

# Submission

FRNSW's services and charging

(NSW)

7 October 2021



Australian Institute of Building Surveyors 5<sup>th</sup> floor 828 Pacific Highway Gordon NSW 2072 P: 1300 312 427 www.aibs.com.au

#### Who we are

The Australian Institute of Building Surveyors (AIBS) is recognised nationally and internationally as the peak professional body representing building surveying practitioners in Australia.

#### **Our Mission**

AIBS is committed to ensuring a safer Australia through continuous improvement and development of the profession of Building Surveying. The overarching objective of the Institute can best be summarised as follows:

To achieve the highest standard of professionalism through Professional Development, such as education pathways and training, and Advocacy in representing the profession and establishing standards.

#### **Professional Standards**

The Australian Institute of Building Surveyors (AIBS) Professional Standards Schemes for Building Surveyors operates across all states and territories and is a legislative instrument that obliges AIBS, to monitor, enforce and improve the professional standards of members under the Scheme, thereby reducing risk for consumers of professional services.

The AIBS Professional Standards Scheme upholds the professional standards of Scheme Members, who are building surveyors, and ensures that clients have access to appropriately qualified and skilled building surveyor practitioners for representation and advice.

## **Preparation**

This submission has been prepared following invitation from the Independent Pricing and Regulatory Tribunal (IPART) to provide feedback relative to FRNSW's services and charging.

### Overview

AIBS supports involvement of brigades in the process of ensuring proposed developments are safe and provide for a suitable fire fighting environment. AIBS has no policy position about the charging of fees for engagement in this process, however; it is clear that there is a benefit to the community from this engagement and that the cost to the community from this engagement only arises because a person seeks to undertake a development from which usually provides profit or gain. It follows then that it is reasonable that there is a sharing of costs of brigade engagement in the process.

AIBS does not have information which would allow it to comment on the degree to which the fees and charges of FRNSW are shared between the community served and the persons proposing to undertake developments and therefore is unable to comment on the suitability of the fees from that point of view.

We note there is a <u>guide</u> which sets out that a fee of \$2,600 / day is to be charged for engagement which includes any engagement related to brigade input as a stakeholder in the development of a performance based design brief for a performance based design proposal. There does not appear to be a mechanism for ensuring that allocation of suitably skilled and experienced personnel within FRNSW to a project arises through the fee structure for this service and although not a legislated fee (yet), it is anticipated that this will become a required fee and could act as a significant deterrent to the widespread and routine use of performance.

This in turn would retard economic activity in NSW as evidenced by the 2004 Productivity Commission Report into the economic impacts of greater take up of a performance-based approach to design.

AIBS therefore urges consideration be given to the application of a flat rate for brigade engagement as a stakeholder which clearly requires a subsidised contribution that would encourage careful allocation of skilled personnel to service each proposal, matching skills and experience to projects appropriately.

# In closing

AIBS is committed to working with government, industry and key stakeholders to continually improve the building regulatory system throughout Australia.

Please contact us for any clarification or further information that may assist.