewal figures shown represent renewals paid for in the 2023-2024 period on a cash basis (when debt is paid) rather than on an accrual basis as reported in the financial statements.

There were 363 adjudication applications received, of which a total of 325 were referred to an independent registered adjudicator for determination. The number of applications referred is lower than the number of applications received because some applications will have been withdrawn prior to a referral being made, and in some cases an application was made in the last few days of the 2023-2024 period and may only be referred during the following period.

Table 5 sets out the number of adjudication decisions released by registered adjudicators for the period 1 July 2023 to 30 June 2024.

Table 5: Number of adjudication decisions released by registered adjudicators in 2023-2024

ADJUDICATION APPLICATION TYPE	NUMBER OF DECISIONS
Standard (less than \$750,000)	202
Complex (greater than \$750,000)	32
TOTAL	234

Table 6 sets out the total amounts awarded by adjudication decisions released for the period 1 July 2023 to 30 June 2024.

Table 6: Adjudication decisions released by registered adjudicators in 2023-2024

Total value of claims - decisions released	\$225,306,008.71
Maximum claim value - decision released	\$50,588,684.30
Minimum claim value - decision released	\$309.14
Average claim value - decisions released	\$962,846.19
Total value of adjudicated amount - decisions released	\$61,524,294.13

Table 7 sets out the total value of claims and amounts awarded by adjudication decisions released for the period 1 July 2023 to 30 June 2024, broken down by region.

Table 7: Adjudication applications lodged and amounts awarded by adjudication decisions released in 2023-2024 by region

DECISIONS BY REGION	NUMBER OF APPLICATIONS MADE TO THE REGISTRAR	TOTAL VALUE OF CLAIMS	NUMBER OF DECISIONS RELEASED	TOTAL CLAIMED AMOUNT OF DECISIONS RELEASED	TOTAL VALUE OF ADJUDICATED AMOUNT
BRISBANE	231	\$556,785,253.92	145	\$134,259,391.62	\$28,879,943.41
CAIRNS	5	\$413,380.18	6	\$1,061,346.05	\$357,340.08
GOLD COAST	38	\$57,893,078.48	22	\$19,702,677.55	\$5,026,592.63
MACKAY	7	\$17,554,285.24	5	\$8,485,819.92	\$915,003.27
MARYBOROUGH	19	\$17,120,344.32	14	\$29,670,235.84	\$11,978,312.62
ROCKHAMPTON	9	\$1,640,751.46	6	\$3,946,021.88	\$501,099.72
SUNSHINE COAST	25	\$1,368,642.29	22	\$1,221,437.85	\$935,634.65
TOOWOOMBA	20	\$642,275,663.48	10	\$5,139,471.18	\$1,786,119.59
TOWNSVILLE	9	\$12,747,657.22	4	\$21,819,606.82	\$11,144,248.16
TOTAL	363	\$1,307,799,056.59	234	\$225,306,008.71	\$61,524,294.13

Table 8 sets out the average number of business days from making an adjudication application to having an adjudication decision made, for the period 1 July 2023 to 30 June 2024.

Table 8: Average number of business days from application to decision in 2023-2024

	STANDARD	COMPLEX
Maximum	75	109
Minimum	5	31
Average	22.6	58.7

ADJUDICATION APPLICATION FEES

Under the BIF Act, an application for adjudication must be accompanied by the prescribed fee. For the period 1 July 2023 to 30 June 2024, the prescribed application fee ranged from \$64.34 for payment claims of no more than \$10,972.65, to a percentage of the claimed amount for payment claims of more than \$1,195,558.00 (capped at \$6,438.23). The total value of adjudication application fees for applications lodged between 1 July 2023 and 30 June 2024 was \$188,616.

Table 9 sets out the adjudication application fees and represents the fee as a percentage of the average total claimed amount for applications received by the registrar in the period 1 July 2023 to 30 June 2024.

Table 9: Adjudication application fees in 2023-2024

CLAIM VALUE	NUMBER OF APPLICATIONS MADE TO THE REGISTRAR	AVERAGE APPLICATION FEE	AVERAGE TOTAL CLAIMED AMOUNT	AVERAGE APPLICATION FEE AS A PERCENTAGE OF AVERAGE TOTAL CLAIMED AMOUNT
\$0 - \$10,972.65	71	\$64.34	\$5,653.00	1.14%
\$10,972.65 - \$54,863.45	111	\$193.08	\$26,580.98	0.73%
\$54,863.45 - \$109,726.90	53	\$321.82	\$81,278.86	0.40%
\$109,726.90 - \$274,317.25	47	\$450.71	\$172,664.07	0.26%
\$274,317.25 - \$548,634.50	29	\$579.40	\$405,934.48	0.14%
\$548,634.50 - \$822,951.80	10	\$708.13	\$664,529.97	0.11%
\$822,951.80 - \$1,195,558.00	8	\$836.92	\$971,777.59	0.09%
> \$1,195,558.00	34	\$2,850.60	\$37,230,370.42	0.01%

ADJUDICATOR FEES

Under the BIF Act, progress payment claims of less than \$25,000 have fees and expenses capped by regulation. For progress payments over \$25,000, fees and expenses are to be agreed between the adjudicator and the parties. In the absence of agreement, an adjudicator is entitled to an amount that is reasonable, having regard to the work done and expenses incurred.

Table 10 sets out the average adjudicator fee as a percentage of the average total claimed amount for decisions released in the period 1 July 2023 to 30 June 2024.

Table 10: Average adjudicator fee as a percentage of the average total claimed amount in 2023-2024

CLAIM VALUE	NUMBER OF DECISIONS MADE BY ADJUDICATORS	AVERAGE TOTAL CLAIMED AMOUNT	AVERAGE ADJUDICATOR FEES	AVERAGE ADJUDICATOR FEES AS A PERCENTAGE OF AVERAGE TOTAL CLAIMED AMOUNT
\$0 - \$10,972.65	41	\$5,963.61	\$775.24	13.0%
\$10,972.65 - \$54,863.45	77	\$25,188.72	\$2,409.06	9.6%
\$54,863.45 - \$109,726.90	26	\$177,323.05	\$11,069.02	6.2%
\$109,726.90 - \$274,317.25	24	\$419,984.54	\$17,590.60	4.2%
\$274,317.25 - \$548,634.50	25	\$85,703.51	\$8,255.50	9.6%
\$548,634.50 - \$822,951.80	6	\$652,081.05	\$26,321.75	4.0%
\$822,951.80 - \$1,195,558.00	5	\$974,470.25	\$52,626.25	5.4%
> \$1,195,558.00	30	\$6,583,483.84	\$74,054.28	1.1%

ADVISORY SERVICE

The Registry provides an advisory service to inform consumers about the role of the Registry and the adjudication process. Through the advisory service, stakeholders are connected directly to Registry team members for timely information about the adjudication process. The advisory service enhances awareness about payment rights and obligations.

For the period 1 July 2023 to 30 June 2024, the Registry received 1,389 enquiries.

ANNUAL REVIEW OF ADJUDICATOR GRADING

Section 22(1) of the *Building Industry Fairness (Security of Payment) Regulation 2019* (BIF Regulation) provides for the review of adjudicator grading at least once every 12 months.

Under section 20(a) of the BIF Regulation, an adjudicator is eligible to become a grade 2 adjudicator if the adjudicator has:

- decided at least 10 adjudication applications, and
- at least five of those applications have related to a progress payment of more than \$25,000.

Under section 20(b) of the BIF Regulation, an adjudicator is eligible to receive a grade 2 registration if the Registrar considers the person's experience is equivalent to meeting the requirements set out above. In respect of the adjudicator grade review that took place in the period 1 July 2023 to 30 June 2024, there were four grade 1 adjudicators assessed as eligible for grade 2 registration.

CONTINUING PROFESSIONAL DEVELOPMENT

As required by section 165 of the BIF Act, it is a condition of registration that adjudicators complete continuing professional development (CPD) prescribed by regulation.

The BIF Regulation provides that an adjudicator must accumulate 10 CPD points in each CPD year (1 April to 31 March in the following year) through the completion of CPD activities. At the commencement of the reporting period for the CPD year, there were 137 registered adjudicators.

Table 11 sets out the relevant CPD activities for the period 1 July 2023 to 30 June 2024.

Table 11: Activities pertaining to the 2023-2024 CPD year

ACTIVITY	NUMBER
CPD records provided	134
Suspended or cancelled registrations (BIF Act section 171)	1
Surrendered registrations	2
No record required (BIF Regulation section 30)	0
Records outstanding due to an extension of time	0

FORECAST OF REGISTRY OPERATIONS

The Registry continues to review all systems and processes to ensure maximum efficiency in meeting its statutory mandate. To enhance regional customer experiences, the Registry conducts annual training on the adjudication process and develops associated procedures with the QBCC regional team members across the State.

For the 2024-2025 financial year, continued workload for the Registry is anticipated to include but not be limited to:

- implementation of any legislative reform as required
- meeting the demand for consumer advisory services
- providing education and engagement with the sector and registered adjudicators.

LICENCE SUSPENSIONS AND CANCELLATIONS

The QBCC Act allows for the suspension or cancellation of a licence on certain grounds, which enables the QBCC in its objective to support a strong, safe and sustainable industry through responsive regulatory activity. Table 12 provides the number of, and grounds for these suspensions and cancellations for 2023-2024.

Table 12: Licences suspended and cancelled under section 48 of the QBCC Act in 2023-2024

REASON FOR SUSPENSION/CANCELLATION	SUSPENSION*	CANCELLATION*
Breach of Minimum Financial Requirements (other than 'monies-owed')	43	18
Failure to pay debts ('monies-owed')	64	32
Failure to comply with a financial audit	39	24
Breach of a licence condition	6	5
Licensee not fit and proper to hold a licence (including if the licensee's interstate or New Zealand licence is cancelled or suspended)	0	2
Licensee was convicted of an indictable offence	0	2
Licensee owed an amount to the QBCC and failed to comply with a demand to discharge the debt	9	10
Licensee company ceases to have a nominee	142	64
TOTAL	303	157

* These figures represent actions involving regulatory decisions and do not include cancellation or suspension relating to failure to renew a licence.

The QBCC may immediately suspend a licence if it reasonably believes there is a real likelihood that a person will suffer serious financial loss or other serious harm. In 2023-2024, there were four immediate suspensions imposed by the QBCC.

LICENSING INVESTIGATIONS IN RESPONSE TO SAFETY-RELATED INCIDENTS

Licensees are required by law to notify the QBCC whenever building or other work on a building site under their control may have caused the death of, or grievous bodily harm to, a person, or if the work involved a serious risk to the health or safety of a person.

Under an information-sharing arrangement, the QBCC is also advised by Workplace Health and Safety Queensland (WHSQ) when it becomes aware of such incidents. WHSQ may issue infringement and improvement notices and can prosecute and close sites where there are serious issues. The QBCC may impose licence conditions, suspend or cancel a licence or take disciplinary action, depending on the circumstances of the event, taking into consideration factors such as any remedial actions, submissions provided by licensees, and assessment of ongoing risk. This collaborative and complementary relationship between the QBCC and WHSQ ensures a structured and appropriately focused regulatory approach to mitigating safety risks in the sector. The QBCC may also suspend a licence without allowing the licensee time to make written representations if there is a real likelihood that a person will suffer serious harm if the licence is not immediately suspended.

In 2023-2024, the QBCC investigated 248 safety matters involving licensees. In this period, no licences were suspended, no licences were cancelled, no Show Cause Notices were issued, and one licensee had one or more disciplinary actions or conditions imposed on their licences. Overwhelmingly, investigations determined that licensees had implemented appropriate safety measures and that regulatory action was not warranted.

NON-CONFORMING BUILDING PRODUCTS (NCBP)

The QBCC continues to audit building products and take appropriate action under the NCBP laws. These laws establish a chain of responsibility, placing obligations on supply-chain participants, to ensure building products used in Queensland are safe, compliant, and capable of performing to the standard that they are represented to perform.

For the period 1 July 2023 to 30 June 2024, the QBCC finalised 370 enquiries and complaints, with two ongoing.

The outcomes of the 370 enquiries and complaints finalised were:

- 12 determinations of NCBP, resulting in voluntary remedial action or consideration of appropriate regulatory action
- one resolution through specific targeted education of persons in the chain of responsibility

- six findings of no evidence or insufficient evidence that the products were a non-conforming product for the intended use, with education provided to parties on the NCBP laws
- 279 resolutions through general education without requiring a finding of non-conformance
- 15 escalations for detailed technical investigation
- 44 resolutions through retaining information as general intelligence
- six re-directions of affected parties to other areas at the QBCC
- seven were not related to NCBP.

In 2023-2024, the NCBP team undertook proactive engagement with industry through the development and publishing of product-specific factsheets, supporting industry webinars and undertaking a regional education program with suppliers to the building industry.

The regional education program consisted of 239 businesses visited across the following locations: Maryborough, Gympie, Hervey Bay, Gold Coast, Sunshine Coast, Rockhampton, Cairns, Toowoomba, Roma, Chinchilla and Kingaroy. Each business was provided with information on NCBP laws and an NCBP 'postcard' containing a QR code that takes the reader to specific NCBP information and technical factsheets on the QBCC website. In addition, a webinar was conducted by the QBCC to advise and upskill architects of their obligations under Queensland's NCBP laws.

Through these actions and other educative activities, the QBCC has strengthened the knowledge and awareness of NCBP legislation among industry participants and the general public, taking regulatory action where necessary. This decreases the risk of unsafe building products being installed in Queensland buildings.

SAFER BUILDINGS PROGRAM

In 2018, Part 4A Combustible Cladding of the *Building Regulation 2006* (Regulation) came into effect to help identify privately owned buildings in Queensland that may have potentially combustible cladding. As part of the Safer Buildings Program, owners of these buildings were required to register their building and undertake a self-auditing process called the Combustible Cladding Checklist, supported by industry professionals where required.

The obligation of building owners to complete the Combustible Cladding Checklist expired on 3 May 2021, however some building owners continue to work through the checklist program to finalise their registrations.

During the 2023-2024 financial year, the QBCC received an additional 34 registrations (a total of 20,020 buildings) and an additional 28 buildings were identified as a cladding fire risk (a total of 978). As at 30 June 2024, 18,032 buildings have exited the program having been identified as not being a cladding fire risk.

A further 1,010 buildings remain registered in the program, of which 303 are considered a potential cladding fire risk. The QBCC continues to work with building owners to complete their registrations to enable it to assess the level of risk and potential harm.

The QBCC commenced proactive site audits to ensure building owners with buildings identified as a cladding fire risk were complying with their ongoing obligations. Desktop audits were also undertaken to ensure the accuracy of information submitted in the checklist.

During the 2023-2024 financial year, the QBCC completed 204 site audits (a total of 429 site audits since inception) of buildings identified as having a cladding fire risk to ensure building owners were meeting ongoing obligations to display an Affected Private Building Notice. Through the audit program, 387 buildings were found to be complying with their obligations and 42 buildings were found to be non-compliant:

- of the 42 buildings found to be non-compliant, 10 were provided immediate education and remedied the breach, and a further 32 were referred for further investigation and potential enforcement action:
 - » of the 32 matters referred for investigation, 18 investigations remain open and 14 have been finalised:
 - of the 14 finalised investigations, two infringement notices were issued, and the remaining 12 matters were closed due to further information revealing cladding rectification works being undertaken, a decision that the buildings were not required to be registered in the program due to being outside the requirements of the Regulation, insufficient evidence, or expiry of limitation periods.

348 buildings have undergone cladding replacement or rectification by building owners due to the information they received from industry professionals or fire engineers during the Safer Building Program's Combustible Cladding Checklist process.

COMPLIANCE AND ENFORCEMENT ACTIVITIES

The QBCC uses its powers under the QBCC Act to investigate complaints made by consumers, contractors, and other industry participants to support an equitable environment for Queensland licensees by identifying and penalising unlawful operations. The QBCC also carries out proactive audits and investigations to detect unlicensed contracting and other breaches of legislative requirements.

During 2023-2024, the top five offences (listed below) made up 73 per cent of all investigations:

- domestic building contracts (Schedule 1B) offences: 18 per cent
- unlicensed contracting: 32 per cent
- insurance offences: 12 per cent
- advertising (which includes advertising whilst unlicensed and non-compliant advertisements): four per cent
- improper use of a licence: seven per cent.

Table 13 provides data on the number of investigations for the top five offences over the past four years.

Table 13: Number of investigations opened and closed - top five offences

INVESTIGATIONS	2020-2021	2021-2022	2022-2023	2023-2024
Schedule 1B (domestic contracts)	563	719	812	470
Unlicensed contracting	565	651	735	836
Insurance	386	312	339	316
Advertising	243	354	320	124
Improper use of a licence	125	172	204	179

Over the 2023-2024 financial year, the Compliance and Enforcement Branch launched a comprehensive program of audits across the State. This Statewide building site audit program saw compliance officers dedicating three days each month to visit building sites and engage with contractors to conduct licence audits. The program was implemented across the Greater Brisbane area and various regional locations. This year-long effort, which included an intensive one-month Statewide compliance campaign in October 2023, resulted in a total of 1,334 site visits with 4,681 contractor licence audits being conducted. These audits identified 29 confirmed unlicensed contractors.

The month-long Statewide compliance campaign was a collaborative effort between the QBCC's Compliance and Enforcement Branch and technical staff from across the organisation. The focus of the campaign was on site visits to audit licences and to also provide educational opportunities for contractors and property owners to learn about their rights and obligations during the building process. Table 14 provides data about the campaign and its outcomes.

Table 14: Statewide building site audit campaign statistics (as carried out over October 2023)

CATEGORY	TOTAL
Total sites visited	1,124
Contractor licence audits completed	3,906
Pamphlets and NCC information sheets distributed	2,000
Confirmed unlicensed contractors identified	24
Confirmed licensee contracting with unlicensed person	13
Site sign offences (site sign deterrent letters sent)	120
Total staff involved in the campaign	64

In early 2024, the Compliance and Enforcement Branch conducted an approved audit program under section 50A of the QBCC Act, with regards to licensee compliance around the payment of premiums for the Queensland Home Warranty Scheme (QWHS), on time and in accordance with Part 5 of the Act. In consultation with QBCC Insurance Services, the Compliance and Enforcement Branch selected three building contractors for auditing under this program. These companies collectively submitted 219 contracts, but only one was found to have complied with the requirement of timely premium payment. A combination of formal warnings and infringements were issued to these contractors. In conjunction with this audit program, Compliance and Enforcement worked in partnership with the QBCC Communication and Engagement teams to produce educational information about the requirements of contractors to pay premiums on time as per legislative requirements.

CONTRACTUAL INVESTIGATIONS

As part of the QBCC's responsibility to examine suspected breaches of the QBCC Act, the QBCC may conduct investigations requiring a licensee to produce all contracts for review. Although the QBCC review both domestic and commercial contracts, the key focus is on domestic contracts to provide additional support to home owners who deal with the building and construction industry.

Where required, appropriate action is taken and can range from education, issuing warnings and infringement notices, to commencing prosecution action for more serious offending.

Table 15 provides data on the QBCC's 2023-2024 contractual investigations and related activities.

Table 15: Contractual investigations activities in 2023-2024

CONTRACTUAL INVESTIGATIONS	DOMESTIC CONTRACT	COMMERCIAL CONTRACT (QBCC ACT PART 4A)
Investigations	470	11
Warnings issued	182	3
Infringement notices issued	126	1

DEMERIT POINTS ISSUED TO CONTRACTORS FOR BREACHES OF LEGISLATION

Demerit points are a regulatory tool used to discourage repeated breaches and encourage corrective action. The accumulation of a certain number of demerit points can lead to the disqualification of a licence.

Table 16 shows demerit points issued to contractors over the past four years for various breach categories.

Table 16: Number of demerit points issued to contractors

BREACH CATEGORIES	2020-2021	2021-2022	2022-2023	2023-2024
Demerit points issued for unsatisfied judgment debts	40	110	80	70
Demerit points issued for contractual offences	1,720	1,866	1,454	908
Demerit points issued for failure to rectify	2,556	2,768	3,092	2,948
Demerit points issued for failing to pay insurance premium	258	332	430	388
Demerit points issued for carrying out work without a nominee	0	0	0	0
Demerit points - other	122	68	128	278
TOTAL DEMERIT POINTS ISSUED	4,696	5,144	5,184	4,592
CONTRACTORS ISSUED WITH DEMERIT POINTS	594	672	686	621

In this financial year, demerit points decreased by 11 per cent compared to the previous financial year. There was a corresponding decrease in the issuing of penalty infringement notices in comparison to the previous financial year, particularly offences that result in higher demerit points, such as Schedule 1B section 30 of the QBCC Act – no regulated contract. This was due to fact that the Compliance and Enforcement Branch prioritised its regulatory resources to focus on unlicensed contracting, particularly with prosecution of these offenders under escalating penalty provisions of the QBCC Act.

It should be noted that unlicensed contracting does not result in demerit points being issued.

CERTIFIER COMPLIANCE

The Building Act empowers the QBCC to monitor certifier compliance through audits of building and private certification functions and investigating written complaints about allegations of unsatisfactory conduct or professional misconduct by building certifiers or former building certifiers.

In 2023-2024, the QBCC finalised 147 investigations, consisting of 117 complaints, 27 assessment audits and 3 technical audits.

For the completed investigations in 2023-2024, the QBCC issued 12 findings of unsatisfactory certifier conduct and in 34 cases found the certifier's conduct to be satisfactory.

There were 100 cases dismissed, withdrawn, or not initiated as the complaint was not properly made or there was insufficient evidence or information to proceed.

Through proactive auditing of certifiers, the QBCC has made recommendations to improve certifier performance in 16 instances.

PLUMBING COMPLAINTS, INVESTIGATIONS AND COMPLIANCE ACTIONS

The QBCC investigates complaints made about plumbing and/or drainage work in order to minimise risk to public health and safety and the environment. A specialist team of investigators monitor and enforce compliance with the PD Act and parts of the QBCC Act.

In 2023-2024, 74 investigations were closed, including outstanding investigations carried over from 2022-2023. Table 17 provides details of enforcement actions taken over the course of the financial year.

Table 17: Plumbing compliance actions in 2023-2024

COMPLIANCE ACTION TYPE	NUMBER OF ACTIONS
Disciplinary orders issued to licensees	Nil orders amounting to \$0.00 in penalties
Penalty Infringement Notices	26 notices amounting to \$52,968.00 in penalties

This work aligns with Recommendation 12 of the QBCC Governance Review 2022 (Governance Review) – Strengthen and develop the building industry through effective education, support, information, and advice. The QBCC values the constructive benefits offered through education and engagement with the plumbing and drainage industry. Throughout 2023-2024, the QBCC attended industry-specific forums, training organisations, and active building sites, engaging with plumbers, drainers, and apprentices. These interactions provided opportunities to share information and receive feedback about the impacts and trends occurring in the trade.

The QBCC took proactive steps to ensure compliance by conducting licence inspections of persons carrying out work associated with plumbing, drainage, and fire protection (water-based). These measures were undertaken to safeguard the community from unlicensed persons.

NOTIFIABLE WORK – FORM 4/4A

For some types of plumbing and drainage work, QBCC-licensed plumbers and drainers must register details about the work with the QBCC through a Form 4/4A – Notifiable Work. In 2023-2024, there were 110,626 Form 4/4As registered, a 1.3 per cent increase over the previous financial year.

The QBCC conducts an audit program to ensure licensees are adhering to their responsibilities in relation to submitting Form 4/4As when required. In 2023-2024, the QBCC commenced 550 audits of plumbers and drainers, of which 542 were completed during the financial year.

Of these completed audits, 62 per cent were found to be compliant and 17 per cent were non-compliant, with the remainder withdrawn or closed due to the licensee not contracting for work (21 per cent). Of the 91 non-compliant licensees, the majority were referred for a secondary audit to check their future compliance (57 per cent), with 35 per cent receiving education about their obligations and 8 per cent referred to the Plumbing Investigation Unit for investigation and, where necessary, appropriate regulatory actions ranging from warnings, Penalty Infringement Notices and disciplinary actions.

To support the compliance of notifiable work, Queensland local governments may conduct physical audits of notifiable work. The QBCC may reimburse local governments for conducting audits on up to 5 per cent of Form 4/4As registered in their area each quarter. In 2023-2024, the QBCC made payments to 18 local governments for a total value of \$961,991.94. This is a 12.5 per cent increase over the previous financial year, when 16 local governments sought payment.

POOL SAFETY

Pool safety laws require swimming pools to be registered and have barriers to comply with the pool safety standard. The QBCC maintains a register of regulated pools and pool safety inspectors (PSIs) who issue pool safety certificates. As at 30 June 2024, there were 448,618 registered pools and 494 PSIs.

The QBCC approves continuous professional development (CPD) activities for PSIs and allocates CPD points for those activities. The QBCC also investigates complaints and takes disciplinary action against PSIs. In 2023-2024:

- 54 complaints were received regarding the conduct of PSIs
- 42 complaints against PSIs were finalised
- two complaints against PSIs were withdrawn
- nine complaints were closed without further investigation when allegations could not be validated
- nine complaints had no grounds for disciplinary action
- 22 investigations established grounds for disciplinary action, which led to actions including licence suspension, monetary penalties, reprimands and requirements to refund inspection fees
- three complainants sought review by the QBCC's Internal Review Unit (IRU) on a disciplinary action decision.

There are no clear trends emerging in the types of disciplinary action taken against PSIs.

In 2023-2024, 26 investigations were opened into pool owners who were alleged not to have obtained pool safety certificates, or to have failed to give the QBCC notice of no certificate when required. The QBCC finalised 36 investigations of pool owners, and of those, two resulted in issuing of a warning notice and 34 resulted in no further action. Some active cases were carried over from the previous reporting period, resulting in more cases being closed (36) than opened (26) during the 2023-2024 reporting year.

The QBCC monitors and enforces the requirement for pool owners to obtain pool safety certificates and refers unsafe pools to local governments, which are required to inspect and may take enforcement action.

As at 30 June 2024, 102,198 pool safety certificates (or Final Inspection Certificates) were issued in the reporting period, which included 83,649 for non-shared pools and 18,549 for shared pools. The QBCC referred 38 properties to local governments in 2023-2024.

In 2023-2024, the QBCC attended two meetings with the Swimming Pool and Spa Association (SPASA) to discuss concerns within the PSI industry and identify specific areas where the QBCC can focus upcoming educational material. The QBCC also presented at a SPASA member function, providing technical advice to attendees, including licensed Pool Safety Inspectors and local government Compliance Officers.

The QBCC worked with local government authorities to establish a strategy to collaborate and manage investigations involving joint regulatory powers. This involved meetings with local government authorities to discuss and clarify issues or concerns relating to pool safety. The QBCC also attended seven meetings with Office of Fair Trading (OFT) investigators, and one meeting with Office of Industrial Relations investigators to discuss investigative and engagement methods.

Additionally, the QBCC attended one meeting with the Queensland Rental Accommodation Regulators Group (QRARG) to discuss issues within the industry, regulatory strategies and approaches to compliance and enforcement. Members include various local government authorities, OFT, Department of Housing, Electrical Safety Office, and the Residential Tenancies Authority.

IMMERSION INCIDENT REPORTING

The QBCC periodically receives reports of immersion incidents involving young children. These reports are provided by Queensland Health, following notification by health professionals including the Queensland Ambulance Service. In 2023-2024, the QBCC received 116 reports of immersion incidents.

The QBCC then reviews each of the immersion incident locations to determine if the pool is registered and whether a pool safety certificate had been issued for the related pool/s at the incident site. The QBCC identified 13 of the sites where immersions had occurred over 2023-2024, which had a regulated pool (as defined in the Building Act) that were not registered on the QBCC's pool register. Inspections and enforcement actions were then undertaken by local government authorities to achieve compliance through registering or requiring the removal of the relevant regulated pool.

BUILDING AND TECHNICAL INSPECTORATE

As part of QBCC's functional realignment on 3 July 2023, the Building and Technical Inspectorate was launched, amalgamating technical officers from across the State into a unified operating model. This initiative has provided a consistent Statewide building inspection service to consumers and contractors.

From 1 July 2023 to 30 June 2024, the Building and Technical Inspectorate achieved a significant reduction in the Statewide average building inspection wait time. Initially at 20 weeks on 3 July 2023, the wait time reduced to nine weeks by 30 June 2024. This improvement was the result of an enhanced central inspection allocation process, increased administrative efficiencies, and additional technical staff responding to consumer complaints about defective building work.

Between 1 July 2023 to 30 June 2024, as part of the QBCC's disputes process, the QBCC Building Inspectors finalised 936 Early Dispute Resolution cases totalling 4,540 complaint items and 3,665 complaints about defective building work, totalling 39,606 complaint items. The QBCC issued 1,301 Directions to Rectify to contractors for defective building work. The Service Trades Unit (STU) was established under the Building and Technical Inspectorate to proactively inspect building work related to service trades, including plumbing, fire services, and mechanical services. The unit's goal is to assist contractors in reducing defective building work and mitigate risks to building occupants post-construction.

Between 1 July 2023 and 30 June 2024, the STU conducted 1,352 proactive site inspections, identified 202 non-compliant sites, and issued 72 Action Notices for significant defects to be rectified.

The Technical Standards Unit (TSU), which was integrated into the Building and Technical Inspectorate during the realignment, conducted 1,208 proactive site inspections covering 4,748 individual tenancies in the same period. They identified 307 non-compliant sites and issued 107 Improvement Notices to address significant defects.

Through these efforts, the QBCC continues to enhance building safety and quality across the State.

ENGAGEMENT WITH INDUSTRY ADVISORY BODY AND STATUTORY COUNCIL

The QBCC is committed to maintaining open, consultative relationships with advisory bodies and statutory councils.

The Industry Advisory Committee (IAC) met five times during 2023-2024, providing a forum for the QBC Board to engage formally with the building and construction industry on current and emerging industry activities, trends and risks.

During 2023-2024, the Service Trades Council (STC) also held four industry forums in Logan, Hervey Bay, Toowoomba and Cairns, providing an opportunity for the STC to engage formally with plumbers, drainers, fire protection workers and other service trades.

As part of the annual review of the QBCC's Strategic Plan 2023-2027, an engagement session was held with members of the STC to seek their feedback and input. The sentiment from the group was positive, and further engagement of a similar nature was welcomed.

Work is underway to develop and deliver a survey to measure IAC and STC members' perceptions of the effectiveness of relevant industry engagement activities over the entire financial year.

The extent of the QBCC's industry engagement activities is reported in greater detail in the yearly Regulator Performance Framework (RPF) report. The most recent RPF report is available online at <https://www.qbcc.qld.gov.au/about-us/our-corporate-publications/annual-report>.

OBJECTIVE 2: IMPROVE THE CUSTOMER EXPERIENCE THROUGH THE PROVISION OF INFORMATION, ADVICE AND DECISIONS THAT ARE PRACTICAL, CLEARLY COMMUNICATED, TRANSPARENT AND TIMELY.

The QBCC strives for the highest standards of efficiency, effectiveness, transparency, and integrity in the regulatory services it provides to the building and construction industry. To achieve this, we are committed to better understanding our customers and using insights to inform improvements in our service delivery, communications, information, systems and processes. This then supports us in our commitment to decision-making that is fair, consistent, transparent, properly explained and with consequences that are appropriate to the circumstances.

Over the 2023-2024 period, the QBCC focused on seven customer-focused strategies to help us achieve this:

1. The QBCC offers multiple channels to make it easy for customers to access information and services in their preferred way
2. Ensure that awareness of decision-making processes and avenues for resolution are clearly articulated, including licence applications, complaint and claims processes

3. Develop our customer experience expertise
4. Promote collaboration, trust, and accountability within the organisation as well as with stakeholders, industry and consumers
5. Attend to customer enquiries in a consistent, agile and responsive manner with a goal to inform and disseminate information about the QBCC services
6. Consistently manage customer applications, claims, and other resolution matters through clear and robust processes
7. Ensure decision-making is transparent and impartial by providing complete and balanced advice.

Table 18 details the performance of the organisation against the measures outlined in Objective 2 in the Strategic Plan 2023-2027.

Table 18: Objective 2 performance measures

MEASURE	TARGET	ACTUAL	STATUS*	COMMENTS**
Percentage of licence applications determined within timeframes - per category/type	90.0%	76.0%	×	This measure was not met due to the high number of applicants submitting incomplete applications and being provided additional time to provide the required information. This is expected to improve in 2024-25 financial year with the introduction of new licensing forms and experience guidelines. Breakdown per category: <ul style="list-style-type: none"> • QBCC Act 70% • PD Act 97% • Certifier 80% • Pool Safety Inspector 99%.
Surveyed customers indicate that our tools and information provided have assisted them to comply with requirements	38.1%	31.0%	×	This is a new measure with an ambitious long-term target. By analysing trends over time, a methodology will be developed for setting more accurate short-term targets. To make it easier for licensees to comply, the QBCC introduced a number of new initiatives to assist with compliance, such as a licensing tool to support customers with licensing decisions, improving website usability and form design, and delivering more proactive communications that prioritise the provision of clear and easy-to-access compliance information. As a result, there has been a positive shift in licensee satisfaction with the QBCC's online capabilities as well as an increase in agreement that the QBCC's information is easily understood.
Percentage of licence applications available through online channels	100.0%	100.0%	✓	Target achieved. Commentary provided for clarification: All online forms are available in PDF format that can be downloaded from the QBCC website and portal.
Overall customer satisfaction	37.5%	35.0%	×	Progress toward this target has been hindered by an increase in defective work complaints and current industry challenges. The QBCC is committed to improving the customer experience and has developed a Customer Experience Strategy and implementation plan to deliver further support.

MEASURE	TARGET	ACTUAL	STATUS*	COMMENTS**
Number of enquiries (and KPIs for enquiry responses)	80.0% within specified timeframe	77.0%	○	Target not achieved. However, as the result falls within acceptable tolerance, no further commentary is required.
Percentage of QBCC decisions set aside (within the financial year period) by the Queensland Civil and Administrative Tribunal (QCAT)***	7.0%	5.2%	✓	The positive variance between the Actual and both the 2023-2024 Target and Estimated Actual (7%) as published in the 2024-25 SDS is due in part to QCAT being a merits review jurisdiction able to consider fresh evidence which was not initially available to the QBCC, which may result in the QBCC decision being set aside by QCAT. It is therefore difficult to predict if, or when fresh evidence may result in the QBCC decision being set aside. The number of the QBCC decisions set aside by the QCAT is well within the 2023-2024 target.
Perception of fairness in decision making: survey respondents agree the final decision was fair****	65.0%	61.7%	✗	Outcomes for this measure strongly align with stakeholder expectations of a favourable decision. In every dispute, it is likely that at least one party will be dissatisfied with the outcome.
Percentage of internal review decisions made within the required period	80.0%	78.7%	○	Target not achieved. However, as the result falls within acceptable tolerance, no further commentary is required.
Reduction in disputes ending up in QCAT	10.0% reduction	16.0% increase	✗	Building-related disputes at QCAT have increased due to construction defects, contract breaches, delays, economic pressures and further complications from issues such as the rising costs of building materials.
Percentage of complainants who receive outcome advice within timeframes	75.0%	70.0%	✗	This measure looks specifically at timeframes for non-completion claims, defective work claims, defective work complaints, and early dispute resolution. In addition to the significant increase in the number of cases received due to market conditions, there has also been an overall rise in complexity of complaints received. This has had a direct impact on the QBCC's ability to meet the established Key Performance Indicator for timely resolution and customer satisfaction. Significant work has been undertaken to continue to improve timeframes for the resolution of these complaint types including the implementation of the Claims Management Improvement Project and the Building Inspection Wait Time Reduction Program, which has enabled a reduction in wait times from 20 weeks to 9 weeks.
Backlog (greater than 70 business days) of non-completion claims to be approved	<50.0%	57.0%	✗	This measure was not met due to the high number of non-completion claims received over the year affecting capacity and continuing industry constraints impacting outsourced consultants' capacity to supply tenders.
QBCC Contact Centre: Percentage of calls answered within 5 minutes	45.0%	74.0%	✓	Improved resource management and a reduction in calls received during the 2023-2024 period resulted in a positive variance.
Percentage of decisions to grant, renew or cancel a licence are peer reviewed	5.0%	9.0%	✓	During 2023-2024 there was a stronger focus on more uniform decision-making generally. To inform a Training Needs Analysis, peer review activities were expanded in this financial year.
Cost of recovering \$1.00 of funds owed to creditors****	\$0.55	\$0.20	✓	The variance between the Actual and the 2023-2024 Target (\$0.55), and between the Actual and the Estimated Actual (\$0.51) as published in the 2024-25 SDS, can be attributed to lower expenditure as a result of unfilled vacancies. The QBCC does not play a debt recovery role, and any monies recovered are an incidental result of potential regulatory action to be undertaken.
Percentage of early dispute resolution cases finalised within 28 days****	80.0%	88.0%	✓	The positive variance between the Actual and both the 2023-2024 target and Estimated Actual (80%) as published in the 2024-25 SDS, is due to fewer cases requiring complex investigation.

MEASURE	TARGET	ACTUAL	STATUS*	COMMENTS**
Average number of days to process licence applications***	30 days	26 days	✓	The positive variance between the Actual and both the 2023-2024 Target and Estimated Actual (28 days) as published in the 2024-25 SDS, is due to continued proficient management of resourcing and assessment of applications.
Percentage of owner builder permits approved within 15 working days***	90.0%	79.0%	✗	<p>The positive variance between the Actual and the 2023-2024 Estimated Actual (75%) as published in the 2024-25 SDS, is due to a temporary increase in resourcing specifically focused on owner builder permit assessments.</p> <p>The Target was not met due to a significant proportion of applications received during 2023-2024 being incomplete and additional time afforded to applicants to provide the required information.</p> <p>The QBCC is amending the methodology in the 2024-2025 financial year to only take into account complete applications. This will enable greater clarity on the time of the actual approval process.</p>
Percentage of adjudication applications referred to an adjudicator within 4 business days***	100.0%	98.5%	✗	The slight variance between the Target and the Actual was due to human error in referral of five separate matters creating delay in each instance, which were resolved with no consequence.
Percentage of insurance claims for defective work assessed and response provided within 35 business days***	50.0%	27.0%	✗	<p>The variance between the Actual and both the 2023-2024 Target and Estimated Actual (25%) as published in the 2024-25 SDS was due to the significant increase in the number of non-completion claims, defective work claims, defective work complaints, and early dispute resolution cases received due to market conditions.</p> <p>The QBCC is implementing a program of works to improve claims management timeframes through the Claims Management Improvement Project.</p>
Average processing time for an early dispute resolution case***	28 working days	16 working days	✓	The positive variance between the Actual and both the Target and the 2023-2024 Estimated Actual (28 working days) as published in the 2024-25 SDS, was due to fewer cases requiring complex investigation.
Average approval time for defects claims less than \$20,000***	35 working days	59 working days	✗	<p>The variance between the Actual and the 2023-2024 Estimated Actual (50 working days) as published in the 2024-25 SDS, was due to the significant increase in the number of non-completion claims, defective work claims, defective work complaints, and early dispute resolution cases received due to market conditions.</p> <p>The QBCC is implementing a program of works to improve claims management timeframes through the Claims Management Improvement Project.</p>
Percentage of internal review applicants contacted within 2 business days***	95.0%	98.0%	✓	Target achieved.

* Status symbols: ✓ = achieved or exceeded target, ○ = under-performing by 5% variance or less (acceptable tolerance), ✗ = under-performing by more than 5% variance (beyond tolerance).

** If there is any material variation greater than 5% from the 2023-2024 target to the actual result, commentary is provided to explain this variance.

*** This is a 2023-24 Service Delivery Statement (SDS) Service Standard performance measure. Commentary is provided to explain material variation of greater than 5% between the: 1) Actual and Target, and 2) Actual and 2023-2024 Estimated Actual as published in the 2024-25 SDS (refer https://budget.qld.gov.au/files/Budget_2024-25_SDS_Housing_Local%20Government_Planning_and_Public_Works.pdf).

CUSTOMER SERVICE

During 2023-2024, the QBCC upheld its commitment to improving customer service and supporting our people by promoting the QBCC values and providing regular training, coaching and mentoring to ensure consistent and efficient customer service.

Key initiatives aimed at improving service delivery included:

- Uplift Contact Centre Training Program: Upskilled Team Leaders delivered training programs based on adult-learning principles and leveraged digital capability delivery in a hybrid environment
- Training outcomes were improved and regional Customer Service Officers attended online, resulting in consistent service delivery and fostering greater collaboration
- Operational Process Refinement: Ongoing improvements were delivered to ensure consistent and efficient customer service management
- Agility in Resourcing: Continued enhancement of the Contact Centre’s resourcing model to meet ongoing demand and support professional development of our people.

Table 19 below provides statistics on the last four years of customer calls and emails received.

Table 19: Customer Contact Centre statistics

	2020-2021	2021-2022	2022-2023	2023-2024
Customer phone calls	238,479	188,644*	151,987	147,560
Customer emails	20,683	10,761	9,540	9,145

* In a 2023 review of our data, we had found that changes to the telephony system implemented in 2021 had resulted in data calculation errors and an incorrectly reported Customer phone calls figure for the 2021-2022 period. The correct number of customer calls received 2021-2022 is 188,644 as shown above, not 256,933 as reported previously. The calculation methodology was reviewed and resolved for the data reported in subsequent years.

SUBJECT MATTER EXPERT (SME) ROSTER INITIATIVE

In January 2024, the QBCC introduced the Subject Matter Expert (SME) Roster initiative following recommendations from the Governance Review. This new approach enhanced customer service by connecting customers directly with SMEs for complex enquiries. Key operational contacts are now available for phone calls or scheduled appointments via the Teams booking application, ensuring specialised support is accessible when intricate cases need to be escalated.

Since launching, the Contact Centre has arranged four appointments including two face-to-face meetings in the Brisbane office, one via Teams and one over the phone. A survey was conducted with an average score of 4.33 out of 5 for the overall experience.

This initiative marks a significant step forward in improving responsiveness and customer engagement at the QBCC.

Table 20 below provides data on the relevant appointments and referrals made since the implementation of the SME Roster.

Table 20: SME appointments and referrals during the 2023-2024 period

	JANUARY 2024	FEBRUARY 2024	MARCH 2024	APRIL 2024	MAY 2024	JUNE 2024
Appointments	0	0	3	1	0	0
Referrals to SMEs	0	72	61	60	75	40

LICENSING

The QBCC issues and maintains licences for individuals and companies undertaking different types of building activities under the QBCC Act, the Building Act and the PD Act.

Under these Acts, as at 30 June 2024 there were 118,762 licensees collectively holding 220,234 licence classes. A breakdown of licensees under each Act is detailed in Table 21 below.

Table 21: Licensee numbers per Act as at 30 June 2024

LEGISLATION LICENSED UNDER	NUMBER OF LICENSEES
QBCC Act	100,693
PD Act	17,055
Building Act (Certifier)	520
Building Act (Pool Safety Inspector)	494
TOTAL LICENSEES	118,762

The specific licence types and permits, as detailed in the below sections, cover the following types of work:

- QBCC Act
 - » builder and trade
 - contractor
 - nominee supervisor
 - site supervisor
 - » fire protection
 - » owner builder permits
 - » mechanical services
- PD Act
 - » occupational plumber and drainer
- Building Act
 - » building certification
 - » pool safety inspection.

QBCC ACT – BUILDER AND TRADE LICENCES

The QBCC Act establishes a licensing framework for individuals and companies carrying out building work. Table 22 shows the number of individuals and companies licensed under the QBCC Act by licence type as at 30 June 2024.

Table 22: QBCC Act licensees by licence type as at 30 June 2024

LICENCE TYPE	INDIVIDUAL	COMPANY	TOTAL
Builder	17,464	10,698	28,162
Trade Contractor	33,900	13,356	47,256
Nominee Supervisor	16,005		16,005
Site Supervisor	4,887		4,887
Occupational	4,383		4,383
TOTAL	76,639	24,054	100,693

QBCC ACT – FIRE PROTECTION LICENSING FRAMEWORK

The QBCC Act establishes a licensing framework for all individuals and companies who carry out fire protection work in Queensland.

As at 30 June 2024, there were 4,529 individuals and companies licensed to undertake regulated fire protection work. Each licensee may hold one or more licence classes across each of the fire protection system streams. Table 23 shows the number of licence classes for each licence type based on the fire protection licence stream.

Table 23: QBCC Act Fire Protection licence classes and types as at 30 June 2024

LICENCE STREAM	FIRE PROTECTION LICENCE CLASSES BY LICENCE TYPE		
	CONTRACTOR/ NOMINEE SUPERVISOR	OCCUPATIONAL	TOTAL
Portables	1,117	1,699	2,816
Passive	1,530	1,357	2,887
Special hazard	494	387	881
Water-based	1,892	652	2,544
Electrical	1,965	3,181	5,146
Fire Safety Professional	77	14	91
TOTAL	7,075	7,290	14,365

QBCC ACT – OWNER BUILDER PERMITS

The QBCC administers the granting of owner builder permits under the QBCC Act. An owner builder permit allows the permittee to carry out building work on the permittee's land for a building used for residential purposes.

This does not include:

- work on a building with multiple dwellings
- building work for which an occupational licence is required, unless the work is carried out by a person who holds the appropriate licence.

During 2023-2024, there were 3,076 owner builder permits granted by the QBCC.

The QBCC is ensuring that home owners with owner builder permits who are undertaking building work on properties built before 1990 have a better understanding of the harms associated with asbestos. The QBCC requires:

- home owners to complete awareness training on managing this building product that has the potential for serious health concerns through airborne exposure
- those engaged by owners to have the same level of expected safety as on any building site, to meet the requirements of the *Work Health and Safety Act 2011*.

QBCC ACT – MECHANICAL SERVICES LICENSING

Mechanical services work involves the construction, installation, replacement, repair, alteration, maintenance, testing or commissioning of a mechanical heating or cooling system in commercial and residential buildings. It also includes work on medical gas systems found in hospitals and other health services such as dental facilities.

The QBCC administers the licensing framework for contractors, nominee supervisors, site supervisors and workers who perform mechanical services work. Table 24 shows the number of licensees under each mechanical services stream as at 30 June 2024.

Table 24: Mechanical services licensees by licence class as at 30 June 2024

LICENCE TYPE	NUMBER OF LICENSEES
Medical gas	381
Mechanical plumbing	1,628
Air-conditioning and refrigeration	6,170
TOTAL	8,179

PD ACT LICENCES

The QBCC administers Queensland’s occupational licensing system for plumbers and drainers under the PD Act. As at 30 June 2024, the QBCC had 17,055 licensees holding one or more licence types as shown in Table 25.

Table 25: PD Act licences by licence type as at 30 June 2024

OCCUPATIONAL LICENCE TYPE	CLASSES OF LICENCE
Provisional plumber	922
Provisional drainer	897
Plumber	14,271
Drainer	14,403
Restricted licences	2,184
TOTAL	32,677

BUILDING ACT – CERTIFIER LICENSING

The QBCC administers the granting of building certifier licences under the Building Act. A certifier licence allows the licensee to assess building applications, decide whether to issue building approvals and inspect and certify building works.

The certifier ensures the building works comply with the building assessment provisions, the Building Act and the building approval. Certifiers can work for local government or in private practice. As at 30 June 2024, there were 520 building certifiers licensed by the QBCC.

BUILDING ACT – POOL SAFETY INSPECTION LICENSING

The QBCC administers the granting of pool safety Inspector licences under the Building Act. A pool safety inspector licence allows the licensee to inspect a pool, including its barriers, and issue a pool safety certificate, or a non-conformity notice, for a regulated pool. As at 30 June 2024, there were 494 pool safety inspectors licensed to work in Queensland.

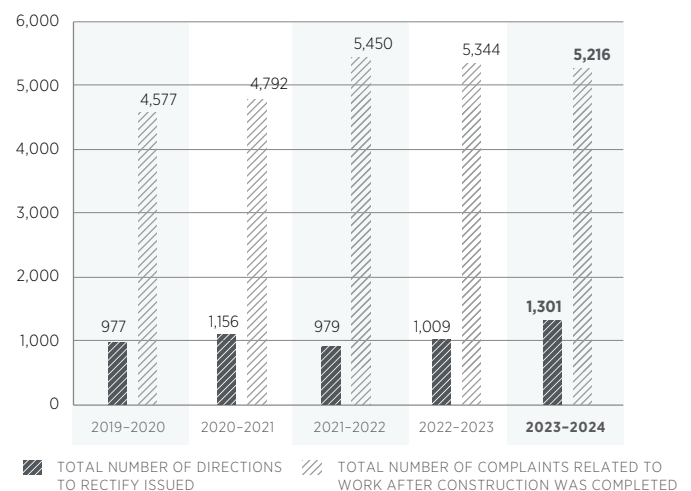
MUTUAL RECOGNITION

In 2023-2024, the QBCC processed 1,825 mutual recognition applications. Mutual recognition applications are received from Australian citizens in other states and territories and New Zealand citizens and are processed under the *Trans-Tasman Mutual Recognition Act 1997 (Cth)*. Mutual recognition applies to all licences under the QBCC Act, PD Act and Building Act. Licences issued under mutual recognition are included in the overall numbers outlined in Table 21 (above).

BUILDING COMPLAINTS AND DISPUTES RELATING TO DEFECTIVE WORK

The QBCC may be able to help resolve building disputes in relation to defective works between home owners and principal contractors. During 2023-2024, these types of building disputes totalled 6,115, of which 5,216 related to works after construction was completed and 899 which were during the construction process. This represented a decrease of three per cent from 2022-2023 (6,306) building disputes. Figure 1 below shows the past five years’ data on defective work complaints received and directions issued over each reporting period.

Figure 1: Complaints and directions over the past five years



EARLY DISPUTE RESOLUTION

The QBCC offers a free Early Dispute Resolution (EDR) service for domestic building work valued in excess of \$3,300, where issues arise between principal contractors and home owners before completion of the contract. Defective building work, non-completion and contractual disputes are handled in the EDR process.

During 2023-2024, the QBCC opened 899 EDR cases, with 936 finalised during the reporting period. The number of cases received and finalised is not equal, as cases can be carried over from previous financial years. There was a decrease of 6.5 per cent in EDR disputes received compared to 2022-2023. A higher number of dispute cases were processed than were received due to improved internal processes and efficiency initiatives.

MEDIATION AND CONCILIATION PILOT SERVICE

In the 2023-2024 financial year, the QBCC introduced a new and different type of dispute resolution service to assist with resolving disputes associated with defective building work. This service was developed in response to the Governance Review Recommendation 2 to *“Establish an independent, quarantined Mediation, Resolution and Review Unit within the QBCC.”*

A new Mediation and Conciliation Pilot Service was trialled from October 2023 to assist contractors and home owners with resolving building disputes. The pilot service allows home owners and contractors to work together to resolve their disputes with the assistance of a qualified, independent, and impartial Conciliator.

For home owners, the new pilot service was able to help resolve disputes without the need to wait for a building inspector to attend to the matter on-site. For contractors, the pilot service provided them with support to try and reach a resolution as quickly as possible without the need for regulatory action being taken against them.

The pilot service provided a more nuanced and tailored approach to dispute resolution, reduced the burden on formal adjudicative mechanisms and contributed to a more agile and responsive regulatory environment.

In just over eight months of operation, the pilot service was able to resolve 763 building dispute complaint items for 342 home owners and contractors.

The pilot service is expected to run until June 2025.

INTERNAL REVIEW

The QBCC offers a free and independent internal review service to reduce the number of administrative reviews made through QCAT, in accordance with the QBCC Act.

During 2023-2024, 1,203 internal review cases were opened and 1,211 cases closed, including some cases carried over from the previous financial year. In comparison to 2022-2023, an additional 92 cases were opened, and an additional 134 cases were closed.

Of the opened cases, 244 (18.6 per cent) did not proceed to internal review for reasons including the application being out of time or out of jurisdiction.

As a result of the 987 internal reviews completed during 2023-2024:

- 748 (75.8 per cent) of original decisions were upheld, including 210 ‘deemed’ decisions
- 128 (13 per cent) of original decisions were overturned (in full or part)
- 111 (11.2 per cent) of original decisions were varied.

The QBCC’s Internal Review Unit is required by legislation to make a new decision as if the reviewable (original) decision had not been made.

An ‘upheld’ decision means that the same outcome as the original decision was reached for the same reasons. A ‘varied’ decision means that the same outcome as the original decision was reached, but for different reasons than the original decision.

An ‘overturned’ decision means that a different (or partially different) outcome to the original decision was reached.

Where original decisions are overturned or varied, it can be as a result of new information not previously available or further investigation of the matter (such as obtaining new expert reports).

Of the 987 internal review decisions made, 210 were ‘deemed’ decisions (21.3 per cent). A deemed decision occurs where the internal reviewer does not decide the application within the required period. In that circumstance, the legislation requires that the internal reviewer is taken to have made an internal review decision at the end of the required period that is the same as the reviewable decision.

As at 30 June 2024, 90 cases remained open. On average, it took 33 days to process an internal review case in the reporting period. This includes applications where the applicant agreed to further time for a decision to be made.

CUSTOMER FEEDBACK

The QBCC encourages customers to provide feedback so that we can continuously improve our business. Customer service complaints were assessed and investigated in accordance with the QBCC Customer Feedback Policy available on the QBCC website. For the 2023-2024 reporting period, the number of suggestions, compliments, and complaints received by the QBCC are shown in Table 26.

Table 26: Customer feedback statistics including comparison to the previous year

	2021-2022	2022-2023	2023-2024	PERCENTAGE CHANGE 2023-2024 COMPARED TO 2022-2023
Suggestions	471	426	222	47.9% decrease
Compliments	94	64	76	18.8% increase
Service complaints	1,175	697	741	6.3% increase

- development of a licensing tool to support customers with licensing decisions such as identifying the licence needed for different types of building and construction work
- improving customer access to subject matter experts for personalised assistance with complex enquiries
- launching a new organisational value of ‘Value Customers’
- developing communications materials to better explain what customers can expect from the QBCC’s services
- executing a pilot program for improved Statewide operations to boost specialist staff mobility and accessibility.

The Customer Improvement plan has laid the foundation for the QBCC to continue its focus on becoming a more customer-centric regulator, with the next phase in the journey to build a three-year Customer Experience Strategy, which will be delivered from the 2024-2025 financial year onwards.

CUSTOMER IMPROVEMENT PLAN

Over 2023-2024, the QBCC developed and implemented the Customer Improvement Plan, which was comprised of customer-focused initiatives undertaken throughout the organisation to improve the customer experience.

The initiatives were organised under five overarching pillars of Listen to the Voice of the Customer; Build a Customer Centric Culture; Optimise External Information; Improve Services and Processes; and, Enhance Digital and Technology. Initiatives included:

- establishing the customer and research function to facilitate greater customer understanding and advocacy
- undertaking customer research to inform future service improvements
- discovery and design work to plan for improvements to the myQBCC self-service portal
- discovery and design work to plan for enhancements to customer digital communications
- production of customer journey maps to provide increased understanding of how customers think and feel throughout their journeys and identify ways to improve interactions

OBJECTIVE 3: EDUCATE AND INFORM CUSTOMERS TO SUPPORT CONTINUOUS QUALITY IMPROVEMENT.

The QBCC develops and implements educational activities, workshops, and resources that are accessible, relevant, and tailored to the specific needs of licensees, industry bodies and home owners.

Through education and engagement, the QBCC helps licensees keep up to date with their requirements and home owners to understand their rights and responsibilities.

Over the 2023-2024 period, the QBCC used three education-focused strategies to support quality improvement in the industry. The Strategic Plan 2023-2027 includes the following three education-focused strategies:

1. Opportunities for enhanced skill development and capability uplift are made available for industry and customers
2. Use education and engagement activities to drive and support good behaviours
3. Undertake education through proactive inspections, audits and non-conforming building products investigations and the publishing of factsheets, blogs and articles.

Table 27 details the performance of the organisation against the measures outlined in Objective 3 in the Strategic Plan 2023-2027.

Table 27: Objective 3 performance measures

MEASURE	COMMENTS
Qualitative statement: Progress made in developing training systems and materials (including the Learning Management System)	These measures are responded to qualitatively. The QBCC’s regulatory activities in pursuit of these performance measures are described in the remainder of this chapter.
Uptake of Learning Management System and formal learning, and satisfaction of educational resources	
Survey responses from training events and materials to gauge whether the training has improved understanding of the topic	

EDUCATION AND ENGAGEMENT

Education is a regulatory requirement under the QBCC’s enabling legislation and is fundamental to encouraging compliance, supporting safe practices, and raising awareness of legislative changes. The QBCC provides education and engagement through a variety of mediums to home owners, licensees and other industry participants. The key engagement activities undertaken in 2023-2024 are summarised in the following sections.

FACE TO FACE EVENTS AND WEBINARS – QBCC-LED

The QBCC offered several in-person events and webinars, including the following key events:

- 24 trust account information sessions to support trustees in meeting regulatory requirements
- six home owner information webinars providing guidance on the building and renovation process
- three Service Trades Council industry forums which provided updates on compliance and education activities and notifiable work

- nine face-to-face events and one webinar presentation to accountants and licensees on financial reporting obligations
- 14 Tradie Toolbox ‘Building your Financial Success’ face-to-face events, plus one webinar at the conclusion of the events across Queensland. The QBCC partnered with the Department of Employment, Small Business and Training and delivered information regarding financial obligations. The events also included a number of exhibitors, from organisations such as Mates in Construction, local Chambers of Commerce, Resilient Housing Fund, National Association of Women in Construction (NAWIC), QLeave and the Office of Fair Trading, who provided additional support and resources to attendees
- one webinar tailored to Queensland Plumbing Inspectors, which provided information and updates around notifiable works
- one QBCC employment expo which showcased the various teams within the QBCC and promoted the QBCC as an employer of choice.

FACE TO FACE EVENTS AND WEBINARS – QBCC INVOLVEMENT IN INDUSTRY-LED FORUMS

Information was delivered at a range of externally hosted industry and stakeholder engagements, addressing issues within the Queensland building and construction industry, including the following key events:

- 10 information sessions to third and fourth-year apprentices at Registered Training Organisations throughout the state
- one information session to construction management students at the Queensland University of Technology providing an overview of the QBCC and its functions
- two information sessions to Master of Construction international students at Bond University providing an overview of the QBCC and its functions
- one presentation at the Australian Plumbing and Gas conference discussing the QBCC core functions, as well as providing advice to licensees and other trade members regarding QBCC compliance requirements across the two-day event
- one information session to construction students at the Australian Industry Training College
- two NAWIC 'Women on Tools' events, and three 'Speed Career' events, which provided information to school students considering a career within the building and construction industry. At two further NAWIC-organised events general information was provided on the role of the QBCC
- one webinar information session followed by questions and answers for the Fire Protection Association Australia
- one presentation at the NFIA Fire Protection Industry Southeast Queensland Forum about the reforms to the regulation and licensing of fire protection work in Queensland
- one presentation about the QBCC at the Australian Institute of Building Annual Industry Leaders event
- one presentation on how the QBCC is managing the Combustible Cladding Checklist at the Annual Fire Safety and Cladding Summit
- one Construction Skills Queensland strategic presentation and discussion on trends in construction in the Brisbane region
- 11 TAFE Industry Stakeholder Coffee Cart events aimed at answering student questions and providing information about the role of the QBCC
- one TAFE industry and regulatory presentation providing an overview of the QBCC and providing information on trends in licensing data
- one Department of Employment, Small Business and Training Advisory Council question and answer session to provide advice and information on licensing matters.

EXPOS AND SITE VISITS

The QBCC also participated in:

- two Brisbane Home Show events which generated more than 884 enquiries
- two Mitre 10 trade expos
- two Bunnings trade expos
- 33 construction site visits, where the QBCC responded to a range of questions from contractors about the QBCC's functions and role.

During the reporting period, the QBCC also trialled a new approach to engaging and informing customers, through delivery of a sequence of short 'on-demand' videos. Six videos addressing components of Disputes Management were created and published on the QBCC's YouTube channel. Following release of the video series a live webinar was held to respond to questions about the dispute management process.

The value of this approach is predominantly the longevity of video content being readily accessible to the QBCC's customers beyond the initial release and promotional period. The live webinar provided an invaluable opportunity to hear directly from customers on nuances about disputes that required further clarification or input.

EXTERNAL COMMUNICATION AND CAMPAIGNS

During the financial year, the QBCC delivered a number of campaigns targeting licensees, property owners and stakeholders to raise awareness and educate, further encourage positive behaviour change, enhance the QBCC's reputation, and build trust as a regulator. Some of the key topics covered included:

- *Building Industry Fairness (Security of Payment) and Other Legislation Amendment Act 2020 (BIFOLA)* – raising awareness with licensees and industry stakeholders regarding BIFOLA amendments
- National Construction Code NCC 2022 – raising awareness with licensees and other stakeholders about the requirements under the new Modern Homes Standards
- trust accounts – equipping trustees and licensees with timely and relevant information to ensure they are prepared for the phased amendments to the Trust Account Framework
- engineered stone – raising awareness of the prohibition on the use of engineered stone with industry and licensees
- safeguarding property owners – building awareness with property owners on the importance of choosing a licensed contractor when undertaking building or renovation work
- pool safety – promoting pool safety laws to home owners and inspectors through a pool safety guide, animations and short video series

- Home Warranty Insurance Scheme (QHWS) – driving awareness of the unique protection provided to Queensland property owners via the QBCC’s nation-leading QHWS
- financial reporting requirements – reminding licensees to complete their mandatory financial reporting to ensure they demonstrate their financial sustainability.

SUPPORTING THE SKILLS UPLIFT OF THE BUILDING AND CONSTRUCTION INDUSTRY

During the 2023-2024 financial year, the QBCC has continued to investigate the best ways to help licensees and industry stakeholders stay updated with new laws and standards. The QBCC engaged with educational institutions and professional bodies to discuss effective information sharing. This feedback has supported planning of future learning and engagement activities to support a strong and resilient building and construction industry.

Survey responses from training events provided a positive result of skills uplift of the building and construction industry. Data shows that industry participants’ understanding of the QBCC Tradie Toolbox subject, ‘Building your Financial Success’, increased by approximately 86.69 per cent after the seminar. This indicates a significant improvement in their knowledge and understanding following this event. During 2023-2024, 81.4 per cent of attendees at QBCC-hosted events (both physical and digital) indicated they were satisfied with the event content and would recommend the event to a friend or colleague. This high level of satisfaction reflects the QBCC’s commitment to delivering valuable and relevant content to our stakeholders.

In addition to quantitative data, qualitative feedback from training event participants has been overwhelmingly positive. Participants have expressed appreciation for the practical relevance of the training to support regulatory compliance.

Between 1 July 2023 and 30 June 2024, the QBCC successfully hosted two internal technical conferences, 18-19 October 2023 and 15-16 May 2024. These conferences gathered all technical personnel from across the organisation and featured prominent industry experts and leaders from the QBCC. Each two-day event offered a detailed agenda designed to enhance technical expertise and foster industry collaborations. These interactions support the QBCC’s joint objectives with the private sector to elevate building standards and minimise the occurrence of defective construction and non-conforming building products. Feedback from the staff was overwhelmingly positive, reflecting the value and impact of these conferences.

DEVELOPING LEARNING SYSTEMS

The QBCC has been developing a Learning Management System (LMS) which, when released, will enhance our ability to deliver structured and accessible external training programs, further improving the QBCC’s regulatory practices and stakeholder engagement. In the meantime, delivery efforts over the 2023-2024 period concentrated on alternative mechanisms to ensure continuous learning and development across the organisation including development of factsheets, delivery of the Tradie Toolbox Roadshow, and release of short educational videos.

OBJECTIVE 4: BE A SUSTAINABLE AND DIGITALLY ENABLED ORGANISATION.

To remain financially stable, the QBCC endeavours to operate productively. We need to embrace and use appropriate technology and the ingenuity of our people to overcome obstacles and challenges in the pursuit and achievement of our goals.

The QBCC recognises our fiduciary duty as a public sector organisation to properly manage and be accountable for the use of data, information and public funds, in delivering on the work set out by the legislation. In particular, the sustainability of the Queensland Home Warranty Scheme that safeguards home owners from the impacts of incomplete and defective building work is a key focus for the organisation.

Over the 2023-2024 financial year, the QBCC has developed seven strategies to grow our digital capability and support the long-term sustainability of the Queensland Home Warranty Scheme:

1. Improve data governance
2. Our systems and processes support consistent decision-making
3. We use technology to derive insights for decision-making, and make it easier for our people to deliver
4. Enhance our workforce capability to enable it to deliver its core functions
5. Audit and assurance processes identify matters requiring attention and monitor progress
6. Influence the government in relation to delivering a sustainable financial model
7. Maintain the financial sustainability of the Queensland Home Warranty Scheme.

Table 28 details the performance of the organisation against the measures outlined in Objective 4 in the Strategic Plan 2023-2027.

Table 28: Objective 4 performance measures

MEASURES	TARGET	ACTUAL	STATUS*	COMMENTS**
Working for Queensland - staff engagement score	50.0%	49.0%	○	Target not achieved. However, as the result falls within acceptable tolerance, no further commentary is required.
Working for Queensland - percentage of staff satisfaction based on staff engagement score (including follow up survey)	56.0%	54.0%	○	Target not achieved. However, as the result falls within acceptable tolerance, no further commentary is required.
Consolidated Budget - Year to Date actuals figure matches the budget for the Consolidated Fund within tolerance	+/- 5.0%	4.9%	✓	
Cost to assess and finalise a new licence application made under the <i>Queensland Building and Construction Commission Act 1991</i> , the <i>Building Act 1975</i> , and the <i>Plumbing and Drainage Act 2018</i> ***	\$1,500.00	\$1469.76	✓	The variance between the Actual and the 2023-2024 Estimated Actual (\$1,754) as published in the 2024-25 SDS can be attributed to a reduction in the number of contracted staff following the finalisation of customer improvement initiatives
Average cost to assess and finalise a Queensland Home Warranty Scheme claim	\$6,137.00	\$5,492.64	✓	The QBCC finalised a larger number of claims during 2023-2024 compared to previously predicted, due to changes in economic climate within the industry. This resulted in a lower average cost per claim.
QBCC Contact Centre: Average number of interactions per FTE per month	600.0	442.0	✗	The Target for this measure was derived from the calls answered over a two-year period (2021-2023) to determine the average interactions per full-time equivalent (FTE). There has been a decline in the number of calls received which has impacted the number of interactions per FTE. Although this Target was not met, there is a corresponding improvement in other areas, such as the percentage of calls answered within five minutes (actual is 74%, which is a significant improvement on the 45% Target).
Percentage of data sets meeting data governance standards ****	This measure is responded to qualitatively. The QBCC's data governance and related activities in pursuit of this performance measure are described in the Information and Data Governance section below.			
Qualitative statement: application of relevant Queensland Government Enterprise Architecture elements	This measure is responded to qualitatively. The QBCC's activities in pursuit of this performance measure are described in the Enterprise Architecture section below.			

* Status symbols: ✓ = achieved or exceeded target, ○ = under-performing by 5% variance or less (acceptable tolerance), ✗ = under-performing by more than 5% variance (beyond tolerance).

** If there is any material variation greater than 5% from the 2023-2024 target to the actual result, commentary is provided to explain this variance.

*** This is a 2023-24 Service Delivery Statement (SDS) Service Standard performance measure. Commentary is provided to explain material variation of greater than 5% between the: 1) Actual and Target, and 2) Actual and 2023-2024 Estimated Actual as published in the 2024-25 SDS (refer https://budget.qld.gov.au/files/Budget_2024-25_SDS_Housing_Local%20Government_Planning_and_Public_Works.pdf).

**** Temporarily to be reported as a qualitative measure while developing data governance standards which are expected to be implemented by end of 2024.

DIGITAL PORTFOLIO DELIVERY

The Digital Portfolio is a program of digital transformation projects designed to uplift the QBCC's internal business operations, address legacy IT issues, improve customer-facing online services, and deliver a more integrated way of working with other Queensland Government departments through improved information-sharing arrangements. The Digital Portfolio commenced in 2023-2024 based on acceptance of the Digital Services Business Case, and was created as a response to Recommendation 7 of the Governance Review. The business case established the Digital Portfolio as a multi-year, multi-horizon portfolio of work.

In 2023-2024, the Digital Portfolio consisted of five programs of work targeting critical investments addressing key cyber security risks, commencement of replacing legacy technology platforms, and improvements in foundational business solutions to reduce ongoing operational risk and data quality issues.

The five programs of work in 2023-2024 were:

1. Information as an Asset – This program delivered critical information governance framework and control requirements to better manage QBCC information assets.
2. Enterprise Case Management – This program delivered enhancements to the QBCC case management system to improve how case related operational activities are undertaken while also improving data quality. The program was extended across new business areas to enable a comprehensive approach to managing customer cases throughout the entire life cycle.
3. Digital Licensing – This program addressed an immediate cyber security risk with the existing licensing system while also developing a future design for a replacement solution.
4. Customer Engagement – This program undertook several discovery and design engagements of customer-related systems, including the customer facing portal (myQBCC) to plan for new replacement solutions to better serve QBCC customers.
5. Enterprise Service Management – This program saw several investments within the Digital operations group to address cyber security related risks and legacy IT solutions.

Across the five programs of work, the Digital Portfolio delivered 32 projects successfully. These projects delivered outcomes in data governance and information sharing, data warehouse, digital licensing, legacy technology decommissioning, regulatory case management practices, and customer engagement.

RISK MANAGEMENT

During 2023-2024, the QBCC conducted a comprehensive review and enhancement of our risk artefacts and related tools to ensure continued support for the implementation of risk management practices in line with the international standard ISO 31000:2018 Risk Management – Guidelines and Queensland Treasury's – A Guide to Risk Management.

Throughout the year, the QBCC demonstrated its commitment to robust risk management through a series of strategic initiatives:

- regular workshops and Senior Leadership risk discussions were conducted to review and monitor both strategic and operational risks, as the QBCC continued to embed and uplift risk management processes
- strong governance structures were maintained, including comprehensive reporting to the QBC Board and the Finance, Audit and Risk Committee, demonstrating the QBCC's commitment to fostering a positive risk culture.

INTERNAL AND EXTERNAL AUDITS

Over the 2023-2024 reporting period, the QBCC's internal auditors, O'Connor Marsden and Associates, undertook internal audits to monitor and improve accountability, controls and business practices. Audits were completed in the areas of resilience, emergency and contingency management, the adjudication registry, cyber risk and dispute resolution. Audits commenced that relate to procurement and accounts payable are to be completed during 2024-2025.

The Queensland Audit Office is the QBCC's external auditor under the terms of the *Financial Accountability Act 2009*.

REGULATORY ASSURANCE FRAMEWORK

To provide assurance that the QBCC's decisions will result in good regulatory outcomes and that risks are being managed, the Regulatory Assurance Framework (RAF) has been developed. The framework comprises key elements for good decision-making with a focus on training, procedures, supervision and other tools and knowledge.

During 2023-2024, a program of work was delivered to commence implementation of the RAF. Achievements include the formation of the QBCC Academy to support the training and procedure elements of the RAF, the delivery of training by the Academy to regulatory staff, and the commencement of audits of regulatory decisions to gain insights to support continuous improvement.

The implementation program for the RAF will continue through the 2024-2025 financial year, and when fully operationalised, this framework will support a holistic approach and provide improved mechanisms such as reviews and audits of decisions and enable smarter analysis of data about the QBCC’s decision-making.

STATEWIDE OPERATING MODEL

During 2023-2024 the QBCC implemented a Statewide Operating Model designed to enhance consistency and flexibility in service delivery across the State. Through standardised processes, the work distribution model increases adaptability and effectiveness, allowing for redistribution of cases efficiently, optimising our resources and addressing workload imbalances.

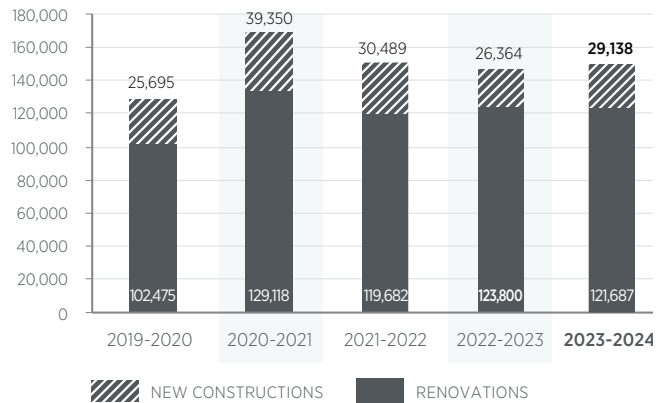
A review of the model has identified a number of enhancement opportunities moving forward. In particular, the Contact Centre has been incorporated into the model as a functional stream to train and support customer services officers across our regions to deliver consistency. Resolution Services and Strategy, Compliance and Enforcement and Licensing branches have committed to delivering a monthly “Anchor Day” with all program staff to of enhance engagement and improve staff inclusivity Statewide.

QUEENSLAND HOME WARRANTY SCHEME

The QBCC administers the QHWS that provides insurance cover for residential construction work in Queensland.

During 2023-2024, the QBCC processed 150,825 insurance policies. The breakdown of residential construction work carried out during the period was 80.7 per cent renovations compared to 19.3 per cent new home construction. Figure 2 shows the number of policies issued for both new residential construction projects and residential renovations.

Figure 2: Number of policies issued over the past five years



New builds reached near-record levels in 2020-2021 with 39,350 contracts notified to the QBCC. The HomeBuilder grant played a large part, with 21,871 Queenslanders making grant applications.

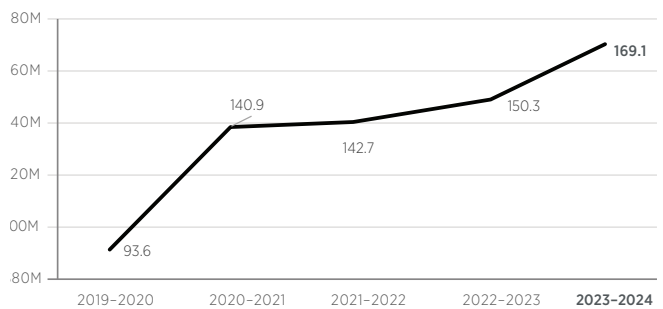
New build numbers have since eased significantly, likely influenced by increases in home building costs and interest rates.

Despite declines compared to 2020-2021, renovation activity has remained strong.

In 2023-2024, the QBCC received \$169.1 million in insurance premiums compared to \$150.3 million in 2022-2023. The premium revenue reflects the number and value of contracts which were notified to the QBCC during the financial year. The total value of works notified to the QBCC was over \$18.3 billion for 2023-2024.

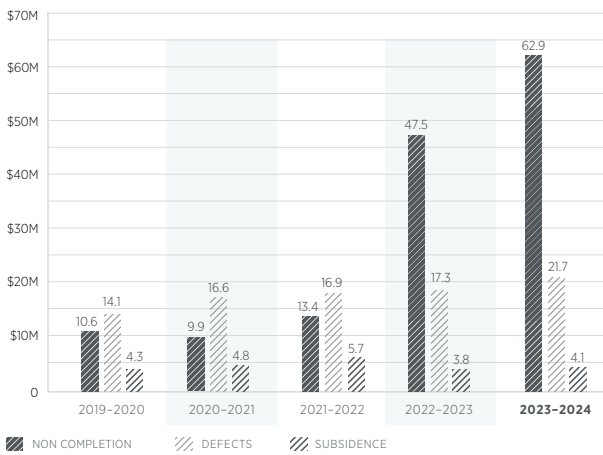
The premium payable for a contract for residential construction work increases as the value of the contract increases. Premiums received in 2023-2024 were higher than those received in preceding years despite similar or lower policy numbers. This was due to the impact of home building cost inflation on contract values for new builds, and to a lesser extent renovations. Figure 3 below shows the total insurance premiums received over the past five reporting periods.

Figure 3: Insurance premiums (\$m)



The QBCC approved a total of \$88.7 million in insurance claim costs during 2023-2024. This included \$62.9 million for non-completion claims, \$21.7 million for defects claims and \$4.1 million for subsidence claims. Figure 4 below provides comparative data on approved insurance claim values across non-completion, defects and subsidence claims.

Figure 4: Insurance claim approvals by type over the past five years (\$m)



The increase in non-completion claims approvals in 2023-2024 was caused by large project home builder collapses over the past two years and a number of smaller collapses.

The QBCC holds licensees responsible for monies owed as a result of claims made against the QHWS. While most of the claims made against the QHWS are unrecoverable due to builder insolvency, where possible, the QBCC will attempt to recover the money owed. The QBCC recovered \$3.9 million in 2023-2024 for the QHWS.

The QHWS is a statutory insurance scheme and is not regulated by the Australian Prudential Regulatory Authority (APRA), and therefore is not required to comply with APRA standards. However, to ensure a solid financial framework for its insurance operations, the QBCC has continued to comply with various APRA standards that apply to general insurers to the extent that it is reasonable and prudent for the QBCC to do so. This includes a prudential margin loading in relation to projected future claims to achieve the APRA requirement of a 75 per cent confidence level that the outstanding claims provisions will be adequate.

PRUDENT INVESTMENT MANAGEMENT

The Finance, Audit and Risk Committee is responsible for monitoring the performance of its fund managers, Queensland Investment Corporation and Queensland Treasury Corporation. The Committee monitors performance through advice from the QBCC’s fund managers, the QBCC’s Leadership Team and economic information from other relevant sources. To support the Finance, Audit and Risk Committee in fulfilling its responsibilities, the Insurance Committee reviews the investment strategy applicable to the management of Insurance Fund investable assets.

ENTERPRISE ARCHITECTURE

The QBCC aligns with the Queensland Government Enterprise Architecture (QGEA) framework elements of information, security, technology and applications. This alignment guides digital investment decision-making, ensuring compliance with the relevant Queensland Government information, security and digital policies. This alignment benefits the QBCC customers who may also use other government digital services through the standardisation of how government digital services are made available and what channels of access are used. Taking an Enterprise Architecture focus ensures the QBCC prioritises its digital investments to balance cost of delivery and maintainability with ongoing operational risk and business benefits.

Standardisation of service delivery allows for inter-departmental collaboration and sharing of digital resources as currently seen with the partnership between the QBCC and Transport and Main Roads (TMR). This partnership will deliver a Digital Licence for the QBCC licensees while enabling TMR to deliver a whole-of-government digital licence offering.

CYBER SECURITY

The Queensland Government Information Security Policy (IS18:2018) provides the mechanism to identify and manage risks to information, applications and technologies, through their life cycle, using Information Security Management Systems (ISMS). The QBCC completes an information security annual return to attest to the QBCC’s information security posture and compliance of the ISMS.

In response to an ever-changing cyber security threat landscape, the QBCC embarked on a comprehensive review of the current cyber security maturity using ISO 270001 to ensure appropriate cyber security controls and systems are in place.

This work has produced a two-year roadmap of cyber security improvement initiatives, including the development of a Cyber Security Strategy that supports the QBCC Strategic Plan 2023-2027 and Digital Strategy, and a fit for purpose ISMS.

A governance committee providing oversight of the ongoing cyber security investment has been implemented. A Chief Information and Security Officer (CISO) capability has been integrated into this work through the partnership with an external third party cyber security expert.

INFORMATION AND DATA GOVERNANCE

In 2023-2024 the QBCC established an Information and Data Governance Framework and Operating Model to align the QBCC's practices with the QGEA Information Governance Policy and Data Governance Guidelines. This work enables the QBCC to maximise the value and reduce the risks associated with its most valuable and critical information and data.

The framework details the ownership of data assets and the approach taken within all the QBCC systems to ensure the protection, validity and appropriateness of that information.

The framework highlights the data domains within the QBCC, the information owners and the information stewards and culminates in the creation and ongoing management of the information asset register.

The framework is part of the QBCC Enterprise Architecture to ensure integration across all technology and information assets.

RECORDS MANAGEMENT

The *Public Records Act 2002* and the QBCC's Information Management Policy mandate the capture, creation, storage and disposal of public records in accordance with Queensland State Archives-approved disposal authorities. The new QBCC Retention and Disposal Schedule was approved by the Queensland State Archivist and issued for use on 15 December 2023.

In meeting its public records governance responsibilities, the QBCC is dedicated to continually improving recordkeeping maturity to support sound business decision-making, effective governance, and accountability. A recordkeeping maturity assessment is completed on an annual basis, in line with recommendations from Queensland State Archives.

Roles and responsibilities for the management of public records are documented in the QBCC's Information Management Policy and Recordkeeping Guidelines.

Mandatory recordkeeping training is provided at induction for new employees, along with mandatory online refresher training no less than every three years, augmented with the delivery of specialist recordkeeping training, as required.

A substantial percentage of records are created and captured electronically, with several initiatives planned to reduce reliance on paper records as the QBCC transitions to more digitally enabled services.

RIGHT TO INFORMATION

The QBCC is committed to providing open and transparent access to information about its functions and operations. Publications detailing our activities are available on the QBCC's website and, where possible, information is proactively released to the community.

Applications for documents that do not contain an applicant's personal information are processed under the *Right to Information Act 2009* (RTI Act), while requests for documents containing their personal information are processed under the *Information Privacy Act 2009* (IP Act).

Details on how to make an application under the RTI Act or IP Act is available on our website: www.qbcc.qld.gov.au/about-us/information-privacy/accessing-information-held-qbcc.

As the QBCC is responsible for regulating the building industry in Queensland, information is regularly requested about licensee information, Home Warranty Insurance claims, defective building works, building contracts, building complaint disputes, penalty infringement notices and complaints made against licensees.

During 2023-2024, the QBCC received 229 applications made under the RTI and IP Acts involving the assessment of 170,296 pages and 401 audio recordings. Of the documents assessed, 147,350 pages and 345 audio recordings were released in full and 6,549 pages and 10 audio recordings were partially released to the QBCC applicants. Of the 229 right to information and information privacy (RTI/IP) applications, four were withdrawn because the requested information was available administratively, nine were internal review applications and 11 were external review applications made to the Office of the Information Commissioner, of which three were resolved informally and three were withdrawn by the respective applicants. There was one amendment application received in 2023-2024.

The QBCC Administrative Access (AA) Policy supports the proactive disclosure of information. This allows the QBCC to proactively and routinely release information more efficiently. The QBCC finalised 174 AA requests in 2023-2024, releasing 6,153 pages to our applicants.

INFORMATION PRIVACY

Queensland's Information Privacy legislation is designed to provide a framework for the lawful and fair handling of an individual's personal information. The QBCC is committed to protecting the personal information it holds in accordance with its obligations under the IP Act. The IP Act regulates how personal information is collected, stored, used, and disclosed by all Queensland Government agencies and their contracted service providers, and Ministers.

Chapter 5 of the IP Act enables an individual to make a complaint about an agency's alleged breach of its obligations in relation to their personal information within 12 months of the alleged breach. A privacy complaint form is available on the QBCC website. Eight privacy complaints were received by the QBCC in the 2023-2024 reporting period. Of these complaints, seven complaints were unsubstantiated, and the remaining complaint was resolved between the complainant and the QBCC.

In 2023-2024, the QBCC realigned its Right to Information (RTI) and Information Privacy function to enable a fit-for-purpose leadership structure and dedicated privacy resources. The QBCC's privacy function is responsible for supporting effective management of personal information in order to meet community expectations and helping the QBCC meet its privacy obligations. Notably, the privacy function is tasked with preparing the QBCC for the *Information Privacy and Other Legislation Amendment Act 2023* changes and this will include adopting an appropriate policy approach that supports openness and transparency while simultaneously protecting the privacy of our people and our customers.

The QBCC provides employees with awareness on information privacy through mandatory online training, internal communications, screensaver information, and annual privacy activities. These regular communications provide employees with an awareness of how the information privacy principles apply to an employee's day-to-day responsibilities.

The QBCC is increasingly using emerging technologies to carry out its functions, inform policy and deliver services. To ensure compliance with the IP Act, the QBCC actively conducts Privacy Impact Assessments to embed privacy protections when planning and delivering projects and programs that involve the management of personal information.

In 2023-2024, a new Privacy Manager was appointed to promote a culture that respects and protects the personal information of our people and our customers. The QBCC Privacy Manager is also responsible for developing and supporting information privacy awareness campaigns and resources for our people.

OPEN DATA

The QBCC is required to publish certain annual report content through the Queensland Government's Open Data portal at <https://data.qld.gov.au>. The information published relates to:

- the organisation's use of consultancy services
- overseas travel expenditure
- Queensland Language Service Policy.

An overseas travel expenditure for the 2023-2024 reporting period was not required due to overseas travel not being undertaken by any officers of the QBCC.

OBJECTIVE 5: BE AN ORGANISATION THAT SUPPORTS, VALUES AND EMPOWERS OUR PEOPLE.

The QBCC's people enable outcomes to be achieved for our customers. This objective articulates our desire to look after and develop our people.

Over the 2023-2024 period, the QBCC used seven strategies to better support, value and empower our people:

1. Improve training evaluation processes and enhance training opportunities
2. Operational planning supports the priorities identified in the Strategic Plan 2023-2027
3. Ensure our people have the resources and tools to undertake their jobs safely and effectively
4. Design and develop strategies for delivering an enhanced people experience in QBCC and a culture

(including implementation of organisational values) which supports delivery of QBCC outcomes

5. Resource forecasting and succession planning are in place for critical service areas
6. Better alignment of career paths for staff, incorporating generalisation and specialisation to allow staff better choices on career options
7. Develop talent and capability processes.

The QBCC is also committed to respecting, protecting and promoting human rights in its decision-making and actions.

Table 29 details the performance of the organisation against the measures outlined in Objective 5 in the Strategic Plan 2023-2027.

Table 29: Objective 5 performance measures

MEASURES	TARGET	ACTUAL	STATUS*	COMMENTS **
Staff satisfaction with learning and development opportunities	90.0%	89.3%	○	Target not achieved. However, as the result falls within acceptable tolerance, no further commentary is required.
Percentage of eLearnings completed within required timeframes	85.0%	87.1%	✓	Target achieved.
Percentage of staff satisfied with one on one performance and development discussions within required timeframes	45.0%	44.0%	○	Target not achieved. However, as the result falls within acceptable tolerance, no further commentary is required.
Working for Queensland – percentage of staff being able to identify how their work contributes to the Strategic Plan 2023-2027	>83.0%	82.0%	○	Target not achieved. However, as the result falls within acceptable tolerance, no further commentary is required.
Percentage of Aboriginal peoples and Torres Strait Islander peoples	4.0%	1.2%	✗	The QBCC launched the Innovate Reconciliation Action Plan (RAP) on 5 October 2023. The plan is to be implemented over two years and includes strategies that develop an inclusive workplace and increases attraction of Aboriginal and Torres Strait Islander people to the QBCC. The plan aims to advance reconciliation within the industry and the QBCC's workforce.
Percentage of people with disability	12.0%	4.7%	✗	The reported outcome reflects employees who have self-identified/ disclosed that they live with disability. The QBCC is committed to supporting employees living with a disability and providing opportunities to progress their career and sense of belonging. To support this, work is continuing to develop a Diversity, Equity, Inclusion and Belonging (DEIB) plan.
Percentage of culturally and linguistically diverse peoples, who speak a language other than English at home	12.0%	9.2%	✗	The reported outcome reflects employees who have self-identified as culturally and linguistically diverse. The QBCC is committed to supporting employees from culturally and linguistically diverse backgrounds and providing opportunities to progress their career and a sense of belonging. To support this, work is continuing to develop a DEIB plan.
Percentage of women in leadership (SO and above levels)	50.0%	57.6%	✓	The QBCC supports women in leadership roles across the Senior Officer (SO) and Senior Executive Service (SES) cohort. The QBCC also has a female CEO and Commissioner.

* Status symbols: ✓ = achieved or exceeded target, ○ = under-performing by 5% variance or less (acceptable tolerance),

✗ = under-performing by more than 5% variance (beyond tolerance).

** If there is any material variation greater than 5% from the 2023-2024 target to the actual result, commentary is provided to explain this variance.

OUR CODE OF CONDUCT

The Code of Conduct for the Queensland Public Service (Code of Conduct) applies to all the QBCC's employees. Employees of the QBCC are expected to perform duties to a high standard in respect to public administration and personal conduct. To support compliance with ethical obligations under the *Public Sector Ethics Act 1994* and the Code of Conduct, the QBCC has implemented a training program. This includes online training modules about various aspects of ethical behaviour, including:

- Code of Conduct obligations
- fraud and corruption awareness
- public interest disclosures
- conflict of interest, secondary employment, and gifts and benefits policies
- information privacy and management of public records
- workplace bullying and harassment education
- workplace health and safety inductions, including employee wellbeing
- customer feedback, customer engagement policy and social media policy.

New employees receive this training as part of their induction process, and employees are required to complete regular mandatory refresher courses.

Additionally, the QBCC's employees remain informed about updates to integrity-related policies and processes.

The QBCC reviews its policies and procedures to align with the Code of Conduct and the broader framework for ethical behaviour.

The Ethics, Standards and Complaints Branch supports high standards of integrity in the QBCC through:

- responding to alleged fraud and corruption (corrupt conduct) allegations
- managing public interest disclosures
- providing expert advice and assessment on the management of conflicts of interest and other integrity-related matters
- managing customer complaints and feedback
- raising awareness of expected standards of ethical behaviour and corruption prevention.

By establishing, implementing, and monitoring integrity standards and managing any non-conformance, the QBCC demonstrates its commitment to integrity and ethical conduct.

Through these measures, the QBCC fosters a culture of integrity, transparency, and accountability among our workforce.

EMBEDDING HUMAN RIGHTS

The QBCC is committed to compliance with, and furthering the objects of, the *Human Rights Act 2019*.

In 2024, the QBCC developed and implemented a Human Rights Assessment Tool to assist the QBCC Board and other senior decision-makers to incorporate human rights considerations into decision making processes.

The QBCC records human rights complaints within its framework for managing complaints. No human rights complaints were received through the Queensland Human Rights Commission's complaints jurisdiction during the 2023-2024 period.

WORKFORCE PROFILE

Table 30 provides an overall breakdown of staff numbers (as at 30 June 2024) across gender categories and also details data on the representation of diversity groups and women in leadership roles across the organisation.

Table 30: Target group data in 2023-2024

GENDER	NUMBER [†]	PERCENTAGE OF TOTAL WORKFORCE [#]
Man	293	43.3%
Woman	383	56.7%
Non-binary	0	0
DIVERSITY GROUPS	NUMBER [†]	PERCENTAGE OF TOTAL WORKFORCE [#]
Women	383	56.7%
Aboriginal Peoples and Torres Strait Islander Peoples	8	1.2%
People with disability	32	4.7%
Culturally and Linguistically Diverse – Born overseas	175	25.9%
Culturally and Linguistically Diverse – Speak a language at home other than English (including Aboriginal and Torres Strait Islander languages or Australian South Sea Islander languages)	62	9.2%
TARGET GROUP DATA FOR WOMEN IN LEADERSHIP ROLES	NUMBER [†]	PERCENTAGE OF TOTAL LEADERSHIP [^]
Senior Officers	18 (females)	60%
Senior Executive Service and Chief Executives	7 (females)	54%

[†] Number (headcount)

[#] Calculated on headcount

[^] Cohort (calculated on headcount)

INDUSTRIAL AND EMPLOYEE RELATIONS

The QBCC is committed to a positive relationship with the Together Union and our union delegates. Agency Consultative Committee (ACC) meetings were held throughout 2023-2024 and were attended by the Together Union, the QBCC union delegates and the QBCC's management representatives. This included extensive consultation on the key organisational change pieces such as QBCC Reset, Claims Management Improvement Project and Our Future Fit Workplace project.

Our role is to work collaboratively with the Union and our people to achieve compliance with the Public Sector Framework, which includes but is not limited to the *Industrial Relations Act 2016* and *Public Sector Act 2022*. These activities ensure the QBCC, as a public sector entity, values and empowers our people and enables us to deliver quality services to Queenslanders.

KEEPING OUR PEOPLE SAFE AND WELL AT WORK

Health, safety, and wellbeing are priorities across all parts of our operations at the QBCC. The key activities that occurred in the 2023-2024 period are outlined below.

SAFETY SUMMIT

The QBCC hosted its first Safety Summit in December 2023, a one-day summit that included a cross section of the QBCC people to verify that the planned strategic approach addressed the Work Health and Safety (WHS) risks across the organisation. The goal of the summit was to facilitate consultation with our people. The outcomes of the day were the identification of psychosocial risk exposures, confirmation and support of the proposed WHS Strategy and Roadmap, and the nomination of champions to support ongoing work in strategy related to WHS.

QBCC WHS STRATEGY AND ROADMAP

The QBCC People and Culture Committee endorsed the WHS Strategy and Roadmap on 14 February 2024. These documents outline key WHS activities across 2024-2027, with a focus on psychosocial risk and systems and process improvements.

FIELD SAFETY MANUAL

A Field Safety Manual was developed in collaboration with the Building and Technical Inspectorate for use by our field staff when they visit sites as part of their work. To meet modern digital mobility and access requirements, the Field Safety Manual has been developed in a digital format and made available on the QBCC's intranet where information about WHS risks is provided. Making up-to-date field safety risk information readily available online enables access from any location. Users can provide feedback digitally to the WHS team to support continuous improvement and updating of materials.

The Field Safety Manual is a one stop shop for the identification of WHS high risk exposures for site-based work. Prior to attending a site, the contents empower and enable field staff to plan their work and identify likely WHS hazard exposures and then to implement controls to reduce WHS high risks. The information also serves as infield reference material, if required, such as if new WHS high risks are identified.

ADDRESSING PSYCHOSOCIAL HAZARDS

The WHS team hosted a Psychosocial Risk Register Workshop, a process that engaged a broad cross section of people to maximise participation by the QBCC people and functions.

During the Safety Summit in December 2023, the top four psychosocial hazards and the work groups who have exposure to these hazards across the QBCC were identified. In alignment with the Queensland psychosocial Code of Practice, the workshop held in April 2024 focused on the top four identified psychosocial hazard areas across the QBCC, being:

- aggression/violence
- trauma
- work demands
- poor resources.

During the 2023-2024 reporting period, the WHS team has progressed robust psychosocial risk assessment and the associated identified controls. With a focus on control effectiveness, the risk assessment allows for action planning to improve controls and target risk and hazard exposures.

This risk assessment will now form the foundation for verification of controls across a variety of formats, including assurance activities and injury management claim reviews. An annual review of the psychosocial risk assessment will be built into risk assurance future planning.

The WHS team has drafted a suite of documents for Return to Work (Recovery at Work) which includes reasonable adjustments and have also developed flowcharts for leaders' use. Consultation on this suite of documents will occur in 2024-2025.

When completed, these documents will enhance the QBCC's Injury Management approach to target improved outcomes for our people.

The documents are being developed with benchmarking against other government departments' practices and standards.

The WHS team, working in partnership with the Learning and Organisational Development team, has prepared the following training modules aimed at improving the QBCC leadership capabilities:

- due diligence for leaders
- risk management for leaders
- injury management for leaders.

These modules will be delivered as part of the QBCC's Leading with Clarity and Leadership induction programs in 2024-2025.

IMPROVEMENTS IN INJURY MANAGEMENT

During 2023-2024, a dedicated injury management function was introduced at the QBCC. This has allowed for a standardised approach to injury management in accordance with Workers Compensation legislation and industry best practice to improve support for managers and improved outcomes for the QBCC's people.

HEALTH AND WELLBEING NETWORK

The QBCC Health and Wellbeing Network was established in August 2023. The Health and Wellbeing Network is formed by dedicated volunteer allies who have developed a shared set of goals that promote health and wellbeing initiatives for the QBCC's people.

The Network promotes mindfulness training and other activities to enhance wellbeing, mental and physical health and resilience for the QBCC's people. The formation of the Network has served to improve awareness of mental and physical fitness through a shared set of Health and Wellbeing network goals.

Activities delivered over this period included:

- Workplace Wellness Walks
- neurodiversity awareness lunch and learn session for all staff
- lunchtime yoga session
- therapy dog visit.

The Therapy Dog Day initiative was piloted in the Brisbane office on 12 April 2024, which proved to be an immense success.

The visit involved an accredited therapy dog handler with their therapy dog interacting with staff at the QBCC Brisbane office, for a 'paws and pat'. These interactions offered a positive, feel good, mental health directed interaction and the dogs were well received by staff in attendance. Further Therapy Dog Days are planned for Regional areas for the next 2024-2025 reporting period

ATTRACTING AND RETAINING OUR WORKFORCE

In the 2023-2024 reporting period, the QBCC continued its commitment to attract and retain a skilled and capable workforce. Our people enjoy the option of flexible work arrangements to support work-life outcomes while ensuring delivery for customers.

To support learning and development across the organisation, an active calendar of online webinars and training workshops has been made available to all our people. Our people were presented with the opportunity to participate in cultural education and training, as well as training to develop individual knowledge and skills to effectively address and prevent sexual harassment and domestic and family violence. Additional training has been made available to develop the skills and capabilities that are needed for people in day-to-day delivery of their roles or to support other activities such as recruitment and selection. These learning and development initiatives have been designed based on blended learning theories and practices.

Some of the significant training opportunities available to support the development of our people include:

- short internal courses aimed towards developing staff capability uplift in specific complex skills, such as emotional intelligence and effective communication
- developing and delivering internal leadership programs
- Sexual Harassment and Domestic and Family Violence (DFV) training programs by the Queensland Human Rights Commission
- an onboarding program to continuously support leadership capability uplift, and ensure new leaders are equipped with the training, resources, and supporting tools to effectively lead their people.

During the 2023-2024 financial year, the QBCC focused on building leadership capability, aligned with the complex skills identified as important for achieving organisational success:

- a series of masterclasses designed to equip leaders with the skills, knowledge, and capability to develop practical tools and resources for embedding the organisational values within their teams
- Constructive Conversations, an immersive eight-week program that takes leaders on a journey to develop their leadership skills.

The QBCC also celebrates its people, by acknowledging exceptional performance and those who lead by example, through a range of avenues, including the annual awards ceremony and weekly 'shout outs' by the Commissioner.

KEEPING OUR PEOPLE ENGAGED

In September 2023, the QBCC participated in the 2023 Working for Queensland (WfQ) survey which is used across Queensland public sector agencies to measure employee perceptions of the workplace climate. Our 2023 staff participation rate was 92 per cent, compared to 97 per cent in 2022. This is an excellent participation rate.

The following are notable outcomes of the survey:

- a slight decrease of one per cent was seen in employee engagement against the previous year
- the most notable improvement was made in relation to our people's perception of 'LGBTIQ+ allies in leadership roles in my organisation', rising by 43 per cent on the previous year
- significant improvements have also been made to the 'Keeping you Well: Cultural Safety', with between eight and 13 per cent improvements across the three questions from our 2022 survey, a result that is from three to seven per cent higher than the sector
- notable improvements have been made across all five areas of the Leadership Executive Group questions, ranging from four to nine per cent improvement from our 2022 survey results and five to seven per cent higher than the rest of the sector
- although 'Fair and Equitable treatment' in relation to backfilling of roles and performance management remain as prioritised areas for action this year, improvements have been made to these areas, with between three and five per cent increases across all related questions compared to last year. The QBCC is also higher scoring in these areas in comparison to the sector, by one to five per cent.

The survey yielded valuable information on what could be improved and kicked off the development of action plans across the organisation to enhance our people's experience. Areas of focus include workload management, leadership capability and role clarity, including the development of a 'Leading with Clarity' program, diversity and inclusion actions, and people process improvements.

INVOLVING OUR PEOPLE IN INNOVATION

In line with our strategic commitment to continuous improvement and innovation, the QBCC successfully launched the Innovation Factory in 2023-2024. This significant initiative is designed to harness the creative potential across our organisation by providing a collaborative platform for all employees to contribute ideas that enhance customer service and operational efficiencies.

Recognising the importance of these contributions, the QBCC allocated a dedicated budget to bring innovations to life.

The Innovation Factory is supported by an Innovation Community of Practice, with diversity in membership from a variety of key operational and corporate areas across the QBCC. These individuals bring a keen passion for innovation and improvement, and help manage the innovation process from idea submission to implementation. An essential component of this initiative is the Innovation Factory Digital Hub, equipped with the necessary digital tools for submitting, sharing, and refining ideas.

Accessible to all staff via our internal digital platforms, the Innovation Factory includes resources and guides to assist in formulating and submitting proposals. Ideas are evaluated based on their clarity, potential impact, feasibility, simplicity, and independence from external factors. Proposals must be well thought out and discussed with relevant stakeholders before submission, ensuring they align with our broader organisational goals.

The introduction of the Innovation Factory marks a pivotal development in the QBCC's commitment to embracing change and fostering a culture of collaboration and continuous improvement. Throughout the year, this initiative has enabled our employees to actively contribute to our mission, enhancing the quality of our services and operational efficiency. This endeavour underscores our commitment to innovation in all aspects of our operations.

PROFESSIONAL DEVELOPMENT AND CAREER PATHS

The QBCC maintains a Performance Development Framework to guide the development of our people, and ensure the achievement of organisational strategies, business plans and performance outcomes of work teams and individual team members. Individual performance is discussed regularly with managers and team members. Formal checkpoints are scheduled half-yearly when individual performance is recorded in Performance Development Plans. The QBCC's half-way checkpoint was in February 2024 and had an 80 per cent completion rate.

The QBCC is committed to encouraging lifelong learning. This is demonstrated through our Study and Research Assistance Scheme (SARAS). It provides support for our people who are seeking to gain qualifications to support their work and careers. During the year, 20 employees applied and were approved for SARAS funding.

In 2023-2024, the QBCC's Learning and Development team developed, organised, and delivered 191 courses (workshops and webinars). These achieved an 84 per cent attendance rate and staff satisfaction for the 2023-2024 year was 89 per cent across the 191 courses delivered.

THE QBCC REGULATORY ACADEMY

The QBCC Regulatory Academy was established on 1 July 2023 with one of its key functions being to enhance the skills and capabilities of our regulatory officers, supporting efficient and effective service delivery and ensuring fair, transparent, consistent and quality decisions.

In the past year, the QBCC Regulatory Academy has helped to significantly improve the quality of decisions by training regulatory officers to ensure they act consistently, transparently, fairly, and impartially.

In this regard, the QBCC Regulatory Academy has:

- developed a strategic approach to regulatory capability uplift to enhance skills of regulatory officers, leading to improved customer service outcomes
- commenced development of learning pathways for customer-facing roles
- delivered multiple training opportunities for regulatory officers, including facilitator training, communication training, effective decision-making workshops, mental health training through MATES in Construction and technical training through the Building and Technical Inspectorate.

In addition to training capability uplift, there has been a focus on supporting good regulatory practice through strengthened internal operational policies, procedures and guidelines. This has included development of a Policy Framework and Document Hierarchy, including supporting artefacts such as templates and a Style Guide. The use of these foundational tools and the review and development of numerous operational documents has supported improved customer service outcomes.

DIVERSITY AND INCLUSION

In line with our obligations under the *Public Sector Act 2022* and our certified agreement, the QBCC is committed to creating an inclusive, safe, positive, and productive workplace where our people can contribute authentically, thrive, and reach their full potential.

In April 2024, for the first time the QBCC participated in the Public Sector Commission and Office of the Special Commissioner's Diversity, Equity and Inclusion audit process. This process included a review of our September 2023 workforce data and the submission of a final Diversity, Equity and Inclusion audit report to the Office of the Special Commissioner on 30 April 2024.

In May 2024, the consultation process commenced with a workshop involving our Affinity and Network groups, including the Culture and Capability Group and members of the RAP Working Group, PRIDE Network, Wellbeing Network, WHS and Human Resources. The workshop guided the participants through the key audit findings and the draft focus areas. The workshop also explored participant insights, gathering feedback to support collaboration on planning future activities and corporate strategies to address some of the identified gaps.

Over the 2023-2024 reporting period, the PRIDE Network for the LGBTQIA+ community and allies was established. This is run by our people with Senior Leadership Team sponsorship, to help create a safe and inclusive work environment for our people.

The QBCC became members of Pride in Diversity and Diversity Council Australia to support the implementation of the broader Diversity, Equity, Inclusion and Belonging Strategy across the organisation. The PRIDE Network offers a range of support services to support our LGBTQIA+ community, which has been developed for the QBCC with the support of our PRIDE network, which are readily available on our intranet.

There has been significant focus directed towards promoting and supporting Aboriginal and Torres Strait Islander peoples. The QBCC is committed to delivering ongoing implementation of the Innovate RAP and supporting the celebration of culturally significant days and events.

In addition, the QBCC continues to participate as an active member and supporter of the National Association of Women in Construction (NAWIC). The QBCC is proud to be the sole scholarship sponsor of the Australian Institute of Company Directors (AICD) course. Offered annually to a NAWIC member, the scholarship provides an opportunity for an individual to develop new skills and build ongoing support networks.

Other events that celebrated diversity and inclusion over the 2023-2034 period across the organisation included:

- International Women's Day morning tea
- National Reconciliation Week webinars and communications
- Anniversary of the Uluru Statement from the Heart celebrations
- National Sorry Day acknowledgements
- Commissioner's yarning circle with staff
- Filming of 'What Reconciliation means to me' by the Reconciliation Action Plan (RAP) Working Group
- Brisbane Pride March attendance
- Transgender Day of Visibility afternoon tea
- International Day Against Homophobia, Biphobia, Interphobia and Transphobia (IDAHOBIT) acknowledgement
- Supported Stand Against LGBTQIA+ Discrimination!
- 63rd Annual Brisbane Pride Queens Ball Awards attendance.

RECONCILIATION ACTION PLAN

The QBCC Innovate RAP was endorsed by Reconciliation Australia in October 2023.

The QBCC is committed to advancing reconciliation and building a diverse workplace by respecting the value of culture, experiences, and rights of Aboriginal and Torres Strait Islander communities. Our vision for reconciliation is to establish a thriving and resilient building and construction industry across Queensland that achieves sustainable social and economic outcomes through embracing unity between all Australians. The QBCC believe that reconciliation is about reconciling with each other, by engaging and integrating our collective knowledge to make a strong, unified Australia.

Working with the CEO and Commissioner, the QBCC's well-established RAP Working Group continues to take the leading role in developing, implementing, and reporting on the phases of the RAP to achieve meaningful reconciliation.

Our focus is directed towards:

- building partnerships, sharing ideas and promoting reconciliation
- creating opportunities for Aboriginal and Torres Strait Islander businesses
- prioritising the importance of Welcome to Country and Acknowledgement of Country messages
- promoting development opportunities and events for our leaders, the RAP Working Group, and our people to participate in
- increasing community engagement by promoting regional activities and involvement within the building industry and with the community the QBCC serves
- delivering meaningful activities for National Reconciliation Week and NAIDOC Week, including involvement with our Deputy Chair, John Anderson who shared his personal story
- using artwork by Shane Mankitya Cook to promote reconciliation and inspire connection across the organisation
- recognising significant cultural dates and supporting our people to reflect, acknowledge and celebrate the history, culture, and achievements of Aboriginal and Torres Strait Islander peoples.

EARLY RETIREMENT, REDUNDANCY AND RETRENCHMENT

No redundancy, early retirement or retrenchment packages were paid during the period.

CORPORATE GOVERNANCE

The following sections highlight the responsibilities and practices that are used by the QBCC to provide direction, manage risks, and use resources responsibly.

ROLE AND RESPONSIBILITIES OF THE QBC BOARD

The QBC Board is established under the QBCC Act as the QBCC's governing body.

QBC Board members are appointed by the Governor in Council for a maximum three-year term. As at 30 June 2024, the QBC Board consisted of seven independent, non-executive members whose current terms commenced on 1 December 2022 and will expire on 30 November 2025.

The QBC Board acts in accordance with the QBCC Act and the Queensland Building and Construction Board Charter.

Ordinary meetings of the QBC Board are held at least 10 times per calendar year. The QBC Board may also consider urgent or complex matters out of session by way of circular resolutions or extraordinary meetings.

QBC BOARD COMMITTEES

The QBC Board has established six committees to assist in the effective discharge of its responsibilities.

Each committee has a QBC Board-approved charter or terms of reference setting out the committee's memberships, functions and reporting requirements, as shown in Table 31.

Table 31: QBC Board Committees

COMMITTEE	PURPOSE AND FUNCTIONS	MEMBERS	MEETING FREQUENCY
DIGITAL ADVISORY COMMITTEE (DAC) <i>Operational</i> <i>February to June 2024</i>	PURPOSE: To provide the QBC Board and management with independent, impartial, and expert advice on internal assurance and governance controls about matters affecting the Digital Portfolio and associated funding. FUNCTIONS: <ul style="list-style-type: none"> assessing the robustness of the Digital Portfolio's assurance framework offering expertise on identifying and mitigating risks of the Digital Portfolio offering expert advice that efficient, reliable and fit for purpose systems are being implemented ensuring that digital initiatives are aligned with the intended benefits and measurable outcomes for the QBCC's customers overseeing financial management to ensure fiscal responsibility and alignment with digital portfolio objectives. 	<ul style="list-style-type: none"> Christopher Edwards (Chair) Robyn Petrou (Deputy Chair) Meg Frisby Michelle James, Board Chair (ex officio) Anissa Levy, Commissioner <i>Independent advisors:</i> <ul style="list-style-type: none"> Anthony Borgo Tracy Whitelaw 	Monthly
EX GRATIA PAYMENT DECISIONS COMMITTEE (EGP)	PURPOSE: To oversee and determine the making of ex gratia payments in line with the QBCC's Ex Gratia Compensation Payments for Defective Administration Procedure. FUNCTIONS: <ul style="list-style-type: none"> reviewing individual recommendations made by the Commissioner regarding the potential making of ex gratia payments to external parties and deciding whether an ex gratia payment is merited, in full or in part. 	<ul style="list-style-type: none"> Meg Frisby (Chair) John Anderson Michelle James, Board Chair 	As required

COMMITTEE	PURPOSE AND FUNCTIONS	MEMBERS	MEETING FREQUENCY
FINANCE, AUDIT AND RISK COMMITTEE (FAR)	<p>PURPOSE: To support the QBC Board by overseeing and providing advice on financial management, audit and risk matters and setting the tone for risk culture through the promotion of open risk discussions and consideration of risk in decision making.</p> <p>FUNCTIONS:</p> <ul style="list-style-type: none"> • providing assurance to the QBC Board on the accuracy and integrity of the QBCC's financial management and reporting • monitoring compliance with relevant financial legislation and prescribed requirements • ensuring the establishment and maintenance of policies and strategies for the investment of surplus funds • ensuring the integrity of the QBCC's procurement processes • reviewing the effectiveness of the QBCC's internal controls • monitoring the QBCC's internal audit program • liaising with the external auditor • ensuring that the QBCC has appropriate and effective risk management and compliance management systems in place. 	<ul style="list-style-type: none"> • Suzanne Baker (Chair) • John Anderson • Colin Cassidy • Christopher Edwards (1 July 2023 to 28 February 2024) • Robyn Petrou • Michelle James Board Chair (ex officio) 	Quarterly
INDUSTRY ADVISORY COMMITTEE (IAC)	<p>PURPOSE: To provide a forum for the QBC Board to engage formally with the building and construction industry on current and emerging industry activities.</p> <p>FUNCTIONS:</p> <ul style="list-style-type: none"> • providing industry expertise on issues relating to the building and construction industry • providing advice on emerging risks and trends affecting the building and construction industry and other matters relevant to the sector • promoting the QBCC's regulatory activities. 	<ul style="list-style-type: none"> • John Anderson (Chair) as QBC Board representative • Meg Frisby (Alternate Chair) as QBC Board representative • Angela Masson, QBCC Chief Building Regulator (Deputy Chair) (1 July 2023 to 23 January 2024) • Skye Bowie, QBCC Acting Chief Building Regulator (Deputy Chair) (24 January 2024 to 30 June 2024) <p>External members:</p> <ul style="list-style-type: none"> • Paul Bidwell • Matthew Cornell • Don Grehan • Angela Olsen (resigned 11 July 2023) • Samantha Reece • Bruce Robb • Mike Roberts • Luke Mackey • Justin Maxwell • Nicky McMillan • Tim Webber 	At least three times per year

COMMITTEE	PURPOSE AND FUNCTIONS	MEMBERS	MEETING FREQUENCY
INSURANCE COMMITTEE (INS)	PURPOSE: To support the QBC Board by overseeing and providing advice on the performance of and issues confronting the QHWS. FUNCTIONS: <ul style="list-style-type: none"> overseeing QHWS performance developing improvements to the QHWS reviewing capital management, investment strategies and claims administration efficiency monitoring underwriting, reinsurance, and actuarial assessments of the QHWS sustainability. 	<ul style="list-style-type: none"> Robyn Petrou (Chair) Suzanne Baker Christopher Edwards Michelle James, Board Chair (ex officio) 	Quarterly
NOMINATION AND REMUNERATION COMMITTEE (NRC) <i>Operational 1 July 2023 to 1 November 2023</i>	FUNCTIONS: <ul style="list-style-type: none"> reviewing QBC Board performance evaluation processes, succession planning and induction and development programs reviewing matters concerning the Commissioner's recruitment, remuneration, performance, retention, and incentives monitoring the propriety, efficiency, and effectiveness of executive recruitment, remuneration, succession and related relevant QBCC policies for Senior Leadership Team (SLT) members. 	<ul style="list-style-type: none"> Colin Cassidy (Chair) John Anderson Meg Frisby Michelle James, Board Chair (ex officio) 	At least twice per year
PEOPLE, CULTURE AND PERFORMANCE COMMITTEE (PCP) <i>Operational 1 November 2023 to 30 June 2024</i>	FUNCTIONS: <ul style="list-style-type: none"> reviewing QBC Board performance evaluation processes, succession planning and induction and development programs reviewing matters concerning the Commissioner's recruitment, remuneration, performance, retention, and incentives monitoring the propriety, efficiency, and effectiveness of executive recruitment, remuneration, succession and related relevant QBCC policies for Senior Leadership Team (SLT) members. monitoring and reviewing matters relating to the QBCC's people, culture, and workplace health and safety. 	<ul style="list-style-type: none"> Colin Cassidy (Chair) John Anderson Meg Frisby Michelle James, Board Chair (ex officio) 	Quarterly

QBC BOARD MEMBER ATTENDANCE AND REMUNERATION

A summary of attendance of QBC Board members at ordinary and extraordinary QBC Board meetings, as well as their remuneration is set out in Table 32 below.

Table 32: QBC Board member attendance and remuneration 2023-2024

QUEENSLAND BUILDING AND CONSTRUCTION BOARD					
ACT OR INSTRUMENT	<i>Queensland Building and Construction Commission Act 1991</i>				
FUNCTIONS	<ul style="list-style-type: none"> • deciding the strategies and the operational, administrative and financial policies to be followed by the QBCC • ensuring the QBCC performs its functions and exercises its powers in a proper, effective and efficient way • providing guidance and leadership to the Commissioner • providing guidance and leadership to the Service Trades Council, other than in relation to its function of conferring on national policy development and implementation for the plumbing and drainage trade under the PD Act • advising the Minister on issues affecting: <ul style="list-style-type: none"> » the building industry » consumers » the administration of the QBCC Act » the administration of the QBCC • advising the Minister about unfair or unconscionable trading practices affecting security of payments to contractors and subcontractors • consulting the building industry and its consumers and advancing their interests, consistently with the objects of the QBCC Act. 				
ACHIEVEMENTS	Governing body of the Queensland Building and Construction Commission				
FINANCIAL REPORTING	Transactions of the QBCC and the QBC Employing Office are accounted for in the Financial Statements.				
REMUNERATION					
POSITION	NAME	MEETINGS/ SESSIONS ATTENDANCE	APPROVED ANNUAL, SESSIONAL OR DAILY FEE*	APPROVED SUB-COMMITTEE FEES IF APPLICABLE	ACTUAL FEES RECEIVED**
CHAIR	Michelle James	Board: 10, DAC: 0, FAR: 2, INS: 3, NRC: 2, PCP: 0	\$50,000 pa	N/A	\$57,000
DEPUTY CHAIR	John Anderson	Board: 10, IAC: 4, NRC: 2, PCP: 2	\$25,000 pa	N/A	\$28,000
MEMBER	Suzanne Baker	Board: 10, FAR: 4, INS: 4	\$25,000 pa	N/A	\$28,000
MEMBER	Colin Cassidy	Board: 9, FAR: 4, NRC: 2, PCP: 2	\$25,000 pa	N/A	\$28,000
MEMBER	Christopher Edwards	Board: 7, DAC: 4, FAR: 2, INS: 2	\$25,000 pa	N/A	\$28,000
MEMBER	Meg Frisby	Board: 11, DAC: 3, IAC: 2, NRC: 2, PCP: 2	\$25,000 pa	N/A	\$29,000
MEMBER	Robyn Petrou	Board: 11, DAC: 4, FAR: 4, INS: 4	\$25,000 pa	N/A	\$28,000
NO. OF SCHEDULED MEETINGS/SESSIONS	Board: 11, DAC: 4, EGP: 0, FAR: 4, IAC: 5, INS: 4, NRC: 2, PCP: 2				
TOTAL OUT OF POCKET EXPENSES	\$28,148. Other operational costs totalled \$86,038.				

* Approved fees do not include superannuation amounts.

** Actual fees include superannuation amounts.

SERVICE TRADES COUNCIL

The existence of the Service Trades Council (STC) is continued under the PD Act. Pursuant to s6 of the QBCC Act, the Service Trades Council is part of the QBCC.

STC members are appointed by the Governor in Council for a maximum four-year term. As at 30 June 2024, the STC consisted of nine independent members whose current terms commenced on 1 July 2020 and expired on 30 June 2024. In late June 2024, the Governor in Council made reappointments and new appointments to the STC, which now consists of 10 independent members whose terms will run from 1 July 2024 to 30 June 2028.

The STC acts in accordance with the PD Act and the Service Trades Council Charter.

Ordinary meetings of the STC are held at least six times per calendar year, along with four industry forums. The STC may also consider urgent or complex matters out of session by way of written resolution or extraordinary meeting.

STC PANELS

The STC has established two advisory panels under s130 of the PD Act, as shown in Table 33 below.

Table 33: STC advisory panels

COMMITTEE	PURPOSE AND FUNCTIONS	MEMBERS	MEETING FREQUENCY
SERVICE TRADES LICENSING ADVISORY PANEL (STLAP)	<p>PURPOSE: To help the Commissioner to effectively and efficiently perform the Commissioner's licensing functions under part 2, divisions 1 to 7 of the PD Act.</p> <p>FUNCTIONS:</p> <ul style="list-style-type: none"> reviewing and providing advice about technical qualifications for licences under the PD Act providing advice about skills and experience required for licences under the PD Act reviewing national training packages to ensure they are delivering appropriate outcomes for apprentices and other trainees conducting research and analysis of licensing practices in other Australian jurisdictions and overseas reviewing licence applications which may be referred by the QBCC for further analysis reviewing and providing advice or information to the STC about licensing and qualification requirements for the service trades industry, to the extent that such matters relate to the plumbing and drainage trade reviewing and providing advice or information about any other relevant matter referred to the panel by the STC. 	<ul style="list-style-type: none"> Luke Barden (Chair) Ernie Kretschmer (Deputy Chair) <p><i>Voting members:</i></p> <ul style="list-style-type: none"> Rechelle Adams Andrew Evans* Kimberly Kerby James Metassa Adam Shaw Allen Taylor <p><i>Non-voting members:</i></p> <ul style="list-style-type: none"> Chris McCahon, QBCC Assistant Commissioner Regulatory Standards and Support Cameron Byram, QBCC Director Licensing Services Branch Grant Wilkinson, QBCC Principal Plumbing Investigator 	Five per year
NOTIFIABLE WORK PANEL (NWP) <i>Established 7 February 2024</i>	<p>PURPOSE: To review and provide recommendations for improvement to the notifiable work framework.</p> <p>FUNCTIONS: Reviewing and making recommendations to the STC about:</p> <ul style="list-style-type: none"> implementation of the notifiable work framework and its impact on the plumbing and drainage trade, including but not limited to local government, the QBCC and licensees the schedules of work, local government functions, definitions and other relevant provisions of the <i>Plumbing and Drainage Regulation 2019</i> pertaining to notifiable work communication and educational materials available to industry examining whether the regulatory framework is fit for purpose, identify potential gaps, and consider what enhancements can be made to improve compliance and the effectiveness of the notifiable work framework engaging with industry stakeholders and users about the notifiable work system. 	<ul style="list-style-type: none"> Greg Moore, STC member (Chair) Grant Wilkinson, QBCC Principal Plumbing Investigator (Deputy Chair) Luke Barden Andrew Evans Gregory Gilboy Gerard Gill Patrick Keough Kimberly Kerby Ernie Kretschmer Russell Martin Kelvin Mason Elizabeth Palmer-Bright, QBCC Manager Plumbing and Pools Investigations Adam Shaw Geoffrey Woodall, STC member 	Five per year

* Andrew Evans is an independent member of the STLAP. Panel members are entitled to receive remuneration under the *Plumbing and Drainage Act 2018*, in accordance with the terms under Category Level 3 under the 'Regulation, Administration and Advice' stream of the Remuneration Procedures for Part-Time Chairs and Members of Queensland Government Bodies. In August 2023, a remuneration payment was processed to Andrew Evans of \$2,029.50 for attendance at six meetings during the 2022-2023 financial year.

STC MEMBER ATTENDANCE AND REMUNERATION

A summary of attendance of STC members at the STC meetings is set out in Table 34 below.

Table 34: STC member attendance and remuneration 2023-2024

SERVICE TRADES COUNCIL					
ACT OR INSTRUMENT	<i>Plumbing and Drainage Act 2018</i>				
FUNCTIONS	<ul style="list-style-type: none"> • conferring on national policy development and implementation for the plumbing and drainage trade • reporting to the Minister on any issue relating to the plumbing and drainage trade: <ul style="list-style-type: none"> » that the Minister refers to the STC » any issue the STC considers the Minister should know about • making recommendations to the Commissioner about the performance of the Commissioner's functions under the PD Act • establishing a panel of the STC to assist the Commissioner in effectively and efficiently performing the Commissioner's licensing functions under the PD Act • establishing other panels to assist the STC in effectively and efficiently performing its functions • reviewing disciplinary decisions of the Commissioner made under the PD Act. 				
ACHIEVEMENTS	<ul style="list-style-type: none"> • delivered industry forums in Logan, Hervey Bay, Toowoomba and Cairns • established the Notifiable Work Panel to review and to report to the STC with recommendations for improving the notifiable work framework • published four editions of the Pipeline newsletter, featuring multiple articles on emerging compliance issues, notifiable works, licensing, and information on upcoming STC events • conducted multiple pulse surveys on various topics, including the STC's engagement activities and notifiable works • hosted a World Plumbing Day event with support from TAFE Queensland, to celebrate and acknowledge the significant role plumbing plays in societal health • reported to the Minister regarding the issue of fee waivers for specific plumbing licences, ensuring that the appropriate fee waivers are being granted in accordance with the PD Act. 				
FINANCIAL REPORTING	Transactions of the entity are accounted for in the QBCC's Financial Statements.				
REMUNERATION					
POSITION	NAME	MEETINGS/ SESSIONS/ ATTENDANCE	APPROVED ANNUAL, SESSIONAL OR DAILY FEE	APPROVED SUB- COMMITTEE FEES IF APPLICABLE	ACTUAL FEES RECEIVED**
CHAIR	Penny Cornah	6	N/A	N/A	\$0
DEPUTY CHAIR	Mary Morrison	5	N/A	N/A	\$0
MEMBER	Michelle Kennedy	5	N/A	N/A	\$0
MEMBER	Chris McCahon, QBCC Assistant Commissioner Regulatory Standards and Support	5	N/A	N/A	\$0
MEMBER	Greg Moore	5	N/A	N/A	\$0
MEMBER	Anne Neuendorf	5	N/A	N/A	\$0
MEMBER	Gary O'Halloran	3	N/A	N/A	\$0
MEMBER	Sharon Simmers	5	N/A	N/A	\$0
MEMBER	Geoffrey Woodall	4	N/A	N/A	\$0
DEPUTY MEMBER*	Ainslie Barron	1	N/A	N/A	\$0
DEPUTY MEMBER*	Sharon Fogarty	6	N/A	N/A	\$0
DEPUTY MEMBER*	Benjamin Hawkins	2	N/A	N/A	\$0

REMUNERATION					
POSITION	NAME	MEETINGS/ SESSIONS ATTENDANCE	APPROVED ANNUAL, SESSIONAL OR DAILY FEE	APPROVED SUB- COMMITTEE FEES IF APPLICABLE	ACTUAL FEES RECEIVED**
DEPUTY MEMBER*	Justin Maxwell	3	N/A	N/A	\$0
DEPUTY MEMBER*	Christopher McKenzie	1	N/A	N/A	\$0
DEPUTY MEMBER*	Kent Vickers	1	N/A	N/A	\$0
NO. OF SCHEDULED MEETINGS/SESSIONS	STC: 6, STLAP: 5, NWP: 1				
TOTAL OUT OF POCKET EXPENSES	\$0. Other operational costs totalled \$19,634.				

* A Deputy Member may be appointed to act for a Member in the Member's absence.

** Actual fees include superannuation amounts.

SENIOR LEADERSHIP TEAM

The QBCC Senior Leadership Team is led by the Commissioner and is responsible for implementing the QBCC's strategy and day-to-day operations. The team met regularly in 2023-2024 to discuss and approve a range of strategic and operational matters with the purpose of achieving the objectives set out in the organisation's strategic and operational plans.

CORRUPT CONDUCT AND PUBLIC INTEREST DISCLOSURES

The QBCC strives for the highest levels of integrity and takes seriously its legislative and ethical responsibilities as a part of the public sector.

The QBCC maintains a policy that establishes procedures for the effective reporting and management of corrupt conduct and public interest disclosures.

Of the 54 cases received and considered in relation to conduct of QBCC employees, suspected corrupt conduct was identified in 11 cases.

The Commissioner must refer all complaints to the Crime and Corruption Commission (CCC) where the Commissioner suspects corrupt conduct. The QBCC has no power to deal with such matters unless they are assessed by the CCC and referred back to the QBCC for action, which may include ongoing monitoring by the CCC.

Of the 11 cases of alleged corrupt conduct, seven were first received by the QBCC and referred by the QBCC to the CCC for independent assessment. Of these, two remain under assessment by the CCC and five were referred back from the CCC to the QBCC for appropriate action. Two of these matters were closed, and were unsubstantiated or otherwise did not warrant further action; and three remain open.

The remaining four matters involving alleged corrupt conduct were first received by the CCC directly and referred to the QBCC for appropriate action. Three of these matters were closed, and were unsubstantiated or otherwise did not warrant further action; and one of these matters remains open.

The QBCC dealt with six cases involving public interest disclosures about alleged corrupt conduct or other grounds. In line with the Commissioner's duty, all cases assessed as involving a public interest disclosure are reported to the Office of the Queensland Ombudsman.

In 2023-2024, the QBCC undertook the following initiatives to strengthen its fraud and corruption prevention framework:

- the QBCC continued a review of its suite of integrity policies, to support the prevention, identification and management of fraud and corruption. The review aimed to ensure the QBCC's policies adhere to best practices and meet the standards set by key integrity bodies, including the CCC, Queensland Ombudsman and Queensland Audit Office
- the QBCC's internal iDeclare online reporting tool continued to be promoted and actively utilised by employees to submit required declarations regarding Conflicts of Interest, Secondary Employment, Gifts and Benefits, and report any suspected wrongdoing, including through Public Interest Disclosures.

Throughout the year, the Ethics, Standards and Complaints Branch continued to further strengthen its preventative approach by focusing on two key areas:

- proactive communications – targeted messages were disseminated to all staff, reinforcing ethical standards and best practices
- training and awareness programs – a series of educational initiatives were conducted, designed to:
 - » equip staff with skills to effectively manage offers of gifts and benefits
 - » reinforce the importance of safeguarding official and confidential information
 - » promote a culture of accountability by encouraging the reporting of potential wrongdoing.

EXTERNAL SCRUTINY

QBCC GOVERNANCE REVIEW 2022 AND STATEMENT OF EXPECTATIONS

In November 2021, the then Department of Energy and Public Works commissioned an independent review into the governance of the QBCC. The Governance Review was released in May 2022 and included a total of 17 recommendations with 77 corresponding actions. The Government's response, released in June 2022, supported all recommendations in full or in principle, whilst noting that many of the specific actions are complex and would require detailed analysis of the costs and benefits prior to implementation and/or adoption.

The QBCC is responsible for leading 53 actions and six jointly led actions identified in the Governance Review. It continues to progress the implementation of these recommendations with regular reporting to the Governance Review Implementation Steering Committee (ISC). The ISC is chaired by the Director-General of DHLGPPW, and comprises the QBC Board Chair, the QBCC CEO and Commissioner, and other government representatives, including from Queensland Treasury and the Department of Premier and Cabinet. Updates on progress have been publicly available since the commencement of the Governance Review, with the most recent implementation report published on 11 March 2024, detailing progress up to 31 December 2023. The QBCC and DHLGPPW will continue to routinely report publicly on the progress of the recommendations until the conclusion of the Governance Review in June 2025.

The implementation of the Governance Review recommendations and actions are currently on track to deliver within the three-year implementation timeframe. As at 30 June 2024, eight of the 17 recommendations were fully implemented, and 44 of the 53 QBCC-led actions were completed. Of the total 77 actions, 59 have now been completed by the QBCC and DHLGPPW.

The Governance Review recommended that the Government develop a Statement of Expectations (SoE) to provide clear guidance to the QBCC on its strategic priorities, emerging risks, engagement philosophy, performance and conduct.

On 27 September 2022, the former Minister for Energy, Renewables and Hydrogen and Minister for Public Works and Procurement, the Honourable Mick de Brenni provided the inaugural SoE to the QBC Board Chair. The QBCC prepared a Statement of Intent (SoI) in response, which was provided to Minister de Brenni on 3 July 2023. The SoI complements the organisation's Strategic Plan 2023-2027 which also outlines the QBCC's organisational performance measures. The QBCC publicly reports on these performance measures on a quarterly basis.

STRUCTURAL REALIGNMENT

The Governance Review outlined a key action (4.1) against Recommendation 4 to *"Undertake a structural realignment within the QBCC that supports an outcomes-focused regulator."*

On 3 July 2023 the QBCC successfully launched the new organisational structure, following a whole-of-organisation effort implementing activities across foundational services, people transition and change activities. Preparation for this restructure involved consultation with the QBCC employees, the Together Union, union delegates and key stakeholders.

Following the launch on 3 July 2023, further implementation activities were in place to support the realigned structure. This included completion of a training needs analysis to identify complex skills for organisational success, addressing any operational or systems issues that required attention post launch, teams undertaking steps to establish new functions and welcoming new team members, and reviewing team processes.

The QBCC Reset process created 120 new roles within the organisation, 115 permanent roles and five fixed term roles. A project approach was taken to recruit these permanent roles. The 115 permanent roles are now established and almost all roles have been filled (112). Forty-eight per cent of the completed new permanent roles were filled by internal applicants, providing ongoing career opportunities for our people.

Following the launch of Reset in July 2023 and after allowing for a period of stabilisation, a review was undertaken in April 2024. This involved two steps:

- a 'Pulse Survey' issued to all staff as a mid-year sentiment check-in to survey our people six months after the 2023 WfQ survey and nine months post-Reset implementation
- focus groups provided a more targeted view on how Reset had been embedded in each of the QBCC's divisions, but also how the workforce was adapting to the changes that the new structure had introduced.

The following insights were identified as relevant to Reset:

- staff agreed that the segmentation of the QBCC into Regulatory Services, Regulatory Support Services and Corporate Support Services had been beneficial
- the workforce appreciated the additional investment in roles and capability that was not available prior to Reset
- ways of working and business processes that are managed both within and across teams still require review and clarification across a number of divisions
- 75 per cent of respondents had a positive or neutral sentiment toward resourcing and Reset structural changes.

The launch of the new organisational structure on 3 July 2024 coincided with other significant activities for the QBCC, including the launch of a new QBCC Strategic Plan 2023-2027 and organisational values. Any ongoing refinements to the organisational structure and initiatives to further embed it will be made within the context of the ongoing delivery of the Strategic Plan 2023-2027 and associated initiatives and system and process improvements and innovation.

DIGITAL SERVICES BUSINESS CASE

The Governance Review report outlined another key action (7.3) against Recommendation 7 to “*Replace the existing IT systems with fit-for-purpose systems that align with the QBCC functions and reporting framework.*”

In response to the recommended action, the QBCC developed a Digital Services Business Case concentrating on driving transformation of the QBCC into an efficient and effective outcomes-focused, insights-driven regulator, outlining comprehensive plans over three horizons.

- **Horizon 1** – establishment phase (18 months) that builds foundational capability in digital services
- **Horizon 2** – extension phase (18 months) that builds on the foundation to significantly extend digital services capability
- **Horizon 3** – (post-three years) continuous improvement phase.

The business case outlines measurable benefits and opportunities:

- customers see our services as easy to use and comply with, achieving time savings, increased satisfaction, and higher compliance rates
- new insights through accessible, trusted and high-quality data that improves decision-making and enables services to be better targeted
- improved efficiency through automation to have more transaction options available through more efficient digital channels
- employees have a higher level of motivation and engagement, and are better skilled, leading to higher levels of retention
- increased agility to respond to customer demands through integrated digital platforms, lowering IT risks
- rapid innovation adoption through a performance culture of continuous incremental process improvements and faster delivery.

The QBCC Board approved investment in the QBCC’s Digital Services Business Case and provided initial funding for 2023-2024 for the Digital Portfolio to meet Horizon 1 outcomes.

FINANCIAL PERFORMANCE

The following pages provide details around the QBCC's financial performance in 2023-2024.

SUMMARY OF FINANCIAL PERFORMANCE

The QBCC returned a surplus of \$62.26 million in 2023-2024 and has a net asset position of \$240.40 million.

Total income was \$402.87 million, 11.99 per cent higher than 2022-2023. The reason for the increase from 2022-2023 to 2023-2024 relates to the change in fair value of investments, which is dependent on the performance of investment markets, increase in licensing income due to the timing of multi-year renewals, and other revenue from the Queensland Government.

Total expenditure was \$340.60 million, which is a similar amount to 2022-2023 in total. However, there were variances at an expense category level. The major variances were a decrease in claims approved and charged expenses relating to the provision of future claims under the Queensland Home Warranty Scheme, while claims approved for 2023-2024 remained high. This was offset by increases in:

- employee expenses due to higher demand within the industry for the QBCC's services
- supplies and services also due to higher demand within the industry for the QBCC's services
- impairment losses on financial assets relating to the provision and write off of non-recoverable claim approvals related to the Queensland Home Warranty Scheme.

QUEENSLAND BUILDING AND CONSTRUCTION COMMISSION
FOR THE YEAR ENDED 30 JUNE 2024

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QUEENSLAND BUILDING AND CONSTRUCTION COMMISSION
FOR THE YEAR ENDED 30 JUNE 2024

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QUEENSLAND BUILDING AND CONSTRUCTION COMMISSION
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2024

OPERATING RESULT	NOTES	2024 ACTUAL \$'000	2024 ORIGINAL BUDGET \$'000	BUDGET VARIANCE* \$'000	2023 ACTUAL \$'000
INCOME					
Licence revenue	B1-1	50 337	46 328	4 009	43 579
Premium revenue	B1-2	107 374	98 799	8 575	107 137
Insurance administration fees revenue	B1-3	54 223	45 205	9 018	51 478
Reinsurance and other recoveries revenue	B1-4	88 176	81 772	6 404	88 414
Investment revenue	B1-5	50 757	10 758	39 999	32 335
Other revenue	B1-6	51 862	8 108	43 754	36 796
Total revenue		402 729	290 970	111 758	359 739
Gains on disposals/revaluation of assets		137	346	(210)	(4)
TOTAL INCOME		402 866	291 316	111 548	359 735
EXPENSES					
Outward reinsurance	B2-1	42 959	42 962	(3)	53 710
Claims approved and charged	B2-2	66 121	76 686	(10 565)	129 817
Employee expenses	B2-4	94 812	111 475	(16 663)	77 105
Supplies and services	B2-5	51 452	55 788	(4 336)	38 898
Depreciation and amortisation	B2-6	4 742	4 805	(63)	4 637
Impairment losses on financial assets	B2-7 & C2-1	78 867	55 298	23 569	34 291
Finance/borrowing costs		145	142	3	196
Other expenses	B2-8	1 505	971	535	1 559
TOTAL EXPENSES		340 603	348 127	(7 524)	340 213
OPERATING RESULT		62 263	(56 811)	119 073	19 522
OTHER COMPREHENSIVE INCOME		-	-	-	-
TOTAL COMPREHENSIVE INCOME		62 263	(56 811)	119 073	19 522

*An explanation of major variances is included in Note E1.
The accompanying notes form part of these financial statements.

QUEENSLAND BUILDING AND CONSTRUCTION COMMISSION
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2024

	NOTES	2024 ACTUAL \$'000	2024 ORIGINAL BUDGET \$'000	BUDGET VARIANCE* \$'000	2023 ACTUAL \$'000
CURRENT ASSETS					
Cash and cash equivalents	C1	38 466	(43 519)	81 985	23 158
Receivables	C2	30 783	18 151	12 632	21 943
Reinsurance receivables	C3	35 732	44 037	(8 305)	54 142
Other financial assets	D1-2	565 753	462 777	102 976	487 562
Other current assets	C4	18 517	18 864	(347)	21 687
TOTAL CURRENT ASSETS		689 251	500 310	188 940	608 492
NON-CURRENT ASSETS					
Reinsurance receivables	C3	88 068	112 369	(24 301)	109 596
Intangible assets		129	129	-	343
Property, plant and equipment	C5-2	3 034	4 201	(1 167)	2 295
Right-of-use assets	C6	5 272	5 262	10	8 764
TOTAL NON-CURRENT ASSETS		96 503	121 961	(25 459)	120 998
TOTAL ASSETS		785 754	622 271	163 482	729 490
CURRENT LIABILITIES					
Payables	C7	66 732	50 743	15 989	59 286
Lease liabilities	C6	4 108	4 103	5	4 034
Accrued employee benefits	C8	12 074	14 133	(2 059)	11 351
Provisions		222	-	222	-
Unearned income liability	C9	60 269	43 865	16 404	54 960
Future claims and associated costs	C10	107 643	95 905	11 738	129 503
TOTAL CURRENT LIABILITIES		251 048	208 749	42 299	259 134
NON-CURRENT LIABILITIES					
Accrued employee benefits	C8	12 545	12 226	319	10 990
Lease liabilities	C6	2 327	2 308	19	6 413
Provisions		1 126	971	155	1 263
Future claims and associated costs	C10	278 304	267 838	10 466	273 549
TOTAL NON-CURRENT LIABILITIES		294 302	283 343	10 958	292 215
TOTAL LIABILITIES		545 350	492 092	53 258	551 349
NET ASSETS		240 404	130 179	110 224	178 141
EQUITY					
Contributed equity		1 169			1 169
Accumulated surplus		239 235			176 972
TOTAL EQUITY		240 404	-	-	178 141

*An explanation of major variances is included in Note E1.
The accompanying notes form part of these statements.

QUEENSLAND BUILDING AND CONSTRUCTION COMMISSION
 CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
 FOR THE YEAR ENDED 30 JUNE 2024

	CONTRIBUTED EQUITY \$'000	ACCUMULATED SURPLUS \$'000	TOTAL EQUITY \$'000
BALANCE AS AT 1 JULY 2022	778	157 450	158 228
Operating result	-	19 522	19 522
Equity injection	391	-	391
Total comprehensive income for the year	391	19 522	19 913
BALANCE AT 30 JUNE 2023	1 169	176 972	178 141
Operating result	-	62 263	62 263
Equity injection	-	-	-
Total comprehensive income for the year	-	62 263	62 263
BALANCE AT 30 JUNE 2024	1 169	239 235	240 404

The accompanying notes form part of these statements.

QUEENSLAND BUILDING AND CONSTRUCTION COMMISSION
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2024

	NOTES	2024 ACTUAL \$'000	2024 ORIGINAL BUDGET \$'000	BUDGET VARIANCE* \$'000	2023 ACTUAL \$'000
CASH FLOWS FROM OPERATING ACTIVITIES					
INFLOWS					
Received from licence fees		50 190	44 440	5 750	43 665
Received from insurance administration fees		54 223	45 205	9 018	51 478
Received from interest		30 370	1 184	29 186	9 393
GST input tax credits from ATO		7 697	12 378	(4 681)	7 429
GST collected from customers		16 489	13 824	2 665	14 634
Received from other revenue		50 751	8 065	42 686	35 965
		209 720	125 096	84 624	162 565
OUTFLOWS					
Payments to employees		(88 120)	(108 148)	20 028	(71 363)
Payments to suppliers		(55 873)	(54 632)	(1 241)	(41 350)
Finance/borrowing costs		(145)	(142)	(3)	(196)
GST paid to suppliers		(7 674)	(12 678)	5 004	(7 511)
GST remitted to ATO		(16 310)	(14 496)	(1 814)	(14 658)
		(168 122)	(190 096)	21 974	(135 079)
		41 598	(65 000)	106 597	27 486
INSURANCE					
Received from premiums		117 820	98 799	19 021	105 591
Payments to reinsurers		(40 470)	(32 625)	(7 845)	(49 639)
Claims paid		(86 829)	(76 686)	(10 143)	(52 316)
Received from reinsurers and other recoveries		46 643	13 997	32 646	36 684
		37 164	3 485	33 679	40 320
Net cash provided by operating activities	CF-1	78 762	(61 515)	140 276	67 806
CASH FLOWS FROM INVESTING ACTIVITIES					
Payments for plant, equipment and intangibles		(1 529)	(674)	(855)	(69)
Investment in other financial assets		(46 000)	-	(46 000)	(59 000)
Payments for investments		(26 805)	(817)	(25 988)	(6 873)
Investments redeemed		15 000	14 651	349	-
Net cash used in investing activities		(59 334)	13 160	(72 494)	(65 942)
CASH FLOWS FROM FINANCING ACTIVITIES					
Equity injections		-	-	-	391
Lease payments	C6	(4 120)	(4 012)	(108)	(3 907)
Net cash used in financing activities		(4 120)	(4 012)	(108)	(3 516)
Net increase/(decrease) in cash and cash equivalents		15 308	(52 367)	67 675	(1 652)
Cash and cash equivalents - opening balance		23 158	8 848	14 310	24 810
Cash and cash equivalents - closing balance	C1	38 466	(43 519)	81 985	23 158

*An explanation of major variances is included in Note E1.
The accompanying notes form part of these statements.

QUEENSLAND BUILDING AND CONSTRUCTION COMMISSION
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2024

NOTES TO THE STATEMENT OF CASH FLOWS

CF-1 RECONCILIATION OF OPERATING RESULT TO NET CASH PROVIDED BY OPERATING ACTIVITIES

	2024 ACTUAL \$'000	2023 ACTUAL \$'000
OPERATING SURPLUS/(DEFICIT)	62 263	19 522
<i>Non-Cash items included in operating result:</i>		
Depreciation and amortisation expense	4 742	4 637
Net (gains)/losses on disposal of property, plant and equipment	(137)	4
Movement in impairment losses	44 398	12 741
Changes in net market value of investments	(20 387)	(22 941)
<i>Changes in assets and liabilities</i>		
(Increase)/decrease in receivables	(13 300)	(30 793)
(Increase)/decrease in other current assets	(684)	(543)
(Increase)/decrease in prepayments - outward reinsurance	3 855	6 644
Increase/(decrease) in payables	7 447	16 893
Increase/(decrease) in accrued employee benefits	2 277	2 407
Increase/(decrease) in provisions	84	125
Increase/(decrease) in unearned income liability	5 309	3 328
Increase/(decrease) in future claims	(17 105)	55 782
Net Cash Provided by Operating Activities	78 762	67 806

CF-2 CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

2023-24

	-NON-CASH CHANGES-			-----CASH FLOWS-----		CLOSING BALANCE \$'000
	OPENING BALANCE \$'000	NEW LEASES ACQUIRED \$'000	OTHER \$'000	CASH RECEIVED \$'000	CASH REPAYMENTS \$'000	
Lease liabilities	10 447	-	108	-	(4 120)	6 435
TOTAL	10 447	-	108	-	(4 120)	6 435

2022-23

	-NON-CASH CHANGES-			-----CASH FLOWS-----		CLOSING BALANCE \$'000
	OPENING BALANCE \$'000	NEW LEASES ACQUIRED \$'000	OTHER \$'000	CASH RECEIVED \$'000	CASH REPAYMENTS \$'000	
Lease liabilities	13 293	-	1 061	-	(3 907)	10 447
TOTAL	13 293	-	1 061	-	(3 907)	10 447

Accounting Policy - Cash flows are included in the Statement of Cash Flows on a gross basis with the Goods and Services Tax (GST) components of the cash flows shown as separate line items. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows. Refer to Note C1.

QUEENSLAND BUILDING AND CONSTRUCTION COMMISSION NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

SECTION 1 HOW WE OPERATE - OUR OBJECTIVES AND ACTIVITIES

A1. BASIS OF FINANCIAL STATEMENT PREPARATION

GENERAL INFORMATION

The Queensland Building and Construction Commission (QBCC) is a statutory body established under the *Queensland Building and Construction Commission Act 1991* (the QBCC Act). The QBCC is a not-for-profit entity.

The Queensland Building and Construction Employing Office (QBCEO) is also a statutory body established under the QBCC Act, and is controlled by the QBCC. The QBCEO, through its employees, provides the skilled labour required to deliver the services provided by the QBCC.

The principal place of business of the QBCC is 299 Montague Road, West End, QLD 4101.

The QBCC is comprised of a General Statutory Fund and an Insurance Fund as stipulated by sections 25 and 26 of the QBCC Act. The QBCC's financial statements have been prepared as a consolidation of both funds. The balances and effects of transactions between the funds included in the consolidated financial statements have been eliminated.

THE REPORTING ENTITY

This financial report represents the financial statements for the consolidated entity of the QBCC, consisting of the parent entity, the QBCC, and its controlled entity, the QBCEO. The consolidated financial statements include the value of all assets, liabilities, equity, revenues and expenses of the QBCC. In reporting on the QBCC as a single economic entity, all internal transactions and balances have been eliminated.

This financial report does not separately disclose the QBCC's financial statements due to the immaterial differences between the consolidated and parent entity's financial statements. These immaterial differences are listed in Note F5.

STATEMENT OF COMPLIANCE

These general purpose financial statements are prepared on an accrual basis and in accordance with the Australian Accounting Standards (AASBs) and Interpretations, other authoritative pronouncements, the *Financial and Performance Management Standard 2019* and Queensland Treasury's Minimum Reporting Requirements for reporting periods on or after 1 July 2023.

Except where stated, the historical cost convention is used.

PRESENTATION MATTERS

Currency and Rounding

Amounts included in the financial statements are in Australian dollars and rounded to the nearest \$1,000 or, where the amount is \$500 or less, to zero, unless disclosure of the full amount is specifically required.

Due to rounding, totals may not add exactly.

Comparatives

Comparative information reflects the audited 2022-23 financial statements. There has been no material restatement of prior period amounts.

Current/Non-Current Classification

Assets and liabilities are classified as either 'current' or 'non-current' in the Statement of Financial Position and associated notes. Assets are classified as 'current' where their carrying amount is expected to be realised within 12 months after the reporting date. Liabilities are classified as 'current' when they are due to be settled within 12 months after the reporting date, or the QBCC does not have an unconditional right to defer settlement to beyond 12 months after the reporting date. All other assets and liabilities are classified as non-current.

QUEENSLAND BUILDING AND CONSTRUCTION COMMISSION NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

A1. BASIS OF FINANCIAL STATEMENT PREPARATION (CONTINUED)

AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE

The financial statements are authorised for issue in accordance with a resolution by the QBC Board by the Chair of the Board, the CEO and Commissioner and the Chief Financial Officer at the date of signing the Management Certificate.

A2. OBJECTIVES AND PRINCIPAL ACTIVITIES OF THE QBCC

The QBCC's objectives include:

- support a strong, safe and sustainable industry through responsive regulatory activity to reduce risk and harm;
- improve the customer experience through the provision of information, advice and decisions that are practical, clearly communicated, transparent and timely;
- educate and inform customers to support continuous quality improvement;
- be a sustainable and digitally enabled organisation; and
- be an organisation that supports, values and empowers our people.

The QBCC's principal activities are:

- licensing
- dispute resolution
- home warranty insurance
- compliance and enforcement.

Our supporting business activities are:

- education and awareness campaigns
- payment dispute resolution.

The QBCC and the QBCEO are statutory bodies within the portfolio of the Minister for Housing, Local Government and Planning and Minister for Public Works.

A3. INSURANCE CONTRACTS RISK MANAGEMENT

The QBCC is responsible for the management of a statutory insurance scheme called the Queensland Home Warranty Scheme ("Scheme"). The Scheme's insurance product meets the definition of an insurance contract (a contract under which one party, the insurer, accepts significant insurance risk from another party, the policyholder, by agreeing to compensate the policyholder if a specified uncertain future event, the insured event, adversely affects the policyholder) and none of the contracts contain embedded derivatives or are required to be unbundled.

The Scheme provides Queensland consumers with "first resort" home warranty protection. The scheme provides protection:

- where a contractor defaults on an obligation to complete residential construction work or fails to rectify defective residential construction work;
- for theft, vandalism or damage caused by fire, storm or tempest to incomplete standing works where a claim is made for completion of work;
- for damage caused by subsidence or settlement, even if the cause is defective design by an engineer or incorrect site classification.

As a statutory provider of home warranty insurance the QBCC insures all eligible residential construction work throughout Queensland and does not have the ability to be selective with its acceptance of risk.

To ensure the Scheme remains sustainable and continues to provide comprehensive cover which is reasonably priced, the QBCC is committed to a dedicated risk management framework.

The QBCC's exposure to concentration of insurance risk relates to:

- where there is a single large builder failure;
- extreme losses from single defects; or
- losses from a large scale downturn in the building industry.

These risks have been considered in order to estimate a Probable Maximum Loss for the QBCC.

QUEENSLAND BUILDING AND CONSTRUCTION COMMISSION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

A3. INSURANCE CONTRACTS RISK MANAGEMENT (CONTINUED)

Risk is managed through several mechanisms.

Reinsurance

As part of the risk management strategy, the QBCC ensures that the reinsurance program meets the business needs by the maintenance of a Reinsurance Management Strategy (REMS). The REMS is a high-level strategic document which provides a framework for the placement of reinsurance and the acceptance of reinsurers for the QBCC's business. The strategy is reviewed and approved by the Board each financial year.

The level of reinsurance is approved by the QBC Board, on advice from QBCC's appointed reinsurance broker, the Scheme Actuary, the CEO and Commissioner and the Director Insurance Services. The level of reinsurance must ensure that at all times the QBCC will have sufficient capacity to meet its obligations as they fall due.

Reinsurers must be approved by the Board, upon management's recommendations.

Risk mitigation

Any insurance or warranty activity primarily involves the underwriting of risk and the management of claims. The QBCC manages its insurance business on the basis of strict risk management protocols and avoids premium volume/cash flow underwriting principles.

Underwriting - risk acceptance

As a statutory insurer the QBCC must accept all risks as presented. Underwriting of risk commences with an entity's application to hold or renew a contractor licence.

Under QBCC's Minimum Financial Requirements, an entity wishing to hold a contractor licence to perform residential construction work in Queensland must hold certain qualifications or their equivalent, and meet financial and managerial requirements. Currently these requirements allow a contractor to perform a stated maximum amount of work each year depending on their net tangible assets, provided they maintain a current ratio of 1 or more.

Once an entity has been granted a licence to perform residential construction work, eligibility to the Scheme is automatic. The QBCC Act provides that any contract for residential construction work entered into by an appropriately licensed person is deemed covered by the Scheme whether or not the premium was paid.

Risk pricing

The QBCC reviews premium prices annually to ensure the Scheme is managed in accordance with actuarially sustainable principles. Statistical modelling, based on historical and projected building industry and economic information as well as policy and claims data, ensures the pricing is adequate. Recommendations for adjustments to premiums are developed in conjunction with the Scheme Actuary to ensure adequacy prior to ministerial approval.

Warranty terms of cover

The terms of cover, including limitations and exclusions, set the cover provided and level of risk accepted by the Scheme. Structural defects are covered for six and a half years' duration for a single premium payment, and the claim must be lodged within three months of noticing the defect. Non-structural defects are covered if the consumer becomes aware, or ought reasonably to have become aware, of the defect within six months after the day the work is completed. The claim must be lodged within seven months of the completion date. As a statutory provider the terms and conditions of cover are not negotiable and are called up in legislation.

QUEENSLAND BUILDING AND CONSTRUCTION COMMISSION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

A3. INSURANCE CONTRACTS RISK MANAGEMENT (CONTINUED)

Claims management

Some claims management functions are outsourced and these entities are responsible for preparing scopes, calling for tenders and managing rectification works.

Investment management

The Scheme's assets are invested in accordance with the Board's investment policy. The Investment Policy and investments are monitored to reflect the anticipated pattern of claim payments with sufficient assets held in reserve to meet calculated future claims liabilities.

Regulatory risk

The Australian Prudential Regulation Authority (APRA) supervises the financial safety and soundness of general insurers such that the community can have confidence that they will meet their financial commitments under all reasonable circumstances. As a statutory insurer the QBCC is not regulated by APRA, however it chooses to voluntarily comply with most prudential standards applicable to general insurers, with exceptions relating to supervisory review, disclosure and reporting to APRA and the application of an asset concentration risk charge on the basis the QBCC investment options are restricted by the *Statutory Bodies Financial Arrangements Act 1982*.

Claims development

The Scheme Actuary values future claims and associated costs. The actuary uses historical claims, underwriting data and expert models to arrive at a value.

The Scheme is classed as "long-tail" insurance business. This means the claims may develop several years after the premium is paid.

The Scheme provides cover against non-completion of contracted works, defects in contracted works and subsidence or movement in contracted works. Each of these claim types has a distinct development pattern, non-completion claims being approved principally in the first two development years, defects being approved up to the ninth development year and subsidence up to the 10th and 11th development years.

As part of the QBCC's management of the Scheme, the Scheme Actuary reviews claims development patterns as part of the bi-annual Scheme performance review and calculates the outstanding claim liability.

The QBCC has adopted the accounting standard AASB 1023 'General Insurance Contracts' for the calculation of the outstanding claims provision.

QUEENSLAND BUILDING AND CONSTRUCTION COMMISSION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2024

SECTION 2
NOTES ABOUT OUR FINANCIAL PERFORMANCE

B1. REVENUE

	NOTES	2024 \$'000	2023 \$'000
B1-1 LICENCE REVENUE			
Renewal fees		44 324	37 913
Application fees		6 013	5 666
		50 337	43 579

Accounting Policy - Upon application for a licence, new entrants pay both an application fee (for assessing and processing the application) and a renewal fee (to maintain a licence over the selected period). Revenue is recognised upfront when a licence is issued or renewed as all performance obligations have been met upon the issuance/renewal of the licence. Licences can be renewed for one year up to five. As there are multiple renewal periods that can be selected, licence fee revenue will fluctuate year to year depending on the number of renewals and the period they are renewed for.

B1-2 PREMIUM REVENUE

Premiums	B2-3	164 180	145 758
Movement in unearned premiums		(56 806)	(38 621)
		107 374	107 137

Accounting Policy - Premium revenue is the amounts charged to policyholders for insurance contracts. Premium revenue is earned from the date of notification (generally this is similar to the date of contract) over the period of the contract in accordance with the pattern of the incidence of risk expected. This period is thirteen months from the date of notification. The unearned portion of premium is recognised as an unearned income liability in the Statement of Financial Position. Refer to Note C10.

B1-3 INSURANCE ADMINISTRATION FEES REVENUE

Exchange commission fees received from reinsurers		54 206	51 477
Administration fees received from policyholders		17	1
		54 223	51 478

Accounting Policy - For insurance contracts dated on or after the 28th October 2016, an exchange commission fee is charged to the reinsurers for insurance contracts to cover administration costs for insurance contracts. Revenue is recognised when a policy is issued.

QUEENSLAND BUILDING AND CONSTRUCTION COMMISSION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2024

B1. REVENUE (CONTINUED)

	NOTES	2024 \$'000	2023 \$'000
B1-4 REINSURANCE AND OTHER RECOVERIES REVENUE			
Reinsurers' share of claims approved		38 224	31 974
Reinsurers' share of future claims movement		(39 937)	15 816
Reinsurers' share of claims management fee		1 010	660
Recovery revenue		88 879	39 964
		88 176	88 414

Accounting Policy - The recovery revenue is the claims recoverable from licensees found at fault and are recognised when a claim is paid and finalised.

Reinsurers' share of claims approved is recognised at the time the claim is approved based on the level of reinsurance applicable to the policy. The reinsurers' share of future claims movement relates to the movement in the actuarial assessment of the future claims and the level of reinsurance. The QBCC is entitled to recover its external claims management costs from our reinsurers in some circumstances.

B1-5 INVESTMENT REVENUE

Changes in fair value of investments	20 387	22 941
Distributions	28 562	8 360
Interest	1 808	1 034
	50 757	32 335

Accounting Policy - Changes in the net market value of investments are recognised as revenue or expenses in the Statement of Comprehensive Income. Income derived from investments is brought to account when earned.

B1-6 OTHER REVENUE

Non-recurrent funding from Department of Housing, Local Government, Planning and Public Works (DHLGPPW)	41 735	27 589
Notifiable works	3 559	3 413
Infringements and court fines awarded	2 859	2 426
Pool safety certificate fees	1 701	1 566
Owner-builder fees	1 446	1 387
Adjudication application fees	189	180
Certificate fees	137	125
Search fees	89	73
Other	147	37
	51 862	36 796

Accounting Policy - Non-recurrent funding to support the operations of the QBCC are provided by Queensland Treasury, through the DHLGPPW, and are recognised as revenue when received. Fines are recognised when issued, awarded or when convictions are recorded in favour of the QBCC. All other revenue is recognised when goods or services are provided.

QUEENSLAND BUILDING AND CONSTRUCTION COMMISSION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2024

B2. EXPENSES

B2-1 OUTWARD REINSURANCE

	NOTES	2024 \$'000	2023 \$'000
Reinsurers' share of premium		36 895	51 934
Reinsurers' share of recovery		6 063	1 776
		42 959	53 710

Accounting Policy - Premium ceded to reinsurers is recognised as an expense in accordance with the pattern of reinsurance service received. Accordingly, a portion of outwards reinsurance premium is treated as a prepayment and presented as other current asset on the Statement of Financial Position at the reporting date. Refer to Note C4.

B2-2 CLAIMS APPROVED AND CHARGED

Claims approved		88 880	69 406
Movement in provision for future claims processing cost	C10	20 223	4 738
Movement in provision for future claims	C10	(37 327)	51 044
Movement in unexpired risk	C9	(5 655)	4 629
		66 121	129 817

Accounting Policy - Claims approved, the movement in provision for future claims and processing costs are recognised in respect of the home warranty insurance scheme. The expense for claims approved is recognised when a home warranty insurance claim is approved by the QBCC. The QBCC also provides for claims reported but not yet approved, incurred but not reported, incurred but not enough reported. Refer to Note C10.

The QBCC incurs Goods and Services Tax (GST) for which it is currently unable to claim a decreasing adjustment, in accordance with Division 78 of *A New Tax System (Goods and Services Tax) Act 1999* (Cth), on all claim settlements.

B2-3 PROFIT/(LOSS) ON UNDERWRITING

Premiums received	B1-2	164 180	145 757
Less: Outward reinsurance premium expense	B2-1	(36 896)	(51 934)
QBCC's share of premiums		127 284	93 823
Less: Unearned premiums at the end of year	C9	(43 175)	(28 356)
Total premiums received and earned during the year		84 109	65 467
Add: Unearned premiums at the beginning of the year	C9	28 356	23 014
Less: Exchange commission		(41 987)	(33 278)
Earned premiums		70 478	55 202
Claims approved and charged	B2-2	66 121	129 817
Less: Reinsurance and other recoveries		(3 805)	(52 813)
Net claims		62 316	77 004
Profit/(Loss) on underwriting		8 162	(21 802)

QUEENSLAND BUILDING AND CONSTRUCTION COMMISSION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

B2. EXPENSES (CONTINUED)

B2-3. PROFIT/(LOSS) ON UNDERWRITING (CONTINUED)

Participation in the Insurance Scheme

DATE	QBCC	BROKERS/ REINSURERS
Pre - 01/07/91	10.0%	90.0%
01/07/91 - 30/06/98	25.0%	75.0%
01/07/98 - 30/09/99	30.0%	70.0%
01/10/99 - 30/06/03	25.0%	75.0%
01/07/03 - 30/06/04	32.5%	67.5%
01/07/04 - 30/06/08	25.0%	75.0%
01/07/08 - 30/06/10	20.0%	80.0%
01/07/10 - 30/06/15	30.0%	70.0%
01/07/15 - 30/06/22	50.0%	50.0%
01/07/22 - 30/06/23	67.0%	33.0%
01/07/23 - 30/06/24	79.0%	21.0%

B2-4. EMPLOYEE EXPENSE

	NOTES	2024 \$'000	2023 \$'000
EMPLOYEE BENEFITS			
Wages and salaries		70 295	56 322
Employer superannuation contributions		9 214	7 502
Annual leave expense		6 886	5 826
Long service leave expense		2 138	1 684
Termination benefits		-	159
EMPLOYEE-RELATED EXPENSES			
Payroll tax		4 272	3 375
Workers' compensation premium		278	232
Fringe benefits tax		183	353
Training		940	820
Recruitment		357	670
Other employee related expenses		249	163
		94 812	77 105
Full-Time Equivalent Employees		659	579

Accounting Policy - Wages and Salaries

Wages and salaries due but unpaid at reporting date are recognised at current salary rates. As the QBCC expects such liabilities to be wholly settled within 12 months of reporting date, the liabilities are recognised at undiscounted amounts. Refer to Note C8.

Accounting Policy - Annual Leave and Long Service Leave

Annual Leave and Long Service Leave are accrued based on award entitlement. Refer to Note C8.

Key management personnel and remuneration disclosures are detailed in Note F1.

QUEENSLAND BUILDING AND CONSTRUCTION COMMISSION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2024

B2. EXPENSES (CONTINUED)

B2-5. SUPPLIES AND SERVICES

	NOTES	2024 \$'000	2023 \$'000
Consultants and contractors		24 848	15 885
Information system maintenance, equipment and furniture		10 333	9 455
Legal costs		8 099	5 317
Communications and marketing		2 235	2 017
Bank fees and charges		2 459	2 131
Property lease expenses		375	1 388
Property maintenance		1 697	1 711
Motor vehicles operating costs		313	275
Printing and stationery		408	357
Travel		685	363
		51 452	38 898

Accounting Policy - The QBCC recognises supplies and services expenses when the goods has been received or services provided. Lease expenses includes lease rentals for short-term leases, leases of low value assets and variable lease payments. Refer to Note C6 for breakdown of lease expenses and other lease disclosures.

B2-6. DEPRECIATION AND AMORTISATION

Depreciation - right-of-use assets	C6	3 600	3 580
Depreciation - property plant and equipment	C5	928	843
Amortisation - intangibles		214	214
		4 742	4 637

B2-7. IMPAIRMENT LOSSES ON FINANCIAL ASSETS

Sundry receivables		78 867	34 291
		78 867	34 291

Accounting Policy - Impairment losses may arise on assets held by the QBCC from time to time. Accounting for impairment losses is dependent upon the individual asset (or group of assets) subject to impairment. Accounting Policies and events giving rise to impairment losses are disclosed in the following notes: Receivables - Note C2-1

QUEENSLAND BUILDING AND CONSTRUCTION COMMISSION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2024

B2. EXPENSES (CONTINUED)

B2-8. OTHER EXPENSES

	NOTES	2024 \$'000	2023 \$'000
Internal audit ⁽¹⁾		157	68
External audit fees ⁽²⁾		156	125
Board members' fees and costs ⁽³⁾		366	294
Insurance Premiums ⁽⁴⁾		773	607
Special payments ⁽⁵⁾			
Ex gratia payments		53	465
		1 505	1 559

Disclosures Relating to Other Expenses

- (1) The amount disclosed for internal audit only this function is provided by external providers.
- (2) Total audit fees paid to the Queensland Audit Office relating to the 2023-24 financial statements are estimated to be \$132,600 (2023: \$131,880). There are no non-audit services included in this amount.
- (3) The amount disclosed includes the costs for the Board members fees, travel, industry events, meeting costs, professional development and contractors/consultants engaged by the Board.
- (4) The QBCC's non-current physical assets and other risks are insured through private insurance companies with premiums paid on a risk assessment basis.
- (5) Special payments represent ex gratia expenditure and other expenditure that the QBCC is not contractually or legally obliged to make to other parties. The QBCC made two special payments during 2023-24 above \$5,000 (2023: seven). These were for employee related matters. The previous financial year payments were due to defective administration, Home Warranty Insurance claim disputes and employee related matters.

QUEENSLAND BUILDING AND CONSTRUCTION COMMISSION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2024

SECTION 3
NOTES ABOUT OUR FINANCIAL POSITION

C1. CASH AND CASH EQUIVALENTS

	NOTES	2024 \$'000	2023 \$'000
Cash		2 150	1 490
Deposits at call		36 316	21 668
		38 466	23 158

Accounting Policy - Cash and Cash Equivalents

For the purposes of the Statement of Financial Position and the Statement of Cash Flows, cash assets include all cash and cheques receipted but not banked as at 30 June, as well as deposits at call with financial institutions.

Excess cash balances as defined in QBCC's Investment Policy in the QBCC's General and Insurance Funds' bank accounts are cleared to Queensland Treasury Corporation's (QTC) Cash Fund daily to maximise investment returns.

C2. RECEIVABLES

Sundry debtors	149 306	96 068
Less: Loss allowance	(118 523)	(74 125)
	30 783	21 943

Accounting Policy - Receivables

Sundry debtors are recognised at amounts due at the time of service delivery.

C2-1. IMPAIRMENT OF RECEIVABLES

Accounting Policy - Impairment of Receivables

The loss allowance for sundry debtors reflects lifetime expected credit losses. The method for calculating any loss allowance is to review each debt based on past experience for certain receivables such as fines and costs awarded by courts. In the case of recovery of insurance claims, each case was examined and assessed for potential impairment on a regular basis in light of the circumstances surrounding the creation of the receivable and subsequent recovery attempts. Most losses occur in the area of recovery of insurance claims paid from at fault parties, who in the majority of cases ceased to trade due to bankruptcy or insolvency. This risk is provided for in premiums charged for insurance.

Impairment loss expense for the current year regarding the QBCC's receivables is disclosed in Note B2-7.

QUEENSLAND BUILDING AND CONSTRUCTION COMMISSION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2024

C2. RECEIVABLES (CONTINUED)

C2-1. IMPAIRMENT OF RECEIVABLES (CONTINUED)

Disclosure - Credit Risk Exposure of receivables

The carrying amount of receivables disclosed above represents the maximum exposure to credit risk from these items.

The QBCC has determined three material groupings for measuring expected credit losses. One group for General Fund measures expected credit losses determined using a provision matrix. The calculation for the provision matrix is based on historical observed default rates calculated using credit losses experienced during the past five years preceding 30 June 2024. The second General Fund group measures expected credit loss based on legislated license payment timeframes and individual assessment.

The Insurance Fund group is assessed individually for impairment.

Set out below is the credit risk exposure on the QBCC's sundry debtors broken down by the groupings and ageing band.

	2024			2023		
	GROSS RECEIVABLES \$'000	LOSS RATE %	EXPECTED CREDIT LOSSES \$'000	GROSS RECEIVABLES \$'000	LOSS RATE %	EXPECTED CREDIT LOSSES \$'000
<i>General Fund Group - infringements and magistrates orders sundry debtors</i>						
Ageing						
1 to 30 days overdue	218	60%	131	218	83%	211
31 to 60 days overdue	176	80%	141	203	83%	169
61 to 90 days overdue	171	85%	145	98	83%	81
> 90 days overdue	6 474	86%	5 553	7 116	85%	6 001
TOTAL	7 039		5 970	7 636		6 462

	2024			2023		
	GROSS RECEIVABLES \$'000	LOSS RATE %	EXPECTED CREDIT LOSSES \$'000	GROSS RECEIVABLES \$'000	LOSS RATE %	EXPECTED CREDIT LOSSES \$'000
<i>General Fund Group - other sundry debtors</i>						
Ageing						
1 to 30 days overdue	1,931	0%	0	1,817	0%	2
31 to 60 days overdue	1,049	0%	3	848	1%	5
61 to 90 days overdue	270	100%	270	164	99%	162
> 90 days overdue	1 947	99%	1 936	1 926	100%	1 926
TOTAL	5 197		2 209	4 755		2 145

	2024			2023		
	GROSS RECEIVABLES \$'000	LOSS RATE %	EXPECTED CREDIT LOSSES \$'000	GROSS RECEIVABLES \$'000	LOSS RATE %	EXPECTED CREDIT LOSSES \$'000
<i>Insurance Fund Group</i>						
Ageing						
1 to 30 days overdue	9,111	41%	3 716	10,982	42%	4 593
31 to 60 days overdue	5,923	58%	3 418	4,632	85%	3 938
61 to 90 days overdue	3,941	81%	3 205	1,610	84%	1 347
> 90 days overdue	118 095	85%	100 006	66 453	84%	55 641
TOTAL	137 070		110 345	83 677		65 518

QUEENSLAND BUILDING AND CONSTRUCTION COMMISSION
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 FOR THE YEAR ENDED 30 JUNE 2024

C2. RECEIVABLES (CONTINUED)

C2-1. IMPAIRMENT OF RECEIVABLES (CONTINUED)

Movements in loss allowance for sundry debtors

	2024 \$'000	2023 \$'000
Loss allowance as at 1 July	74 125	61 384
Increase/(decrease) in allowance recognised in operating result	78 867	34 291
Amounts written-off during the year	(34 469)	(21 550)
Loss allowance as at 30 June	118 523	74 125

C3. REINSURANCE RECEIVABLES

Current

Reinsurers' share of future claims provision	35 732	54 142
	35 732	54 142

Non-Current

Reinsurers' share of future claims provision	88 068	109 596
	88 068	109 596

Represented by

Expected future recoveries	138 569	183 773
Less discount to present value	(38 990)	(51 185)
	99 580	132 587
Risk margin	24 220	31 151
	123 800	163 738

Reconciliation of movement during the year

Balance at 1 July	163 738	147 922
Provisions made	17 243	35 102
Payments made	(49 218)	(34 787)
Effects of changes in assumptions to prior year provisions	(7 963)	15 501
Balance at 30 June	123 800	163 738

Accounting Policy - Reinsurance Receivables

Reinsurance receivables on reported claims not yet approved, incurred but not reported, incurred but not enough reported are recognised as revenue. Reinsurance receivables are assessed and calculated in a manner similar to the assessment of outstanding claims.

QUEENSLAND BUILDING AND CONSTRUCTION COMMISSION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2024

C3. REINSURANCE RECEIVABLES (CONTINUED)

	2024 \$'000	2023 \$'000
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Disclosure - Credit Risk Exposure

QBCC is exposed to credit risk for reinsurance receivables as follows:

Category

Financial assets		
Reinsurance receivables	123 800	163 738
Total	123 800	163 738

The QBCC engages with reinsurers to limit the risk of the Scheme. There is a concentration of risk regarding the amount of receivables for the reinsurers. However, this risk is being managed by QBCC agreements with the reinsurers. The agreements allow for net settlement of receivables and payables monthly and specify the terms of settlement, thereby reducing the credit risk exposure for receivables.

C4. OTHER CURRENT ASSETS

Prepayments - outward reinsurance on unearned premium liability	14 496	18 350
Prepayments	3 941	3 257
Other - refundable bond	80	80
	18 517	21 687

Accounting Policy - Outward reinsurance on unearned premium liability

Premium ceded to reinsurers is recognised as an expense in accordance with the pattern of reinsurance service received. Accordingly, a portion of outwards reinsurance premium is treated as a prepayment and presented as deferred reinsurance expense on the Statement of Financial Position at the reporting date.

QUEENSLAND BUILDING AND CONSTRUCTION COMMISSION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2024

C5. PROPERTY, PLANT AND EQUIPMENT AND DEPRECIATION EXPENSE

C5-1. ACCOUNTING POLICIES

Property, Plant and Equipment

Recognition Thresholds for Property, Plant and Equipment

Items of property, plant and equipment with a cost or other value equal to or in excess of \$5,000 are recognised for financial reporting purposes in the year of acquisition.

Items with a lesser value are expensed in the year of acquisition.

Acquisition of Assets

Property, plant and equipment acquisitions are initially recognised at cost determined as the value of consideration exchanged for the asset, plus associated costs directly attributable to the acquisition and getting the asset installed and ready for use.

Depreciation of Property, Plant and Equipment

Property, plant and equipment is depreciated on a straight line basis so as to allocate the net cost progressively over its estimated useful life to the Commission. For each class of depreciable assets, the following depreciation rates are used:

Class	Rate
Plant and equipment:	
Motor vehicles	15-20%
IT equipment	20-33%
Other equipment	6-33%
Leasehold improvements	3-44%

Impairment of non-current assets

All non-current physical assets are assessed for indicators of impairment on an annual basis. If an indicator of possible impairment exists, the QBCC determines the asset's recoverable amount. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

QUEENSLAND BUILDING AND CONSTRUCTION COMMISSION
 NOTES TO THE FINANCIAL STATEMENTS
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C5. PROPERTY, PLANT AND EQUIPMENT AND DEPRECIATION EXPENSE (CONTINUED)

C5-2. BALANCES AND RECONCILIATION OF CARRYING AMOUNT

	NOTES	2024 \$'000	2023 \$'000
Plant and equipment			
Gross		4 080	2 879
Less: Accumulated depreciation		(1 765)	(1 697)
		2 315	1 182
Leasehold improvements			
Gross		10 007	9 966
Less: Accumulated depreciation		(9 288)	(8 853)
		719	1 113
Total		3 034	2 295

PROPERTY, PLANT AND EQUIPMENT RECONCILIATION

	LEASEHOLD IMPROVEMENTS \$'000	PLANT AND EQUIPMENT \$'000	TOTAL \$'000
2023-24			
Carrying amount at 1 July 2023	1 113	1 182	2 295
Acquisitions	41	1 769	1 810
Disposals		(143)	(143)
Depreciation expense	(435)	(493)	(928)
Carrying amount at 30 June 2024	719	2 315	3 034
2022-23			
Carrying amount at 1 July 2022	1 551	1 521	3 072
Acquisitions	-	69	69
Disposals	-	(4)	(4)
Depreciation expense	(438)	(405)	(843)
Carrying amount at 30 June 2023	1 113	1 182	2 295

QUEENSLAND BUILDING AND CONSTRUCTION COMMISSION
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C6. RIGHT OF USE ASSETS AND LEASE LIABILITIES

RIGHT-OF-USE ASSETS

	BUILDINGS \$'000	TOTAL \$'000
2023-24		
Opening balance at 1 July	8 764	8 764
Acquisitions	-	-
Disposals / derecognition	-	-
Depreciation expense	(3 600)	(3 600)
Other adjustments	108	108
Closing balance at 30 June	5 272	5 272

	BUILDINGS \$'000	TOTAL \$'000
2022-23		
Opening balance at 1 July	11 283	11 283
Acquisitions	-	-
Disposals / derecognition	-	-
Depreciation expense	(3 580)	(3 580)
Other adjustments	1 061	1 061
Closing balance at 30 June	8 764	8 764

LEASE LIABILITIES

	2024 \$'000	2023 \$'000
Current		
Lease liabilities	4 108	4 034
Non-current		
Lease liabilities	2 327	6 413
Total lease liabilities	6 435	10 447

Accounting Policy - Leases

Right-of-use assets

Right-of-use assets are initially recognised at cost comprising the following:

- the amount of the initial measurement of the lease liability
- lease payments made at or before the commencement date, less any lease incentives received
- initial direct costs incurred, and
- the initial estimate of restoration costs.

Right-of-use assets are subsequently depreciated over the lease term and subject to impairment testing on an annual basis.

The carrying amount of right-of-use assets are adjusted for any remeasurement of the lease liability in the financial year following a change in discount rate, a reduction in lease payments payable, changes in variable lease payments that depend upon variable indexes/rates or a change in lease term.

The QBCC measures right-of-use assets from concessionary leases at cost on initial recognition, and measures all right-of-use assets at cost subsequent to initial recognition.

The QBCC has elected not to recognise right-of-use assets and lease liabilities arising from short-term leases and leases of low value assets. The lease payments are recognised as expenses as and when they occur. An asset is considered low value where it is expected to cost less than \$10,000 when new.

QUEENSLAND BUILDING AND CONSTRUCTION COMMISSION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2024

C6. RIGHT OF USE ASSETS AND LEASE LIABILITIES (CONTINUED)

Accounting Policy - Leases (continued)

Lease Liabilities

Lease liabilities are initially recognised at the present value of lease payments over the lease term that are not yet paid. The lease term includes any extension or renewal options that QBCC is reasonably certain to exercise. The future lease payments included in the calculation of the lease liability comprise the following:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payments that depend on an index or rate, initially measured using the index or rate as at the commencement date

When measuring the lease liability, the QBCC uses its incremental borrowing rate as the discount rate where the interest rate implicit in the lease cannot be readily determined, which is the case for all QBCC's leases. To determine the incremental borrowing rate, the QBCC uses loan rates provided by Queensland Treasury Corporation that correspond to the commencement date and term of the lease.

Subsequent to initial recognition, the lease liabilities are increased by the interest charge and reduced by the amount of lease payments. Lease liabilities are also remeasured in certain situations such as a change in variable lease payments that depend on an index or rate (e.g. a market rent review), or a change in the lease term.

Disclosures - Leases

(i) Details of leasing arrangements - Property leases

The QBCC currently has seven external property leases that are recognised as right-of-use assets and lease liabilities. Some of the leases have fixed rent reviews, whereas other leases are subject to market rent reviews or CPI-based rent increases. As the future rent increases for market based and CPI reviews are variable, they are not captured in the right-of-use asset or lease liability until the increases take effect.

(ii) Office accommodation

The Queensland Government Accommodation Office (QGAO) within the Department of Housing, Local Government, Planning and Public Works provides the QBCC with access to office accommodation under government-wide frameworks. These arrangements are categorised as procurement of services rather than as leases because QGAO has substantive substitution rights over the assets. The QBCC had one office accommodation under this framework during the financial year and the expenses are included in Note B2-5.

(iii) Amounts recognised in profit or loss

	2024 \$'000	2023 \$'000
Depreciation expense for right of use assets	3 600	3 580
Interest expense on lease liabilities	145	196
Breakdown of 'Property lease expenses' included in Note B2-5.		
- Expenses relating to office accommodation provided by DHLGPPW	179	1 206
- Expenses relating to short-term leases	196	182
(iv) Total cash outflow for leases	4 120	3 907

QUEENSLAND BUILDING AND CONSTRUCTION COMMISSION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2024

C7. PAYABLES

	NOTES	2024 \$'000	2023 \$'000
Sundry creditors		11 119	11 477
Accruals		4 924	3 660
Claims approved but not yet paid		38 970	36 524
Reinsurers' share of recoveries provision		11 278	7 341
		66 291	59 001
GST payable		1 519	1 339
GST receivable		(1 078)	(1 055)
		441	284
TOTAL		66 732	59 285

Accounting Policy - Payables

Sundry creditors are recognised upon receipt of the goods and services ordered and are measured at the agreed purchase/contract price, gross of applicable trade and other discounts. Amounts owing are unsecured and are generally settled on 30-day terms.

The QBCC is a State body as defined under the *Income Tax Assessment Act 1936* (Cth) and is exempt from Commonwealth taxation, with the exception of Fringe Benefits Tax (FBT) and GST. FBT and GST are the only taxes accounted for by the QBCC. GST credits receivable from and GST payable to the Australian Taxation Office (ATO), are recognised.

Receivables and payables are recognised inclusive of the amount of GST that is receivable or payable. An allowance for GST payable on future claims has been included in the provision for future claims.

Claims

The claims approved but not yet paid liability covers claims unpaid at reporting date. Claims outstanding are assessed and estimated changes in the ultimate cost of settling claims.

C8. ACCRUED EMPLOYEE BENEFITS

Current

Wages and salaries outstanding	1 567	1 715
Annual leave provision	9 312	8 593
Long service leave provision	1 088	972
Time off in lieu provision	107	71
	12 074	11 351

Non-Current

Long service leave provision	12 545	10 990
	12 545	10 990

Accounting Policy - Accrued Employee Benefits

The liability for employee entitlements to long service leave represents the present value of the estimated future cash outflows to be made by the QBCC resulting from employees' services provided up to the balance date.

Wages and salaries due but unpaid at reporting date are recognised at current salary rates. As the QBCC expects such liabilities to be wholly settled within 12 months of reporting date, the liabilities are recognised at undiscounted amounts.

QUEENSLAND BUILDING AND CONSTRUCTION COMMISSION
NOTES TO THE FINANCIAL STATEMENTS
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C8. ACCRUED EMPLOYEE BENEFITS (CONTINUED)

Liabilities for employee entitlements which are not expected to be settled within 12 months are recognised at their present value, calculated using yields on Fixed Rate Commonwealth Government bonds of similar maturity.

In determining the liability for employee entitlements, consideration has been given to future increases in wage and salary rates, and the QBCC's experience with staff separations. Related on-costs have also been included in the liability.

The long service leave provision also takes into account employees' prior service in other state, local or federal government entities.

Superannuation contributions by the QBCC are made to an employee superannuation scheme and to other funds as required under award legislation. Contributions are expensed in the period in which they are paid or payable. The QBCC has no obligation to cover any shortfall in any of the funds' obligations to provide benefits to employees on retirement. Therefore, no liability is recognised for accruing superannuation benefits in the QBCC's financial statements, the liability being held on a whole-of-Government basis and reported in those financial statements pursuant to *AASB 1049 Whole of Government and General Government Sector Financial Reporting*.

C9. UNEARNED INCOME LIABILITY

	NOTES	2024 \$'000	2023 \$'000
Current			
Unearned premium liability			
QBCC's share		43 175	28 357
Unexpired risk liability		2 598	8 253
Reinsurers' share		14 496	18 350
		60 269	54 960

Accounting Policy - Unearned income

Unearned premium liability

The QBCC recognises premium revenue from the date of notification over a period in accordance with the pattern of incidence of expected risk. Any unearned portion is recognised as an unearned premium liability.

Liability adequacy test

The liability adequacy test is an assessment of the amount of the unearned premium liability and is conducted at each reporting date. If the current estimates of the present value of the expected future cash flows relating to future claims arising from the rights and obligations under current insurance policies, plus an additional risk margin to reflect the inherent uncertainty in the central estimate, exceed the unearned premium liability, then the unearned premium liability is deemed to be deficient. Any deficiency is recognised in the Statement of Comprehensive Income with the corresponding impact on the Statement of Financial Position recognised as an unexpired risk liability.

The conduct of the liability adequacy test as at 30 June 2024 identified a deficiency for the insurance scheme.

For the purpose of the liability adequacy test, the premium liability provision required is \$45.773 million (2023 \$36.61 million), including a risk margin of \$7.629 million (2023 \$6.102 million). The unearned premium liability in the account totalled \$43.175 million (2023 \$28.36 million) and the deficiency of \$2.598 million (2023 \$8.254 million) has been recorded as an unexpired risk liability.

QUEENSLAND BUILDING AND CONSTRUCTION COMMISSION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2024

C10. FUTURE CLAIMS AND ASSOCIATED COSTS

	NOTES	2024 \$'000	2023 \$'000
Current		107 643	129 503
Non-current		278 304	273 549
		385 947	403 052
Represented by			
Expected future claims payments		437 872	456 061
Claims handling provision		81 871	71 163
		519 743	527 224
Less discount to present value		(196 424)	(190 046)
		323 319	337 178
Risk margin		62 628	65 874
Liability for outstanding claims		385 947	403 052

Reconciliation of movement during the year

Gross Liability

Balance at 1 July	403 052	347 270
Provisions made	88 342	101 239
Payments made	(126 926)	(111 812)
Effects of changes in assumptions to prior year provisions	21 479	66 355
Balance at 30 June	385 947	403 052

Accounting Policy - Future claims and associated costs

The liability covers claims reported but not yet paid, incurred but not reported, incurred but not enough reported and the anticipated direct and indirect cost of settling claims, and settlement costs using statistics based on past experience and trends. All outstanding claims, including "long-tail" classes, are subject to independent actuarial assessment. "Long-tail" classes refer to claims not settled within one year of the incidence of risk.

The estimate of the QBCC's liability for future claims and associated costs is influenced by the effects of inflation and the discount rate used to obtain the present value of those estimated future costs. The discount rate is the projected "risk free" rate as at 30 June 2024.

The liability for outstanding claims for "long-tail" classes is measured at the present value of expected future payments. Payments are estimated on the basis of the ultimate cost for settling claims, including factors such as inflation. Such estimates are subject to uncertainty due to variations, which may affect components of the estimates. The expected future payments are discounted to present value at the balance date using market determined, risk-free discount rates.

The liability for outstanding claims is calculated using a "best estimate" methodology, which is a central estimate of likely future claim payments. This central estimate is intended to be neither optimistic nor pessimistic about future claims.

Refer to Note D1 for more details.

QUEENSLAND BUILDING AND CONSTRUCTION COMMISSION
NOTES TO THE FINANCIAL STATEMENTS
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C10. FUTURE CLAIMS AND ASSOCIATED COSTS (CONTINUED)

Claims Development

The following table shows the development of net undiscounted outstanding claims for each underwriting year relative to the ultimate expected claims.

UNDERWRITING YEAR	2014 \$	2015 \$	2016 \$	2017 \$	2018 \$	2019 \$	2020 \$	2021 \$	2022 \$	2023 \$	2024 \$	TOTAL \$
Estimate of ultimate claims cost:												
At end of underwriting year				27,003,441	28,189,318	24,612,480	21,680,438	31,713,675	31,150,573	42,067,420	52,758,069	
One year later			25,817,769	27,838,578	26,177,202	17,628,599	17,137,832	33,647,700	28,795,524	36,522,844		
Two years later		20,025,080	27,289,236	25,389,310	21,019,056	16,495,690	17,970,873	30,160,030	30,425,246			
Three years later	13,464,079	19,386,944	24,183,647	23,388,914	21,122,412	17,976,068	15,113,509	34,708,639				
Four years later	13,648,380	17,234,916	22,315,526	22,709,988	23,223,225	16,409,543	14,434,258					
Five years later	12,008,208	16,377,701	23,273,356	24,302,731	21,265,040	15,060,714						
Six years later	11,801,909	16,021,245	25,027,651	21,829,455	19,265,412							
Seven years later	12,439,504	16,899,314	24,487,202	21,572,787								
Eight years later	12,868,391	16,852,029	25,502,240									
Nine years later	12,684,342	16,777,410										
Ten years later	12,602,863											
Current estimate of cumulative claims cost	12,602,863	16,777,410	25,502,240	21,572,787	19,265,412	15,060,714	14,434,258	34,708,639	30,425,246	36,522,844	52,758,069	279,630,484
Cumulative payments	12,146,414	15,725,937	22,722,321	18,004,078	14,236,092	8,905,416	5,475,393	17,075,235	11,585,108	5,049,532	619,940	131,545,466
Undiscounted outstanding claims	456,449	1,051,473	2,779,919	3,568,709	5,029,320	6,155,298	8,958,865	17,633,404	18,840,138	31,473,312	52,138,129	148,085,018
Undiscounted outstanding claims for prior underwriting years												539,363
Claims handling expenses												108,712,743
Event Claims (large claims)												41,614,507
Backlog allowance												2,407,162
Non-reinsurance recoveries												6,007,767
Central estimate of outstanding claims												307,366,559
Discount												(37,854,473)
Discounted central estimate												269,512,086
Risk margin												38,408,107
Net insurance liability												307,920,192
Premium Liability												45,773,289
Outstanding Claims Liability												262,146,903

QUEENSLAND BUILDING AND CONSTRUCTION COMMISSION
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C10. FUTURE CLAIMS AND ASSOCIATED COSTS (CONTINUED)

Reinsurance receivables and future claims cost and associated cost

The QBCC relies on the Scheme Actuary to value reinsurance receivables and future claims and associated cost. The Scheme Actuary uses historical claims trends, the new business issued and expert models to arrive at a value.

The QBCC engaged the Scheme Actuary to prepare the insurance liabilities valuation as at 30 June 2024. The philosophy adopted in this review is similar to the previous year.

The Scheme Actuary incorporated a prudential margin loading of 25.0% in relation to projected future claims in order to achieve a 75% confidence level that the outstanding claims provision would be adequate. No additional contingency margin was incorporated.

The table below sets out the adopted risk margin by claims type, after allowance for diversification benefits.

	RISK MARGIN	
	2024	2023
Defects	19.7%	19.8%
Non-Completion	19.9%	20.0%
Subsidence	19.5%	19.7%
Professional Fees	20.2%	20.3%
TOTAL	19.8%	20.0%

To determine the appropriate risk margin the Scheme Actuary applied the approach recommended in "A Framework for Assessing Risk Margins", a paper prepared by a taskforce of the Institute of Actuaries of Australia. That approach requires estimates of coefficients of variation (standard deviation as a proportion of the mean) and various correlations. To determine the assumptions the Scheme Actuary applied some high level statistical tests on QBCC's claims experience, however, a considerable element of judgement is also required when selecting the assumptions.

The Scheme Actuary uses a number of methods to estimate the amount of undiscounted outstanding claims for each claim type. They are:

- Chain Ladder Method (in relation to claim numbers and payments)
- Payments Per Claim incurred Method
- Bornhuetter-Ferguson Method.
- Payments Per Claim Handled (PPCH) for Claims Management Consultant Expenses only.

The analysis was undertaken on an underwriting year basis with the adopted liabilities typically being a mix of the three methods. Notification delays for some claim types means that it is not possible to rely on the emerging experience for recent underwriting years. Generally, in these cases the Scheme Actuary relied more heavily on the Bornhuetter-Ferguson method, which produces results based on long term average claim frequency and severities.

The QBCC enters into agreements for reinsurance with external reinsurance companies. The rate of reinsurance is stated in the agreements and the rates are listed in Note B2-3. The reinsurance receivable amount is calculated based on the future claim cost and the rate of reinsurance at the time the policy was issued.

The key assumptions which are used to determine the Scheme's performance and the outstanding claims provisions are:

- various claims frequencies and average sizes (by claim type)
- external claims management cost from outsourced service provider
- inflation of claim costs
- discounting of projected future cash flows to allow for the time value of money
- event claims for claims relating to a single large event, such as builder insolvency
- claims handling expense which are the QBCC costs of managing claims.

QUEENSLAND BUILDING AND CONSTRUCTION COMMISSION
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C10. FUTURE CLAIMS AND ASSOCIATED COSTS (CONTINUED)

Reinsurance receivables and future claims cost and associated cost (continued)

The following average inflation rates and discount rates were used in measurement of the outstanding claims:

	2024	2023
Inflation rate	3.25%	3.23%
Discount rate (first year)	4.50%	4.30%

The weighted average time until liabilities are expected to be approved is estimated to be 3.1 years.

Sensitivity testing

As part of the bi-annual reporting, the Scheme Actuary performs sensitivity analysis to measure the impact of changes and quantify the Scheme's exposure through application of the following variables:

- inflation rate
- discount rate
- 2% super-imposed inflation for defects
- risk margin increased to 22%
- Gross defects claims costs for the large builders increase by \$10 million in aggregate
- claims handling expenses increase to \$17.4 million

Impact of changes in valuation on Gross and Net Outstanding Claims Provision:

June 2024

	GROSS OUTSTANDING CLAIMS PROVISION \$M		NET OUTSTANDING CLAIMS PROVISION \$M	
	439.996		307.92	
CHANGE TO VALUATION	CHANGE IN GROSS PROVISION \$M	DIFFERENCE	CHANGE IN NET PROVISION \$M	DIFFERENCE
4% p.a. long term inflation rate (the valuation assumes 3.2% p.a.)	9.264	2.1%	6.629	2.2%
2% p.a. long term inflation rate (the valuation assumes 3.2% p.a.)	(14.786)	(3.4%)	(10.57)	(3.4%)
1% p.a. increase to the discount rates	(6.082)	(1.4%)	(4.429)	(1.4%)
1% p.a. decrease to the discount rates	6.258	1.4%	4.561	1.5%
Risk margin increased from 20% to 22%	6.263	1.4%	3.841	1.2%
Risk margin decreased from 20% to 18%	(6.263)	(1.4%)	(3.841)	(0.9%)
Gross defects claims costs for the large builders increase by \$10M in aggregate	14.514	3.3%	8.108	1.8%
Claims handling expenses per annum increases from \$14.7M to \$17.4M	10.278	2.3%	10.278	3.3%
Claims handling expense per annum decreases from \$14.7M to \$11.4M	(11.974)	(2.7%)	(11.974)	(3.9%)
50% scale-down factor applied to projected future units on contracts issued to 30 June 2024 is removed	5.707	1.3%	4.799	1.6%
20% increase in the number of claims management consultant expenses claims handled	7.775	1.80%	6.829	2.20%

QUEENSLAND BUILDING AND CONSTRUCTION COMMISSION
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C10. FUTURE CLAIMS AND ASSOCIATED COSTS (CONTINUED)

Sensitivity testing (continued)

Impact of changes in valuation on Gross and Net Outstanding Claims Provision:

June 2023

	GROSS OUTSTANDING CLAIMS PROVISION \$M		NET OUTSTANDING CLAIMS PROVISION \$M	
	452.773		275.923	
CHANGE TO VALUATION	CHANGE IN GROSS PROVISION \$M	DIFFERENCE	CHANGE IN NET PROVISION \$M	DIFFERENCE
4% p.a. long term inflation rate (the valuation assumes 3.2% p.a.)	9.445	2.1%	5.923	2.1%
2% p.a. long term inflation rate (the valuation assumes 3.2% p.a.)	(14.514)	(3.2%)	(9.095)	(3.3%)
1% p.a. increase to the discount rates	(6.337)	(1.4%)	(4.011)	(1.5%)
1% p.a. decrease to the discount rates	6.527	1.4%	4.134	1.5%
Risk margin increased from 20% to 22%	6.587	1.5%	3.472	1.3%
Risk margin decreased from 20% to 18%	(6.587)	(1.5%)	(3.472)	(0.8%)
Gross claims cost associated with the six large builder insolvencies increases by \$10 million	14.000	3.1%	7.704	1.7%
Cessation of non-RI recoveries and costs	4.308	1.0%	(4.374)	(1.0%)
Claims Handling Expense rate of 30% (currently 20%)	31.448	6.9%	31.448	11.4%
Claims Handling Expense rate of 15% (currently 20%)	(15.724)	(3.5%)	(15.724)	(5.7%)

QUEENSLAND BUILDING AND CONSTRUCTION COMMISSION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2024

C11. NET CLAIMS INCURRED

Current period claims related to risks borne in the current reporting period. Prior period claims relate to a reassessment of the risks borne in the previous reporting period.

	2023-24			2022-23		
	CURRENT YEAR \$'000	PRIOR YEARS \$'000	TOTAL \$'000	CURRENT YEAR \$'000	PRIOR YEARS \$'000	TOTAL \$'000
Gross claims incurred and related expenses - undiscounted	116 376	(2 692)	113 684	130 330	30 157	160 487
Reinsurance and other recoveries - undiscounted	(28 012)	15 573	(12 439)	(40 252)	(24 428)	(64 680)
Net claims incurred - undiscounted	88 364	12 881	101 245	90 078	5 729	95 807
Discount and discount movement - gross claims incurred	(14 863)	16 825	1 962	(14 733)	(328)	(15 061)
Discount and discount movement - reinsurance and other recoveries	3 533	(8 088)	(4 556)	4 467	899	5 365
Net discount movement	(11 330)	8 737	(2 593)	(10 266)	570	(9 696)
Total discounted net incurred claims	77 034	21 618	98 652	79 812	6 300	86 111

	2024 \$'000	2023 \$'000
Other recoveries undiscounted		
Claims recoverable from licensees	88 769	39 829
Allowance for impaired receivables	(77 187)	(33 030)
	11 582	6 799
Reinsurers' portion	(6 063)	(1 776)
Total undiscounted recoveries	5 519	5 023
Total discounted net incurred claims	67 835	82 027
Add: other recoveries undiscounted	(5 629)	(5 158)
Underwriting claims	62 206	76 869

QUEENSLAND BUILDING AND CONSTRUCTION COMMISSION
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SECTION 4
NOTES ABOUT RISKS AND OTHER ACCOUNTING UNCERTAINTIES

D1. FAIR VALUE MEASUREMENT

D1-1. ACCOUNTING POLICIES AND BASIS FOR FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is derived from observable inputs or estimated using another valuation technique.

Observable inputs are publicly available data relevant to the characteristics of the assets/liabilities being valued. Observable inputs used by the QBCC include, but are not limited to, share prices, inflation rate, interest rate, and government bond rates.

Unobservable inputs are data, assumptions and judgments that are not available publicly, but are relevant to the characteristics of the assets/liability being valued. Significant unobservable inputs used by the QBCC include, but are not limited to, average claim size, ultimate claims rate, large claims loading, and claims handling expense ratio. Unobservable inputs are used to the extent that sufficient relevant and reliable observable inputs are not available for similar assets/liabilities.

All assets and liabilities of the QBCC for which fair value is measured or disclosed in the financial statements are categorised by the rankings below, based on the data and assumptions used in the most recent specific appraisals:

- Level 1 – represents fair value measurements that reflect unadjusted quoted market prices in active markets for identical assets and liabilities
- Level 2 – represents fair value measurements that are substantially derived from inputs (other than quoted prices included within Level 1) that are observable, either directly or indirectly
- Level 3 – represents fair value measurements that are substantially derived from unobservable inputs.

There were no transfers of assets between fair value hierarchy levels during the period.

QUEENSLAND BUILDING AND CONSTRUCTION COMMISSION
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D1. FAIR VALUE MEASUREMENT (CONTINUED)

D1-2. HIERARCHY OF ASSETS AND LIABILITIES MEASURED AT FAIR VALUE

The following table presents the QBCC's assets and liabilities measured and recognised at fair value at 30 June 2024. There have been no transfers between Level 1 and Level 2 during the current financial period.

As at 30 June 2024	CLASSIFICATION ACCORDING TO FAIR VALUE HIERARCHY			TOTAL CARRYING AMOUNT
	LEVEL 1 \$'000	LEVEL 2 \$'000	LEVEL 3 \$'000	2024 \$'000
Financial Assets				
Investments with QTC	-	36 316	-	36 316
Investments with QIC	-	565 753	-	565 753
Total	-	602 069	-	602 069

As at 30 June 2023	CLASSIFICATION ACCORDING TO FAIR VALUE HIERARCHY			TOTAL CARRYING AMOUNT
	LEVEL 1 \$'000	LEVEL 2 \$'000	LEVEL 3 \$'000	2023 \$'000
Financial Assets				
Investments with QTC	-	21 668	-	21 668
Investments with QIC	-	487 562	-	487 562
Total	-	509 229	-	509 229

Valuation Techniques

Investments

Investments are with Queensland Treasury Corporation (QTC) and Queensland Investment Corporation Limited (QIC) and measured at fair value based on the current redemption value of the funds as advised by the respective organisation. The QBCC invests in the following funds:

- QTC capital guaranteed cash fund
- QIC cash enhanced fund
- QIC long term diversified fund.

QUEENSLAND BUILDING AND CONSTRUCTION COMMISSION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2024

D2. FINANCIAL RISK DISCLOSURES

D2-1. FINANCIAL INSTRUMENT CATEGORIES

Financial assets and financial liabilities are recognised in the Statement of Financial Position when the QBCC becomes party to the contractual provisions of the financial instrument. The QBCC has the following categories of financial assets and financial liabilities:

Category	NOTES	2024 \$'000	2023 \$'000
Financial assets			
Cash and cash equivalents	C1	38 466	23 158
Receivables	C2	30 783	21 943
Investments	D1-2	565 753	487 562
Total		635 002	532 663
Financial liabilities			
Payables	C7	66 732	59 286
Lease Liabilities	C6	6 435	10 447
Total		73 167	69 733

No financial assets and financial liabilities have been offset and presented net in the Statement of Financial Position.

D2-2. FINANCIAL RISK MANAGEMENT

The QBCC's activities expose it to a variety of financial risks - credit risk, liquidity risk and market risk.

Financial risk management was implemented pursuant to Queensland Government requirements and policies approved by the Board. These policies focus on the unpredictability of financial markets and seek to minimise potential adverse effects on the financial performance of the QBCC.

All financial risk is managed by the Financial Services Division under policies approved by the Board. The Board provided written principles for overall risk management, as well as policies covering specific areas.

The QBCC measures risk exposure using a variety of methods:

RISK EXPOSURE	MEASUREMENT METHOD
Credit risk	Ageing analysis, earnings at risk
Liquidity risk	Sensitivity analysis
Market risk	Interest rate risk and price risk

Credit Risk Exposure

Credit risk exposure refers to the situation where the QBCC may incur financial loss as a result of another party to a financial instrument failing to discharge their obligation.

The maximum exposure to credit risk at balance date in relation to each class of recognised financial assets (disclosed in Note C2 and D1-2) was the gross carrying amount of those assets inclusive of any provision for impairment.

The QBCC manages credit risk through the use of a credit management strategy. This strategy aims to reduce exposure to credit default by ensuring that the QBCC invests in secure assets and monitors all funds owed on a timely basis. Exposure to credit risk is monitored on an ongoing basis.

QUEENSLAND BUILDING AND CONSTRUCTION COMMISSION
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 FOR THE YEAR ENDED 30 JUNE 2024

D2. FINANCIAL RISK DISCLOSURES (CONTINUED)

D2-2. FINANCIAL RISK MANAGEMENT (CONTINUED)

Market Risk

The QBCC does not trade in foreign currency and is not materially exposed to commodity price changes. The QBCC is exposed to interest rate risk and price risk through its leases, investments with QTC, QIC and cash deposited in interest bearing accounts.

Interest Rate Sensitivity analysis

The QBCC has cash and cash equivalents, leases and investments that are impacted by interest rate risk. The impact of this is not material to disclose a sensitivity analysis.

Price Risk

Price risk relates to QBCC's investments in funds managed by QTC and QIC. The QBCC currently invests in the QTC capital guaranteed cash fund, QIC cash enhanced fund and QIC long term diversified fund in accordance with the QBCC investment powers under the *Statutory Bodies Financial Arrangements Act 1982*. The fund most impacted by price risk is the QIC long term diversified fund. The price risk is actively managed by QIC by diversifying the investment mix.

D2-3. LIQUIDITY RISK - CONTRACTUAL MATURITY OF FINANCIAL LIABILITIES

Liquidity risk refers to the situation where the QBCC may encounter difficulty in meeting obligations associated with financial liabilities that are settled by cash or another financial asset.

The QBCC is exposed to liquidity risk in respect of its payables.

The QBCC manages liquidity risk through the use of a liquidity management strategy. This strategy aims to reduce the exposure to liquidity risk by ensuring the QBCC has sufficient funds available to meet employee and supplier obligations as they fall due. This is achieved through a daily examination of cash requirements to ensure various bank accounts hold the minimum cash requirements for immediate use and that medium-term requirements are held with QTC in order to maximise opportunity gains. Long-term requirements are invested in various QIC products.

	2024 PAYABLE IN		
	<1 YEAR \$'000	>1 YEARS \$'000	TOTAL \$'000
Financial liabilities			
Payables	66 732	-	66 732
Lease Liabilities	4 108	2 327	6 435
Total	70 840	2 327	73 167

	2023 PAYABLE IN		
	<1 YEAR \$'000	>1 YEARS \$'000	TOTAL \$'000
Financial liabilities			
Payables	59 285	-	59 285
Lease Liabilities	4 034	6 413	10 447
Total	63 319	6 413	69 733

QUEENSLAND BUILDING AND CONSTRUCTION COMMISSION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2024

D3. CONTINGENT LIABILITIES

Building Disputes

The QBCC currently manages building disputes which, once resolved, may result in litigation against the QBCC. At this stage it is not possible to determine the outcome to disputes or to quantify if any liability exists.

Financial Guarantees and Associated Credit Risk

The QBCC has one guarantee as security for lease of office premises, totalling \$932,843. The guarantee is not recognised in the Statement of Financial Position as it is not expected that the guarantee will be called upon.

D4. EVENTS OCCURRING AFTER THE REPORTING DATE

There have been no events that have arisen subsequent to the reporting date that may significantly affect the operation of the QBCC.

D5. FUTURE IMPACT OF ACCOUNTING STANDARDS NOT YET EFFECTIVE

Australian accounting standards and interpretations with future effective dates are either not applicable to the QBCC's activities or have no material impact.

AASB 17 Insurance Contracts

AASB 2022-9 *Amendments to Australian Accounting Standards - Insurance Contracts in the Public Sector* makes amendments to AASB 17 *Insurance Contracts*. The amendment standards is effective on or after 1 July 2026. The main modifications to AASB 17 include providing public sector entities with:

- (a) pre-requisites, indicators and other considerations that need to be judged to identify arrangements that fall within the scope of AASB 17 in a public sector context;
- (b) an exemption from sub-grouping onerous versus non-onerous contracts at initial recognition;
- (c) an exemption from sub-grouping contracts issued no more than a year apart;
- (d) an amendment to the initial recognition requirements so that they do not depend on when contracts become onerous; and
- (e) an accounting policy choice to measure liabilities for remaining coverage applying the premium allocation approach.

The QBCC is yet to commence analysing the changes in recognition, measurement, presentation and disclosure of its insurance contracts against this new standard and is yet to form conclusions about significant impacts. QBCC will continue to monitor updates from Queensland Treasury and the AASB in this regard.

D6. GOING CONCERN

The consolidated financial statements have been prepared on the assumption that QBCC will continue as a going concern.

Management remains confident that QBCC will be able to continue as a going concern. This assumes QBCC will be able to continue trading and realise assets and discharge liabilities in the ordinary course of business for at least 12 months from the date of the consolidated financial statements. In determining this position, management have considered the following factors:

- Operating surplus from continuing operations of \$62,263,000 (2023: \$19,522,000 surplus)
- Net asset position of \$240,404,000 (2023: \$178,141,000)
- Net cash provided from operating activities of \$78,762,000 (2023: \$67,806,000)

Based on the above factors and the ongoing support of the QBCC from the Queensland Government including the provision of funding to support operational needs as required, management consider that the QBCC will be able to meet its debts as and when they fall due for at least a period of 12 months from the date of the consolidated financial statements.

QUEENSLAND BUILDING AND CONSTRUCTION COMMISSION
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SECTION 5
NOTES ON OUR PERFORMANCE COMPARED TO BUDGET

E1. BUDGETARY REPORTING DISCLOSURES

This section contains explanations of major variances between the QBCC's actual 2023-24 financial results and the original budget presented to Parliament.

E1-1. EXPLANATIONS OF MAJOR VARIANCES - STATEMENT OF COMPREHENSIVE INCOME

<i>Premium revenue and Insurance administration fees revenue</i>	The increase in premium and insurance administration fees revenue is due to industry activity and increase in building costs which determines insurance premiums.
<i>Investment revenue</i>	The increase in investment revenue is due to the investment performance of the QIC long term diversified fund and increase in the cash rate.
<i>Other revenue</i>	The increase in other revenue is due to release of funding centrally held for 2023-24.
<i>Claims approved and charged</i>	The decrease in claims approved and charged is mainly due to financial failures of builders during the financial year and actuarial assessment of future claims provision.
<i>Employee expenses</i>	The decrease in employee expenses is due to a high level of vacant positions during the financial year due to large recruitment activity in a difficult market.
<i>Supplies and services</i>	The decrease in supplies and services is due to the timing of some budgeted initiatives being delayed into 2024-25.
<i>Impairment losses on financial assets</i>	The increase in impairment losses on financial assets is due to higher claim recoveries income resulting in higher claim debts written off or provisioned for write off.

QUEENSLAND BUILDING AND CONSTRUCTION COMMISSION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2024

E1. BUDGETARY REPORTING DISCLOSURES (CONTINUED)

E1-2. EXPLANATIONS OF MAJOR VARIANCES - STATEMENT OF FINANCIAL POSITION

<i>Cash and cash equivalents</i>	The increase in cash and cash equivalents is due to the increased General Fund cash holding from the funding released in 2023-24.
<i>Receivables</i>	The increase in receivables is due to an increase in claims recoveries debts.
<i>Current reinsurance receivables</i>	The decrease in reinsurance receivables is due to a decrease in the provision for reinsurers' share of future claims provision as a result of an actuarial assessment for the change in reinsurance quota share for 2023-24 which was not forecast in the budget.
<i>Other financial assets</i>	The increase in other financial assets is due to increased cash flow from insurance premiums as a result of industry activity and higher unrealised gains in investments.
<i>Non-current reinsurance receivables</i>	The decrease in non-current reinsurance receivables is due to a decrease in the provision for reinsurers' share of future claims provision as a result of an actuarial assessment for the change in reinsurance quota share for 2023-24 which was not forecast in the budget.
<i>Payables</i>	The increase in payables is due to an increase in the claims approved but not yet paid and other payable accounts increasing as at end of financial year.
<i>Accrued employee benefits</i>	The decrease in accrued employee benefits is due to the lower employee expenses resulting from high level of vacant positions throughout the year.
<i>Unearned income liability</i>	The increase in unearned income liability is due to higher than budgeted closing balance at 30 June 2023 and increased number of insurance policies issued in 2023-24 due to activity in the industry.
<i>Future claims and associated costs</i>	The increase in future claims and associated costs is due to an actuarial assessment for the change in the QBCC quota share for 2023-24 which was not forecast in the budget.

QUEENSLAND BUILDING AND CONSTRUCTION COMMISSION
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E1. BUDGETARY REPORTING DISCLOSURES (CONTINUED)

E1-3. EXPLANATIONS OF MAJOR VARIANCES - STATEMENT OF CASH FLOWS

<i>Received from licence fees</i>	The increase in the cashflow from licence fees is due to higher income from licensing fees with the industry activity.
<i>Received from insurance administration fees</i>	The increase in cash received from insurance administration fees is due to industry activity and increase in building costs which determines insurance premiums and reinsurer insurance administration fee.
<i>Received from interest</i>	The increase in cash received from interest is due to the investment performance of the QIC long term diversified fund and increase in the cash rate.
<i>Received from other revenue</i>	The increase in received from other revenue is due to release of funding centrally held for 2023-24.
<i>Payments to employees</i>	The decrease in payments to employees is due to a high level of vacant positions during the financial year due to large recruitment activity in a difficult market.
<i>Received from premiums</i>	The increase in cash received from premiums is due to industry activity and increase in building costs which determines insurance premiums.
<i>Payments to reinsurers</i>	The increase in payments to reinsurers' is due to the increased reinsurer share of premiums received.
<i>Claims paid</i>	The increase in claims paid is due to a higher than budget amount of claims approved in the financial year.
<i>Received from reinsurers and other recoveries</i>	The increase in cash received from reinsurers and other recoveries is due to an increased reinsurer share in claims approved as a result of home builders collapses causing a significant increase in non-completion claims.
<i>Investment in other financial assets</i>	The increase in investment in other financial assets is due to the higher premium collected due to the activity in the industry and this cash being transferred to investments.
<i>Payments for investments</i>	The increase in investment in other financial assets is due to increased cash flow from insurance premiums as a result of industry activity.

QUEENSLAND BUILDING AND CONSTRUCTION COMMISSION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2024

SECTION 6
OTHER INFORMATION

F1. KEY MANAGEMENT PERSONNEL (KMP) DISCLOSURES

Details of Key Management Personnel

The QBCC's responsible Minister, the Minister for Housing, Local Government and Planning and Minister for Public Works, is identified as part of the QBCC's KMP, consistent with additional guidance included in the revised version of *AASB 124 Related Party Disclosures*.

The following details for non-Ministerial KMP reflect those positions that had authority and responsibility for planning, directing and controlling the activities of the QBCC during 2023-24 and 2022-23. Further information on these positions can be found in the body of the Annual Report under the section relating to Our Structure.

The appointment authority for QBCC's key management personnel is set by the QBCC Act.

POSITION	POSITION RESPONSIBILITY
CEO and Commissioner	Strategically lead and manage the QBCC to deliver its services to the building and construction industry and its consumers. The position is also the Executive Officer of the Queensland Building and Construction Employing Office.
Assistant Commissioner Regulatory Operations* ¹ .	Strategically lead and manage the regulatory and technical workforce and focus on the role of technical standards and building products in the regulation of the building and construction industry
Assistant Commissioner Regulatory Standards and Support* ¹ .	Strategically lead and manage the regulatory standards, financial compliance and Contact Centre. This position assists the Service Trades Council (STC) which was established through the <i>Plumbing and Drainage Act 2018</i> .
Chief Building Regulator*	Strategically lead and manage the Commission's regulatory and technical services.
Chief Customer and Strategy Officer* ¹ .	Strategically lead and manage the customer, communications and strategy divisions.
Chief Digital and Information Officer* ¹ .	Strategically lead and manage the digital and information services functions of the QBCC.
Chief Financial Officer*	Strategically lead and manage the Commission's finance, insurance, facilities and procurement functions.
Chief Human Resources Officer*	Strategically lead and manage the human resources, payroll, employee relations and workplace health and safety functions of the QBCC.
Chief Integrity and Risk Officer*	Strategically lead and manage the ethics, assurance, governance and risk functions of the QBCC. Provides guidance and leadership of the Adjudication Registry and Conciliation and Mediation Pilot.
Chief Legal Officer*	Strategically lead and manage the legal and right to information and privacy functions of the QBCC. This role also provides legal support to the Board.
Executive Director Regulatory Practice and Engagement* ¹ .	Strategically lead and manage the regulatory practice and engagement functions.

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F1. KEY MANAGEMENT PERSONNEL (KMP) DISCLOSURES (CONTINUED)

Details of Key Management Personnel (continued)

POSITION	POSITION RESPONSIBILITY
Assistant Commissioner (Service Trades and Regulatory)*	Strategically lead and manage the Regulatory teams and Service Trades Unit. This position assists the Service Trades Council (STC) which was established through the <i>Plumbing and Drainage Act 2018</i> (PDA). The position was repurposed effective 1 July 2023 due to a restructure and realignment of functions under key management personnel resulting in a change in responsibilities and title.
Assistant Commissioner (Technical)*	Strategically lead and manage the technical workforce and focus on the role of technical standards and building products in the regulation of the building and construction industry. The position was repurposed effective 1 July 2023 due to a restructure and realignment of functions under key management personnel resulting in a change in responsibilities and title.
Chief Information Officer*	Strategically lead and manage the information services and customer communications. The position was repurposed effective 1 July 2023 due to a restructure and realignment of functions under key management personnel resulting in a change in responsibilities and title.
Chief Strategy and Transformation Officer*	Strategically lead and manage the transformation, strategy and industry insights divisions. The position was repurposed effective 1 July 2023 due to a restructure and realignment of functions under key management personnel resulting in a change in responsibilities and title.
Adjudication Registrar*	Strategically lead and manage the registry and the administration of the registry. The position is appointed under the <i>Building Industry Fairness (Security of Payment) Act 2017</i> . The position is no longer part of key management personnel effective from 1 July 2023.

* Indicates employees of the QBCEO

- From 1 July 2023, the QBCC undertook a restructure, realigning functions under key management personnel, therefore re-titling positions and adjusting position responsibilities.

KMP Remuneration Policies

Ministerial remuneration entitlements are outlined in the Legislative Assembly of Queensland's Members' Remuneration Handbook. The QBCC does not bear any cost of remuneration of Ministers. The majority of Ministerial entitlements are paid by the Legislative Assembly, with the remaining entitlements being provided by Ministerial Services Branch within the Department of the Premier and Cabinet. As all Ministers are reported as KMP of the Queensland Government, aggregate remuneration expenses for all Ministers is disclosed in the Queensland General Government and Whole of Government Consolidated Financial Statements as from 2023-24, which are published as part of Queensland Treasury's Report on State Finances.

Remuneration policy for the QBCC's other KMP is set by the QBCC. The remuneration and other terms of employment for the KMP are specified in employment contracts. The contracts may provide for the provision of other non-monetary benefits.

Remuneration expenses for these KMP comprises the following components:

- Short-term employee expenses which include:
 - » salaries, allowances and leave entitlements earned and expensed for the entire year or for that part of the year during which the employee occupied the specified positions.
 - » non-monetary benefits - consisting of provision of a motor vehicle together with fringe benefits tax applicable to the benefit.
 - » performance bonuses are not in place under the current contracts.
- Long-term employee expenses include amounts expensed in respect of long service leave entitlements earned.
- Post-employment expenses include amounts expensed in respect of employer superannuation obligations.
- Termination benefits are not provided for within individual contracts of employment for disciplinary, incapacity or employee-initiated terminations. Contracts of employment provide for notice periods or payment in lieu of notice on termination regardless of reason for termination. Contracts can allow for separation payment for termination of contracts or for non-renewal of contracts.

QUEENSLAND BUILDING AND CONSTRUCTION COMMISSION
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F1. KEY MANAGEMENT PERSONNEL (KMP) DISCLOSURES (CONTINUED)

Remuneration Expenses (continued)

The following disclosures focus on the expenses incurred by the QBCC attributable to non-Ministerial KMP during the respective reporting periods. The amounts disclosed are determined on the same basis as expenses recognised in the Statement of Comprehensive Income.

1 July 2023 - 30 June 2024 POSITION (DATE RESIGNED IF APPLICABLE)	SHORT TERM		LONG TERM EMPLOYMENT \$'000	POST- EMPLOYMENT \$'000	TERMINATION BENEFITS \$'000	TOTAL EXPENSES \$'000
	MONETARY \$'000	NON- MONETARY \$'000				
CEO and Commissioner	584	-	12	32	-	628
Assistant Commissioner Regulatory Operations	243	-	5	31	-	279
Assistant Commissioner Regulatory Standards and Support	225	-	6	28	-	259
Chief Building Regulator	247	-	2	33	-	282
Chief Customer and Strategy Officer	234	7	12	27	-	280
Chief Digital and Information Officer	230	-	8	32	-	270
Chief Financial Officer	241	-	1	29	-	271
Chief Human Resources Officer	230	-	1	28	-	259
Chief Integrity and Risk Officer	265	-	2	33	-	300
Chief Legal Officer	229	-	7	26	-	262
Executive Director Regulatory Practice and Engagement	243	-	2	30	-	276
Total Remuneration	2,972	7	58	329	-	3,366

The acting arrangements have been aggregated for multiple periods of acting.

QUEENSLAND BUILDING AND CONSTRUCTION COMMISSION
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 FOR THE YEAR ENDED 30 JUNE 2024

F1. KEY MANAGEMENT PERSONNEL (KMP) DISCLOSURES (CONTINUED)

Remuneration Expenses (continued)

1 July 2022 - 30 June 2023

POSITION (DATE RESIGNED IF APPLICABLE)	SHORT TERM		LONG TERM \$'000	POST- EMPLOYMENT \$'000	TERMINATION BENEFITS \$'000	TOTAL EXPENSES \$'000
	MONETARY \$'000	NON- MONETARY \$'000				
CEO and Commissioner	555	4	13	25	-	597
Chief Building Regulator (from 29/8/2022)	224	-	5	24	-	253
Assistant Commissioner (Service Trades and Regulatory)	210	-	4	22	-	236
Assistant Commissioner (Technical)	224	-	5	23	-	252
Chief Integrity and Risk Officer (from 12/09/2022)	214	-	4	23	-	241
Chief Legal Officer	210	-	4	22	-	236
Chief Human Resources Officer (from 04/07/2022)	226	-	5	24	-	255
Chief Information Officer	202	-	4	21	-	227
Chief Strategy and Transformation Officer ¹	131	-	3	13	-	147
Chief Financial Officer	239	-	5	25	-	269
Adjudication Registrar	195	-	4	20	-	219
Total Remuneration	2,630	4	56	242	-	2,932

The acting arrangements have been aggregated for multiple periods of acting.

¹ Position was vacant from 23/07/2022 until 04/12/2022.

QUEENSLAND BUILDING AND CONSTRUCTION COMMISSION
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F2. BOARD DISCLOSURES

The Board decides the strategies and the administrative, operational and financial policies to be followed by the QBCC ensuring the QBCC performs its functions and exercises its powers in an efficient, effective and proper way.

The QBCC Board consists of seven members appointed by the Governor-in-Council. The members are employed under the QBCC Act.

CURRENT BOARD	DATE OF ORIGINAL APPOINTMENT	DATE OF RE-APPOINTMENT	DATE CEASED FROM POSITION
Member			
Michelle James (Chair)	1/12/2016	1/12/2022	
John Anderson (Deputy Chair)	1/12/2022		
Meg Frisby	1/12/2019	1/12/2022	
Robyn Petrou	1/12/2022		
Christopher Edwards	1/12/2022		
Suzanne Baker	1/12/2022		
Colin Cassidy	1/12/2022		

BOARD MEMBER REMUNERATION	2024 \$'000	2023 \$'000
Michelle James (Chair)	57	44
John Anderson (Deputy Chair)	28	16
Meg Frisby	29	27
Robyn Petrou	28	16
Christopher Edwards	28	16
Suzanne Baker	28	16
Colin Cassidy	28	16

PREVIOUS BOARD*

R. L. Williams (Chair)	23
Lesley Anderson	12
Brett Schimming	-
Robert Schwarten	12
Andrew Hickman	12
Jade Ingham	11
Debra Johnson	12
Cath Brokenborough	12

226

245

* Board term ended 30/11/2022

QUEENSLAND BUILDING AND CONSTRUCTION COMMISSION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

F3. RELATED PARTY TRANSACTIONS

Transactions with people/entities related to the QBCC

No transactions with related parties of key management personnel occurred during the financial year.

Transactions with other Queensland Government-controlled entities

As outlined in Note D1-2, the QBCC has investments in QTC and QIC investment products.

The QBCC received funds from Queensland Treasury (through the Department of Housing, Local Government, Planning and Public Works) to support business as usual operations \$41,735,000. In 2022-23, the QBCC also received funding to support business as usual operations \$27,589,000 and capital funding \$391,000. This is reflected in Note B1-6 and contributed equity in the Statement of Financial Position.

The QBCC had one contractual arrangement during the financial year with the QGAO for the supply and management of office accommodation. The total payments to QGAO in this financial year are \$213,201 (2023: \$1,358,254)

There were no other material transactions with other Queensland Government-controlled entities during the financial year.

QUEENSLAND BUILDING AND CONSTRUCTION COMMISSION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

F4. SEGMENT INFORMATION

The QBCC is comprised of a General Statutory Fund and an Insurance Fund. The General Statutory Fund derives the majority of its revenue from fees received for licensing building industry contractors under the QBCC Act. The Insurance Fund derives its revenue from underwriting premiums and administration fees from operating the insurance scheme.

	GENERAL STATUTORY FUND \$'000	INSURANCE FUND \$'000	TOTAL \$'000
2023-24			
Income			
Licence revenue	50 337	-	50 337
Premium revenue	-	107 374	107 374
Insurance administration fees revenue	-	54 223	54 223
Reinsurance and other recoveries revenue	-	88 176	88 176
Investment revenue	1 849	48 908	50 757
Other revenue	51 773	89	51 862
Gains on disposals/ revaluation of assets	137	-	137
Total Income	104 096	298 770	402 866
Expenses			
Outward reinsurance	-	42 959	42 959
Claims approved and charged	-	66 121	66 121
Employee expenses	91 748	3 064	94 812
Supplies and services	39 976	11 476	51 452
Depreciation and amortisation	4 742	-	4 742
Impairment losses	1 235	77 632	78 867
Finance/borrowing costs	145	-	145
Other expenses	1 505	-	1 505
Total Expenses	139 351	201 252	340 603
Interfund Transfer	38 441	(38 441)	-
Operating Result	3 186	59 077	62 263
2022-23			
Income			
Licence revenue	43 579	-	43 579
Premium revenue	-	107 137	107 137
Reinsurance and other recoveries revenue	-	51 478	51 478
Insurance administration fees revenue	-	88 414	88 414
Investment revenue	1 497	30 838	32 335
Other revenue	36 723	73	36 796
Gains on disposals/ revaluation of assets	(4)	-	(4)
Total Income	81 795	277 940	359 735
Expenses			
Outward reinsurance	-	53 710	53 710
Claims approved and charged	-	129 817	129 817
Employee expenses	74 356	2 748	77 104
Supplies and services	31 874	7 025	38 899
Depreciation and amortisation	4 637	-	4 637
Impairment losses	857	33 434	34 291
Finance/borrowing costs	196	-	196
Other expenses	1 559	-	1 559
Total Expenses	113 479	226 734	340 213
Interfund Transfer	31 379	(31 379)	-
Operating Result	(3 05)	19 827	19 522

QUEENSLAND BUILDING AND CONSTRUCTION COMMISSION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2024

F4. SEGMENT INFORMATION (CONTINUED)

30 June 2024	GENERAL STATUTORY FUND \$'000	INSURANCE FUND \$'000	TOTAL \$'000
Consolidated Entity			
Current Assets			
Cash and cash equivalents	15 066	23 400	38 466
Receivables	4 057	26 726	30 783
Reinsurance receivables	-	35 732	35 732
Other financial assets	23 271	542 482	565 753
Other current assets	10 271	8 246	18 517
Total Current Assets	52 665	636 586	689 251
Non-Current Assets			
Reinsurance receivables	-	88 068	88 068
Intangible assets	129	-	129
Property, plant and equipment	3 034	-	3 034
Right-of-use assets	5 272	-	5 272
Total Non-Current Assets	8 435	88 068	96 503
Total Assets	61 100	724 654	785 754
Current Liabilities			
Payables	10 436	56 296	66 732
Lease liabilities	4 108	-	4 108
Accrued employee benefits	11 639	435	12 074
Provisions	222	-	222
Unearned income liability	-	60 269	60 269
Future claims and associated costs	-	107 643	107 643
Total Current Liabilities	26 405	224 643	251 048
Non-Current Liabilities			
Accrued employee benefits	11 991	554	12 545
Lease liabilities	2 327	-	2 327
Provisions	1 126	-	1 126
Future claims and associated costs	-	278 304	278 304
Total Non-Current Liabilities	15 444	278 858	294 302
Total Liabilities	41 849	503 501	545 350
Net Assets	19 251	221 153	240 404
Equity			
Contributed equity	1 169	-	1 169
Accumulated surplus	18 082	221 153	239 235
Total Equity	19 251	221 153	240 404

F4. SEGMENT INFORMATION (CONTINUED)

30 June 2023	GENERAL STATUTORY FUND \$'000	INSURANCE FUND \$'000	TOTAL \$'000
Consolidated Entity			
Current Assets			
Cash and cash equivalents	6 430	16 728	23 158
Receivables	3 783	18 160	21 943
Reinsurance receivables	-	54 142	54 142
Other financial assets	27 429	460 132	487 562
Other current assets	8 910	12 776	21 687
Total Current Assets	46 553	561 939	608 492
Non-Current Assets			
Reinsurance receivables	-	109 596	109 596
Intangible assets	343	-	343
Property, plant and equipment	2 295	-	2 295
Right-of-use assets	8 764	-	8 764
Total Non-Current Assets	11 402	109 596	120 998
Total Assets	57 955	671 535	729 490
Current Liabilities			
Payables	8 450	50 836	59 286
Lease liabilities	4 034	-	4 034
Accrued employee benefits	11 054	297	11 351
Provisions	-	-	-
Unearned income liability	-	54 960	54 960
Future claims and associated costs	-	129 503	129 503
Total Current Liabilities	23 538	235 596	259 134
Non-Current Liabilities			
Accrued employee benefits	10 675	315	10 990
Lease liabilities	6 413	-	6 413
Provisions	1 263	-	1 263
Future claims and associated costs	-	273 549	273 549
Total Non-Current Liabilities	18 351	273 864	292 215
Total Liabilities	41 889	509 460	551 349
Net Assets	16 065	162 076	178 141
Equity			
Contributed equity	1 169	-	1 169
Accumulated surplus	14 896	162 076	176 972
Total Equity	16 065	162 076	178 141

QUEENSLAND BUILDING AND CONSTRUCTION COMMISSION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2024

**F5. DIFFERENCES BETWEEN QUEENSLAND BUILDING AND CONSTRUCTION COMMISSION
 CONSOLIDATED FINANCIAL STATEMENTS AND QUEENSLAND BUILDING AND CONSTRUCTION
 COMMISSION FINANCIAL STATEMENTS**

STATEMENT OF COMPREHENSIVE INCOME	CONSOLIDATED QBCC \$'000	QBCC \$'000	QBCEO \$'000
EXPENSES FROM CONTINUING OPERATIONS			
Employee expenses	94 812	6 432	88 380
Other expenses	1 505	1 446	59
TOTAL EXPENSES FROM CONTINUING OPERATIONS	96 317	7 878	88 439

The difference of \$88.380 million between the consolidated financial statements and the QBCC represents the employee expenses of all employees of the QBCC except the CEO and Commissioner. The CEO and Commissioner is the only employee not employed by the QBCEO however other for agency contractors and employee related cost are charged to the QBCC directly.

The \$0.059 million difference on other expenses represents audit fees and special payments for the QBCEO Financial Statements.

STATEMENT OF FINANCIAL POSITION	CONSOLIDATED QBCC \$'000	QBCC \$'000	QBCEO \$'000
CURRENT ASSETS			
Receivables - other	30 783	30 783	-
TOTAL CURRENT ASSETS	30 783	30 783	-
CURRENT LIABILITIES			
Payables	66 732	66 224	509
Employee benefits	12 074	49	12 025
TOTAL CURRENT LIABILITIES	78 806	66 272	12 534
NON-CURRENT LIABILITIES			
Employee benefits	12 545	-	12 545
TOTAL NON-CURRENT LIABILITIES	12 545	-	12 545

The difference of \$0.509 million between the payables on the consolidated financial statements and the QBCC represents;

- \$0.008 million accrued expenses for audit fees and other invoices due on the QBCEO Financial Statements
- \$0.075 million provision for Fringe Benefits Tax payable for employees of the QBCEO
- \$0.426 million provision for Payroll Tax payable for employees of the QBCEO.

The difference of \$12.025 million between the current accrued employee benefits on the consolidated financial statements and the QBCC represents:

- \$9.285 million annual leave provision for employees of the QBCEO
- \$1.085 million long service leave current provision for employees of the QBCEO
- \$1.544 million 5 days wages payable for employees of the QBCEO
- \$0.107 million time off in lieu provision for employees of the QBCEO
- \$0.004 million parental leave payable due but not yet paid for employees of the QBCEO

The difference of \$12.545 million between the non-current accrued employee benefits on the consolidated financial statements and the QBCC represents the long service leave provision for employees of the QBCEO.

QUEENSLAND BUILDING AND CONSTRUCTION COMMISSION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2024

**F5. DIFFERENCES BETWEEN QUEENSLAND BUILDING AND CONSTRUCTION COMMISSION
 CONSOLIDATED FINANCIAL STATEMENTS AND QUEENSLAND BUILDING AND CONSTRUCTION
 COMMISSION FINANCIAL STATEMENTS (CONTINUED)**

STATEMENT OF CASH FLOWS	CONSOLIDATED QBCC \$'000	QBCC \$'000	QBCEO \$'000
OUTFLOWS			
Payments to employees	(88 120)	(2 113)	(86 008)
Payments to suppliers	(55 873)	(55 815)	(58)
	(143 994)	(57 928)	(86 066)

Notes to reconciliations

The difference of \$86.008 million between payments to employees in the consolidated cash flow and the QBCC is the salaries and on-costs made to employees of the QBCEO during 2023-24. The \$0.058 million difference in payments to suppliers is made up of special payments to ex-employees and external audit fees.

**F6. FIRST YEAR APPLICATION OF NEW ACCOUNTING STANDARDS OR CHANGE
 IN ACCOUNTING POLICY**

Accounting standards applied for the first time

There are no accounting standards or interpretations that apply to the QBCC for the first time in 2023-24 that have any material impact on the financial statements.

Accounting standards early adopted

No Australian Accounting Standards have been early adopted for 2023-24.

F7. CLIMATE RISK DISCLOSURE

Whole-of-Government climate-related reporting

The State of Queensland, as the ultimate parent of the QBCC, has published a wide range of information and resources on climate related risks, strategies and actions accessible via <https://www.energyandclimate.qld.gov.au/climate>.

The Queensland Sustainability Report (QSR) outlines how the Queensland Government measures, monitors and manages sustainability risks and opportunities, including governance structures supporting policy oversight and implementation. To demonstrate progress, the QSR also provides time series data on key sustainability policy responses. The QSR is available via Queensland Treasury's website at <https://www.treasury.qld.gov.au/programs-and-policies/queensland-sustainability-report>.

The QBCC has not identified any material climate related risks relevant to the financial report at the reporting date, however constantly monitors the emergence of such risks under the Queensland Government's Queensland 2035 Clean Economy Pathway, and other Queensland Government climate-related policies or directives.

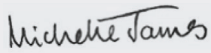
QUEENSLAND BUILDING AND CONSTRUCTION COMMISSION
MANAGEMENT CERTIFICATE
FOR THE YEAR ENDED 30 JUNE 2024

These general purpose financial statements have been prepared pursuant to s.62(1) of the *Financial Accountability Act 2009* (the Act), section 39 of the *Financial and Performance Management Standard 2019* and other prescribed requirements. In accordance with s.62(1)(b) of the Act we certify that in our opinion:

- a) the prescribed requirements for establishing and keeping the accounts have been complied with in all material respects;
- b) the financial statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of the Queensland Building and Construction Commission for the financial year ended 30 June 2024 and of the financial position of the Commission at the end of that year; and

We acknowledge responsibility under section 7 and section 11 of the *Financial and Performance Management Standard 2019* for the establishment and maintenance, in all material respects, of an appropriate and effective system of internal controls and risk management processes with respect to financial reporting throughout the reporting period.

Signed in accordance with a resolution by the QBC Board.



Michelle James
Chair of the Board



Anissa Levy
CEO and Commissioner



Tim Murphy
Chief Financial Officer

22 August 2024
Brisbane

22 August 2024
Brisbane

22 August 2024
Brisbane



INDEPENDENT AUDITOR'S REPORT

To the Board of Queensland Building and Construction Commission and Controlled Entity

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of Queensland Building and Construction Commission and controlled entity (the group).

The financial report comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes to the financial statements including material accounting policy information and the management certificate.

In my opinion, the financial report:

- a) gives a true and fair view of the group's financial position as at 30 June 2024, and its financial performance and cash flows for the year then ended
- b) complies with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2019 and Australian Accounting Standards.

Basis for opinion

I conducted my audit in accordance with the *Auditor-General Auditing Standards*, which incorporate the *Australian Auditing Standards*. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report.

I am independent of the group in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General Auditing Standards*.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of the entity for the financial report

The Board is responsible for the preparation of the financial report that gives a true and fair view in accordance with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2019 and Australian Accounting Standards, and for such internal control as the Board determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

The Board is also responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless it is intended to abolish the group or to otherwise cease operations.



Auditor's responsibilities for the audit of the financial report

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of my responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:
https://www.auasb.gov.au/auditors_responsibilities/ar3.pdf

This description forms part of my auditor's report.

Report on other legal and regulatory requirements Statement

In accordance with s.40 of the *Auditor-General Act 2009*, for the year ended 30 June 2024:

- a) I received all the information and explanations I required.
- b) I consider that, the prescribed requirements in relation to the establishment and keeping of accounts were complied with in all material respects.

Prescribed requirements scope

The prescribed requirements for the establishment and keeping of accounts are contained in the *Financial Accountability Act 2009*, any other Act and the Financial and Performance Management Standard 2019. The applicable requirements include those for keeping financial records that correctly record and explain the entity's transactions and account balances to enable the preparation of a true and fair financial report.

23 August 2024

A handwritten signature in black ink, appearing to read "Brydie Morris".

Brydie Morris
as delegate of the Auditor-General

Queensland Audit Office
Brisbane

GLOSSARY

ACRONYM	FULL TITLE
APRA	Australian Prudential Regulatory Authority
ARRs	Annual Report Requirements for Queensland Government agencies
BIF Act	<i>Building Industry Fairness (Security of Payment) Act 2017</i>
BIFOLA	<i>Building Industry Fairness (Security of Payment) and Other Legislation Amendment Act 2020</i>
BIF Regulation	<i>Building Industry Fairness (Security of Payment) Regulation 2019</i>
QBC Board	Queensland Building and Construction Board
CCC	Crime and Corruption Commission
CPD	Continuing Professional Development
EDR	Early Dispute Resolution
FAA	<i>Financial Accountability Act 2009</i>
FPMS	Financial and Performance Management Standard 2019
FTE	Full-time equivalent
IP Act	<i>Information Privacy Act 2009</i>
IRU	Internal Review Unit
MFR	Minimum Financial Requirements
NAWIC	National Association of Women in Construction
NCBP	Non-conforming building products
NCC	National Construction Code
PD Act	<i>Plumbing and Drainage Act 2018</i>
PSIs	Pool Safety Inspectors
QAO	Queensland Audit Office
QBCC	Queensland Building and Construction Commission
QBCC Act	<i>Queensland Building and Construction Commission Act 1991</i>
QCAT	Queensland Civil and Administrative Tribunal
QHWS	Queensland Home Warranty Scheme
RAP	Reconciliation Action Plan
RPF	Regulator Performance Framework
RTI Act	<i>Right to Information Act 2009</i>
SARAS	Study and Research Assistance Scheme
SDS	Service Delivery Statements
WHS	Workplace Health and Safety
WHSQ	Workplace Health and Safety Queensland

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COMPLIANCE CHECKLIST

SUMMARY OF REQUIREMENT	BASIS FOR REQUIREMENT	ANNUAL REPORT REFERENCE
LETTER OF COMPLIANCE	A letter of compliance from the accountable officer or statutory body to the relevant Minister/s	ARRs – section 7 4
ACCESSIBILITY	Table of contents	ARRs – section 9.1 3
	Glossary	116
	Public availability	ARRs – section 9.2 2
	Interpreter service statement	Queensland Government Language Services Policy ARRs – section 9.3 2
	Copyright notice	<i>Copyright Act 1968</i> ARRs – section 9.4 2
	Information Licensing	QGEA – Information Licensing ARRs – section 9.5 2
GENERAL INFORMATION	Introductory Information	ARRs – section 10 5
NON-FINANCIAL PERFORMANCE	Government's objectives for the community and whole-of-government plans/specific initiatives	ARRs – section 11.1 2
	Agency objectives and performance indicators	ARRs – section 11.2 13-49
	Agency service areas and service standards	ARRs – section 11.3 13-49
FINANCIAL PERFORMANCE	Summary of financial performance	ARRs – section 12.1 60
GOVERNANCE – MANAGEMENT AND STRUCTURE	Organisational structure	ARRs – section 13.1 10
	Executive management	ARRs – section 13.2 10
	Government bodies (statutory bodies and other entities)	ARRs – section 13.3 53, 55-56
	Public Sector Ethics	<i>Public Sector Ethics Act 1994</i> ARRs – section 13.4 44
	Human Rights	<i>Human Rights Act 2019</i> ARRs – section 13.5 44
	Queensland public service values	ARRs – section 13.6 5 (Found in Our Strategic Plan section)

SUMMARY OF REQUIREMENT		BASIS FOR REQUIREMENT	ANNUAL REPORT REFERENCE
GOVERNANCE - RISK MANAGEMENT AND ACCOUNTABILITY	Risk management	ARRs - section 14.1	38
	Audit committee	ARRs - section 14.2	51
	Internal audit	ARRs - section 14.3	51
	External scrutiny	ARRs - section 14.4	57
	Information systems and recordkeeping	ARRs - section 14.5	41
	Information Security attestation	ARRs - section 14.6	Not applicable
GOVERNANCE - HUMAN RESOURCES	Strategic workforce planning and performance	ARRs - section 15.1	44-49
	Early retirement, redundancy and retrenchment	Directive No.04/18 Early Retirement, Redundancy and Retrenchment ARRs - section 15.2	49
OPEN DATA	Statement advising publication of information	ARRs - section 16	42
	Consultancies	ARRs - section 31.1	https://data.qld.gov.au
	Overseas travel	ARRs - section 31.2	https://data.qld.gov.au
	Queensland Language Services Policy	ARRs - section 31.3	https://data.qld.gov.au
FINANCIAL STATEMENTS	Certification of Financial Statements	FAA - section 62 FPMS - sections 38, 39 and 46 ARRs - section 17.1	113
	Independent Auditor's Report	FAA - section 62 FPMS - section 46 ARRs - section 17.2	114

ARRs Annual Report Requirements for Queensland Government agencies

FAA *Financial Accountability Act 2009*

FPMS Financial and Performance Management Standard 2019

Need more information?

Visit qbcc.qld.gov.au, call 139 333 or write to us at GPO Box 5099, Brisbane Qld 4001.

