



Building consent authority accreditation and registration scheme update – timeframe extended, first accreditation celebrated

August 2007



The building consent authority accreditation process is now in full swing – and with a proposed 7-month extension of the timeframe. Seventy-three territorial and regional authorities (councils) and three private organisations contracting to councils had applied for accreditation by mid-August.

Palmerston North City Council has become the first building consent authority to be accredited and councils continue to make use of the Government's \$3 million accreditation assistance package.

This update outlines progress in the implementation of the building consent authority accreditation scheme, specifically:

- the introduction of legislation extending the timeframe for accreditation to 30 June 2008
- the celebration of Palmerston North City Council's accreditation
- feedback from the first councils to undergo pre-assessment for accreditation
- assessment findings
- the availability of an accreditation information-sharing website
- the development of regulations for the registration of building consent authorities
- consultation on 'adequate means' requirements
- an update on the accreditation assistance package.

Extension of timeframe

Local authorities are being given more time to become accredited and registered as building consent authorities or to have transferred their building control functions to an accredited and registered building consent authority.

An amendment to the Building Act 2004 introduced into Parliament on 7 August by the Minister for Building and Construction, Hon Clayton Cosgrove, extends the date from 30 November 2007 until 30 June 2008. The amendment is now going through parliamentary processes.

The extension is to assist councils that are finding it a challenge to meet accreditation requirements.

Mr Cosgrove said that while the vast majority of local authorities are on target for meeting the original deadline, some councils – particularly small, rural authorities with significant capacity or capability limitations – may not complete accreditation or transfer their functions to a registered building consent authority on time.

'A few councils need a bit more time to come up to speed with the new, higher building consenting standards required of them. The date-change amendment gives these councils certainty and added confidence to complete the work necessary to improve the speed and quality of their building consenting, inspection and approval functions,' Mr Cosgrove said.

The extension is to enable a managed process for completing the accreditation/transfer process, while maintaining local building consent, inspection and approval activities. Without this change councils would be unable legally to continue to undertake building control activities.

The Department's Chief Executive, Katrina Bach, said in a letter to council chief executives advising them of the extension that she is keen to ensure all councils maintain the momentum towards accreditation they have shown, particularly in recent months.

'It is important that your organisation remains focused and works towards becoming accredited as soon as possible,' Ms Bach wrote. 'The extension of time should not be seen as an opportunity to reduce resourcing or priority for these important changes.'

'Councils have shown a lot of commitment to accreditation. I believe your commitment reflects acknowledgement of the benefits it will bring to your organisation in terms of a more robust building control process, better management of risks and improved customer service.'

In a letter to council regulatory and building control managers, the Department has also acknowledged the progress councils have made in preparing for the changes required to obtain accreditation, particularly in light of the high volume of building activity the whole of the country has been experiencing of late. This workload has put considerable pressure on those at the front line of the building control process.

Extending the date by which councils must be accredited, or have transferred their building control functions, will not alter the accreditation process or affect its credibility or integrity by lowering the accreditation standards.

A consequential amendment to the Building Act will also allow more time for territorial authorities to transfer to regional councils the responsibility for issuing building consents for new dams built in their area.

First accreditation

Building and Construction Minister Hon Clayton Cosgrove told the ceremony celebrating Palmerston North City Council's achievement that accreditation reflected the Council's commitment to, and investment in, the task over the past 2 years.

'The Council has boosted its building control staff numbers by eight, from 12 to 20, and has put their staff through training programmes so they are well equipped to meet the new, high quality inspections and processing standards,' he said.

'The Council has also upgraded its information technology, with field staff now using handheld computers to input data into the database. These investments will directly benefit people who apply for building consents.'

'You have invested in your people and your systems, and the hard work has paid off.'

However, he conceded that some councils were finding it a challenge to meet accreditation requirements.

The Minister also praised the Council for arranging to undertake, under contract, building control functions of the neighbouring Manawatu District Council.

'I commend and congratulate both councils for working together like this, using one of the options for accreditation available under the Building Act. They will now use the same top-notch, accredited building control services to efficiently process building consent applications to a high standard.'

Palmerston North MP Steve Maharey said he was extremely proud of the Council being the first to be accredited.

'It has shown that the people of Palmerston North can have the highest confidence in the city's building control processes and building inspections,' he said.

IANZ chairman Robin Pratt told the ceremony that the Council's building control department had been through a rigorous assessment process with experts in accreditation in building control systems, and in building design and construction.

'Our assessment team critically assessed the Council's processes and procedures as well as the competency of its staff and facilities,' he said. 'Inevitably, in first assessments such as this, some minor gaps in the Council's processes were identified, but the Council addressed these issues with enthusiasm and efficiency.'

'Being the first to achieve accreditation is just reward for the tremendous amount of work they put in.'



Building and Construction Minister Hon Clayton Cosgrove presents Palmerston North City Council Development Services Manager Shayne Harris with the Council's certificate of accreditation as a building consent authority. Looking on are Deputy Mayor John Hornblow and IANZ Chairman Robin Pratt.

Pre-assessment visits

After IANZ has undertaken an off-site desktop review of an accreditation applicant's building control documentation, it organises a pre-assessment visit, which provides an opportunity for the council to develop a relationship with IANZ and to be well prepared for the on-site assessment a few weeks later.

During the pre-assessment visit, matters identified in the documentation review will be clarified and, where appropriate, a date or timeframe will be set for the full assessment.

The first two councils to undergo on-site pre-assessment for accreditation as building consent authorities were positive about the experience, though Peter Eathorne, General Manager for Palmerston North City Council's City Contact division, said there was some trepidation before the visit. The IANZ team was greeted by key Council staff, and spent the day getting to know the Council's building control operations and speaking to individual staff members.

IANZ provided positive feedback on the Council's building control documents and considered the Council ready for full assessment for accreditation. 'Despite the initial trepidation, it was enjoyable for staff, lifted their morale and gave us a sense of confidence in the formal assessment process,' Mr Eathorne said.

The main things the Council learned from the pre-assessment visit were that preparation is vital and it is critical to have the right people available and on site.

'It is also important to show your work in the best possible light but, in doing so, to be honest and upfront,' Mr Eathorne said.

He suggested councils ensure they create enough space for IANZ to work in and be positive about their visit.

South Taranaki District Council also felt more comfortable with the assessment process after the IANZ visit.

'The IANZ assessor explained the background to accreditation, why he was here and what would happen at the full assessment,' Graham Young, Group Manager for the Council's Environment and Information Services group, said.

'He also stressed that the assessment was of the system's performance, not of our performance as individuals.'

IANZ briefly reviewed documentation to establish that it was adequate for a full assessment to be carried out. 'Apart from requesting additional background information to be provided for the full assessment, IANZ provided positive feedback on the progress the Council had made,' Mr Young said.

He suggested councils preparing for pre-assessment 'have as many of the team present as possible and ensure that the procedures that are documented match how you do things in reality'.

Summary of assessment findings

Building consent authorities currently being assessed for accreditation may learn from the following findings from desk-top reviews, pre-assessment visits and full on-site assessments.

Regulation 6

- Actual work practices, which may be technically sound, do not always match documented procedures.
- Where internal audit has been identified as a means of demonstrating compliance with regulation 6, a body of evidence of completed audits is required to demonstrate that the process is being followed.

Regulation 7

- The process for acceptance of producer statements needs to be documented.
- The role of producer statements needs to be identified – ie, are compliance decisions made based on information provided?

Regulation 8

- The process for monitoring the 20-day statutory clock, including trigger points for action, is required.

Regulation 9

- The method used to make decisions on work allocation to employees and contractors needs to be documented.

Regulation 10

- Records are required to support competency decisions made – eg, interview notes, records of peer reviews.
- Competency assessments need to include alternative solutions.
- A cross-section of competency assessments in large organisations may be sufficient to demonstrate that the competency system is effective.

Regulation 11

- Training needs assessments should be linked to training plans.
- The effectiveness of training needs to be monitored.
- 'Supervision' during training needs to be defined.

Regulation 12

- Building consent authorities need to document service level requirements for other parts of the council that provide services to the building consent authority and monitor its performance.

Regulation 14

- The calibration process needs to include:
 - the rationale for deciding which equipment requires calibration
 - the identification of measurements critical to compliance decisions such as moisture and hot water temperatures
 - the level of accuracy required
 - the means of calibration (in-house or out-sourced)
 - records of calibration.

Regulation 16

- The content of the building consent file needs to be defined.
- The definition of a paper or electronic file as the definitive record is required.

LGNZ information-sharing website

Local Government New Zealand (LGNZ) hosts a website where councils can share information and documents about the requirements for becoming an accredited and registered building consent authority.

The website – <http://www.lgnz.co.nz/projects/building-consent/AccreditationResourceKit.html> – has examples of operational practice, preparation tips and learnings from councils at all stages of the assessment process. The information on the website may be useful for councils to compare policy and procedure approaches with similar-sized organisations, or can be used to assist with developing or fine-tuning documents.

Building consent authority case advisors are encouraging councils to make accreditation-related resources and other information available to others through this site. The site contains a document submission form to facilitate this.

Consultation on 'adequate means' requirements

Consultation is under way on the minimum terms and conditions for insurance policies for private organisations seeking registration as building consent authorities.

A consultation paper, *Private Building Consent Authority 'Adequate Means' and Civil Liability Insurance Proposals*, was released in late July. Submissions close on 21 September 2007.

The paper is the final consultation process in the establishment of the building consent authority accreditation and registration scheme.

To protect consumers, the Building Act 2004 requires private organisations to satisfy the Department that they have adequate means to meet any civil liabilities arising from their building control work. Councils already have the resources to meet civil liabilities.

The extent of insurance cover that would constitute 'adequate means' would be based on the total value of building projects for which the private building consent authority undertook building control functions. The Department could approve a lesser amount if it was satisfied that the level of risk warranted a reduction. It could also consider the use of a guarantor or bond when assessing whether it was satisfied a private organisation had adequate means.

The insurance requirements would cover scenarios such as: a building consent or code compliance certificate being issued for a building that does not comply with the Building Code; a building failure such as a weathertightness failure causing decay; or negligence in the inspection of a building and the issuing of a code compliance certificate. Claims would have to be made within 10 years of the act or omission on which the proceedings were based.

Private organisations wanting to do building control work will only have to be accredited and registered if they want to operate as a stand-alone building consent authority. A council that has been accredited and registered may, however, use an unregistered private organisation, on a contract basis, in which case liability for the private organisation's building control work would rest with the council.

The consultation paper is available at <http://www.dbh.govt.nz/UserFiles/File/Publications/Building/BCA/Private-BCAs.pdf> or a copy can be obtained by calling the Department's contact centre on 0800 242 243. It includes specific questions for submitters to respond to, as well as an invitation for general comment.

Accreditation assistance package

More than \$1.9 million has so far been allocated from the accreditation assistance package.

A total of 61 applications for funding have been approved as of the end of July.

'The rate of applications has slowed, with building consent authorities currently focusing on responding to desk-top review feedback or organising pre-assessment visits by IANZ,' Zoe Dryden, Project Manager of the Assistance Package, said.

'The focus of assistance package support is now on helping building consent authorities as they implement new systems and demonstrate the operation of the new systems,' she said.

Case advisors continue to work one-on-one with councils on their accreditation needs and to determine how the Department might be able to help them.

Ten workshops explaining the standards and criteria for accreditation as a building consent authority were held around the country in March/April. The first six of a second round of workshops were held in June and July in Napier, Matamata, Rotorua, Wellington, Christchurch and Dunedin. The second round is focusing on sharing implementation tips, detailing accreditation procedures and introducing self-auditing practices to support assessment for accreditation.

Some building consent authorities have also requested assistance to train their staff in internal audit procedures to assist with gathering evidence that systems for assessing the competency of their staff have been effectively implemented.

Workshop content is also being tailored to the identified needs of the councils taking part.

Further information is available from case advisors.

Further information

Further information about the building consent authority accreditation scheme is also available on the Department's website at www.dbh.govt.nz/bofficials-bca

Further information about IANZ is available at www.ianz.govt.nz

For general enquiries about the building consent authority accreditation and registration scheme or the accreditation assistance package, please contact one of the following people at the Department of Building and Housing.

Building Consent Authority Accreditation and Registration Project
Consent Authority Capability and Performance Group
Department of Building and Housing
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For specific enquiries about applying for accreditation, the accreditation assessment process, accreditation fees or the standards and criteria for accreditation, please contact:

International Accreditation New Zealand (IANZ)
Private Bag 28-908, Remuera, Auckland
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