



## **Expressions of Interest Sought in being an Assessment Agent for the Licensed Building Practitioners Regime for Design, Site and Carpentry Licence Classes**

### **Proposal**

Expressions of interest (EOI) are sought from appropriate bodies to be assessment agents for the licensed building practitioners regime for the design, site and carpentry licence classes. An EOI should be made on the template attached to this document and forwarded to:

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Wellington

**By 21 August 2006**

### **Introduction**

The Department of Building and Housing (the Department) is responsible for implementing the licensed building practitioners (LBP) regime announced by the Minister for Building Issues on 18 April 2006. This document:

- outlines the LBP regime
- scopes out the implementation of the scheme in relation to assessing applicants for a licence
- sets out the process for engaging and working with assessment agents
- sets out the broad criteria that prospective assessment agents would need to meet to be candidates for further consideration
- provides an EOI template for prospective assessment agents to complete and submit to the Department.

Organisations that wish to discuss this document before submitting an application should contact Peter Palmer on (04) 494 5353 or Judith Brown on (04) 473 8824.

### **Licensed building practitioners regime**

The licensing regime comprises 13 licence classes, as follows.

<b>Whole of Building</b>	<b>Trade and Specialist</b>
Design One	Carpentry
Design Two	External Plaster
Design Three	Brick and Blocklaying
Site One	Roofing
Site Two	Concrete Structure
Site Three	Steel Structure
	Building Services

Three categories of building have been identified, corresponding to the design and site licence classes.

From 30 November 2009, it will be mandatory that:

- the design of all significant building work is certified by a person with the appropriate design licence as meeting the requirements of the Building Code
- the construction of all significant building work is certified by a person with the appropriate site licence as meeting the building consent requirements.

From 30 November 2011, all work on the structure and envelope of all significant building work will need to be:

- supervised or undertaken by a person with the appropriate trade or specialist licence
- certified that the work meets the building consent requirements.

'Significant building work' on a building intended for human use as a residence, workplace or public building is defined as:

- a new building
- changing the use of a building
- an extension or major alteration to existing an building.

Voluntary licensing for the design, site and carpentry licence classes will commence on 1 November 2007. The remaining licence classes will be phased in from 2008.

A more detailed description of the regime is available on the Department's website ([www.dbh.govt.nz](http://www.dbh.govt.nz)) in the licensing section.

## **Implementation**

The Department is now beginning to implement this regime. A key aspect of implementation is developing the policies, infrastructure and procedures to enable applicants to be assessed for the licence classes. A number of factors need to be considered and these are set out below.

### *Staged implementation*

The initial implementation focus is on the design, site and carpentry licence classes. The design and site licence classes become mandatory from November 2009, and it is expected that many applicants for the site licence will also want to apply for the carpentry licence. It is vital that these licences are open to applicants from November 2007 to ensure sufficient numbers are licensed to sustain the building industry from November 2009.

### *Licence standards and assessment criteria*

The Department is now working with practitioner-based working parties to develop the licence standards and assessment criteria for the design, site and carpentry licence classes. These standards and assessment criteria will form the basis of the rules to be approved by the Building Practitioners Board and the Minister for Building Issues.

### *Likely number and status of applicants*

It is estimated that about 28,000 people will ultimately need to be licensed to ensure there are sufficient practitioners to cover the mandatory requirements of the regime.

For the licence classes (design, site and carpentry), it has been estimated that around 540 assessments per month will need to be processed between 1 November 2007 and 30 November 2009.

There is a low level of qualifications in the industry. Based on the 2001 census, only:

- around 50 percent of architectural designers have a vocational qualification
- 33 percent of builders and carpenters have a vocational qualification.

These percentages are considerably lower for the trade licences. For some licence classes, there are no relevant qualifications.

### *Transition arrangements*

Transitional arrangements are needed to assess the competence of licence applicants because of the low level of vocational qualifications in the industry and because it would not be realistic to expect unqualified practitioners to obtain a relevant qualification before applying for a licence. These arrangements are not yet finalised, but are likely to be based on the following framework.

- Demonstrated understanding or working knowledge of the regulatory framework.
- A desktop assessment of evidence of competence, which is likely to include:
  - statutory declaration
  - project record
  - referees
  - declaration of judgement history (where appropriate)
  - relevant qualifications
  - recent learning activities
  - association memberships.
- Face-to-face assessment where insufficient evidence is supplied to support issuing a licence on a desktop basis.

It is intended that competency assessment will be based on the evidence provided 'taken as a whole'.

### **Assessment infrastructure**

The Department does not intend to undertake assessments of applicants itself. It intends to contract out managing and undertaking assessments to suitable bodies that can act as assessment agents. The Department has developed a number of principles and policies that will underpin its contracting arrangements. These are discussed below.

### *Core principles*

The Department has developed four core principles that will underpin the assessment arrangements. These are as follows.

- **Department-owned.** The Department will own the business systems, information systems and intellectual property (such as assessment tools) relating to the licensing system. These will be developed, controlled, moderated and audited by the Department.
- **Industry-driven.** The building industry is the key contributor to assessing licence applicants. The Department's systems and intellectual property will be developed in close consultation with the industry, and applicants will be assessed by their peers.
- **A seamless approach.** Applicants will only have to deal with one assessment agent during their application for each licence class.
- **Open, fair, transparent, consistent, effective and efficient.** The assessment process is open to scrutiny by the building industry, the Building Practitioners Board, courts and the general public. It must be easily understood, in accordance with the principles of natural justice, legislatively sound and economical.

The key implications of these core principles are set out below.

<b>Department responsibilities</b>	<b>Assessment agents' responsibilities</b>
Develop a database and financial management system accessible to all users	Have an IT and financial management infrastructure able to access and use the Department's systems appropriately
Develop the assessment tools and other intellectual property	Have the capacity and capability to use the assessment tools for assessing
Provide applicant resources such as application forms and guidelines	Provide a case management system for applicants
Provide assessor training packages and resources	Engage and manage appropriate industry practitioner assessors
Develop the moderation and quality assurance systems	Work with the moderation and quality assurance systems and report against them

### *Partnership model*

The Department's intention is to work in partnership with the assessment agents. It wants to identify the appropriate assessment agents as soon as possible. This will enable the agents to contribute to and participate in developing the assessment tools and other systems and procedures they will be required to use. For the development phase, the relationship would be captured by a 'partnership agreement'. Successful implementation of the partnership agreement would lead to a contract between the agents and the Department for the delivery of assessment services.

### *Assessment tools, templates etc*

The Department intends to issue a separate EOI invitation for developing the various assessment tools, templates and materials to support the assessment process. Bodies that wish to express their interest in being assessment agents could also subsequently express their interest in being considered for developing the assessment tools etc. In assessing applications, the Department will include, in its consideration:

- the desirability or otherwise of separating the development of the tools from their application and how this might be managed

- the need to manage risks relating to over-dependency on a small number of organisations.

### *Funding*

The cost of assessment is to be met by applicants through paying fees. This includes recovering development costs. The assessment agents' costs will therefore need to be met from the fees paid by applicants. The Department may be able to fund some of the up-front costs of assessment agents during the development phase.

The Department's intention to work with a small number of assessment agents means that the fees charged to applicants will be the subject of discussion between the agents and the Department. It would also be a matter for inclusion in the contract between the agents and the Department.

### **Process and timelines for engaging assessment agents**

Set out in the table below is the process and timelines for engaging assessment agents.

<b>Action</b>	<b>Deadline</b>
Expression of interest applications close	21 August 2006
Applications for partnership agreements sought from suitable organisations	4 September 2006
Partnership agreements in place	9 October 2006
Implement partnership agreements through development phase	October 2006 – January 2007
Review partnership agreement and negotiate contract	February 2007
Contract for deliverables in place	1 March 2007
Assessment tools and infrastructure developed	20 April 2007
Assessor training completed	30 September 2007
Applications for design, site and carpentry licences commence	1 November 2007

## Assessment agent criteria

Expressions of interest are sought from organisations that can meet the following criteria and key elements as set out below.

Key criteria	Key elements
<p><b>Infrastructure.</b> Have, or can develop, within an appropriate timeframe the necessary infrastructure to provide assessment and related services for large numbers of applicants.</p>	<ul style="list-style-type: none"> <li>• An IT infrastructure that can access and use the Department's proposed web-enabled database.</li> <li>• A financial management system that can collect, process and record payments.</li> <li>• A capacity and capability to case manage and process applications.</li> </ul>
<p><b>Assessment expertise.</b> Have knowledge and experience of competency-based assessment.</p>	<ul style="list-style-type: none"> <li>• Institutional knowledge and understanding of competency-based assessment.</li> <li>• Successful experience in managing and delivering assessment services.</li> </ul>
<p><b>Industry links.</b> Have or can develop strong links or partnerships with the building industry, and building industry associations and organisations.</p>	<ul style="list-style-type: none"> <li>• Have or can access practitioners who could act as assessors of licence applications.</li> <li>• Have or can develop knowledge and understanding of current building industry-related qualifications, education and training.</li> <li>• Have the confidence of key building industry organisations.</li> </ul>
<p><b>Collegial approach.</b> Prepared to work in partnership with the Department and collegially with other assessment agents while developing and implementing the regime.</p>	<ul style="list-style-type: none"> <li>• Can demonstrate a track record of working collegially with others.</li> <li>• Willingness to share expertise, ideas and lessons learned with others.</li> </ul>
<p><b>Legally, financially and organisationally sound.</b></p>	<ul style="list-style-type: none"> <li>• Is a legal entity.</li> <li>• Is financially sound and can invest resources during the development phase.</li> <li>• Well managed with appropriate support systems.</li> </ul>