

CORPORATE GOVERNANCE

The following section highlights 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

As at 30 June 2023, the QBC Board consisted of seven independent, non-executive members. QBC Board members are appointed by the Governor in Council under the QBCC Act for a three-year term. Current board members were appointed on 1 December 2022.

As the QBCC's governing body, the Board carries out its duties in accordance with:

- the *Queensland Building and Construction Commission Act 1991*
- the Queensland Building and Construction Board Charter
- the Queensland Government Guide for Members of Queensland Government Boards, Committees and Statutory Authorities.
- the highest levels of ethics and corporate governance.

QBC BOARD MEETINGS

Ordinary meetings of the QBC Board are held at least 10 times a year. Recognising the need to be flexible and adapt to changing environments and circumstances, the QBC Board can consider routine matters out of session by circular resolution or by way of an extraordinary or special QBC Board meeting where the matter is complex or requires a more fulsome discussion.

COMMITTEE MEETINGS

To facilitate its efficient operation, the QBC Board operates a number of committees.

With the establishment of a new Board on 1 December 2022, a new committee structure was implemented, as shown in Table 27:

TABLE 27: QBC BOARD COMMITTEES

COMMITTEES ESTABLISHED TO 30 NOVEMBER 2022	COMMITTEES ESTABLISHED FROM 15 DECEMBER 2022
Finance and Audit Committee (FAC)	Finance, Audit and Risk Committee (FAR)
Risk Committee (RC)	
Insurance Committee (IC)	Insurance Committee (IC)
People and Culture Committee (PCC)	Nomination and Remuneration Committee (NAR)
Regulatory and Resolution Committee (RRC)	
Ex Gratia Payment Decisions Committee (EGPD)	Ex Gratia Payment Decisions Committee (EGPD)

Each committee operates to a charter or terms of reference which outline its purpose, duties, responsibilities, membership, authority and meeting requirements.

A summary of attendance of QBC Board members at ordinary and extraordinary QBC Board meetings is set out in Table 28.

TABLE 28: QBC BOARD MEMBER ATTENDANCE AND REMUNERATION 2022-2023

QUEENSLAND BUILDING AND CONSTRUCTION BOARD					
Act or instrument	Queensland Building and Construction Commission Act 1991				
Functions	Governing body of the Queensland Building and Construction Commission				
Achievements	<ul style="list-style-type: none">Endorsed and supported internal redesign efforts to achieve meaningful improvements in service delivery and culture, including the functional realignment of the QBCCProvided oversight of the performance and operations of the QBCC.				
Financial reporting	Transactions of the entity are accounted for in the financial statements.				
REMUNERATION					
POSITION	NAME	MEETINGS/ SESSIONS ATTENDANCE	APPROVED ANNUAL, SESSIONAL OR DAILY FEE ¹	APPROVED SUB- COMMITTEE FEES IF APPLICABLE	ACTUAL FEES RECEIVED ²
1 DECEMBER 2022 – 30 JUNE 2023					
CHAIR	Michelle James*	2022-23: 14 Board: 7 IC: 2 EGPD: 1 NAR: 2 FAR: 2	\$50,000 pa	N/A	\$32,000
DEPUTY CHAIR	John Anderson	2022-23: 9 Board: 6 EGPD: 1 NAR: 2	\$25,000 pa	N/A	\$16,000
MEMBER	Robyn Petrou	2022-23: 11 Board: 7 IC: 2 FAR: 2	\$25,000 pa	N/A	\$16,000
MEMBER	Christopher Edwards	2022-23: 10 Board: 7 IC: 1 FAR: 2	\$25,000 pa	N/A	\$16,000
MEMBER	Suzanne Baker	2022-23: 11 Board: 6 IC: 2 NAR: 1 FAR: 2	\$25,000 pa	N/A	\$16,000
MEMBER	Colin Cassidy	2022-23: 8 Board: 5 NAR: 2 FAR: 1	\$25,000 pa	N/A	\$16,000
MEMBER	Meg Frisby ³	2022-23: 10 Board: 7 EGPD: 1 NAR: 2	\$25,000 pa	N/A	\$15,000

REMUNERATION					
POSITION	NAME	MEETINGS/ SESSIONS/ ATTENDANCE	APPROVED ANNUAL, SESSIONAL OR DAILY FEE ¹	APPROVED SUB- COMMITTEE FEES IF APPLICABLE	ACTUAL FEES RECEIVED ²
1 JULY 2022 – 30 NOVEMBER 2022					
FORMER CHAIR	Richard Williams	2022-23: 14 Board: 6 IC: 2 EGPD: 1 PCC: 1 RRC: 1 RC: 1 FAC: 2	\$50,000 pa	N/A	\$23,000
FORMER DEPUTY CHAIR FORMER MEMBER	Michelle James	2022-23: 6 Board: 4 IC: 0 EGPD: 1 PCC: 0 RRC: 1 RC: 0 FAC: 0	\$25,000 pa	N/A	\$12,000
FORMER MEMBER	Meg Frisby	2022-23: 7 Board: 6 EGPD: 0 PCC: 0 RRC: 1	\$25,000 pa	N/A	\$12,000
FORMER MEMBER	Lesley Anderson	2022-23: 9 Board: 4 IC: 2 EGPD: 1 RC: 0 FAC: 2	\$25,000 pa	N/A	\$12,000
FORMER MEMBER	Andrew Hickman	2022-23: 6 Board: 6 RRC: 0	\$25,000 pa	N/A	\$12,000
FORMER MEMBER	Jade Ingham	2022-23: 5 Board: 5 PCC: 0	\$25,000 pa	N/A	\$11,000
FORMER MEMBER	Brett Schimming	2022-23: 1 Board: 1 IC: 0 PCC: 0 RC: 0 FAC: 0	\$0	N/A	\$0
FORMER MEMBER	Robert Schwarten	2022-23: 6 Board: 5 PCC: 1	\$25,000 pa	N/A	\$12,000
FORMER MEMBER	Debra Johnson	2022-23: 8 Board: 6 PCC: 0 RRC: 0 RC: 2 FAC: 0	\$25,000 pa	N/A	\$12,000
FORMER MEMBER	Cath Brokenborough	2022: 11 Board: 6 IC: 2 PCC: 1 RC: 2 FAC: 0	\$25,000 pa	N/A	\$12,000

REMUNERATION CONTINUED

1 JULY 2022 – 30 NOVEMBER 2022

NO. OF SCHEDULED MEETINGS HELD FOR EACH COMMITTEE FOR THE PERIOD OF EACH BOARD MEMBERS TENURE.	Current Board members (1 December 2022 to current) Michelle James – 14 John Anderson – 9 Robyn Petrou – 11 Christopher Edwards – 10 Suzanne Baker – 11 Colin Cassidy – 8 Meg Frisby – 10
TOTAL MEETINGS FOR THE FINANCIAL YEAR: 29	Total meetings held this period: 14
QBC BOARD: 13 RRC: 1 EGPD: 2 FAR: 2 IC: 4 NAR: 2 PCC: 1 RC: 2 FAC: 2	Former Board members (01 July 2022 – 30 November 2022): Richard Williams – 14 Michelle James – 6 Meg Frisby – 7 Lesley Anderson – 9 Andrew Hickman – 6 Jade Ingham – 5 Brett Schimming – 1 Robert Schwarten – 6 Debra Johnson – 8 Cath Brokenborough – 11 Total meetings held this period: 15
TOTAL OUT OF POCKET EXPENSES	\$26,632. Other operational costs totalled \$10,677

NOTES FOR THIS SECTION ON COMMITTEES:

[#] The frequency of meetings convened is reported in line with the Annual Report Requirements.

¹ Approved fees do not include superannuation amounts.

² Actual fees include superannuation amounts

³ Michelle James and Meg Frisby were members of the former Board and are members of the current Board.

FINANCE, AUDIT AND RISK COMMITTEE

Established on 15 December 2022, the Finance, Audit and Risk (FAR) Committee combined the previous Finance and Audit Committee (FAC) and Risk Committee (RC).

The FAR Committee supports the 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.

The FAR Committee's core duties are to:

- provide assurance and assistance to the Board on the accuracy and integrity of the Commission's financial management and reporting
- review the effectiveness of the QBCC's internal controls
- oversee the planning, monitoring, and reporting processes of the QBCC's internal audit control functions so they operate effectively, efficiently, and economically
- oversee external audit findings made by the QBCC's external auditor
- ensure that the QBCC has appropriate and effective risk management systems in place
- ensure the QBCC has in place appropriate compliance management frameworks, practices and monitoring mechanisms to best ensure that the QBCC complies with its legislative, regulatory and internal policy requirements.

In 2022-2023 the previous Finance and Audit Committee met twice[#] and membership comprised: Ms Lesley Anderson (Committee Chair), Mr Richard Williams, Mr Brett Schimming and Ms Michelle James.

In 2022-2023 the previous Risk Committee (RC) met twice[#] and membership comprised: Ms Debra Johnson (Committee Chair), Mr Richard Williams, Ms Cath Brokenborough and Ms Michelle James.

From December 2022 to the end of this reporting period, the current FAR Committee met twice[#] and membership comprised: Ms Suzanne Baker (Committee Chair), Ms Michelle James (*ex-officio*), Ms Robyn Petrou, Mr Colin Cassidy and Mr Christopher Edwards.

NOTES FOR THIS SECTION ON COMMITTEES:

- [#] The frequency of meetings convened is reported in line with the Annual Report Requirements.

INSURANCE COMMITTEE

The Insurance Committee reviews, monitors and provides advice to the QBC Board on the performance and issues relating to the QHWS.

The Committee fulfils the following functions:

- review, monitor and report to the Board on the performance of the QHWS, particularly risk profiles for non-completion, defects and subsidence claims
- consider the prevailing economic and environmental conditions and how they impact the QHWS
- consider, develop and implement improvements to the QHWS which benefit consumers, licensees, government, the QBCC and/or other stakeholders
- review and ensure QHWS compliance with the Risk Appetite Statement
- in the context of the QBCC's voluntary compliance with APRA standards, review and ensure compliance placed on general insurers, with the exception of requirements to report to APRA, and deviations approved by the Board
- review and monitor the Internal Capital Adequacy Assessment Process and capital management for the Insurance Fund, in conjunction where appropriate with the Scheme Actuary
- consider the appropriate investment strategy for the Insurance Fund and provide recommendations to the FAR Committee for inclusion in the Investment Policy
- work with the Board and management to monitor the administration of QHWS claims so that results are achieved efficiently
- review and monitor the operation of the underwriting framework to make sure the QHWS is managed in accordance with actuarially sustainable principles
- review and monitor the Reinsurance Management Strategy and reinsurance arrangements, in conjunction where appropriate with reinsurance brokers and the Scheme Actuary for the QHWS
- review, monitor and report to the Board on the actuarial assessments of the QHWS and on any action required to ensure that the QHWS remains viable and effective
- review and monitor recommendations of the Scheme Actuary, internal audit findings and management responses that relate to the QHWS or the Insurance Fund in conjunction with the FAR Committee.

To 30 November 2022, the previous Insurance Committee met twice and membership comprised: Mr Brett Schimming (Committee Chair), Mr Richard Williams (Acting Committee Chair), Ms Cath Brokenborough; and Ms Lesley Anderson.

From 1 December 2022, the current Insurance Committee met twice and membership comprised: Ms Robyn Petrou (Committee Chair), Ms Suzanne Baker; Mr Christopher Edwards and Ms Michelle James (*ex-officio*).

NOMINATION AND REMUNERATION COMMITTEE

Established on 15 December 2022, the Nomination and Remuneration (NAR) Committee replaced the People and Culture Committee (PCC).

The Committee fulfils the following functions:

- make recommendations to the Board on the appointment of Board members to Board committees, either as ordinary members or as a Committee chairperson
- provide oversight of the recruitment and appointment of permanent senior leadership roles in line with the approved Board policy for senior leadership recruitment
- lead and facilitate the annual performance evaluation and review process of the Board's performance and oversee the outcome and any reporting to the Minister that may be required
- consider the overall mix of skills, knowledge and experience of the current Board and recommend to the Board, induction, training and the development of skills for members
- review the performance results of the Commissioner and recommend the performance evaluation, remuneration and financial incentive outcomes to the Board
- monitor the performance results, development and remuneration of SLT members
- review and make recommendations to the Board on the effectiveness of current and proposed changes to the remuneration policy, other executive benefits, performance evaluation framework, recruitment and appointment processes for the Commissioner and SLT
- monitor any other matters related to nomination and remuneration such as gender pay gap, reconciliation, diversity and inclusion or as requested by the Board
- monitor any significant changes in broader remuneration policies for the QBCC which are material and outside of the existing industrial frameworks
- provide oversight of succession plans for nominated statutory roles, for the Commissioner and SLT members reporting directly to the Commissioner
- review and recommend any changes to the Board director induction program
- review the effectiveness of the board's conflicts of interest, declaration of interests and recommend changes to these items to the Board.

From 1 December 2022, the current NAR Committee met twice and membership comprises: Mr Colin Cassidy (Committee Chair), Ms Michelle James (*ex-officio*), Mr John Anderson and Ms Meg Frisby.

The People and Culture (PCC) Committee last met on 9 August 2022. The Committee reviewed, monitored and provided advice to the QBC Board on appropriate people and culture strategies and policies consistent with business requirements. The Committee also embedded a culture of accountability, participation, customers and community, creativity, delivering value and safety.

To 30 November 2022, the PCC Committee met once and membership comprised: Ms Cath Brokenborough (Committee Chair), Ms Jade Ingham, Mr Brett Schimming and Mr Richard Williams.

From 1 December 2022, the matters previously considered by this Committee are now discussed at the Nomination and Remuneration Committee or directly by the QBC Board.

EX GRATIA PAYMENT DECISIONS COMMITTEE

The Ex Gratia Payment Decisions (EGPD) Committee was established to oversee and determine the making of ex gratia payments in line with the QBCC's procedure for ex gratia compensation payments for defective administration.

The Committee fulfils the following functions:

- approve (in whole or in part), or refuse recommendations made by the Commission regarding the making of ex gratia payments, whether in full or in part, to an external party
- report to the Board on decisions made under the Commission's recommendation for making or declining ex gratia payments
- review procedures and provide guidance to the Commission in matters where the committee sees fit, including effecting continuous improvement to mitigate the future likelihood of defective administration
- suggest improvements to ensure the proper, effective, and efficient performance of the Commission's functions.

To 30 November 2022, the EGPD Committee met once and membership comprised: Mr Richard Williams (Committee Chair), Ms Michelle James and Ms Lesley Anderson.

From 1 December, the EGPD Committee met once and membership comprises: Meg Frisby (Committee Chair), Ms Michelle James and Mr John Anderson.

REGULATORY AND RESOLUTION COMMITTEE

Until 30 November 2022, the Regulatory and Resolution Committee (RRC) supported the QBC Board by overseeing and advising on the QBCC's licensing regulatory framework and systems, including:

- ensuring that the licensing framework continues to meet the needs of the industry and practices in the training industry
- ensuring that the regulatory framework adds value to the building and service trades sectors and continues to protect consumers and industry
- ensuring that appropriate resolution systems are in place to handle disputes fairly and equitably
- ensuring that appropriate mechanisms are in place to educate contractors on their rights and responsibilities
- ensuring that current processes pertaining to dispute resolution, compliance and enforcement deliver effective regulation in response to current legislation.

The Committee fulfilled the following functions:

- advise the Board on licensing requirements, issues and trends
- monitor, review and report to the Board on the effectiveness of the regulatory, technical, legal and adjudication registry divisions in increasing compliance with legislative obligations within the Commission's jurisdiction
- advise the board on the effectiveness of industry education
- oversee and make recommendations to the Board regarding the legislation administered by QBCC and proposed government policy which may affect this
- make recommendations for reform to improve contractor financial and management practices, construction practices and the use of appropriate products
- provide leadership, set the strategic objectives and oversee management's performance in the area of compliance and enforcement, key investigations, legal matters and audits of buildings under construction
- make recommendations for strategic reform to improve QBCC's delivery of the QBCC Regulatory Strategy 2020-2024 review, monitor and report to the Board on appropriate dispute resolution mechanisms and processes
- identify opportunities for reforms in licensing, dispute and compliance mechanisms
- review and make recommendations to improve contractual, construction and financial practices in the building and construction industry.

To 20 November 2022, the Committee met once and membership comprised: Ms Michelle James (Committee Chair), Mr Richard Williams, Mr Robert Schwarten, Mr Andrew Hickman, Ms Meg Frisby, and Ms Debra Johnson.

From 1 December 2022, the matters previously considered by the RRC have been reported directly to the QBC Board.

ADDITIONAL ADVISORY AND INDUSTRY COMMITTEES/COUNCILS:

INDUSTRY ADVISORY COMMITTEE

The Industry Advisory Committee (IAC) was established in April 2023 to provide observations, strategic advice and guidance to the Board in relation to matters affecting the building and construction industry.

The role of the Committee is to provide a forum for the Board to formally engage with the building and construction industry on current and emerging industry activities.

The Committee provides the following functions:

- industry expertise on issues relating to the building and construction industry
- advice on emerging risks and trends affecting the building and construction industry
- matters relevant to the sector
- promoting the QBCC's regulatory activities.

The Industry Advisory Committee is chaired by Mr John Anderson as the QBC Board representative and supported by Ms Angela Masson, Deputy IAC Chair, in her capacity as the QBCC Chief Building Regulator. The committee met twice in the 2022-2023 period since being established and is attended by members from a range of disciplines and specialties across the industry.

SERVICE TRADES COUNCIL

The Service Trades Council (the Council) consists of members appointed through a Governor in Council process for a four-year term. Under section 106 of the PD Act, the Council has the following functions:

- a. conferring on national policy development and implementation for the plumbing and drainage trade
- b. reporting to the Minister on any issue relating to the plumbing and drainage trade:
 - i. that the Minister refers to the Council, or
 - ii. any issue the Council considers the Minister should know about
- c. making recommendations to the Commissioner about the performance of the Commissioner's functions under the PD Act
- d. establishing a panel of the Council to assist the Commissioner in effectively and efficiently performing the Commissioner's functions under Part 2, Divisions 1 to 7 of the PD Act
- e. establishing other panels to assist the Council in effectively and efficiently performing its functions
- f. reviewing decisions of the Commissioner made under section 51 of the PD Act

(Note: The Council reviews decisions under the QBCC Act, section 86C as an internal reviewer)
- g. performing other functions relating to the plumbing and drainage trade given to the Council under the PD Act or another Act.

In 2022-2023, in accordance with its functions under the PD Act, the Council:

- delivered industry forums in Townsville, Rockhampton, Warwick and Mackay
- submitted the On-site Sewage Treatment Panel's Report to the Minister for consideration
- conducted a survey of licensees to identify industry trends and issues
- engaged with the real estate industry and developed communications to inform real estate agents about plumbing compliance matters
- distributed flyers to retailers to raise awareness of the importance of using a licensed plumber to perform plumbing work and the need for plumbers to register a Form 4 when undertaking notifiable work
- reported to the Minister about the proposition to introduce a restricted water plumber licence for pump servicing.

A summary of attendance of Service Trade Council members at the Council meetings is set out in Table 29.

TABLE 29: SERVICE TRADES COUNCIL MEMBER ATTENDANCE AND REMUNERATION 2022-2023

SERVICE TRADES COUNCIL					
ACT OR INSTRUMENT	Plumbing and Drainage Act 2018				
FUNCTIONS	Advisory body				
ACHIEVEMENTS	<ul style="list-style-type: none">Acting as the internal review mechanism for licensees who have received disciplinary action under the <i>Plumbing and Drainage Act 2018</i>Reporting to the Minister for Energy, Renewables and Hydrogen and Minister for Public Works and Procurement and making recommendations to the Commissioner of the QBCC about matters relevant to the plumbing and drainage trade.				
FINANCIAL REPORTING	Transactions of the entity are accounted for in the Financial Statements.				
REMUNERATION					
POSITION ⁵	NAME	MEETINGS/ SESSIONS ATTENDANCE	APPROVED ANNUAL, SESSIONAL OR DAILY FEE	APPROVED SUB- COMMITTEE FEES IF APPLICABLE	ACTUAL FEES RECEIVED ⁶
CHAIR	Penny Cornah	7	N/A	N/A	\$0
DEPUTY CHAIR	Janet Cumming ⁷	2	N/A	N/A	\$0
DEPUTY CHAIR	Mary Morrison ⁸	6	N/A	N/A	\$0
MEMBER	Michelle Kennedy	5	N/A	N/A	\$0
MEMBER	Greg Moore	3	N/A	N/A	\$0
MEMBER	Anne Neuendorf	7	N/A	N/A	\$0
MEMBER	Gary O'Halloran	1	N/A	N/A	\$0
MEMBER	Angela Olsen ⁹	5	N/A	N/A	\$0
MEMBER	Adrian Shackleton ¹⁰	3	N/A	N/A	\$0
MEMBER	Sharon Simmers	3	N/A	N/A	\$0
MEMBER	Geoff Woodall	6	N/A	N/A	\$0
MEMBER	Assistant Commissioner, Service Trades and Regulatory, QBCC	4	N/A	N/A	\$0
NO. OF SCHEDULED MEETINGS/SESSIONS	7				
TOTAL OUT OF POCKET EXPENSES	\$0. Other operational costs totalled \$30,578.				

⁵ A Deputy Member may be appointed to act for a Member in the Member's absence (PD Act 2018, section 110)

⁶ Actual fees include superannuation amounts

⁷ Member resigned in November 2022

⁸ Member commenced as Deputy Chair in February 2023, was previously a Deputy Member

⁹ Member resigned in June 2023

¹⁰ Member resigned in April 2023

EXECUTIVE TEAM

The QBCC's Executive 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 2022-2023 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 of corrupt conduct and the effective administration of public interest disclosures. Of the 49 conduct cases received, suspected corrupt conduct was identified in seven cases and two were subsequently closed. These seven cases were referred to the Crime and Corruption Commission for their independent assessment. Twelve cases involved employees making public interest disclosures.

The Commissioner must refer all complaints to the 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.

The Commissioner has a duty to report all cases assessed as a public interest disclosure. Public interest disclosures are reported to the Queensland Ombudsman via the public interest disclosure database.

EXTERNAL SCRUTINY

QBCC GOVERNANCE REVIEW 2022 AND STATEMENT OF EXPECTATIONS

In November 2021, DEPW commissioned an independent review of the governance arrangements of the QBCC to ensure it was contemporary and fit for purpose.

The QBCC Governance Review 2022 was released in May 2022 and included 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 will require detailed analysis of the costs and benefits prior to implementation and/or adoption.

The QBCC is progressing the implementation of the recommendations and progress is reported through the Government's Interdepartmental Steering Committee which is chaired by the Director-General of DEPW, and comprises the

QBC Board Chair, the QBCC CEO & Commissioner, and other government representatives. Updates on progress are publicly available, including the 90-day report card published on 6 October 2022 and the first six-month implementation report published on 22 May 2023, detailing progress up to 31 March 2023.

The QBCC 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 Minister for Energy, Renewables and Hydrogen, and Minister for Public Works and Procurement, the Honourable Mick De Brenni provided this SoE to the QBC Board Chair. The QBCC has prepared a Statement of Intent (Sol) in response, which was provided to the Minister for Energy, Renewables and Hydrogen, and Minister for Public Works and Procurement on 3 July 2023. The Sol sits alongside the organisation's new Strategic Plan, which outlines how these expectations will be met. The QBCC will publicly report on progress against the Sol on a quarterly basis.

The QBCC continues to focus on its regulatory task. In addition, and to support improved outcomes in this area, the organisation has made significant progress against the following initiatives as outlined below:

- Mediation and Conciliation Pilot Service
- Structural Realignment
- Digital Services Business Case.

MEDIATION AND CONCILIATION PILOT SERVICE

The QBCC's ability to effectively respond to issues relating to building disputes, particularly residential, is critical. The QBCC's statutory remit extends to 'providing remedies for defective building work' and more than 5,000 consumers seek help from the regulator each year to navigate issues relating to building disputes.

During 2023, the QBCC established an internal working group to investigate different approaches to delivering the outcomes for the QBCC Governance Review report Recommendation 2 – Establish an independent, quarantined Mediation, Resolution and Review Unit within the QBCC. The QBCC engaged broadly with conciliation and mediation services run by various government bodies across Australia. Using a collaborative approach enabled the incorporation of learnings from existing successful frameworks into the QBCC's Mediation and Conciliation Service design.

Following the development of a business case, the QBCC was provided with government support to initiate a pilot to implement a new type of dispute resolution service with support from external, professional conciliators. This service approach aims to assist in resolving building disputes as quickly and practically as possible.

The pilot service will provide a more nuanced and tailored approach to dispute resolution, reducing the burden on formal adjudicative mechanisms and contributing to a more agile and responsive regulatory environment.

The QBCC aims to launch this new service in late 2023, serving as proof of concept to ensure the new service adds value for homeowners, contractors, and government.

STRUCTURAL REALIGNMENT

A significant initiative implemented by the QBCC during 2022-2023 was a structural realignment as part of the Governance Review Recommendation 4, action 4.1 — *Undertake a structural realignment within the QBCC that supports an outcomes-focused regulator.*

Structural enhancements were confirmed through the QBCC Governance Review 2022 as one of the necessary elements for the QBCC to become an outcomes-focused regulator and to better recognise the technical skills of its workforce. The structural outcomes of the realignment included supporting enhanced collaboration across the QBCC, streamlining customer interactions, and creating more clarity around our functions and purpose.

The QBCC began the comprehensive structural realignment process in September 2022, with the development of the revised structure completed across four phases, prior to the launch on 3 July 2023.

- **Phase 1 Functional Realignment**

Development of a functional structure identifying how work functions are grouped to provide better integration between teams and functions, avoiding duplication of effort, increasing efficiencies, and freeing up resources.

- **Phase 2 Detailed Organisational Structure**

Development of a detailed organisation design showing all roles and highlighting changes to any existing roles.

- **Phase 3 Implementation Planning**

Development of a robust implementation plan setting the QBCC up for success as it transitions into its realigned structure, focusing on foundational services (to ensure readiness across the corporate services systems of Human Resources, Finance and Information Technology) and people transition and change activities.

- **Phase 4 Preparation activities**

A whole-of-organisation effort implementing activities across foundational services, people transition and change activities, ready for the successful launch of the new structure on 3 July 2023.

During each phase, extensive communication and rigorous and continued consultation was undertaken with QBCC employees, the Together Union, union delegates and key stakeholders. Feedback received during the consultation periods was reviewed with changes adopted where appropriate prior to structural decisions being made.

Following the launch on 3 July 2023, further implementation activities to support the realigned structure will occur in the first three months of the next financial year. An implementation review is targeted for completion within six months.

DIGITAL SERVICES BUSINESS CASE

The QBCC Governance Review report outlined another key action, Recommendation 7 - Invest in an integrated information management system that is contemporary, fit-for-purpose and aligns with the organisation's functions.

In response to the recommendation, 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, six of which had elapsed during the 2022-2023 reporting year) 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 Government confirmed their investment into QBCC's Digital Services Business Case and have provided initial funding for the 2023-2024 Digital Portfolio to meet Horizon 1 outcomes.