

FACT SHEET

BUILDING PRACTITIONER AUDIT SYSTEM

The Northern Territory Government's *Building Act* reform package established the requirement for the audit of work and/or conduct of registered building practitioners ('building practitioners') in accordance with the *Building Act* (the 'Act').

What is an Audit?

An audit is a systematic, independent and documented process to determine the compliance of a building practitioner with their obligations in accordance with the Act.

The Act and the *Building Regulations* (the 'Regulations') imposes specific statutory obligations and requirements upon a practitioner in the discharge of their functions. All practitioners should familiarise themselves generally with their obligations.

The Director of Building Control ('Director') may conduct an audit of a building practitioner:-

- (a) Whenever the Director considers it appropriate to do so; or
- (b) As a consequence of a complaint; or
- (c) As requested by the Practitioners Board in accordance with section 34U of the Act.

What to expect

Generally, an audit will consider:

- A review, analysis and assessment of relevant documentation provided by, and associated with, the practitioners obligations in accordance with the Act including interrelated business functions of the practitioner; and/or
- Assessment of current and/or completed building works in accordance with valid permits according to the requirements of the Act, *Building Regulations* and the *Building Code of Australia*; and/or
- Such other functions of the practitioner as determined and notified by the Director of Building Control

When a practitioner is selected for an audit, prior notification will be given in writing in accordance with section 34B of the Act, including the date and time of the audit, the matters being audited and the nature or format of the audit.

A number of your projects will be assessed to verify your compliance with the aforementioned processes.

Upon completion of the audit a report will be prepared for the Director of Building Control. The practitioner will receive a copy of the draft report. During the interim the Auditor may discuss any preliminary findings with the practitioner prior to the draft report being provided. It is important that at all times a practitioner cooperate with the Auditor as failure to do so may result in disciplinary action being taken including referral to the Practitioners Board and/or prosecution in the Court of Summary Jurisdiction.

Should the Director determine that a building practitioner has failed to meet their obligations as imposed upon them by the Act then section 34F of the Act requires the Director to consider:

- (a) prosecution for any breaches of the Act and/or Regulations; and/or
- (b) referral to the Practitioners Board if there is any evidence of professional misconduct; and/or
- (c) the development of a remedial program with the building practitioner to remedy the identified non-compliance.

OUR OBLIGATIONS

The Director has responsibility for the implementation, direction, and overall management of the audit programme in accordance with the Act; including

- (a) Approval of the programme's objectives, policies and procedures pursuant to s.34A;
- (b) Provision of resources for the audit programme;
- (c) Conducting the audit in accordance the requirements of the Act and Agency policies;
- (d) Notifying you of the time, date, location and format of any audit in accordance with section 34B of the Act;
- (e) Determination of an audit pursuant to section 34F of the Act.

If the Director determines to conduct an audit of your work and/or conduct, you will be notified in writing generally within 21 days of the audit. However, this timeframe may vary due to the nature and requirement for the audit – for example audits conducted in association with complaints may be of an urgent nature and advice may be provided orally as provided by section 34B(2) of the Act.

If oral notice is given you will be provided with written notification within 5 working days after the commencement of the audit.

An auditor appointed pursuant to section 34A has the following responsibilities:

- (a) To apply audit principles, agency policy and procedures;
- (b) To conduct the audit within the agreed time schedule;
- (c) To prioritize and focus on matters required by legislation and the Director;
- (d) To be familiar with general business processes and related terminology;
- (e) To be familiar with the cultural and social customs of the building practitioner; and
- (f) To have an in-depth understanding of the relevant laws, regulations and other requirements relevant to the practitioner.

YOUR OBLIGATIONS

During an audit be aware of your obligations in accordance with sections 34E of the Act. It is important to understand that if, in the course of the audit, you:

- (a) refuse or fail to comply with any reasonable request from the Auditor to answer a question, provide information or produce a document; or
- (b) in a response to a request from the auditor, you give an answer, provide information or produce a document that is false or misleading;

the Director may refer the matter to the Practitioners Board for inquiry.

Further you must not, without reasonable excuse:

- (a) refuse or fail to comply with a notice to produce documents issued by an auditor under section 34D(1); or
- (b) obstruct or hinder an auditor in the exercise of a power under section 34D.

The *Building Act* provides for penalties if a breach is dealt with by a Court; and/or possible cancellation of your registration as a building practitioner if you are dealt with by an Inquiry Board.