

Fees for Multi-Unit Developments: Plumbing and Drainage Audit Inspections with Fair Trading

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Introduction

On 1 July 2018, Fair Trading implemented a new fee structure for any plumbing and drainage audit inspections booked with Fair Trading. These fees are prescribed in Schedule 1 of the Plumbing and Drainage Regulation 2017.

This document outlines the audit inspection fee structure as it applies to multi-unit developments.

Fees for Multi-Unit Developments

Depending on the number of storeys¹ in a multi-unit development², the minimum number of inspection fees payable will increase as the number of sole-occupancy units³ (SOUs) increases by five or ten.

As a result, the overall 'per unit' cost of an inspection for a multi-unit development will be reduced if the work is programmed to take advantage of the maximum number of units that will be inspected by the Fair Trading at the same time for that fee. This approach reflects the economies of scale that can be achieved from undertaking inspections on multiple units during one site visit, and the time and cost savings to inspect staged work.

This fee structure is designed to encourage plumbing and drainage work to be planned and staged in order to gain the maximum value out of the fee paid. If the maximum number of sole-occupancy units are not ready at the time of the inspection, for example only three of the five units are ready, the full benefit of the fee reduction will not be gained and the overall inspection costs incurred will increase as further fees will need to be paid for the remaining two units to be inspected. If the plumbing and drainage work is not staged to take advantage of the fee reductions, a development could potentially end up paying \$107 per inspection for each sole-occupancy unit.

Conditions

A maximum number of sole-occupancy units (up to five or ten depending on the number of storeys and development type) will be inspected for each fee paid provided that:

- the sole-occupancy units available for inspection are located at the same address;
- the plumbing and drainage work done on the sole-occupancy units was undertaken by the same licensee; and
- the same inspection type is being carried out at the same time (i.e. internal, external, front-run, rough-in or final).

Fees are per inspection type and not per site visit. For instance, an internal and external drainage inspection conducted during the same site visit are still regarded as two inspections.

Inspections of the **same type** on multi-unit developments may be bundled together in groups of up to;

- 5 units for developments 3 storeys or less and;
- 10 units for developments 4 storeys or more.

Where less than the allowed group of sole-occupancy units are booked for an audit inspection, additional fees will be required to book audit inspections on the additional sole-occupancy units.

¹ A storey also includes but is not limited to a carpark or private garage. E.g. a multiple unit development consisting of 2 levels of basement carpark and 3 levels of residential units above is considered 5 storeys total and therefore falls under the category of 4 storeys or more.

² Multiple unit developments include, but are not limited to villa or townhouse developments, high rise unit developments, and mixed commercial/residential high rise unit developments.

³ A sole occupancy unit is defined in the National Construction Code of Australia. It is a room or other part of a building for occupation by one or joint owner, lessee tenant or other occupier to the exclusion of any other owner, lessee, tenant, or other occupier.

How the fees apply to 1-3 storey developments (e.g. units, villas, townhouses)

For a 1-3 storey multi-unit development:

- **not incorporating alternate water supplies**, a minimum of three inspection fees will need to be paid per group of five units. Three inspection fees have been set as these developments typically require an internal, external and final inspection. Up to five units will be inspected for each fee provided that the units are located at the same address, the work was undertaken by the same licensee and the same inspection type is being carried out at the same time.
- **incorporating alternate water supplies**, a minimum of five inspection fees will need to be paid per group of five units. Five inspection fees have been set as these developments typically require an internal, external, front-run, rough-in and final inspection. Up to five units will be inspected for each fee provided that the units are located at the same address, the work was undertaken by the same licensee and the same inspection type is being carried out at the same time.

How the fees apply to 4 or more storey developments (e.g. high rise, mixed development)

For a multi-unit development with 4 or more storeys:

- **not incorporating alternate water supplies**, a minimum of three inspection fees will need to be paid for the first group of ten units in the development. Three inspection fees have been set as these developments typically require an internal, external and final inspection. A minimum of one inspection fee will need to be paid for every group of ten units after that. One inspection fee has been set as typically only a final inspection will be required. Up to ten units will be inspected for each fee provided that the units are located at the same address, the work was undertaken by the same licensee and the same inspection type is being carried out at the same time.
- **incorporating alternate water supplies**, a minimum of five inspection fees will need to be paid for the first group of ten units in the development. Five inspection fees have been set as these developments typically require an internal, external, front-run, rough-in and final inspection. A minimum of two inspection fees will need to be paid for every group ten units after that. Two inspection fees have been set as typically a rough-in and final inspection will be required. Up to ten units will be inspected for each fee provided that the units are located at the same address, the work was undertaken by the same licensee and the same inspection type is being carried out at the same time.

How does Fair Trading apply the fees to multi-unit developments?

A minimum number of inspection fees will be payable per maximum number of sole-occupancy units in a multi-unit development, and will depend on:

1. the number of storeys in the multi-unit development - 1-3 storeys or 4 or more storeys

There is a distinction between developments with 1-3 storeys and 4 or more storeys because this impacts the maximum number of units that can be inspected in the time an inspector has to physically inspect the units.

2. the type of development - not incorporating alternate water supplies or incorporating alternate water supplies

There is a distinction between developments not incorporating and incorporating alternate water supplies because of the different types of inspections that are needed for these developments.

The minimum number of inspection fees payable per maximum number of sole-occupancy units reflects the types of inspections that a particular development will generally need. For example, a 1-3 storey multi-unit development not incorporating alternate water supplies will typically need an internal, external and final inspection.

The below table lists the minimum number of audit inspection fees required on multi-unit developments. More inspections may be required if work isn't programmed to make the most efficient use of the multiple inspections.

Item	Service provided	Minimum No of Audit Inspections to be paid.	Fee from 1 July 2018
1	Inspection by regulator of plumbing and drainage work not covered elsewhere in this Table (per inspection)	1	\$107 per inspection
2	Multiple unit developments- 3 storeys or less (units, villas, townhouses, commercial etc.) <i>buildings not incorporating alternate water supplies.</i> Min of 3 inspection fees per each 5 units in the development. See Note 1	2-5 SOU's	\$321
		6-10 SOU's	\$642
		11-15 SOU's	\$963
		16-20 SOU's	\$1,284
		21-25 SOU's	\$1,605
		26-30 SOU's	\$1,926
		31-35 SOU's	\$2,247
		36-40 SOU's	\$2,568
		41-45 SOU's	\$2,889
		46-50 SOU's	\$3,210
		> 50 SOU's	See Note 2
3	Multiple unit developments- 3 storeys or less (units, villas, townhouses, commercial etc.) <i>buildings incorporating alternate water supplies.</i> Min of 5 inspection fees per each 5 units in the development. See Note 3	2-5 SOU's	\$535
		6-10 SOU's	\$1,070
		11-15 SOU's	\$1,605
		16-20 SOU's	\$2,140
		21-25 SOU's	\$2,675
		26-30 SOU's	\$3,210
		31-35 SOU's	\$3,745
		36-40 SOU's	\$4,280
		41-45 SOU's	\$4,815
		46-50 SOU's	\$5,350
		> 50 SOU's	See Note 4
4	Multiple unit developments - 4 storeys or more (High Rise, Mixed Development) <i>buildings not incorporating alternate water supplies</i> Min of 3 audit inspection fees for 10 units and then 1 audit inspection fee per up to each 10 units in the development thereafter. See Note 5	2-10 SOU's	\$321
		11-20 SOU's	\$428
		21-30 SOU's	\$535
		31-40 SOU's	\$642
		41-50 SOU's	\$749
		51-60 SOU's	\$856
		61-70 SOU's	\$963
		71-80 SOU's	\$1,070
		81-90 SOU's	\$1,177
		91-100 SOU's	\$1,284
		> 100 SOU's	See Note 6

5	Multiple unit developments - 4 Storeys or more (High Rise, Mixed Development) <i>buildings incorporating alternate water supplies</i> Min of 5 audit inspection fees for 10 units and then 2 audit inspection fee per up to each 10 units in the development thereafter. See Note 7	2-10 SOU's	5	\$535
		11-20 SOU's	7	\$749
		21-30 SOU's	9	\$963
		31-40 SOU's	11	\$1,177
		41-50 SOU's	13	\$1,391
		51-60 SOU's	15	\$1,605
		61-70 SOU's	17	\$1,819
		71-80 SOU's	19	\$2,033
		81-90 SOU's	21	\$2,247
		91-100 SOU's	23	\$2,461
		> 100 SOU's	See Note 8	
6	Initial inspection by plumbing regulator for plumbing and drainage work involving performance solution			\$263
7	Additional inspection by plumbing regulator of plumbing and drainage work involving performance solution			\$156 per inspection
8	After-hours inspection by plumbing regulator of plumbing and drainage work (on weekends, public holidays and week days before 8 am or after 4 pm)			\$883 per inspection

Notes:

1. **Multiple unit developments 3 storeys or less** - 1 audit inspection fee covers an audit inspection of up to 5 sole-occupancy units of the *same inspection type* carried out at the same agreed audit inspection time slot.

Example

- Internal drainage audit inspections for up to 5 sole-occupancy units or;
- External drainage audit inspection for up to 5 sole-occupancy units or;
- Final audit inspection to for up 5 sole-occupancy units

2. **Multiple unit developments 3 storeys or less >50 sole-occupancy units** – In developments of greater than 50 sole-occupancy units, the fee would consist of 3 audit inspection fees per each 5 sole-occupancy units in the development. Where 60 sole-occupancy units are being constructed, the minimum fee would be 30 (46-50) plus 6 (6-10) for a total of 36 audit inspection fees.

3. **Multiple unit developments 3 storeys or less incorporating Recycled/Alternate water** - 1 audit inspection fee covers an audit inspection of up to 5 sole-occupancy units of the *same inspection type* carried out at the same agreed audit inspection time slot.

Example

- Internal drainage audit inspections for up to 5 sole-occupancy units or;
- External drainage audit inspection for up to 5 sole-occupancy units or;
- Front Run audit inspections for up to 5 sole-occupancy units or;
- Rough In audit inspections for up to 5 sole-occupancy units or;
- Final audit inspection to for up 5 sole-occupancy units

4. **Multiple unit developments 3 storeys or less incorporating Recycled/Alternate water >50 sole-occupancy units** – In developments of greater than 50 sole-occupancy units, the fee would consist of 5 audit inspection fees per each 5 sole-occupancy units in the development. Where 60 sole-occupancy units are being constructed, the minimum fee would be 50 (46-50) plus 10 (6-10) for a total of 60 audit inspection fees.

5. **Multiple unit developments 4 storeys or more** - 1 audit inspection fee covers an audit inspection of up to 10 sole-occupancy units of the *same inspection type* carried out at the same agreed audit inspection time slot.

Example

- Internal drainage audit inspections for up to 10 sole-occupancy units or;
- External drainage audit inspection for up to 10 sole-occupancy units or;
- Final audit inspection for up to 10 sole-occupancy units

6. **Multiple unit developments 4 storeys or more >100 sole-occupancy units** – In developments of greater than 100 sole-occupancy units, the fee would consist of 3 audit inspection fees for the first 10 sole-occupancy units and then 1 audit inspection fee per 10 sole-occupancy units in the development thereafter. Where 160 units are being constructed, the minimum fee would be 12 $(91-100)$ plus 6 $(60 \div 10)$ for a total of 18 audit inspection fees.

7. **Multiple unit developments 4 storeys or more incorporating Recycled/Alternate water** - 1 audit inspection fee covers an audit inspection of up to 10 sole-occupancy units of the *same inspection type* carried out at the same agreed audit inspection time slot.

Example

- Internal drainage audit inspections for up to 10 sole-occupancy units or;
- External drainage audit inspection for up to 10 sole-occupancy units or;
- Front Run audit inspections for up to 10 sole-occupancy units or;
- Rough In audit inspections for up to 10 sole-occupancy units or;
- Final audit inspection for up to 10 sole-occupancy units

8. **Multiple unit developments 4 storeys or more incorporating Recycled/Alternate water >100 sole-occupancy units** – In developments of greater than 100 sole-occupancy units, the fee would consist of 5 audit inspection fees for the first 10 sole-occupancy units and then 2 audit inspection fees per 10 sole-occupancy units in the development thereafter. Where 160 sole-occupancy units are being constructed, the minimum fee would be 23 $(91-100)$ plus 12 $(60 \div 10 \times 2)$ for a total of 35 audit inspection fees.