

22 December 2022

Consultation: Targeted Review of the Building (Accreditation of Building Consent Authorities) Regulations 2006

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Western Bay of Plenty District Council submission to the Targeted Review of the Building (Accreditation of Building Consent Authorities) Regulations 2006.

Ministry of Business, Innovation and Employment,

We appreciate the opportunity to provide feedback to the Targeted Review of the Building (Accreditation of Building Consent Authorities) Regulations 2006.

We welcome MBIE's further consultation on the building consent regulations, particularly relating to Building Consent Authorities. We previously provided feedback to MBIE in September 2022 on the Review of the Building Consent System, with our submission favouring proportionate liability to support and incentivise the building industry to get it right the first time.

We generally agree with the proposed changes included in the consultation paper. The proposed reduction of frequency of competency assessments for building control officers, to two years instead of annually, will help reduce the organisational impact of lost billable time to undertake these assessments.

We are pleased to see sensible and practical changes proposed, such as advising MBIE and International Accreditation New Zealand (IANZ) of the departure of a building consent authority's quality assurance manager and the separation out of the building control functions (code compliance certificates, compliance schedules and notices to fix) so they are standalone provisions. This change will make it easier

for building consent authorities to understand the relevant issues when in receipt of a notice of non-compliance by the building consent authority accreditation body.

We are not supportive of the proposed increase in fees for accreditation of building consent authorities. We acknowledge that there are ongoing cost pressures at the moment, but these fee changes will impact the cost of a building consent which will have to be passed onto the applicant. We also consider that insufficient rationale has been provided to justify the increase.

We seek further changes and suggest that other parts of the industry, including designers, builders and engineers be included within the competency assessment regime. The table attached below expands on these matters in more detail.

Background

Western Bay of Plenty District Council is a territorial local authority covering approximately 195,000 hectares. The population of the District is currently around 57,400. Towns in the District include Te Puke, Ōmokoroa, Katikati, Waihī Beach, Maketu and Pukehina.

We are a fast-growing district, and our population is expected to exceed 70,000 by 2041. We are classified as a 'Tier one' Council in terms of the National Policy Statement on Urban Development. We are currently progressing the Medium Density Residential Standards (MDRS) plan change which will enable more medium density developments and we expect this will impact building consent numbers and complexity.

In the year to May 2022, we processed 498 building consents, making us the 16th highest territorial authority to process building consents out of the 67 building consent authorities. The Western Bay of Plenty sub-region is one of the fastest growing areas in New Zealand. Our neighbours, Tauranga City Council, processed 1,369, making them the sixth highest in the country. The need to deliver growth and providing efficient and effective building control services is well understood by Council.

We are more than happy to discuss any matters for clarification or to expand further.

Yours sincerely,



James Denyer

Mayor, Western Bay of Plenty District Council

Amending the frequency of competency assessments for building control officers (Regulation 10(2))

<p>1. Do you agree with the problems identified regarding the frequency of competency assessments? Are there other issues or problems with the frequency of competency assessments that we have not identified?</p>	<p>We agree with the problems that have been identified regarding the frequency of competency assessments. The work required to undertake competency assessments is significant. For our Council, which is medium-sized, we have one staff member (one FTE) that spends roughly half a year undertaking these assessments. We also engage the services of a contractor for overflow and more high-end complex assessment.</p>
<p>2. In regard to the status quo:</p> <ul style="list-style-type: none"> • How much time is currently spent per employee preparing for and undertaking an annual competency assessment? • Do you employ external people to carry out the competency assessments, and if so, how much does that cost? • What is the total average cost of a competency assessment per employee? 	<p>Each employee spends between 8 – 24 hours preparing and undertaking the annual competency assessment, and this number increases if they are undertaking a level change assessment. This does not include the time taken to undertake internal audits.</p> <p>We employ an external resource for some assessments, and the cost can range from \$1,000 - \$3,000 per person.</p> <p>We would estimate that the organisational impact of lost billable time is approximately \$8,000 per employee involved in the assessment.</p>
<p>3. Do you agree with the proposal that the frequency of competency assessments for building control officials under Regulation 10(2) should be reduced to two years instead of annually (with the ability to carry out assessments more frequently if needed)? Please explain your views.</p>	<p>We are supportive of this proposed change.</p> <p>Further to our support, we ask that consideration be given to reducing the frequency of <u>full</u> competency assessments even further to three to five years, with the building control official being required to undertake an approved regular internal audit regime by their employer.</p>

4. What do you think might be the risks of reducing the frequency of competency assessments? Do you think these risks could be mitigated and, if so, how?	There is minimal risk as any issues can be mitigated by good quality internal audit processes.
5. Do you have any other feedback about annual competency assessments?	We note that at present there is a shortfall of competency assessors available to Council. We suggest that other parts of the industry, including designers, builders and engineers be included within this regime, as at present is only councils.
An addition to the matters for which a building consent authority must notify MBIE and IANZ (Regulation 6A(1)(b)) and a change to the drafting of Regulation 7(2)(f)	
6. Do you agree with the issues identified with Regulation 6A(1)(b) and 7(2)(f)? Are there other issues or problems that we have not identified?	Yes, we agree with the issues that have been identified with Regulation 6A(1)(b) and 7(2)(f).
7. Do you agree with the proposed change to Regulation 6A(1)(b)?	Yes, the departure of a building consent authority's quality assurance manager can, on occasion, have a significant impact on how well a building consent authority performs. Therefore, informing both MBIE and IANZ of this departure and change of personnel seems logical.
8. Do you agree with the proposed change to Regulation 7(2)(f)?	Yes, separating out the building control functions listed (code compliance certificates, compliance schedules and notices to fix), so they are standalone provisions rather than being grouped together, will make it easier for building consent authorities to understand the relevant issues if they receive a notice of non-compliance by International Accreditation New Zealand (IANZ).
9. What impacts will these proposals have on your organisation?	Council may receive a higher frequency of General Non-Compliance (GNC) from International Accreditation New Zealand's (IANZ) reviews, but we will gain more clarity of the issues that are raised.

10. Do you have any other feedback?	No.
An increase to the fees for accreditation of building consent authorities	
11. How would these fee changes impact your building consent authority? For example, what would the total cost impact of accreditation reviews be for your building consent authority?	These fee changes will impact the cost of a building consent which will have to be passed onto the applicant. Council has an obligation through its Revenue and Financing Policy to achieve its ratepayer/user fee ratio and ensuring a 100% cost recovery for building services. Therefore, any increase in cost would be passed onto the user fee.
12. Do you have any other feedback?	<p>The accreditation fees have always been ambiguous, and we would benefit in having some clarity in to how they are made up. The current formulae using consent numbers does not relate to the amount of work carried out on site by the auditing body.</p> <p>We acknowledge that at present there are ongoing nationwide cost pressures, but we do not believe that an increase in fees for accreditation should be undertaken until additional clarity is provided on actual costs so that we can then justify this to our residents, ratepayers, and consent applicants.</p> <p>We suggest that high performing councils be shifted to three years for accreditation assessments to recognise the commitment they are demonstrating to the accreditation process.</p> <p>We suggest that assessors be strongly encouraged to better utilise the recommendation option for minor non compliances. Currently there is a general reluctance from assessors to include recommendations, and all points (even very minor in nature) seem to be written up as a formal General Non-Compliance (GNC).</p>