



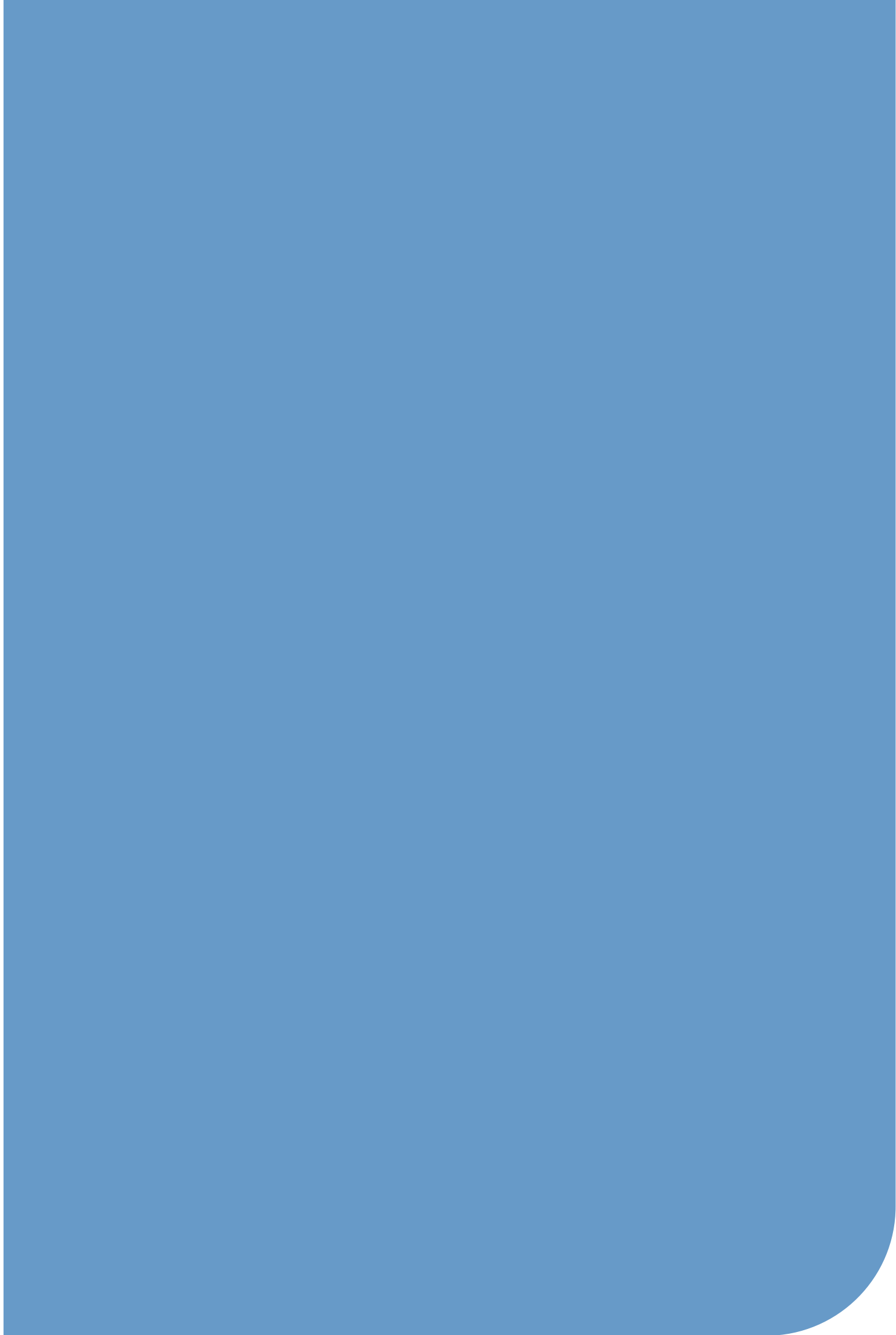
Department of  
Building and Housing  
*Te Tari Kaupapa Whare*

# Technical Review

## **of the Building Control Operations of Wellington City Council Summary Report**

August 2007





# Important notice to people reading this technical review report

The Department of Building and Housing (the Department) carries out technical reviews as part of its function to monitor and review the performance by territorial authorities and building consent authorities of their functions under the Building Act 2004 (the Act). The purpose of a technical review is to assist the territorial authority or building consent authority under review to improve its building control operations.

A technical review is not an audit. A technical review is a performance review based on a snapshot of information about the building control activities of the territorial authority or building consent authority, and cannot be taken as a full and comprehensive review of the competency and quality of all of those activities. A technical review is carried out by:

- assessing whether the processes and procedures used by the territorial authority or building consent authority under review are sufficient to enable it to satisfy the requirements of the Building Act 2004, and related regulations, including the New Zealand Building Code (the Building Code)
- assessing the processes and procedures used by the territorial authority or building consent authority under review in respect of weathertightness compliance
- providing advice and assistance on best-practice building control procedures to help the territorial authority or building consent authority under review achieve an effective building control regime that is consistent with national objectives
- enabling the Department to receive comment and feedback from the territorial authority or building consent authority under review about its practical operations, ability to assess building compliance, and the role of the Department in this process.

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# 1 Overview

## Purpose

This report provides a summary of the results of a technical review of the building control operations of Wellington City Council (the Council) carried out in August 2006. The report outlines:

- the role of the Department and the Council in regulatory building control
- the methodology used in the review
- the Department's key findings and recommendations
- the Council's progress in implementing the Department's recommendations
- issues requiring further improvement.

## The Council

Wellington City Council services an area of approximately 290 square kilometres and has an estimated population of 188,500 (as at June 2006). The Council employs 1440 staff to carry out its various roles in the city. There are a total of 84 employees making up the Building Consents, Licensing and Customer Services teams. Of these 84 employees, the following are usually engaged in regulatory building control functions.

- Three team managers
- Six team leaders
- 39 building officers
- 18 administration and support staff

The Department recognises that the Council, as with many other territorial authorities, has a challenging task in a busy environment.

## Review process

Technical reviews usually involve a three-phase process designed to assist territorial authorities and building consent authorities to improve their regulatory building control operations. They are carried out by the Department's Consent Authority Capability and Performance Group, according to terms of reference that cover a range of capacity and capability issues. Sections 3 to 5 of the report outline the methodology supporting technical reviews.

Technical reviews usually involve two on-site assessment visits to the council concerned by the Department, an initial assessment and a follow-up assessment around a year later to gauge the Council's progress in implementing the recommendations made in the first visit. In the case of Wellington City Council, however, the Department did not conduct a follow-up review because it considered that the performance issues identified and the recommendations made in the initial review have been, or are being, adequately addressed by the Council.

## Key findings from the review

An on-site review of Wellington City Council's building control operations was undertaken by the Department in August 2006. The review found that for the most part the Council was successfully meeting its statutory obligations. However, the Department identified several areas where improvements to the Council's building control operations were required to ensure the Council is able to meet its obligations under the Building Act 2004. The main findings are summarised below.

### Technical competency of building control staff

The on-site review found that the Council needs to significantly strengthen the technical knowledge and expertise available to and in its building control unit. The Department found a large number of examples where the Council was undertaking building control work in-house where it did not have the requisite technical competence, particularly in relation to the inspection and approval of commercial buildings. The Department considers it important that building control staff are appropriately skilled and experienced in the work they are allocated to ensure compliance with the Building Code, Building Act 2004 and Regulations is accurately assessed and consistently achieved.

The Council should ensure all staff are provided with adequate ongoing professional development and technical training, especially around specialist weathertightness compliance and accessibility requirements of the Building Code. The Council should also:

- ensure staff are effectively implementing the knowledge gained from training provided
- reassess its mechanism for evaluating staff competence
- engage external expertise in cases where it does not have the in-house technical capability or capacity to assess a specific compliance area.

### Compliance-related issues

The Department found that the Council was largely meeting its statutory obligations; however, the Department highlighted a number of areas where the Council could enhance its building control operations and improve compliance and service. These included:

- ensuring project information memoranda produced by the Council consistently contain all necessary information; in particular focusing on drainage and geotechnical information for new subdivisions (where appropriate)
- conducting regular internal audits to ensure consent conditions are used in a responsible and appropriate manner
- proactively following up on outstanding building work for which a code compliance certificate has not been issued
- clarifying when it was appropriate to issue a notice to fix as a means to require non-compliant building work to be made compliant (as opposed to using site instructions)
- ensuring every producer statement it accepts clearly refers to all relevant Building Code clauses

- considering ways to enhance the processes underpinning decisions on whether to accept producer statements (eg, the review noted that some councils maintain records of producer statement authors and assessment processes to assist in their decision-making)
- ensuring that all overdue building warrant of fitness certificates are followed up
- considering methods of improving the level of accessibility compliance.

### Quality control processes

The Council needs to develop and implement a more robust process for peer review and quality control of its building consent processing and inspection activities. In particular, the Council needs to review its processing and inspection methodology for determining compliance with Building Code accessibility provisions, weathertightness and signage in commercial buildings. The Council needs to strengthen its procedures for peer review and quality control of building consent processing and inspection activities, as noted above, to ensure:

- all building consent applications comply with the Building Code and code compliance certificates are only issued once complete compliance has been achieved
- inspections, their outcomes and action points are appropriately recorded and all required documentation and conditions fulfilled before approval
- staff are working within their level of technical competence and are effectively applying knowledge gained through training
- designs for systems or construction methods/materials that are outside the scope of in-house expertise are assessed by technically competent external experts (eg, weathertightness or fire compliance specialists).

### Update on Council's progress towards implementing review findings

Since the on-site review, the Council advised it has undertaken a range of initiatives to implement the Department's recommendations and strengthen its building control operations. Some key initiatives include:

- reviewing the process for issuing project information memoranda
- requiring peer review of any fire design outside of Acceptable Solutions
- developing and adopting new work instructions for the allocation of work to building officers and the need for supervision where an officer is allocated work outside their assessed technical competence
- reviewing and amending work instructions for a number of processes to include supervision requirements, and giving further direction and guidance to staff on a number of matters such as:
  - the process for inspections
  - handling variations on site
  - acceptance of documentation establishing compliance or supporting the Council's assessment of compliance
  - accepting expert opinion on compliance matters
  - issuing notices to fix
  - handling new information during processing
  - issuing code compliance certificates

- employing two additional staff for its building warrant of fitness system (receipt and audit activity)
- undertaking further staff training on accessibility compliance
- implementing new processing and code compliance certificate checklists as part of the work of a regional cluster group of territorial authorities
- formalising its process for assessing staff competency involved with processing of complex designs.

## Conclusion

As the issues identified in the 2006 review visit have been, or are being, adequately addressed by the Council, the Department did not consider there was a need to return for a follow-up visit to the Council. This decision reflects our overall conclusion that we consider the reviewed parts of the Council's building control operations are being actively improved.

The Department has a role to play in helping to achieve efficient and effective building control practices in the industry and aims to do this through collective input from the Department, territorial authorities and building consent authorities, building practitioners and other relevant industry stakeholders. The Department will continue to carry out performance monitoring and review functions of territorial authorities and building consent authorities in accordance with its statutory requirements under the Building Act 2004.

## 2 Roles of the Department of Building and Housing and the Council

### The Department's role

The Department is responsible for conducting technical reviews of territorial authorities and building consent authorities. This is part of its wider statutory responsibilities for building and housing, and administration of New Zealand's building legislation. In summary, the Department's key building control functions include:

- advising the Minister for Building and Construction on matters relating to building control
- administering and reviewing the Building Code
- producing Compliance Documents that specify prescriptive methods as a means of complying with the Building Code
- providing information, guidance and advice on building control to all sectors of the building industry and consumers
- implementing, administering and monitoring a system of regulatory controls for a vibrant, innovative sector with skilled building professionals
- making determinations, or technical rulings, on matters of interpretation, doubt, or dispute relating to compliance with the Building Code or the issuing of building consents and code compliance certificates.

### The role of the Consent Authority Capability and Performance Group

The Department's Consent Authority Capability and Performance Group is responsible for undertaking the technical review of Wellington City Council. The Group's broad functions include:

- monitoring, reviewing and improving performance outcomes of the regulatory building control system, for example, conducting technical reviews of territorial authorities and building consent authorities
- designing and implementing a system of accreditation and registration to be used to strengthen decision-making at the important building consent and inspection stages of the building process
- managing the accreditation body that will assess prospective building consent authorities
- strengthening relationships with territorial authorities, building consent authorities and other key industry stakeholders
- investigating and resolving complaints about performance issues
- providing guidance, advice and assistance to the regulatory building control sector.

## Role of building consent authorities and territorial authorities

Territorial authorities have a wide range of statutory functions and powers under the Building Act 2004. Briefly, these include:

- enforcing the Building Act, Building Regulations and Building Code
- determining whether applications for waivers or modifications of the Building Code, or any document for use in establishing compliance with the Building Code, should be accepted
- determining the extent to which buildings must comply with the Building Code when altered, their use is changed or their specified intended life changes
- determining whether building work is exempt under Schedule 1 from the need to obtain a building consent
- performing functions relating to dangerous, insanitary and earthquake-prone buildings
- issuing certificates of acceptance
- issuing certificates for public use
- issuing and amending compliance schedules and enforcing the building warrant of fitness regime
- issuing project information memoranda
- following up on notices to fix, gaining access to buildings, keeping accessible records, collecting fees and issuing fines and infringements.

Territorial authorities must also act as a building consent authority for their district. Statutory functions of a building consent authority include:

- receiving, considering, and making decisions on applications for building consents within set time limits
- inspecting building work for which it has granted a building consent
- issuing building consents, code compliance certificates, compliance schedules and notices to fix.

## 3 Purpose of the technical review

Technical reviews are performance reviews undertaken to monitor building consent authorities and territorial authorities to help them to fulfil their obligations under the Building Act 2004. The review is a tool to help a territorial authority and building consent authority to:

- enhance the performance of its building control activities
- implement appropriate systems and processes so it can carry out its building control operations
- effectively fulfil its obligations under the Building Act and Building Regulations.

Technical reviews also examine whether a territorial authority or building consent authority has the appropriate operational systems and resources to enable its staff to undertake their building control work effectively and efficiently.

They are not intended to evaluate the performance of individual staff and are not comprehensive audits involving detailed examinations of all aspects of a territorial authority's building control operations. Nor do they assess the territorial authority against a particular model or expressly measure it against the performance of other territorial authorities.

### Legislative basis

This review was initiated under sections 204 and 276 of the Building Act 2004. It is a function of the Chief Executive of the Department of Building and Housing to monitor the performance of territorial authorities and building consent authorities to determine whether they are properly exercising their powers and performing their building control functions.

# 4 The review process

## Review timeframe

Technical reviews are typically undertaken using a three-phase process, which usually takes approximately 18 months from start to finish.

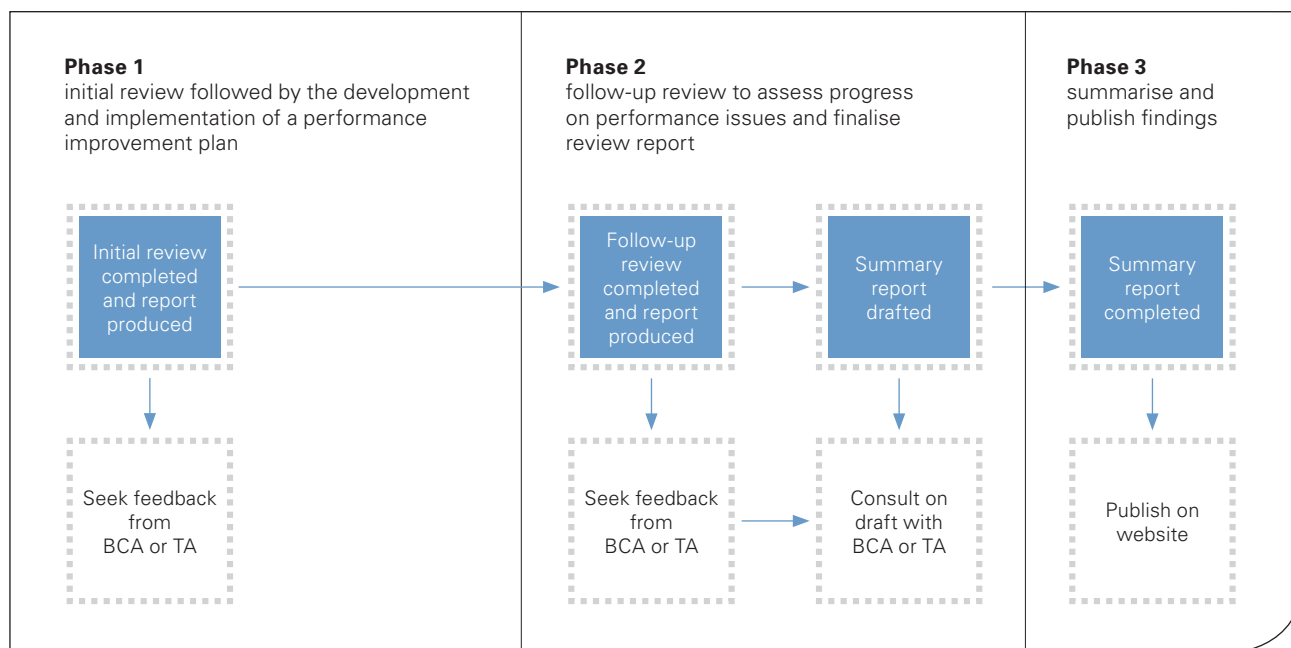
Phase one: The Department undertakes an on-site initial review of the building consent authority’s or territorial authority’s building control operations and produces a report with recommendations. The organisation then provides feedback to the Department on the report and addresses recommendations made by the Department over the following 9–12 months.

Phase two: A follow-up review is usually undertaken 9–12 months after completion of phase one, which focuses on how the building consent authority or territorial authority has addressed recommendations from the initial review. A draft follow-up report is provided to the organisation so it can make a written submission on the final findings. Following consideration of any submissions, the follow-up review report is finalised and provided to the building consent authority or territorial authority.

Phase three: The review process is then completed by preparing a summary review report for publication on the Department’s website.

The figure below shows the stages of the review process. In the case of Wellington City Council, the Department did not undertake a follow-up review (phase two of the process) because it considers that the issues identified in the review were not of a significant enough nature to warrant a follow-up review. The Department also considers that the recommendations made in the initial review are being adequately addressed by the Council and that greater benefit would be accrued from refocusing its activities on territorial authorities that have not undergone a recent review. This report is the summary report indicated in phase three for Wellington City Council.

**Figure 1: Overview of the technical review process**

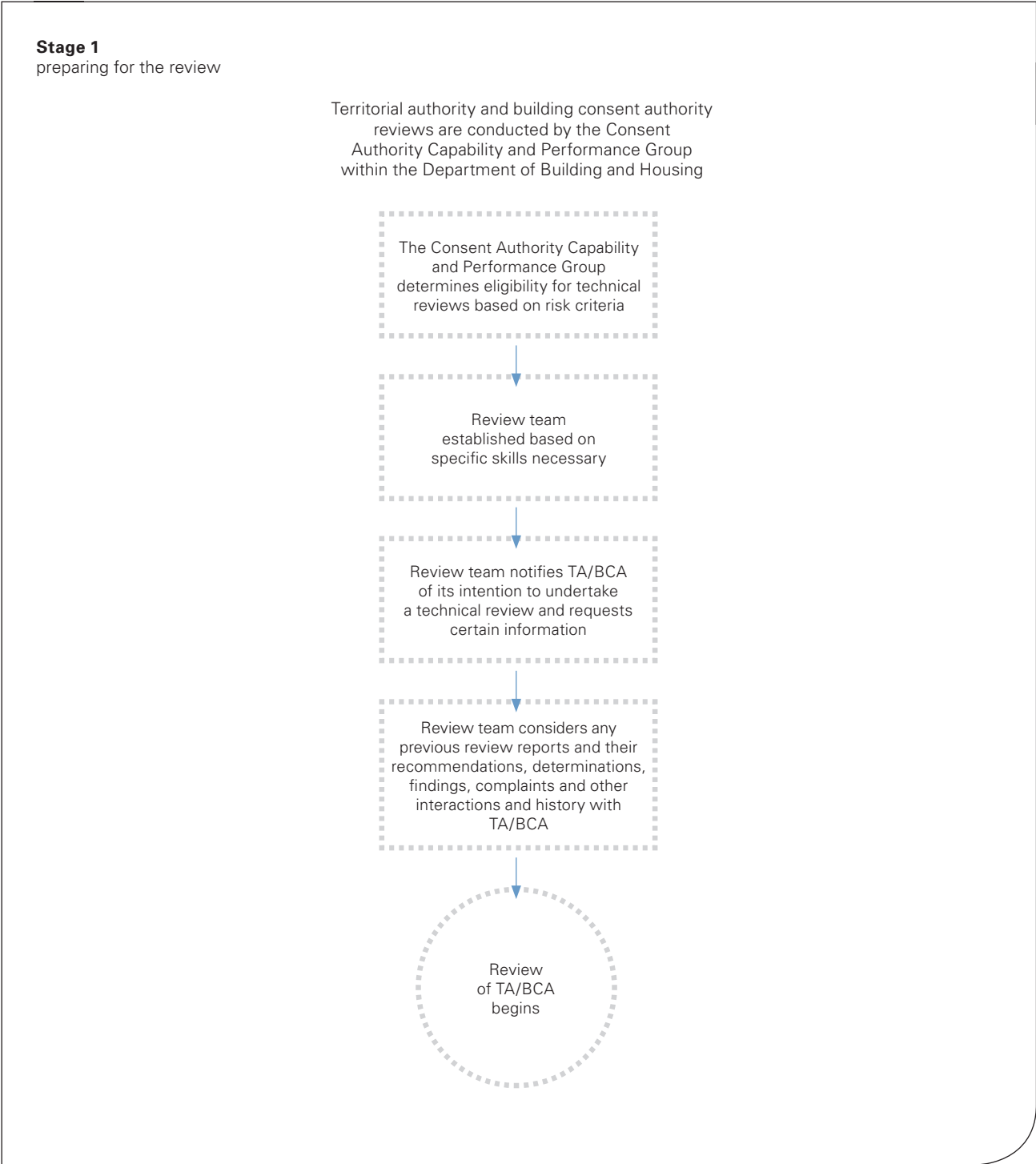


## Investigative method

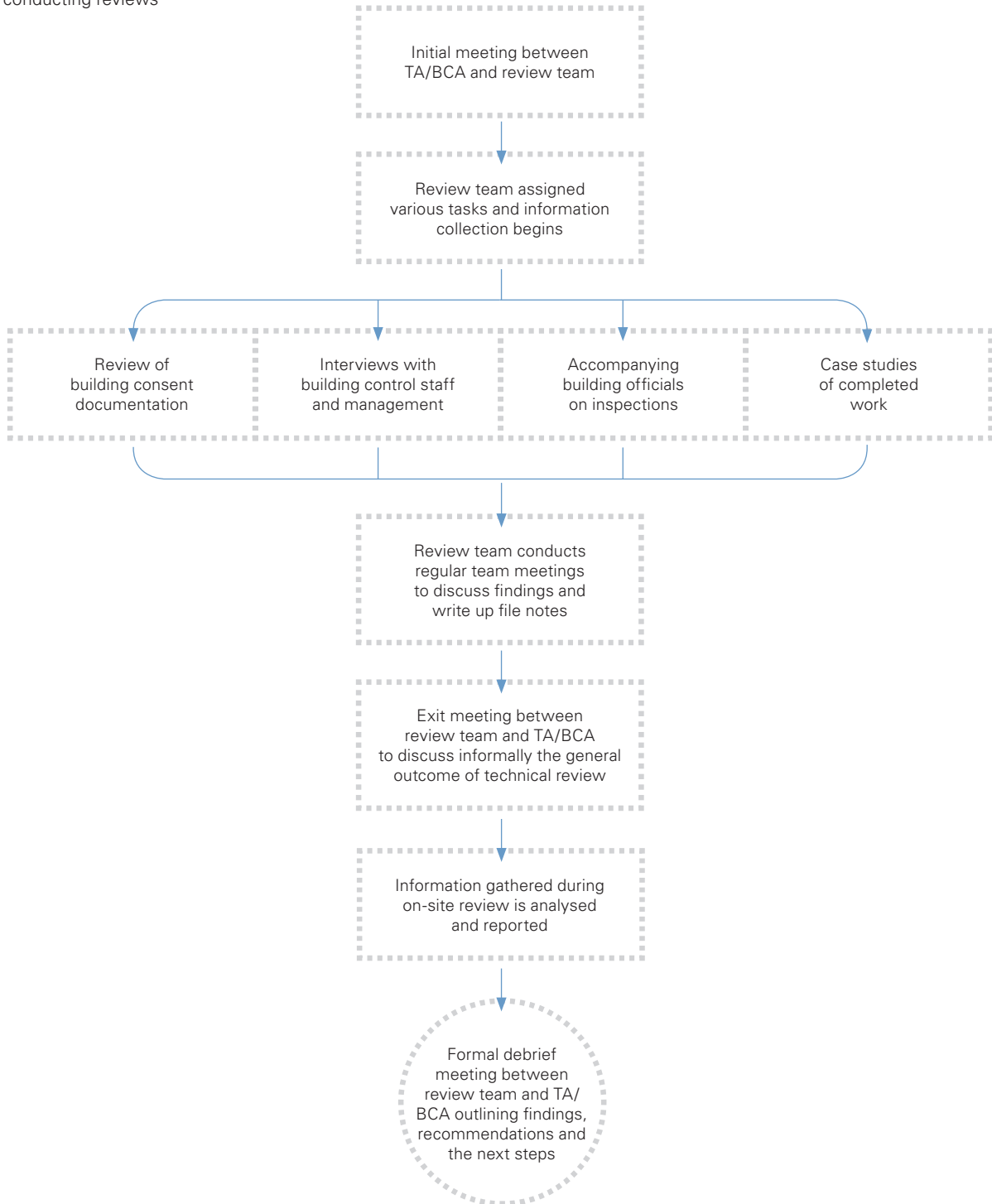
The Department measures a territorial authority's or building consent authority's performance using a number of methods including:

- observing staff doing their work, both in the office and on site
- reviewing written material used and produced by staff (eg, policies, procedures, inspection checklists and records, manuals and approved consent documentation)
- interviewing staff about their use of material and their work
- assessing a random sample of building projects (case studies) that have recently been, or are currently being, handled by the territorial authority or building consent authority.

**Figure 2: Preparing for and conducting technical reviews**



**Stage 2**  
conducting reviews



The August 2006 on-site visit to Wellington City Council was undertaken over a 5-day period using a six-person team. This provided a snapshot of the Council's building control operations at this point in time. The Department looked at the processes undertaken in processing and approving building consents, and undertaking inspections, including those that had recently been completed and had code compliance certificates issued. These case studies were selected randomly.



## Terms of reference

The table below sets out the terms of reference that form the basis for the technical review.

<b>Terms of reference for technical review</b>	
1	Organisational and management structure
2	Consent statistics
3	Use of the processing clock
4	Procedures for determining compliance with the Building Code: 4.1 Consent application vetting and lodgement processes 4.2 Project information memoranda processing 4.3 Building consent processing 4.4 Use of notations and endorsements on building consent documents 4.5 Peer review and use of external assessment 4.6 Code compliance certificates
5	Assessing alternative solutions for building compliance
6	Procedures for accepting producer statements
7	Weathertightness compliance
8	Compliance with other Building Act requirements
9	Compliance schedules and the building warrant of fitness regime (eg, certificates of acceptance and certificates for public use)
10	Accessibility compliance
11	Human resources
12	Technical knowledge and ability of staff
13	Adequacy of resources
14	Adequacy, security and availability of public records
15	Relationships with other territorial authorities
16	Case studies
17	Accompanying personnel during inspection work
18	Feedback from the Council to the Department

# 5 Key findings of the review

The key findings of the review are recorded under each of the 18 parts of the review's terms of reference. This section also outlines the Department's recommendations and how the Council acted upon or responded to each recommendation.

## 1 – ORGANISATIONAL AND MANAGEMENT STRUCTURE

### Purpose

To summarise the Council's building control organisational and management structure and to identify any issues with its efficiency and effectiveness. This part of the review also considered how the Council delegates its legislative powers, duties and responsibilities.

### Background

Section 232 of the Building Act covers the delegation of powers of territorial authorities. This section links to Schedule 7 of the Local Government Act 2002, which sets out local authorities' broad powers of delegation.

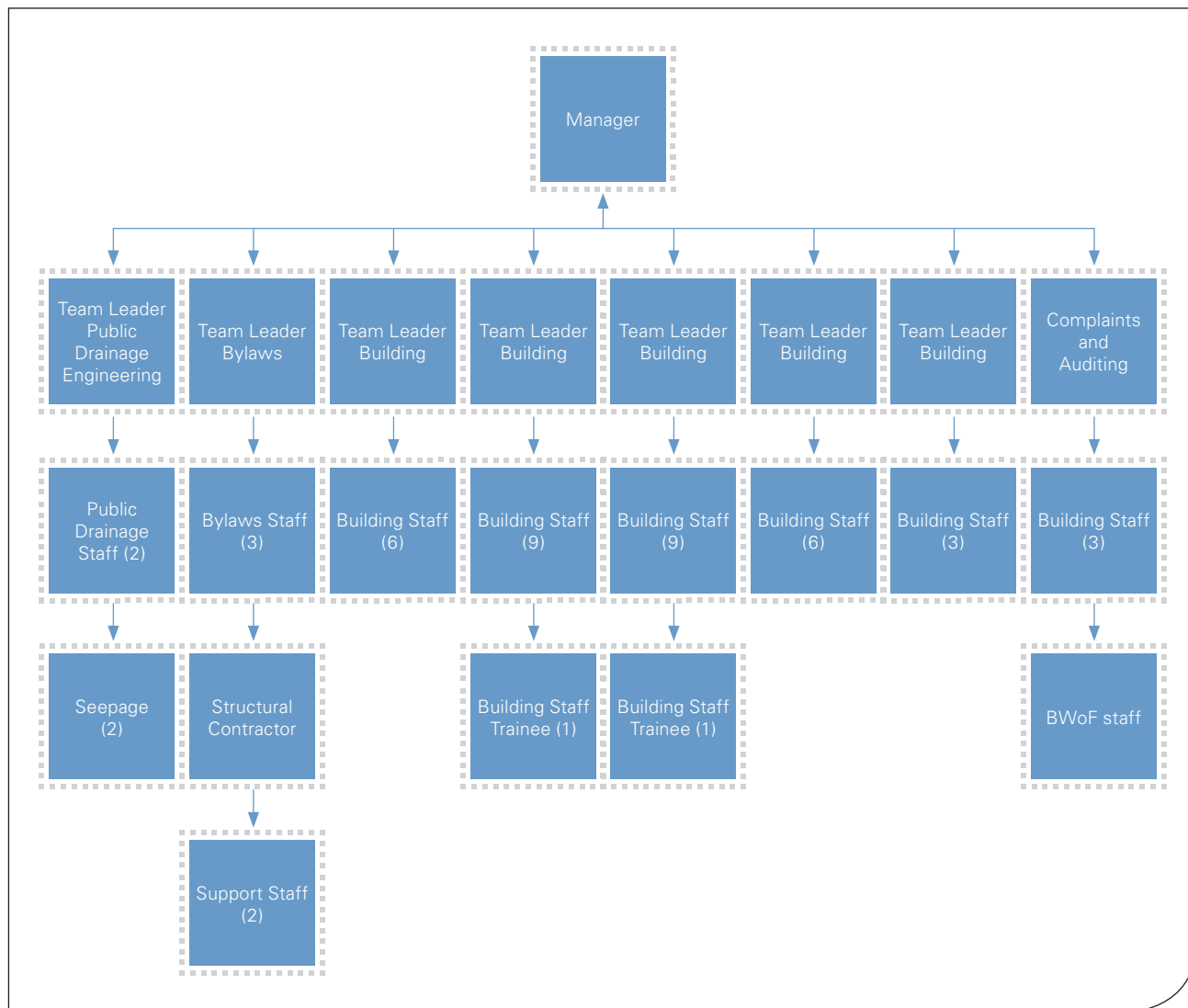
### Findings

The Council's building control operation has a tiered structure (as set out in Figure 3 opposite), with eight distinct teams, including:

- Public Drainage Team – responsible for inspection and approval of public drainage and for investigating complaints relating to seepage
- Bylaws Team – responsible for approval of vehicle access and earthworks consents
- Complaints and Auditing Team – responsible for investigation of complaints, monitoring of building warrant of fitness compliance, and backflow compliance
- Five Building Teams – responsible for the delivery of building consent processing and building inspection functions. One team focuses on processing and inspections associated with larger commercial projects (major projects). The other four teams undertake the balance of building consent processing and inspection work, with each team generally being responsible for a particular geographical area.

The building teams comprise technical officers who specialise solely on processing or inspections, with one or two floating officers capable of undertaking both functions. The Council maintains a clear separation between its building, plumbing and drainage disciplines. The building control operation is supported by eight administration staff who are multi-skilled and able to provide cover in the event of staff absence.

**Figure 3: Wellington City Council structure for building control**



**Conclusion**

No specific recommendations were made under these terms of reference during the review.

The Department considers that the Council has an appropriate organisational and management structure for its building control operations, which enables it to fulfil its day-to-day statutory functions.

Human resources are discussed further under part 11 of the terms of reference, on page 34.

## 2 – CONSENT STATISTICS

### Purpose

To review a series of building control statistics to provide an indication of the volume of work the Council has to manage.

### Findings

The Council provided the following statistical information for the 12-month period from 1 July 2005 to 30 June 2006.

**Table 1: Wellington City Council consent statistics 1 July 2005 to 30 June 2006**

Action	Total number
Building consents issued	3,723
Building consents issued valued at under \$500,000	3,570
Building consents issued valued at over \$500,000	153
PIM-only applications	30
Total value of construction work consented	\$608,732,190
Code compliance certificates issued	3,036
Building consents that have not had code compliance certificates issued	14,019
Compliance schedules issued	2,703
Swimming pools on the register	724

The Council's records show that it issued 95 percent of building consent applications within the statutory timeframe.

### Conclusion

The statistics provided by the Council indicate that it was faced with a significant volume of building control work during the 12 months prior to the on-site review.

### 3 – USE OF THE PROCESSING CLOCK

#### Purpose

To assess the Council's use of the processing clock and how well the Council is meeting the statutory timeframes for processing applications for building consents.

#### Background

The Building Act 2004 specifies a range of requirements for a building consent authority when it processes applications for building consents. Section 48 of the Act requires that a building consent authority grant or refuse a building consent within 20 working days. This timeframe may be suspended if insufficient information has been supplied by the consent applicant. The applicant should be notified of this in writing, where appropriate.

#### Findings

The Department found that the Council has adequate systems in place for monitoring and reporting on its statutory functions and that these systems are being properly administered.

The Council reported that at the time of the review 95 percent of building consent applications were being processed within the statutory timeframe of 20 working days. A small sample of recently issued building consents confirmed that processing times were being accurately tracked and that the suspension of applications was being correctly recorded.

The Department found that all of the 30 individual project information memoranda applications made during the previous twelve months were issued within the statutory timeframe.

#### Conclusion

No specific recommendations were made under these terms of reference during the review. The Department was satisfied, given the scope of evidence, that the Council was largely meeting its timeframes for the processing of building consents and that the processing clock was being used appropriately at the time of this review.

## 4 – PROCEDURES FOR DETERMINING COMPLIANCE WITH THE BUILDING CODE

### Purpose

To review the key processes and procedures the Council uses when accepting, vetting and processing applications for building consents, and how it establishes whether applications comply with the Building Code. These processes include:

- consent application, vetting and lodgement processes
- project information memoranda processing
- building consent processing and approval
- use of notations and endorsements on consent documents
- use of peer review, external or specialised assessment
- issuing of code compliance certificates.

### 4.1 Consent application vetting and lodgement processes

#### Purpose

To assess how well the Council accepts and vets applications for building consents.

#### Background

Good-quality plans and specifications submitted with building consent applications help ensure efficiencies in processing and better compliance outcomes. Modern buildings are now considerably more technically complex, and designers and consent applicants must ensure they provide building consent authorities with appropriate design information to show how Building Code compliance will be achieved.

#### Findings

The Department found that the Council had adequate levels of frontline staff for vetting building consent applications and that technical building officers were on hand to provide technical support to administrative staff at the front counter. The Department also found that the Council was consistently rejecting incomplete building consent applications during the initial vetting stage.

The Council had developed a suite of check sheets that provided building consent applicants with information on its building consent processes and documentation expectations. These are available on the Council's website and in hard copy. The Council also encouraged meetings with project stakeholders proposing to undertake large projects before building consent applications were made. The Department considered these meetings to be an effective tool for good relationship management, improving communication, and lifting stakeholder awareness of individuals' roles and responsibilities.

#### Conclusion

No specific recommendations were made under these terms of reference during the review. The Department considers that the Council has a satisfactory process for the vetting and lodgement of building consent applications.

## 4.2 Project information memorandum processing

### Purpose

To examine how the Council uses project information memoranda (PIMs) as part of its building control operations.

### Background

Sections 31–39 of the Building Act cover applications for PIMs. These sections specify the minimum information that a PIM must include. Information not apparent in the district plan must be included, as well as details of other authorisations, stormwater and utility systems, and other features or characteristics likely to be relevant to the design and construction of the building on that site.

### Findings

The Department found that the Council has sound procedures for processing PIMs. PIM inputs were generally provided by planning, health, plumbing and drainage, and building officers, with each listing matters pertinent to their discipline.

The Department identified some inconsistencies in the level of information provided for PIMs as part of its review of case studies. For example, not all PIMs included adequate drainage information and several projects in new subdivisions made no reference to specific subdivision information or commented on special features of the land concerned, as required by section 35(1)(a)(ii) of the Building Act.

Recommendations to the Council	Response from the Council
Ensure PIMs produced by the Council consistently contain all necessary information, in particular (focusing) on drainage and geotechnical information for new subdivisions, where appropriate.	The Council agrees that PIMs should consistently contain all necessary information that the Council has on record. It advises that it is reviewing processes for issuing PIMs and will make changes as the need is identified.

### Conclusion

The Department is satisfied that the Council is undertaking the necessary work to implement the Department's recommendation.

## 4.3 Building consent processing

### Purpose

To ensure the Council has a sound methodology for processing applications for building consents.

### Background

Once territorial authorities or building consent authorities have accepted building consent applications, it is important to have a systematic process in place to assess applications in a thorough, consistent and timely manner that clearly documents the technical basis for issuing the building consents and the subsequent compliance certification.

## Findings

The Department found that the Council had processes in place for processing building consent applications. Consent applications were allocated according to staff competence, workload, building categorisation and geographical location.

The technical officer responsible for vetting a consent application prior to acceptance is also responsible for identifying the specific technical inputs required and ensuring the application is forwarded to those with the appropriate expertise (eg, engineering, plumbing and drainage). Processing officers make use of a checklist to record application details and identify specific provisions of the Act that have been considered, along with prompt sheets to note queries during processing and a 'dialogue record' to record communications with project stakeholders. A suite of more than 80 letters, forms and certificates was developed to document and communicate various Building Act and Building Code contingencies to stakeholders.

The Department found some inconsistencies in the use of prompt sheets, which resulted in some disparity in the processing methodology used by processing officers. The Department also identified that the Council was not consistently ensuring mechanical services and alternative solution fire designs complied with the Building Code.

The Department made the following recommendations following the on-site review.

<b>Recommendations to the Council</b>	<b>Response from the Council</b>
Ensure staff (and contractors) undertaking building consent processing use a consistent processing methodology.	The Council advises it has revised its work instruction for the assessment of building consents, including the processing checklists. This work is in the implementation phase and the new checklist is being trialled prior to full implementation.
Reassess the levels of competence of staff undertaking processing of complex designs involving fire and mechanical services. This may require independent external assessment.	The Council advises that it is reviewing these matters in preparation for applying for accreditation as a building consent authority.  Since 1 April 2007, the Council has required that a peer review of any fire design outside the Acceptable Solutions be submitted with a building consent application.

## Conclusion

The Council has progressed the Department's recommendations, although it has still to fully implement its new processing checklist and to formalise its process for assessing the competency of staff involved with the processing of complex designs.

## 4.4 Use of notations and endorsements on building consent documents

### Purpose

To examine the Council's use of building consent conditions and plan notations during its processing of building consent applications.

### Background

Consent conditions or notations can be used as educational tools and to highlight aspects of construction that require particular attention, although it has been found that some building consent authorities apply conditions or notations to cover deficiencies in consent documentation. While this can sometimes avoid the need to request additional information and help expedite consent processing, it can also mean that territorial authorities or building consent authorities encroach on the designer's role by specifying how Building Code compliance will be achieved (eg, by nominating a specific Standard or method). While the solution its staff may nominate may comply with a particular Acceptable Solution (prescriptive means of achieving Building Code compliance), it is usually only one of a number of ways of achieving compliance. Nominating design solutions may also have cost implications for the consent applicant and should therefore be left to the designer and building consent applicant to determine.

### Findings

The Department found that the Council did not generally advocate endorsing of plans or the use of notations. When matters required amending or information was lacking, applicants or designers were generally contacted by a processing officer and requested to provide updated drawings.

The Department found that updated information was not always being date stamped when it was received, making it difficult to determine whether the application had been re-assessed by processing officers. In some instances consent conditions were being applied to make up for poor quality consent documentation.

Recommendations to the Council	Response from the Council
Ensure new information received after lodgement is date stamped and old information is identified as superseded.	<p>The Council advises it has revised its work instruction for assessment of a building consent in relation to:</p> <ul style="list-style-type: none"> <li>• how new information received between application and issue is handled</li> <li>• date-stamping information on receipt</li> <li>• assessing the information and whether other staff need to see this information</li> <li>• adding information to both copies of the application</li> <li>• identifying information as superseded.</li> </ul>
Ensure processing staff are familiar with the proper use and application of building consent conditions.	<p>The Council advises that the consistent and appropriate use of conditions is one of the aspects considered when building consents are checked by an experienced building officer prior to issue.</p>
Conduct regular internal audits of issued building consents to ensure consent conditions are being applied in a consistent and responsible manner.	<p>The Council advises its Quality Management System provides for regular audits of work instructions to assess performance against the recorded processes. For example, an internal audit of the work instruction for the assessment of a building consent was carried out in November 2006, the results of which were discussed with staff and are being used to identify opportunities for process improvement.</p> <p>The work instruction for assessment of a building consent has a number of triggers for peer/co-review of an officer's work.</p> <p>The assessment tool used in assessing officer competence includes review of an individual officer's work, an opportunity for feedback and the identification of training needs.</p> <p>Building consents are checked by a senior officer prior to issue providing a feedback opportunity to individual officers.</p>

## Conclusion

The Council has progressed the Department's recommendations.

### 4.5 Peer review and use of external assessment

#### Purpose

To assess how the Council undertakes and documents in-house peer review of its building control operations and uses external expertise.

#### Background

Territorial authorities and building consent authorities have a responsibility to ensure building consents and code compliance certificates are issued correctly and that inspections are carried out effectively. An internal peer review system helps ensure the systems used for regulatory building control are rigorous and consistent. Additionally, by using appropriate technical specialists the Council will ensure building consents comply with the Building Code and buildings are completed in accordance with the consented plans and specifications.

## Findings

The Department found that the Council generally determines what aspects of specific design and construction will require a peer review at the time of the initial pre-application meeting. The Council has formal processes for the peer review of alternative designs, waivers and decisions relating to the change of use or alterations to existing buildings. These processes provide for external review if agreement cannot be reached by in-house processing officers.

The Department found that contract structural engineers generally peer review structural work that is subject to specific design; however, there is little external peer review of mechanical services, geotechnical or fire design. The Department's case studies identified that the Council may not have the necessary in-house technical expertise for assessing complex work of this nature.

Recommendations to the Council	Response from the Council
<p>Engage appropriate expertise to reassess the level of in-house competence of its staff undertaking processing and inspection, particularly relating to fire design and mechanical services.</p>	<p>The Council advises that it uses contractors to assess applications containing elements of specific design. Structural contractors undertake initial geotechnical assessments and require a peer review if the design is outside normal parameters.</p> <p>All applications including proposed alternative solutions for fire design are to be accompanied by a peer review.</p> <p>The Council considers it has sufficient in-house expertise with regards to mechanical services design.</p>
<p>Develop and implement robust procedures for peer review of building consent processing and inspection activities to ensure:</p> <ul style="list-style-type: none"> <li>• all building consent applications comply with the Building Code and code compliance certificates are only issued once complete compliance has been achieved</li> <li>• inspections are appropriately documented and all required documentation and conditions fulfilled</li> <li>• staff are working within their level of technical competence and are applying knowledge gained through training effectively</li> <li>• designs for systems that are outside the scope of in-house expertise are assessed by technically competent external expertise.</li> </ul>	<p>The Council advises that work instructions for assessing building consent applications, undertaking inspections and issuing code compliance certificates have triggers for co-review or peer review to be undertaken if appropriate. Supervision requirements may be triggered by:</p> <ul style="list-style-type: none"> <li>• the complexity of the project</li> <li>• the value of the project</li> <li>• the level of risk involved in the project.</li> </ul> <p>A new code compliance certificate checklist is currently being trialled before final sign-off by the regional group and full implementation.</p>

## Conclusion

The Council has implemented the Department's recommendations. Given the findings of the Department's review of case studies, the Department considers it important that the Council continues to revise and strengthen its peer review processes and ensure external expertise is consistently engaged where designs for systems are outside the scope of internal expertise.

## 4.6 Code compliance certificates

### Purpose

To examine the Council's processes for the issuing of code compliance certificates.

### Background

Sections 91–95 of the Building Act 2004 contain provisions on the issuing of code compliance certificates. In summary, these provisions require that:

- an owner applies for a code compliance certificate (in the prescribed form) as soon as practicable after building work is completed
- a building consent authority issue a code compliance certificate if it is satisfied, on reasonable grounds, that building work complies with the building consent
- a building consent authority be satisfied that any specified systems are capable of performing to the performance standards set out in the building consent
- a building consent authority must decide whether or not to issue a code compliance certificate within 20 days of receiving an application for a code compliance certificate or other further period agreed between a building consent authority and the owner.

Section 92(1) of the Building Act requires building owners to apply for a code compliance certificate after all building work to be carried out under their building consent has been completed. If the building consent was issued after 31 March 2005, and no application has been made to the building consent authority within 2 years of the date on which the building consent was granted, the building consent authority must decide whether to issue a code compliance certificate (section 93(2)(b)(i)). Although it is not required by the Building Act 2004, the Department also considers it good practice for building consent authorities to have a system for proactively following up on all building consents issued under the Building Act 1991 that have not had code compliance certificates issued.<sup>1</sup>

### Findings

At the time of the on-site review, the Council was implementing new processes for assessing project completion and issuing code compliance certificates for building consents issued under the Building Act 2004. This work would cover its statutory obligation in relation to building consents issued under the Building Act 2004 that had not had a code compliance certificate within 2 years of the building consent being issued.

The Department also identified that building officers often address non-compliance identified during final inspections by way of a site instruction rather than issuing a notice to fix. In such cases, the inspection is reclassified as a pre-final inspection and the owner/builder advised to book another inspection when the remedial work is completed. The Department noted that issuing a notice to fix might be more appropriate in some cases and would enable the Council to nominate a timeframe for the work to occur and promote project closure (for example, if the non-compliance has health or safety implications or could lead to significant building failure).

<sup>1</sup> The Building Act 2004 also provides that applications for code compliance certificates relating to building consents granted under the Building Act 1991 must be considered and determined as if the Building Act 2004 had not been passed and with reference to the Building Code that applied at the time (refer to section 436 of the Building Act 2004).

The Department also noted that the Council had 14,019 building consents dating back to 1992 that have not been issued with a code compliance certificate.

The Department’s case studies identified that on-site compliance was generally being achieved for residential projects, but there were some variations between approved documentation and as-built structures, with little information on record as to whether these variations had been considered and approved. Our case studies of commercial projects revealed particular deficiencies in regard to access and facilities for people with disabilities and signage compliance. Consent documentation for these projects was often unclear as to what work had and had not been approved.

Recommendations to the Council	Response from the Council
<p>The Council implements a policy providing for the issuing of a notice to fix at the time of final inspection if non-compliance is identified (rather than issuing a site instruction), if the non-compliance is such that a notice to fix is appropriate in the circumstances.</p>	<p>The Council’s advises its processes surrounding notices to fix are contained in a work instruction. Notices to fix are issued when the Council considers it appropriate to do so but, in its experience, considers it more appropriate, at times, to issue a site instruction.</p>
<p>Review its procedures and processes for dealing with on-site amendments and variations and for assessing and recording on-site compliance prior to issuing a code compliance certificate.</p>	<p>The Council advises that it has reviewed its process for inspections and issuing code compliance certificates, which now include more guidance for officers regarding variations – both minor and major.</p> <p>The code compliance certificate checklist which is being trialled requires officers to ensure variations have been appropriately addressed prior to a code compliance certificate being issued.</p>
<p>Implement on-site peer review processes to ensure that approved documentation accurately reflects the work undertaken and that compliance with the Building Code is consistently achieved, particularly in relation to commercial projects.</p>	<p>The Council advises it has developed the requirement for officer supervision where that officer is carrying out work that is outside their assessed level of competence. These requirements have been included in the revised work instructions for inspections and issuing code compliance certificates. The checklist provides for co-review in some instances prior to the issue of a code compliance certificate.</p>

## Conclusion

The Council has progressed the Department’s recommendations.

During the review the Council and the Department also discussed best practice processes where non-compliant building work is found during the final inspections. The Department had recommended that the Council implement a policy of issuing a notice to fix if non-compliance is found at final inspections, where and when appropriate (as opposed to issuing site instructions). The Council sought clarification on the Department’s position as it considered issuing site instructions was more appropriate in many cases and advised that it now has a work instruction surrounding the issuing of notices to fix or site instructions.

## 5 – ASSESSING ALTERNATIVE SOLUTIONS

### Purpose

To examine how the Council assesses alternative solutions proposed for use in building projects.

### Background

Alternative solutions are one way of demonstrating that building work will comply with the Building Code. Building consent authorities can use the known performance of the relevant Acceptable Solution (prescriptive means of compliance) as a benchmark to make their own assessment of whether the performance of the proposed alternative solution is adequate. An alternative solution may involve materials, components, or methods that differ from those in a Compliance Document,<sup>2</sup> but that still satisfy the performance objectives of the Building Code.

### Findings

The Department found that the Council had a formal policy and procedure for managing the assessment and acceptance of alternative solution proposals. This required a building officer to record the rationale for their decision along with any expert opinion or research gathered, with formal review by a second officer. In cases where there was a lack of agreement, the matter was referred to a team leader or outsourced for external review. The Department found that building officers correctly followed this procedure.

The Council refers very complex and high-risk proposals that are outside the scope of its in-house expertise to external consultants for peer review.

No specific recommendations were made under these terms of reference during the review.

### Conclusion

The Department considers that the Council has a satisfactory system for recording the assessment and acceptance of proposed alternative solutions.

## 6 – PROCEDURES FOR ACCEPTING PRODUCER STATEMENTS

### Purpose

To establish whether producer statements accepted by the Council are adequate to achieve compliance and that the Council's producer statement acceptance regime is credible, non-contestable, clearly understood and consistently practised by staff.

<sup>2</sup> Compliance Documents (and Verification Methods) are prescriptive documents produced by the Department of Building and Housing that specify a means of compliance with a particular clause of the Building Code.

## Background

Producer statements are written statements expressing the authors' views that plans, specifications or completed works comply with the technical requirements to satisfy some or all of the Building Code. A producer statement will usually be issued by a recognised specialist, for example, an engineer, architect or competent specialist contractor (the building consent authority or council must decide whether to rely on such a statement). These documents have no specific status in law, but they can still be accepted and considered by a building consent authority or council as part of the plans and specifications.

## Findings

The Department found that the Council had a formal policy and procedure for managing the acceptance and approval of producer statements. The Council did not, however, have a list or record of approved producer statement authors.

The Department also identified that few producer statements involving Code Clause B1 (Structure) made reference to Code Clause B2 (Durability).

The review of case studies indicated that some producer statements had been issued subject to specific conditions (such as on-site ground-bearing capacity being confirmed) and that some building consent conditions also required producer statements before the issuing of the code compliance certificate. However, the Department did not find any record that these conditions had been actively followed up or met.

Recommendations to the Council	Response from the Council
Develop and maintain a list of approved producer statement authors.	<p>The Council advises that its work instruction for accepting expert opinion outlines the process for officers to follow in considering whether or not to consider a producer statement or other expert opinion. The process includes consideration of the author's competence and any limitations to the field of expertise of the author.</p> <p>The Council does not consider it necessary to develop an approved list of producer statement authors as it considers this may result in a less robust process being followed and potential unfairness to authors not on the list.</p>
Ensure producer statements that relate to Code Clause B1 (Structure) nominate compliance with Code Clause B2 (Durability) of the Building Code.	The Council advises that producer statements that do not cover compliance with Clause B2 require consideration by building officers and/or consultants prior to sign-off.
Ensure all producer statements it accepts clearly refer to all relevant Building Code clauses.	The Council has developed a process document for the acceptance of expert opinion which requires that officers check that producer statements refer to all relevant Code clauses.

## Conclusion

The Council has progressed the Department's recommendations. The Council is encouraged to continue to strengthen its producer statement processes and ensure that all producer statements clearly refer to all relevant Building Code clauses.

The Department notes the Council's concerns regarding the development of a list of assessed authors. However, the Department believes there are benefits for the Council in doing this, such as helping form records of compliance decisions being made. It is a common practice used effectively by other councils. Records used internally can help to efficiently identify providers with a proven track record. This does not mean other providers cannot be used, or that no additional checking is needed for assessed authors; such records are merely tools which may help streamline the Council's decision-making process and assist newer staff.

## 7 – WEATHERTIGHTNESS COMPLIANCE

### Purpose

To assess the Council's ability to process and inspect weathertightness compliance with particular attention to:

- weathertightness design processing methodology
- the level and detail of consent documentation accepted and approved by the Council
- technical competency of both processing and inspection staff in relation to weathertightness compliance
- the Council's inspection systems and procedures.

### Background

In response to emerging reports of building failure, the Government initiated several reviews that collectively found that there had been a 'systemic failure' of the building system. The term 'systemic failure' illustrates that no single cause led to the failure; rather it was the result of a complex interplay between a number of factors. Some of the key factors involved included:

- standards of design and construction that were set at the minimum level necessary to achieve compliance, providing no margin for error
- a lack of information and capability on the design and construction side
- inadequate review of consent applications and inspections of building work, which meant that specific problems were not being consistently identified and rectified
- capability and capacity issues within the regulatory building control sector identified the need for better monitoring of emerging trends within the building control system.

The Building Act 2004 introduced a more comprehensive regulatory regime for the building control sector. The Acceptable Solution (a prescriptive means of compliance) for meeting Clause E2 External Moisture (weathertightness) of the Building Code was also updated.

### Findings

The Department found that the Council has made significant investment in staff training for weathertightness compliance and has established processes to assess weathertightness risk. The Department's review of case studies identified that on-site compliance with weathertightness provisions was not always being achieved and that changes to cladding systems were sometimes not being recorded.

Recommendations to the Council	Response from the Council
<p>Review how it assesses and approves on-site weathertightness compliance with the goal of reducing the level of non-compliance. (This should include its inspection methodology and peer review processes.)</p>	<p>The Council advises that it has amended its inspection methodology and process for issuing code compliance certificates in the following ways.</p> <ul style="list-style-type: none"> <li>• The number and type of inspections required for a consent has been increased, particularly inspections and assessments deemed critical to weathertightness performance.</li> <li>• The work instruction on inspections covers issues such as the external envelope of buildings.</li> <li>• Documentation for Building Code compliance and project completion undergoes greater scrutiny, including manufacturer and installer information.</li> <li>• Inspection officers have been given more direction regarding variations on site. Generally, changes to cladding systems and weathertightness detail are now considered a significant variation requiring a formal amendment to the building consent prior to work being carried out.</li> </ul>

## Conclusion

The Department supports the Council’s investment into strengthening its weathertightness compliance and provision of staff training in weathertightness. The focus now is to maintain such initiatives and to ensure such knowledge is consistently applied. Quality assurance tools such as internal audits of completed work could assist the Council’s ongoing efforts to minimise non-compliance.

## 8 – COMPLIANCE WITH OTHER BUILDING ACT REQUIREMENTS

### Purpose

To examine the Council’s performance on a range of other building control operations required by the Building Act that are not specifically covered under the other terms of reference.

### Background

The on-site review examined how the Council was undertaking its legislative responsibilities in relation to the following areas.

- Restrictions and limitations on building consents
- Dangerous and insanitary buildings (sections 121 and 123)
- Earthquake-prone buildings (section 122)

## Findings

### Restrictions and limitations on building consents

The Building Act contains a number of provisions that require or empower a territorial authority or building consent authority to place restrictions or limitations on building consents or to advise or seek input from other parties on building consent matters. The Department found that the Council was aware of its legislative responsibilities in these areas and has developed processes and procedures for dealing with them in accordance with Act requirements.

### Dangerous and insanitary buildings

The Department found that the Council has clear policy and procedures in place for dealing with dangerous and insanitary buildings as required by sections 131–132 of the Building Act 2004.

### Earthquake-prone buildings

The Department found that the Council had developed a formal policy and procedure for earthquake-prone buildings, as required by section 131 of the Building Act 2004.

The Council had also established a database collating relevant information held by the Council to identify buildings that require further assessment to determine whether they are earthquake-prone. At the time of the on-site review, a desktop review had reduced the number of potentially earthquake-prone buildings from 8,000 to approximately 3,700. The Council was planning to undertake assessments of these buildings over the next 3 years and to re-issue earthquake-prone building notices issued under the former Building Act 1991.

No recommendations were made under these terms of reference during the review.

## Conclusion

The Department is satisfied that the Council is meeting its responsibilities in these areas.

## 9 – COMPLIANCE SCHEDULES AND THE BUILDING WARRANT OF FITNESS REGIME

### Purpose

To evaluate the effectiveness of Council's compliance schedule and building warrant of fitness (BWoF) regimes.

### Background

Buildings containing specified systems<sup>3</sup> (eg, sprinklers and lifts) require a compliance schedule. The owner of the building must ensure continued effective operation of those features and systems and demonstrate it by holding a current BWoF.

<sup>3</sup> Refer to section 100 of the Building Act 2004.

## Findings

The Department found that the Council was taking action to improve its management of building warrants of fitness and compliance schedules. The Council was introducing a new software package and had recently engaged contractors to update compliance schedules for 1,400 of the 2,703 buildings with specified systems in its jurisdiction. The Council had also secured approval to employ additional staff to complete this process and follow up approximately 600 overdue building warrants of fitness.

<b>Recommendations to the Council</b>	<b>Response from the Council</b>
Ensure all outstanding building warrant of fitness certificates are followed up without delay and that all buildings involved are fully compliant.	The Council advises that it has employed two additional staff members to work in this area since the Department's on-site review visit.

## Conclusion

The Department is satisfied that the Council is taking appropriate steps to update its compliance schedules and reduce the backlog of overdue building warrants of fitness.

## 10 – ACCESSIBILITY COMPLIANCE

### Purpose

To examine the Council's application and enforcement of the Building Code's requirements regarding access and facilities for people with disabilities.

### Background

The Building Act and Building Code contain requirements to ensure people with disabilities are able to enter a building and carry out normal activities and functions within a building. These provisions include sections 117–120 of the Act. There are a range of training courses available for staff to enhance their knowledge and skills in this area.

### Findings

The Department found that the Council has invested in staff training in accessibility requirements within the previous 12 months. However, the Department's review of case studies identified some non-compliance with accessibility provisions, especially during the building inspection stage. It is important that the Council considers accessibility issues from the outset of construction right through to final inspection.

Recommendations to the Council	Response from the Council
<p>Consider methods of improving its accessibility compliance, including:</p> <ul style="list-style-type: none"> <li>• peer reviewing completed work</li> <li>• reviewing and improving the training provided to staff</li> <li>• ensuring the effective implementation of training.</li> </ul>	<p>The Council advises that a number of officers have attended Barrier Free training courses and additional in-house training is planned for all building officers.</p> <p>It also advises that staff changes that have taken place since the Department’s on-site assessment and accessibility training will help address accessibility non-compliance.</p>

## Conclusion

The Council has substantially implemented the Department’s recommendations, but it still needs to consider quality assurance initiatives (eg, peer review or internal audits of completed work to check accessibility compliance is consistently being met).

## 11 – HUMAN RESOURCES

### Purpose

To assess the strength and depth of the Council’s building control human resource capacity and how effectively it is being used.

### Background

Increased building activity over the last few years has significantly increased the workload of building control staff. Territorial authorities and building consent authorities are able to address this by increasing staff levels and by using existing staff more effectively. Opportunities to increase staff levels are limited in the short term because the national supply of appropriately qualified and experienced new staff is limited.

### Findings

The Department found, at the time of the review, that the Council generally had adequate resources to meet its day-to-day building consent processing and inspection responsibilities. The Council also showed willingness to engage additional contracted resources when needed.

The Department noted that the Council has invested in staff training and made progress in developing and implementing building consent authority accreditation documentation within the previous 12 months. The Council’s statistics, at the time of the review, recorded that 95 percent of all building consents were processed within the statutory timeframe during this period.

No specific recommendations were made under this part of the review.

## Conclusion

The Department encourages the Council to continue to monitor staffing levels to ensure it has adequate staff to fulfil its range of building control functions. We note that some of the Council's responses to our recommendations under other parts of the review indicate that this is happening (eg, see part 9 of the review's terms of reference regarding additional staff being hired for the Council's building warrant of fitness system).

## 12 – TECHNICAL KNOWLEDGE AND ABILITY OF STAFF

### Purpose

To examine the collective technical knowledge and ability of the building control unit regarding the Building Act, Building Regulations and the Building Code and to examine staff training provisions.

### Background

Building control has progressively become more scientifically complex as new building materials and building systems gain wider use, as safety provisions become more comprehensive and as housing density increases. Construction methods now allow for smaller margins of error and the technical knowledge and expertise of building control staff must increase with that trend.

### Findings

The Department found that the Council has taken a proactive approach to staff training and development. The Council has undertaken an assessment of technical staff competence, recorded individual competence in a skills matrix, developed a staff training plan, invested in training programmes and was using the skills matrix to allocate work.

The Department's review of case studies identified areas of on-site non-compliance, which suggests that some staff may be operating outside their scope of competence. The Department found that deficiencies in staff expertise exist in assessing and inspecting fire, mechanical ventilation, signage and accessibility compliance (issues mostly pertaining to commercial buildings).

Recommendations to the Council	Response from the Council
<p>Ensure all building control work is allocated to staff or contractors with the requisite competence to perform the work. Options include:</p> <ul style="list-style-type: none"> <li>• obtaining a peer review of the mechanisms for evaluating staff competence</li> <li>• implementing quality assurance mechanisms such as quality audits of building consent processing, inspections and approval work to help assess the accuracy of staff competence assessments.</li> </ul>	<p>The Council advises that work instructions have been developed to ensure work is assigned to competent staff to work independently or under supervision.</p> <p>Levels of supervision required have been defined in the work instructions for assessment of a building consent, inspections and issuing a code compliance certificate and include triggers for co/peer review.</p> <p>Internal audits of work instructions or processes monitor the appropriateness of the supervision, and external audits (eg, IANZ assessment for accreditation) also provide feedback.</p> <p>The Council advises that it is planning to use a formal assessment tool being developed by the Wellington Regional Consents Group to assess the competence of building officers.</p>

## Conclusion

The Council has progressed the Department’s recommendations. Although the Council has invested in staff training and development, the Department’s case studies did note technical weaknesses and limitations around commercial building compliance. In particular, the Council needs to further strengthen the collective competencies in, or available to, its building control unit for the complex nature and volume of work it is undertaking – especially for commercial buildings. The Council needs to further invest in and train its staff in this area.

## 13 – ADEQUACY OF RESOURCES AND EQUIPMENT

### Purpose

To examine the resources and equipment the Council’s building control staff have to carry out their building control operations.

### Background

The effectiveness of building control staff can be enhanced with access to appropriate aids and resources such as a technical reference library, digital cameras and moisture meters.

### Findings

The Department found that technical staff have access to a range of up-to-date hard copy Standards, Compliance Documents, guidance documents, technical literature periodicals and trade journals. The Department identified some disparity between staff understanding of what level of technical resource and information is available and how this may be accessed, with several staff not being aware of the levels of technical information available on the intranet system.

The Department also found that building inspectors have use of dedicated vehicles that are adequately equipped with the necessary safety and operational equipment. The Council has recently replaced its film-based cameras with newer digital cameras that will be made available to all inspection staff.

Recommendations to the Council	Response from the Council
<p>Undertake and maintain an inventory of technical resources and ensure all staff are fully aware of how to best access such information and equipment.</p>	<p>The Council has taken the following steps to improve access to technical resources.</p> <ul style="list-style-type: none"> <li>• Registers of equipment have been established as part of its application for BCA accreditation.</li> <li>• It has invested in on-line access to Standards New Zealand’s building catalogue of Standards to ensure officers are accessing the most recent information.</li> <li>• Staff have been trained in the use of the website as well as the Council’s intranet, which also contains lists of technical publications held in the team library.</li> <li>• Some manufacturer information is held in the library.</li> <li>• Internet access is available to all officers.</li> </ul>

## Conclusion

The Council has implemented the Department’s recommendations and continues to improve the accessibility of information and equipment to staff.

## 14 – ADEQUACY, SECURITY AND AVAILABILITY OF PUBLIC RECORDS

### Purpose

To assess the Council’s record-keeping processes and information facilities, and public access to these.

### Background

Sections 216 and 217 of the Building Act set out the record-keeping requirements for territorial authorities and building consent authorities.

### Findings

The Department found that building consents issued after 1997 were being made available for public viewing at the Council’s main office. Building consents that had not been signed-off as completed could also be accessed from the Council’s information management system. Information relating to building work undertaken under a permit or building consent prior to 1997 was held off site in the Council’s archive. This archived information could generally be retrieved within 1 day, with documentation able to be viewed by appointment.

No specific recommendations were made under these terms of reference during the review.

### Conclusion

The Department considers that the Council provides the public with adequate access to its consent records and that these are kept safe and secure.

## 15 – RELATIONSHIPS WITH OTHER TERRITORIAL AUTHORITIES

### Purpose

To assess the Council's working relationship with other territorial authorities in its area to help facilitate process improvement and consistency.

### Background

The Department encourages councils to foster relationships with neighbouring territorial authorities (amongst other organisations) to help achieve consistency and improvement in their regions.

### Findings

The Department is aware of the Council's sound working relationship with neighbouring territorial authorities and its regular presence at national level forums. The Council has regular operational building control meetings to discuss issues with its neighbouring councils and has taken a leadership role in the regional cluster group formed as part of its preparatory work for accreditation as a building consent authority.

No specific recommendations were made under these terms of reference during the review.

### Conclusion

The Department commends the Council in taking a proactive and leadership role in its regional cluster group.

## 16 – CASE STUDIES

### Purpose

To undertake case studies of building consents that were completed within a 6–12 month period prior to the review, to assess the adequacy of the Council's building consent processing and inspection regime and to observe Building Code compliance assessment practices.

### Background

The Department identified a number of building consents that had recently been processed and approved by the Council and had progressed to code compliance certificate stage (although sometimes case studies involve buildings that are still in the construction phase). These building consents were chosen to be typical of the building type that the Council deals with and also to involve compliance elements that are known to be difficult or high risk (such as access for people with disabilities, or weathertightness of monolithic claddings).

The findings of the case studies were used to support and reinforce the more general review findings discussed throughout the report.

## Findings

The Department found that residential building work had generally been well inspected, with a reasonable level of compliance having been obtained. However, the Department identified some work that differed from the approved building consent documentation, which had insufficient information on the approval of that change.

In the case studies of commercial building work, the Department identified a number of areas where compliance with both the Building Code and the Building Act 2004 was not being consistently achieved. In particular, the Department found a number of examples of non-compliance with the accessibility requirements. The Department also found instances where mechanical services and fire requirements had not been adequately addressed during inspections.

It was also not always possible to identify the scope of the work approved in the building consent, particularly where the consent reviewed formed part of a multiple-staged project. The Department considered that inspectors were not consistently and adequately following up observations and requirements made in previous inspections.

Recommendations to the Council	Response from the Council
Implement a robust on-site peer review process for building inspections.	The Council advises it has defined requirements for supervision of officers working outside their assessed competence, which include elements of on-site supervision.
Provide additional training for technical staff in regard to inspections and approval of mechanical services and fire design requirements.	<p>The Council advises that:</p> <ul style="list-style-type: none"> <li>• proposed alternative solution fire designs requiring peer review at the approval stage will also require sign-off from the fire design engineer prior to code compliance certificate issue</li> <li>• proposed alternative solution designs for mechanical services require design engineer sign-off</li> <li>• the new code compliance certificate checklist which is under development will require officers to check that all documentation has been received and is acceptable.</li> </ul>
Monitor building consents prior to issue to ensure conditions imposed on building consents are relevant to the project, in particular required inspections.	<p>The Council advises that required inspections are identified by officers when assessing building consents. They are checked by a senior officer prior to the consent being issued.</p> <p>The new code compliance certificate checklist which is currently being developed will require officers to confirm that all inspections noted in the building consent have taken place, or be able to demonstrate how compliance has been achieved in instances where inspections have been missed.</p>
Monitor consents where code compliance certificates have been applied for to ensure documentation required in the building consent conditions has been obtained.	The new code compliance certificate checklist which is under development will require officers to check that all documentation has been received and is acceptable.
Monitor building inspection work to ensure any identified non-compliance is resolved and recorded in subsequent inspections.	The Council advises that inspectors are already required to check previous inspection notes and that previously identified items of non-compliance have been addressed, particularly prior to the issue of a code compliance certificate. The new code compliance certificate checklist will require the officer to record that this has been checked.

## **Conclusion**

The Council is progressing work to implement all of the Department's recommendations.

## **17 – ACCOMPANYING PERSONNEL DURING INSPECTIONS**

### **Purpose**

To assess the effectiveness of inspectors' building control processes, how they use the Council's inspection methodology, the level of building compliance achieved and how inspectors interact on site with consent applicants and builder/contractors.

### **Background**

The inspection processes and the effectiveness of the inspectors are critical to the overall effectiveness of the building control process. This section of the review involved accompanying the inspectors during their normal inspection workload. Observations from the Department often reinforce observations made during the case studies.

### **Findings**

The Council was introducing a new inspection system when the Department undertook its on-site review. Case studies of inspections undertaken under the previous system identified that variations from the plans were not always being properly recorded, requested remedial work was not always documented as being completed and some consent conditions were not being enforced. The Department considered that the Council needed to monitor the implementation and effectiveness of the new inspection methodology to ensure these issues were addressed and that the Council was satisfied that every building it inspects complies with the Building Code.

Recommendations to the Council	Response from the Council
<p>Reassess staff competence and training requirements.</p>	<p>The Council advises that it currently uses a number of sources of information to assess staff competence and these have been recently reviewed. The Wellington Regional Consents Group is developing a formal assessment tool which will help identify staff training needs. The Council has been trialling this tool on some officers.</p> <p>Furthermore, the Council advises it is looking at methods of assessing the effectiveness of staff training and may include written assessments following training sessions.</p>
<p>Closely monitor its new inspection system to ensure:</p> <ul style="list-style-type: none"> <li>• compliance with the Building Code is consistently achieved and the process confirming this is properly documented</li> <li>• all building consent conditions are recorded as having been fulfilled prior to issue of a code compliance certificate</li> <li>• inspection records reflect approval of site variations and as-built documentation is obtained to reflect these before the issue of code compliance certificates.</li> </ul>	<p>The Council advises its new inspection system has been in place for 6 months. Checksheets are monitored to ensure they are completed fully and any incomplete checksheets are returned to the officer to be completed.</p> <p>The Council has a process in place for inspections and issuing code compliance certificates that provides guidance to officers regarding on-site variations and requirements for supervision.</p> <p>The new code compliance certificate checklist, which is under development, will require officers to:</p> <ul style="list-style-type: none"> <li>• record that all building consent conditions have been met</li> <li>• confirm that work has been carried out in accordance with the building consent and any approved amendments</li> <li>• confirm whether a notice to fix was issued and later resolved or uplifted.</li> </ul>

## Conclusion

The Council has implemented the Department’s recommendations.

## 18 – FEEDBACK FROM THE COUNCIL

Under section 276(2)(a) of the Building Act 2004, the Department, when carrying out technical reviews, must give territorial authorities a reasonable opportunity to make written submissions on the review. The Department has provided the Council with the opportunity to submit feedback on review findings. Where possible, the Council’s feedback on specific findings or recommendations has also been incorporated throughout the report.

### Council statement

In addition to its responses throughout the review, the Council has also provided the following points of feedback.

- The Building Consents and Licensing Services group works to regularly review its processes and performance. Feedback received from internal and external reviews is considered useful in identifying areas for development and improvement.

- The review was carried out in August 2006, but the Council did not receive any formal or informal feedback from the Department until February 2007. In the 3 months since receiving the draft report, the Council has made considerable progress in considering the recommendations, reviewing its processes, consulting with regional partners on any proposed changes to ensure consistency regionally and is now working on implementing the changes.
- The Council suggested that technical reviews should only consider matters of compliance. For example, the Council considers that there is no obligation under the Act for territorial authorities to proactively issue code compliance certificates for building consents issued under the 1991 Act. Consideration of old building consents is also complicated by doubt about the durability of the building work and the Council is unlikely to be able to issue a code compliance certificate for elderly work.
- The Council noted that with finite building control resources, it is important to make decisions about where to focus its efforts. The Council cannot always divert resources away from fulfilling statutory functions in order to address recommendations it considers 'nice to do'.

### Department's response

Assessing compliance with the Building Act 2004 and Building Regulations (including the Building Code) is an important part of technical reviews. However, as outlined in sections 2–4 of this report, assessing compliance is not the sole focus of such reviews. Technical reviews cover a range of capacity and capability issues and focus on potential performance improvements, efficiency gains, developing more rigorous systems and processes, and improving quality (ie, better building compliance).

The Department notes the Council's position about proactively following up on outstanding building consents that have not had a code compliance certificate issued for the building work. In particular, the Department supports the Council's work to implement new procedures to meet its statutory obligation in relation to building consents issued under the Building Act 2004, which had not had a code compliance certificate within 2 years of the consent being issued.

In addition to such statutory obligations, the Department also considers it good practice for councils to have a system for appropriately following up on all outstanding building consents, including those issued under the former Building Act 1991. There are benefits to both homeowners and building consent authorities from such an approach (rather than a more passive approach of waiting for the owner to apply, which may take a long time). It will increase homeowners' awareness of their legal obligations and give them the time to plan how to redress any non-compliance identified (rather than having to urgently resolve non-compliance issues in potentially stressful situations such as when selling their houses).

Following up on outstanding building consents sooner rather than later is also likely to assist councils' own risk management practices and minimise the chance for other compliance issues to surface over time. The Department also notes that many councils operate such systems for proactively following up outstanding building consents and that the Building Act 2004 enables councils to charge for follow-up activities under the Act.

## 6 Next steps

### Further reviews

The Department will continue to carry out technical reviews of territorial authorities and building consent authorities, including further reviews of Wellington City Council, in accordance with its statutory requirements under the Building Act 2004.

### New system of accreditation and registration

The Department's technical reviews are an important tool for territorial authorities and building consent authorities to assess their readiness and assist their preparation for a new regulatory system introduced by the Building Act 2004. The building consent authority accreditation and registration scheme will regulate building control provided at the local level. This will bring about significant changes to regulatory building control in New Zealand.

Accreditation in the building control sector aims to strengthen the decision-making processes at the critical building consent and inspection stages of the building process. Successful implementation will bring about greater consistency in regulatory building control across New Zealand. It will help lead to performance improvements, raised standards in the sector and more consumer confidence in the system.

Under the Act, any organisation that wishes to undertake building control functions must be a registered building consent authority. In order to be registered, an organisation must first be accredited by the Building Consent Accreditation Body (International Accreditation New Zealand) as a building consent authority.

The Department's Consent Authority Capability and Performance Group is leading the work to implement this new system. The accreditation process will involve prospective building consent authorities being assessed by the independent accreditation body against a set of standards and criteria *Building (Accreditation of Building Consent Authorities) Regulations 2006* covering key components of good-practice regulatory building control.

The accreditation assessment process will incorporate many of the critical regulatory building control components of the Department's existing technical review process. *The Building (Accreditation of Building Consent Authorities) Regulations 2006* have a strong industry focus and cover three key areas.

- Formal policies, systems and processes
- Technical competence
- Quality assurance

### Further information

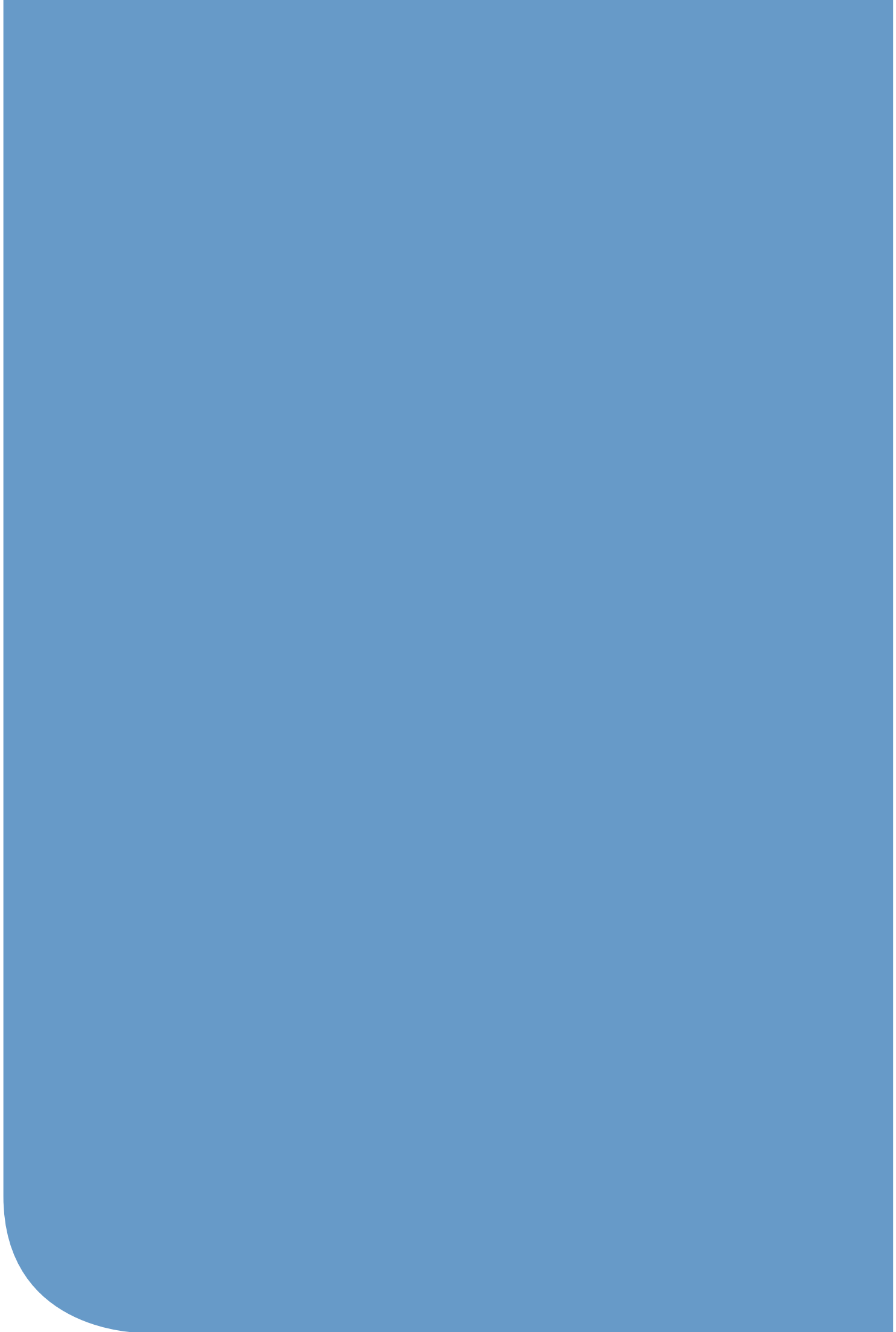
Further information about both the technical review programme and the building consent authority accreditation and registration scheme can be accessed online at [www.dbh.govt.nz](http://www.dbh.govt.nz)

## Guidance documentation

Under section 175 of the Building Act 2004, the Chief Executive (of the Department of Building and Housing) has a statutory role in the publishing of guidance information for territorial authorities and building consent authorities. The Department has published a range of guidance information to assist territorial authorities and building consent authorities in understanding how to comply with the Building Act 2004 and their building control responsibilities. This includes:

- Building Officials' Guide to the Building Act 2004 (August 2005, second edition)
- Building Consent Authority Development Guide (February 2006)
- Building Officials' FAQs (August 2005)
- Earthquake-prone building provisions of the Building Act 2004: Policy guidance for territorial authorities
- Dangerous and insanitary building provisions of the Building Act 2004: Policy guidance for territorial authorities
- External moisture – a guide to using the risk matrix
- External moisture – An introduction to weathertightness design principles
- Critical requirements for the Assessment of 'Monolithic Cladding' (April 2004)
- Practice Advisory 6: Achieve best practice – every step of the way
- Practice Advisory 5: Allow for movement
- Reinforcing steel in New Zealand – A quick guide for designers, building consent authorities and contractors
- Guide to applying for a building consent (simple, residential buildings) (January 2007)
- Building Consent Authority Accreditation Preparation and Self-assessment Guide (February 2007)
- Building Consent Authority Management Processes and Procedures Guide (February 2007).

This and other guidance information is available online at [www.dbh.govt.nz](http://www.dbh.govt.nz) The Department also participates regularly in workshops and conferences to provide updates and information to the sector.



Published in August 2007 by  
Department of Building and Housing  
PO Box 10-729  
Wellington, New Zealand

This document is also available  
on the Department's website:  
[www.dbh.govt.nz](http://www.dbh.govt.nz)

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ISBN 978-0-478-19432-6 (book)  
ISBN 978-0-478-19433-3 (website)