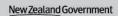


Building system legislative reform

Submission form



A little bit about you

Your contact details

Name:	Katharine Wheeler; Building Team Manager				
Company:	Kapiti Coast District Council				
Email address:	Katharine.wheeler@kapiticoast.g	govt.nz			
I would like to be ar	nonymous in MBIE's published con	sultation results.			
⊠ Yes	□ No				
Are you representir	ng others?				
\square No, just my self					
	mpany or an organisation				
Company/Organisati	Company/Organisation title: Kapiti Coast District Council				
The best way to des	scribe your role is:				
☐ Architect	☐ Builder	☑ Building Control Officer			
\square Building owner	\square Designer	\square Developer			
☐ Electrician	☐ Engineer – Fire	☐ Engineer – Geotechnical			
☐ Engineer – Structura	I ☐ Engineer – other	☐ Homeowner			
☐ Manufacturer/supplier/off-site manufacturer					
☐ Plumber/gasfitter/dr	rainlayer				
☐ Other (please specify	/)				

Part 2: Building products and methods

MBIE wants stakeholders' feedback on seven proposed changes:

1.	Widen the purpose of the Building Act to include the regulation of building products and methods.
2.	Provide clear definitions for 'building product' and 'building method'.
3.	Require product manufacturers and suppliers to supply information about their building products. Set minimum standards for that information. This would not apply to building methods.
4	Clarify responsibilities of manufacturers, suppliers, designers and builders for building products and building methods.
5.	Give MBIE the power to compel information to support an investigation into a building product or method.
6.	Strengthen the framework for product certification for building products and methods.
7.	Enable a regulatory framework for modern methods of construction, including off-site manufacture.

Proposal 1 -Widen the purpose of the Building Act to include the regulation of building products and building methods.

proud	oducts and bunding methods.			
2.1	Do you agree with expanding the purpose of the Building Act to include the regulation of building products and methods and their use?			
	⊠ Yes □ No			
	Expanding the purpose of the Building act to include regulation of building products and methods, and their use is supported. The building industry operates in a complex and challenging environment which encourages innovation and overseas trade. This complexity is currently slowing the building consenting process as BCAs endeavour to confirm compliance with the building code.			
	Regulation of building products and methods, assessed and registered by a national entity, could provide certainty about compliance and speed up, and therefore reduce the cost of, building consents. Other factors to be considered, are the national shortage of appropriately skilled Building Officer resource, and the lack of specialist skills held by Building Officers to appraise products and methods.			
	Regulation that resulted in NZ building code (NZBC) compliance being confirmed by an independent 3 rd party, which BCAs were entitled to rely on, would be the preferred outcome. KCDC considers that such registration should be mandatory for;			
	 Structural systems other than those described in cited design standards Cladding systems including products utilised as part of the system Plumbing products Fire rated products 			

Proposal 2 - Clearly define 'building product' and 'building method'.

Include the following definitions in the Building Act:

- A 'building product' is any component or system that could be reasonably expected to be incorporated into building work. A system is a set of at least two components supplied and intended to be used together to be incorporated into building work.
- A 'building method' is a specific way of using a product or system in building work.

2.2	Do you agree with the proposed definition of 'building product'?			
	☐ Yes	⊠ No		
	•	ad to allow for new technologies and building luct? Is an element that is 'assembled' to make a		
2.3	Do you agree with the proposed definition	of 'building method'?		
	□ Yes	⊠ No		
	The definition should capture alternatives way of 'making' a product.	to on site construction methodologies which is a		
2.4	Do these definitions provide sufficient sco	pe to account for new and emerging technologies?		
	☐ Yes	⊠ No		
	Refer to 2.2 and 2.3.			

Proposal 3 - Set minimum standards for information about building products and require manufacturers and suppliers to supply that information.

Product manufacturers and suppliers (including importers) would need to provide publicly accessible information about building products.

Set minimum information requirements for building products (through regulations).

2.5	Do you support the proposal to require ma about building products?	nufacturers and suppliers to supply information
	⊠ Yes	□ No
	incorporated in the building, how to handle ensure it remains durable. Product data is r	e with the NZBC and provide clarity about what is and install it, and what maintenance is needed to equired documentation for a building consent, der for their product to be specified for use.

	Setting minimum standards will be useful in providing consistency. The information must include statements as to compliance with the NZBC			
2.6	(For designers, builders and building consent authorities) Would the proposed minimum information requirements for building products help you make good decisions about products?			
	□ Yes ⊠ No			
	The proposed minimum information requirements may result in less information needing to be requested during processing a building consent. However, whilst the assessment of the information remains at a BCA level, the assessment is reliant on the expertise of Building Officers who are not experts in the appraisal of products. For instance, test results may be in a foreign language and to a standard that is not one of our cited standards. There are issues of quality assurance (Has the test been undertaken by an accredited independent 3 rd party, is the translation accurate?) and interpretation (how does the test result relate to NZBC compliance) as well as traceability to the actual product.			
	Currently each BCA has to make an independent decision which leads to much duplication of effort for BCAs collectively and also for the individual manufacturer/supplier. Manufacturers/suppliers often try to convince a BCA to accept their product by reference to acceptance by another BCA. KCDC has found in the past that this is an unreliable justification for acceptance.			
	Some form of national body, with staff who have expertise in appraising building products, are needed to make these assessments. It is not envisaged that this would be the same level of surety as 'Codemark' as BCAs only need to have 'reasonable grounds to believe' the product is NZBC compliant. Any assessment would be on the basis of documentation provided only.			
	The alternative would be to make "Codemark' mandatory for some product groups.			
2.7	(For designers, builders and building consent authorities) Do you need any other information to help you decide whether a building product will result in building work that complies with the building code?			
	⊠ Yes □ No			
	Independent assessment at a national level is needed. Refer 2.6			
2.8	(For manufacturers and suppliers) How closely do the proposed minimum information requirements reflect what you already provide?			
2.9	(For manufacturers and suppliers) Would there be a financial impact on your business to provide the proposed minimum product information for your products?			
2.10	(For manufacturers and suppliers) Please tell us your estimated cost increase in NZD and include any relevant information on how it was calculated (eg the number of products you produce or supply).			

Proposal 4 - Clarify the responsibilities of manufacturers, suppliers, designers and builders for building products and building methods.

- Create an explicit responsibility on manufacturers and suppliers to ensure that a building product is fit for its intended purpose.
- Clarify that builders cannot use a different building product or building method to the product or method specified in the building consent without an appropriate variation to the consent.
- Clarify the responsibilities of builders and designers to ensure that the building products and methods specified or used will result in building work that complies with the code.

2.11	Do you support the proposals to clarify roles and responsibilities for manufacturers, suppliers, designers and builders?			
	⊠ Yes	□ No		
		esponsibility for their products performance in the NZBC. Others in the building sector cannot		
	Designers need to take responsibility for spelimitations. Otherwise there is significant reappropriate product. These issues cause signed have associated costs that are generally	-work to re-design or propose a more nificant delays in the building consenting process		
	is correctly stored, handled and installed. W	uring the correct product is being used, and that it /hen not done correctly there is a need for reeconstruction timeframe and the historic level of ork.		
2.12	Is the current threshold and process for var circumstances?	iations to consent appropriate for all		
	⊠ Yes	□ No		
		mendment process to give time to appropriately posed change may have on NZBC compliance.		
Propo	osal 5 - Give MBIE the power to compel in	nformation to support an investigation.		
2.13	Do you support the proposal to give MBIE to investigations?	he power to compel information to support		
	⊠ Yes	□ No		
		to MBIE undertaking investigations and wider use BIE must have access to all information it needs.		
2.14	Would MBIE's ability to compel information this with other regulators have unintended unintended consequences be?	about building products or methods and share consequences? If so, what might these		

	⊠ Yes		□ No			
	BCAs are currently joined defend their position. She legal action being taken This could involve BCAs in the second could be according to the second could be accordi	aring product in by those regula	nformation v tors under le	with other regul egislation other	ators may result in mor than the Building Act.	·e
Poter	ntial impacts of the prop	osed changes	1			
2.15	Do you think the impact building methods (propo impact might be?		_			d
	Strong negative impact	Negative impact	No impact	Positive impact	Strong positive impact	
	It would be helpful in set consent application whic currently this informatio	h might reduce	some delay		~	
2.16	How do you think the promethods would change h					5
	Strong negative impact	Negative impact	No impact	Positive impact	Strong positive impact	
			\boxtimes			
	As part of building conse sufficient to demonstrate had been assessed for copositive impact.	e NZBC complia	nce. A natio	nal register or o	latabase of products tha	
MBIE proposes a two-year transition period for product information, six months for other proposed changes (proposal 1, 2, 4 and 5).						
2.17	How long do you think the manufacturers and supp		•		n needs to be to ensure	
	□ Less than two years	☐ Two ye	ars	☐ More	than two years	
	The need for information substitution of products cannot be provided to de now. There is forewarning through the legislative ch	which cannot be emonstrate NZE ng about the like	e assessed f BC complian	or compliance vice the products	vith NZBC. If informatio should not be allowed	n
2.18	How long do you think th	ne transition pe	riod for the	changes to resp	onsibilities needs to be	so

	that people are prepared for the changes?			
	⊠ Six months	☐ More than six months		
	nformation is currently required to assess building			
2.19	If the clarified roles and responsibilities came into force before the minimum requirements for product information, what would be the impact?			
	If roles and responsibilities came into force first there should be no impact as without sufficient documentation to demonstrate NZBC compliance the product/methods should not be approved in a building consent.			

Proposal 6 - Strengthen MBIE's role as the product certification owner and regulator.

Allow for regulations to set requirements on product certification bodies and for the accreditation and registration of product certification bodies.

Allow for regulations to set out the process and requirements for registering a product certificate.

Allow MBIE to set rules for the interactions between participants in the product certification schemes.

Provide MBIE with the powers needed to administer the registers of product certification bodies and product certificates.

2.20	(For product manufacturers and suppliers) Would the changes proposed to the framework for product certification make product certification a more attractive compliance pathway for your products?			
2.21	(For designers) How would the proposed settings to the framework for product certification impact your product specification in building designs?			
2.22	(For building consent authorities) Would the changes to the product certification scheme's settings increase your confidence that a product or method with a product certificate will perform as intended?			
	⊠ Yes □ No			
	Increased monitoring and intervention powers for MBIE would address KCDC concerns about the competency of PCBs. Whilst the "Codemark' affords BCA protection from litigation KCDC has wider concerns for the wellbeing of it's community and the robustness of buildings which could be compromised under a poor performing "Codemark' system.			

Proposal 7 - Enable a regulatory framework for modern methods of construction (MMC), including off-site manufacture.

Amend the Building Act to enable a regulatory framework that would future-proof the building regulatory system for MMC. Features of this framework include:

- enabling a manufacturer certification scheme for repeatable manufacture processes used to produce building work
- clarifying what roles and responsibilities for MMC will be when the new framework is in place
- minimising duplication of effort by: not requiring two consents for the same building work, and considering whether to require BCAs to accept each other's consents and Code Compliance Certificates.

2.23	Are these the correct features for a future-proofed regulatory framework for MMC?				
	⊠ Yes □ No				
	Production in factory like conditions will improve productivity and allow assembly workers rather than builders to be used. This should produce a better product at less cost. There will need to be independent 3 rd party certification and monitoring to assure quality. We already have examples of manufacturer certification in our timber treatment and ready mix concrete plants which work well.				
	With a diminishing building officer workforce BCA inspection capacity is difficult to maintain and alternative ways of assuring quality need to be found. Currently KCDC has a shortage of builders in the area and there is an increasing trend for parts or whole buildings to be completed out of district and transported to site. New ways of assuring the quality without BCA inspection would assist.				
2.24	What would be the impact of such a regulatory framework for MMC?				
	Strong negative impact Negative impact No impact Positive impact Strong positive impact				
	In order to be successful the quality of the work would need to be assured other than by BCA inspection and BCAs would need to have legislative right to rely on NZBC compliance having been achieved.				
2.25	(For manufacturers of MMC, including off-site manufacture) How would the proposed framework impact your business?				
2.26	(For manufacturers of MMC, including off-site manufacture) Would you use the manufacturer certification scheme?				

2.27	(For building consent authorities) What would be the impact of a requirement for BCAs to accept one another's consents and code compliance certificates?				
	Strong negative impact	Negative impact	No impact	Positive impact	Strong positive impact
			\boxtimes		
	KCDC currently accepts not have experience of issue CCC for older buil	issuing a CCC for	another BC	As building cons	_

Final thoughts

2.28 If you have any other comments on the proposals for building products and methods, please tell us.

KCDC is disappointed that the option of 'A national register or database of building products' was not explored more fully. The proposal to require minimum information about building products does not avoid the duplication of effort as each individual BCA has to assess the information provided. The BCA has staff with limited expertise to assess innovative products, and there is a cost to this duplicated effort which is passed on to individual owners and not borne by the manufacturer/supplier trying to gain entry to the market. There is also no certainty of acceptance for the product manufacturer/supplier or the designer and owner which can lead to dispute and delays.

KCDC considers that in order for proposals re MMC to be successful the quality of the work would need to be assured other than by BCA inspection and BCAs would need the legislative right to rely on NZBC compliance having been achieved.

Part 3.1: Occupational regulation of the Licensed Building Practioner (LBP) scheme

MBIE wants stakeholders' feedback on two proposals:

1.	Broaden the definition of restricted building work (RBW) to include more complex non-residential building work.
2.	Raise the competence standard for LBPs to enter and remain in the LBP scheme. This includes proposals to: Introduce a tiered licensing system for LBPs to establish a progression pathway, including a specific licence for supervision. Simplify the licence class categories.
	Introduce behavioural competence requirements for LBPs.

Proposal 1 - Broaden the definition of restricted building work (RBW) to include more complex non-residential building work.

3.1.1	How effective do you the public safety in the built	•	he scope of F	RBW would be i	n managing risks to
	Not effective	S	omewhat effect	tive	Very effective
3.1.2	Do you agree with the	proposed thresh	old for the d	efinition of RBW	/ ?
	⊠ Yes		□ No		
	KCDC agrees with the a buildings, including mix	• •	_		
3.1.3	(For builders) What im your business (includin				· · · · · · · · · · · · · · · · · · ·
3.1.4	What impacts do you the owners and building or		lls for RBW w	ould have on ho	omeowners, building
	Strong negative impact	Negative impact	No impact	Positive impact	Strong positive impact
			\boxtimes		
	As a result, some LBPs of this is 'up front' it sho		•	mit the scope of	f buildings they work on.
	Building occupants sho processes.	uld already have	their safety	assured through	n the current consenting

3.1.5	How do you think the p LBPs?	roposed changes	s to the LBP	scheme would a	ffect the behaviour of
	The proposed changes to RBW would have little impact in our district as designers that work in the commercial space also undertake residential work and are LBPs.				
	Refer to 3.1.7 for comm	ent on other pro	posed chan	ges for LBPs.	
3.1.6	What impact do you think expanding the scope of RBW would have on the construction sector skill shortage				
	Strong negative impact	Negative impact	No impact	Positive impact	Strong positive impact

Proposa	ai z - nigner compete	ince require	ments to increase o	confidence in t	ine LBP scheme.
3.1.7	How effective do you be in increasing confi	_	the competence stan LBP scheme?	ndards for the LI	3P scheme would
	Not effective		Somewhat effective		Very effective
	\boxtimes				
	of LBPs. The Building introduction of qualitation annual competency arequirements should	Act 2004 intr ty assurance p assessments. t be wound ba	al change is required to oduced accreditation processes, qualification The BCAs have lifted to ck a bit as it is resour le as educator for LBF	for BCAs that rooms for Building of their game (to the bungry and e	equired the Officers, and he extent that the
	building consent pro- to rely on evidence o complaints and yet tl	enced by the r cessing and th f complaints. ne work involv ords from the	numbers of requests f	for information ections. The curruraged by MBIE ms is excessive.	(RFI) during rent system seems to make A more pro-active
	interval as Building O about recent jobs un constructors) for asse any gaps in knowledg	fficers (sugge dertaken by t essors to revie ge or perform ment of all LB	he LBP (RFIs for desig ew. LBPs could be req ance. KCDC recomme Ps, architects and eng	could be obtain ners and inspec uired to undert ends that Levy re	ed from BCAs ction records for ake training to fill eserves could be
3.1.8	What impact would of builders, building cor		competence standard ling sector association		

KCDC is of the opinion that more capable LBPs is a change that will have significant impact in improving efficiency and reducing costs for building work. Some initial investment may be necessary to realise those efficiencies and cost reduction. KCDC suggests that training be funded from Central Government (potential use of building Levy money) to initially upskill LBPs and provide training on all legislative and building code changes thereafter. This will minimise the cost for LBPs and potentially increase workload for building sector associations and training organisations. More rigorous assessments of LBPs would require resourcing also with costs to individual LBPs (and eventually to the cost of building) or could be government funded (potential use of building Levy money). 3.1.9 (For builders) Would introducing tiered licence classes make you more likely to apply to become an LBP? (For builders) If you're already an LBP, would you be likely to apply to become licensed 3.1.10 under a new supervision licence class? 3.1.11 (For builders) Do you still see potential value in having a site licence for residential and commercial building projects? 3.1.11a How can a site license contribute to the coordination of building work? The existing regime where a LBP with a site license cannot provide a record of work that covers work of another LBP is problematic. Equally problematic is a record of work from an LBP who says he has supervised work and yet he has never been on site during BCA inspections. Having a person that is the equivalent of a clerk of works or a head contractor/builder that is responsible for overseeing the work as a whole is critical. If a new site license can replicate this it will contribute greatly to communication between BCA and site and result in improved co-ordination on site. 3.1.12 (For builders) Who do you think should be responsible for coordinating building work on a site and what skills are required for this type of role? Do you think that the introduction of a fit and proper person test and a code of ethics for 3.1.13 LBPs would help to ensure that building professionals are held accountable and improve the public's confidence in the LBP scheme? Yes No \boxtimes Fit and proper person test Code of the ethics for LBPs \boxtimes KCDC is aware of LBPs that take short cuts and try to substitute cheaper materials etc. in the hope that nobody will notice and therefore supports the introduction of a fit and proper person test.

MBIE proposes a transition period to implement the changes.

- reassess every existing LBP under the new competency standards after two years
 (November 2022); reassessment would be done when each licence comes up for renewal.
- assess new LBP applicants under the new competency standards; assessment would start in November 2022.

3.1.14	Do you agree the proposed t	timeframe for the changes to	the LBP scheme is sufficient?
	☐ Yes	☐ No, it's too long	⊠ No, it's too short
		sessments therefore need to	undertaken at least every 3 years be spread out over the same
3.1.15	What should we consider in	setting the transition timefra	ame?
	The time needed to resource suggests will need to be con-	•	petency assessments that KCDC mencement date.
	Also the lead time to make t	raining available may impact	on a commencement date.
	Once the training and assess LBP to be assessed under the timeframe.	•	e transition timeframe for each be set at the re-assessment

Final thoughts

3.1.16 If you have any other comments on the proposals for LBPs, please tell us?

KCDC believes that improved competency of LBPs is the most significant change that can improve building outcomes and reduce cost by reducing rework and waste.

From our interactions with practitioners, one aspect of training needed for all LBPs is an understanding of the legislative framework for building work.

Part 3.2 Occupational regulation of Engineers

MBIE wants stakeholders' feedback on the three proposals:

1	Establish a new voluntary certification scheme that provides assurance of an engineer's professionalism and general competency and phase out Chartered Professional Engineer (CPEng).
2	Restrict who can carry out or supervise safety-critical structural, geotechnical and fire-safety engineering work within the building sector. This would cover all medium to high complexity work and be triggered by factors such as building size, use and location.
3	Establish a new licensing scheme to regulate who can carry out or supervise engineering work that has been restricted.

Proposal 1 - Establish a new voluntary certification scheme that provides assurance of an engineer's professionalism and general competence and phase out CPEng.

enginee	s professionalism and general competence and phase out Creng.	
3.2.1	Do you agree that there is a need for a statutory mark for engineers of professionalism and general competence to solve complex engineering problems?	
	⊠ Yes □ No	
	Most BCAs do not have staff that are competent to assess specific design and are therefore reliant on the skill of the engineer involved. A 3 rd party assessment of the engineer's scope of expertise is needed.	
	There is no evidence however that substituting one engineering assessment/license/certification regime for another will improve engineering performance.	
3.2.2	How well do you think CPEng currently provides this assurance? What do you think needs to change?	
	The current CPEng regime currently does not provide the scope of expertise for each engineer. More information about the engineers experience and hence scope limitation is required.	
3.2.3	Do you agree that a new title is needed for engineers that have been certified? If so, do you have a view on what that title should be?	
	\square Certified engineer \square Chartered engineer \boxtimes Other (leave your suggestion below)	
	KCDC thinks that introducing a new name would just add confusion and that it would be more useful to strengthen the existing CPEng regime.	
3.2.4	For engineering work on buildings that does not require specialised skills, do you think certification would provide sufficient assurance of general competence and reduce the risks of substandard work?	
	⊠ Yes □ No	
	This aligns with the current regime, and if the certification included scope limitations, BCAs would continue to rely on it.	

Proposal 2 - Restrict who can carry out or supervise safety-critical structural, geotechnical and fire safety engineering work within the building sector. This would cover all medium-to-high complexity work and be triggered by factors such as building size, use and location.

3.2.5	Do you agree that life safety should be the priority focus determining what engineering work is restricted?
	□ Yes ⊠ No
	KCDC thinks that impact on neighbouring property should also be a priority focus
3.2.6	What combination of the following factors should be used to determine what engineering work is restricted: building size, building use, ground conditions, other?
	\square Building size \boxtimes Building use \boxtimes Ground conditions \boxtimes Other (please specify below)
	Building use should include buildings where occupancy is high or users are vulnerable.
	Ground conditions should be expanded to include other hazards. Coastal erosion and storm surge are increasingly becoming of concern. The end effects of sea walls can impact severely on adjacent properties.
	Location may be important if a building failure could impact on other nearby property or where people may gather. We have recently areas evacuated, including apartments, whilst nearby buildings are assessed and/or demolished.

Proposal 3 - Establish a new licensing scheme to regulate who can carry out or supervise engineering work that has been restricted.

3.2.7	In your opinion, does geotechnical, structu greatest life safety risk in the building sect		gineering work pose tl	he
		Yes	No	
	Geotechnical work			
	Structural work			
	Fire safety engineering work			
3.2.7a	Do you think there are any other engineer in the building sector that are not included		ose greater life-safety	risks
	⊠ Yes	□ No		
	Mechanical services have the potential to affect public reticulation.	spread contaminants	through a building or	

3.2.8	3.2.8 Do you agree that they could be assessed	_	a satisfy the	requirements t	or certification before	e
	☐ Yes		⊠ No			
	KCDC see no need for e existing CPEng regime s competent to carry out	hould be strengt	thened to er	nsure that engin	eers with CPEng are	ne
3.2.9	What impact do you the engineers who can carr technical competence is	y out or supervis	e engineerii			
	Strong negative impact	Negative impact	No impact	Positive impact	Strong positive impact	
	Some engineers will be other competent engin but may cause a shortfa	eers. This would	have a posit	tive impact on b	uilding performance	1
3.2.9a	Do you feel that there a meet any new demand		eers with th	ne necessary tec	hnical competence to)
	☐ Yes		⊠ No			
	KCDC already experience	ces a lack of engi	neering exp	ertise in the Dist	rict.	
3.2.10	3.2.10 What impact do engaging an engineer?	you think the res	strictions an	d licensing woul	d have on the cost of	
3.2.10		you think the res	strictions an	d licensing woul	d have on the cost of Strong positive impact	
3.2.10	engaging an engineer?					
3.2.10	engaging an engineer?	Negative impact the fees charged eek out cheaper	No impact ⊠ d by an engi	Positive impact	Strong positive impact Grease. It may impact	
3.2.10	engaging an engineer? Strong negative impact There is no reason why owners who currently s	Negative impact the fees charged eek out cheaper. nink the propose	No impact d by an engineers versioned restriction	Positive impact neers would income who may not be and licensing week.	Strong positive impact rease. It may impact working within the	
	engaging an engineer? Strong negative impact There is no reason why owners who currently slimits of their expertise. How effective do you the	Negative impact the fees charged eek out cheaper. nink the propose y from substanda	No impact d by an engineers versioned restriction	Positive impact neers would income who may not be and licensing work?	Strong positive impact rease. It may impact working within the	
	engaging an engineer? Strong negative impact There is no reason why owners who currently slimits of their expertise. How effective do you the the risks to public safet.	Negative impact the fees charged eek out cheaper. nink the propose y from substanda	No impact d by an engineers versioners of the continuous continuo	Positive impact neers would income who may not be and licensing work?	Strong positive impact rease. It may impact working within the would be in reducing	
	engaging an engineer? Strong negative impact There is no reason why owners who currently slimits of their expertise How effective do you the risks to public safet Not effective	Negative impact the fees charged eek out cheaper. nink the propose y from substanda	No impact by an engineers were destriction and engineers mewhat effective in the control of the	Positive impact neers would income who may not be as and licensing work?	Strong positive impact rease. It may impact working within the would be in reducing Very effective	
	Strong negative impact There is no reason why owners who currently slimits of their expertise. How effective do you the the risks to public safet. Not effective The risk based approact.	Negative impact the fees charged eek out cheaper. nink the propose y from substands Son h would mean the dengineer, would	No impact d by an engineers were destriction and engineer mewhat effective at engineer desired you feel continued to the con	Positive impact neers would income who may not be as and licensing work? we s with the right	Strong positive impact rease. It may impact working within the would be in reducing Very effective □	
3.2.11	Strong negative impact There is no reason why owners who currently slimits of their expertise. How effective do you the risks to public safet. Not effective The risk based approace the job are engaged. If you engage a licensed.	Negative impact the fees charged eek out cheaper. nink the propose y from substands Son h would mean the dengineer, would	No impact d by an engineers were destriction and engineer mewhat effective at engineer desired you feel continued to the con	Positive impact neers would income who may not be as and licensing work? we s with the right	Strong positive impact rease. It may impact working within the would be in reducing Very effective □	

3.2.13	Do you agree with the proposed grounds for discipline of licensed and certified engineers?
	⊠ Yes □ No
	It will stop engineers working outside their area of expertise
3.2.14	Is there anything else that you think should be grounds for discipline? Are there any proposed grounds for discipline that you think should be modified or removed?
	No

It will take time to establish a new regime and transition to it.

What things should we consider when we develop transitional arrangements? What supports would you need to help you during this transition?
KCDC suggests a strengthening of the existing CPEng regime and believes that statements of the engineer's area of experience are already provided at time of application. These could be used to describe an engineer's scope limitation immediately and this could then be reviewed through competency re-assessment. KCDC recommends that the timeframe for competency re-assessment should be in line with LBPs (3 years).
3.2.16 (For engineers who currently do not have CPEng or higher) Would you be likely to apply for a licence (fire safety, geotechnical, structural)?

Final thoughts

3.2.17 If you have any other comments on the proposals for engineers, please tell us.

BCAs are reliant on the expertise of engineers to achieve NZBC compliance for a building. There is an existing Producer Statement regime that is used by default. KCDC recommends that legislation (s19) explicitly allows BCAs to rely on statements from licensed/CPEng engineers and that the legislation recognise the use of producer statements more generally to confirm NZBC compliance.

Part 3.3 Occupational regulation of Plumbers, Gasfitters and Drainlayers

MBIE wants stakeholders' feedback on the three proposals:

1	Repeal specific sanitary plumbing exemptions for householders in specified areas and for rural districts.
2	Repeal exemptions for restricted sanitary plumbing, gasfitting and drainlaying work under supervision.

Proposal 1 - Repeal the current sanitary plumbing exemptions for householders in specified areas and for rural districts, including the current Gazette notices for districts made under the Plumbers, Gasfitters and Drainlayers Act 1976.

3.3.1	Have you encountered instances of hazards or health issues from sanitary plumbing work completed by unlicensed people?				
	□ Yes	☐ Yes			
	Not an issue in o	ur district			
3.3.2	How often do you find work undertaken under a householders or a rural areas exemption that does not comply with the requirements of relevant codes and standards?				
	Never	Occasionally	Regularly	Often	Always
3.3.3	Do you think tha property?	t a person should be	qualified to do sa	anitary plumbing v	vork on your
	⊠ Yes		□ No		
	There are risks to	health if not done o	correctly.		

Proposal 2 - Repeal the exemptions for restricted sanitary plumbing, gasfitting and drainlaying work under supervision.

3.3.4	How often do you find substandard work carried out under a supervision exemption?				
	Never	Occasionally	Regularly	Often	Always
	Not an issue in o	ur district			
3.3.5	What benefits (if they work under	any) do you see fro supervision?	m regulating peop	ole who are currer	ntly exempted if
	No comment				

3.3.6	What potential issues (if any) do you see from removing the exemptions for doing restricted work under supervision?		
	No comment		
3.3.7	What impacts (such as business impacts) would removing the supervision exemptions have on how your business is managed?		
	No comment		
3.3.8	Do you support allowing people currently working under supervision exemptions to continue working as a regulated person under a new registration and licence?		
	No comment		
3.3.9	Is anything else required to support the transition of exempted tradespeople to a new registration and licence?		
	No comment		

Final thoughts

3.3.10	If you have any other comments on the proposals for plumbers, drainlayers and gasfitters, please tell us.			
	No comment			

Part 4 Risk and liability

MBIE wants stakeholders' feedback on the three proposals:

1	Require guarantee and insurance products for residential new builds and significant alterations, and allow homeowners to actively opt out.
2	Leave the liability settings for building consent authorities unchanged.

Proposal 1 - Require a guarantee and insurance product to be in place for all residential new builds and significant alterations. Homeowners would have the choice to actively opt out of having a guarantee and insurance product.

4.1	Do you support the proposal to require guarantee new builds and significant alterations?	e and insurance products for residential			
	⊠ Yes □ N	0			
	to be made available to all homeowners although	KCDC is generally supportive of the proposal for a guarantee and insurance product (GIP) to be made available to all homeowners although it would prefer uptake of a GIP to be compulsory. This would alert homeowners to the risks associated with the building work.			
	There seems to be no justification for disclosure of GIPs on LIMs however. Homeowners will be motivated to disclose any GIP when selling their property. Homeowners could also be required to disclose the GIP on any sale and purchase agreement. It would be necessary for Councils to undertake development work on their systems to make the record to disclose on LIMs. Costs of record keeping, and disclosing would be reflected in increased fees.				
4.2	Do you think homeowners should be able to actively opt out of having a guarantee and insurance product?				
	□ Yes ⊠ N	0			
	KCDC would prefer for GIPs to be mandatory to protect future homeowners rather than just the current owner who may have a different risk appetite.				
4.3	Should there be conditions on when homeowners conditions be?	s are able to opt out? What should these			
	□ Yes ⊠ No	0			
	KCDC does not recommend opting out. If it were make their own assessment about the level of risk	•			
4.4	What types of buildings do you think should be required to have a guarantee and insurance product? (Please tick all that should apply.)				
	☑ Standalone residential dwellings				
	☑ Medium density housing (up to six storeys)	☑ Medium density housing (up to six storeys)			
	☑ High density housing (over six storeys)				

	Mixed-used developments (i.e. where a part of the building is used as commercial premises, for example shops or offices.)			
	All these types have homeowners that may be affected by building failure. There may be matters to be considered with re-assignment to future homeowners particularly where there may be many owners for one building.			
4.5	What threshold do you think the requirement for a guarantee and insurance product should be set at?			
	⊠ Residential building work over \$30,000			
	☐ Residential building work over \$100,000			
	$\hfill\square$ Residential building work that would impact the structure or weathertightness of the building.			
	\square Other (please tell us more in the comment box below)			
	KCDC considers that it should be the same threshold deemed significant enough to warrant a written contract. This would not preclude homeowners obtaining GIPs for work below the threshold.			
4.6	Do you have any views on the minimum standards that should be set for a guarantee and insurance product?			
	For example: the type of product, the types of events that are covered, the minimum level of cover, the period of cover, the nature of redress, the maximum claim value, dispute resolution processes, the ability to transfer to new owners.			
	KCDC recommends that any GIP should fully repair or replace all building work, as per the scope of the building consent, for any event where the work has failed to meet building code requirements within the term up to 10 years from code compliance certificate (CCC) issue.			
	As well as the multi owner issue (refer 4.4) it seems problematic to define a term unless there is legislative change to limit the time for an owner to obtain a code compliance certificate. Many builds have contracts that do not have the builder undertaking all the building work with homeowners electing to finish the work to save money. KCDC still has a backlog of elderly building consents without CCCs. This is increasingly problematic for owners as prospective purchasers, their lawyers, banks and insurers all become more cautious.			
	The Building Act 2004 introduced a point (2 years after granting a consent or longer if agreed) where the BCA must make a decision about issuing a CCC. This does not preclude owners making an application for a CCC at a later date (often when they come to sell their house). The long stop period in the Building Act can therefore extend for an infinite period.			
4.7	What financial and prudential requirements do you think should be placed on providers, to ensure there is a continuing supply of guarantee and insurance products?			
	For example: reinsurance or other insurance backing, solvency, auditing requirements, security and prudential requirements.			
	It is important that GIPs are honoured if the product provider ceases business.			

4.8	If residential new builds and significant alterations are required to have a guarantee and insurance product, what do you think the impacts will be?			
	Assuming that there will be providers willing to make GIPs available, KCDC expects the performance of constructors to come under scrutiny of GIP providers which would have a positive impact on the quality of the build.			
	Depending on the response to the timeframe issue, if homeowners were charged to extend the GIP until CCC was issued it may also have a positive effect in getting buildings completed.			
4.9	(For builders) How difficult will it be for you to gain eligibility to offer a guarantee and insurance product?			
MBIE	proposes a two-year transition period.			
4.10	How long do you think the transition period for guarantee and insurance products needs to be to ensure providers, builders and BCAs are prepared for the changes?			
	\square Less than two years \square Two years \boxtimes More than two years			
	BCAs currently do not have systems with the ability to record GIP information to provide on LIMs. Council budgets only once a year and this work would need to be programmed.			
4.11	Is anything else needed to support the implementation of guarantee and insurance products?			
	⊠ Yes □ No			
	If criteria are prescribed that a GIP must meet this will require the policy to record these matters. Forms will also need to be revised to record the information about the GIP that the Council will be obliged to disclose on LIMs. If Councils need to have a role in checking that information, this will be reflected in increased LIM fees.			
Propos	sal 2 – Leave the liability settings for BCAs unchanged.			
4.12	If the government decides to make all the other changes in this discussion paper, do you agree that that the liability settings for BCAs will not need to be changed?			
	☐ Yes			
	The current joint and several liability approach means that the ratepayer underwrites the homeowner risk. This situation will not improve with the introduction of GIPs as GIP providers can seek to recover costs. BCAs continue to be exposed to a disproportionate share of liability and yet cannot take measures to limit or avoid accountability as other parties can.			
	The proposal is to better inform homeowners about risks. The GIP options allow them to be informed and if they are not willing to accept the risk to put themselves in a position			

whereby they can limit the stress and expense (including legal fees) if there is a building

	failure.		
	Under these circumstances the fairness to the homeowner argument can no longer be used to justify 'joint and several' liability, and the fairness argument supports 'proportionate' liability. The costs unable to be recovered would fall to the GIP provider, who can adjust premiums, or the homeowner who was willing to take an informed risk.		
4.12 a	What area of work do you think will have the biggest impact on BCA consenting behaviour?		
	□ Products		
	□ Occupational regulation □ Occupational regulational regulational regulation □ Occupational regulational		
	☐ Risk and liability		
	☐ Building levy		
	☐ Offences and penalties		
	None of these options as proposed will make an impact on BCA consenting behaviour.		
	If there was a national database of products that had already been assessed by the registration body, and upon which BCAs could rely it would speed up building consent processes.		
	If a pro-active approach was taken to raising the capability of LBPs through training and rigorous assessment (as for BCA staff) this would have the most significant impact. Having designers and builders knowing how to do their work and not relying on the BCA to provide their training and assure the quality of their work would decrease the amount of rework. Improved efficiencies would lower costs and reduce wastage in the industry.		
4.13	If the government decides to limit BCA liability, do you support the proposal to place a cap on BCA liability?		
	⊠ Yes □ No		
	KCDC supports a cap if this reduces the amount of litigation, in that it would set a bar at which settlements could be reached. It may however leave BCAs settling at a rate higher than their liability to avoid the legal costs of litigation. Otherwise KCDC believes that 'proportional' liability is fairer to ratepayers than the status quo.		
4.14	If there is a cap on BCA liability, do you agree that the cap should be set at 20 per cent?		
	⊠ Yes □ No		
	This is generally the level awarded in the High Court.		
4.15	If there is a cap on BCA liability, do you think BCAs should have to pay more than 20 per cent if they have contributed to more than 20 per cent of the losses?		
	□ Yes ⊠ No		
	Arguing to pay less than the cap incurs legal expenses for all parties. BCAs may be willing to accept a cap and settle without litigation if it was on an under and over basis. If there was the ability for litigation where the BCA was thought to be responsible for a greater share of costs, they would also need to consider challenging claims where they believed they had		

less responsibility and the cap then serves no purpose.

4.16 What do you think would be the impacts of placing a cap on BCA liability?

If there was a cap with no ability to claim higher amounts, there could be more settlements without litigation legal costs. Settlements can also be more timely than court cases in resolving issues or making compensation.

Final thoughts

4.17 If you have any other comments on the proposals for risk and liability, please tell us.

There is no valid reason why ratepayers should underwrite building work. There may be alternatives to put the costs back where they belong with practitioners being required to carry insurance, including run out insurance for 10 years which would survive the closure of companies or bankruptcy of individuals.

Joint and several liability provides no feedback to poorly performing practitioners who have taken measures to avoid liability as there are currently no consequences for them. The present situation does nothing to encourage practitioners to do better. Proportionate liability would encourage participants to improve their quality assurance processes.

Part 5 Building levy

MBIE wants stakeholders' feedback on the three proposals:

1	Reduce the rate of the levy from \$2.01 to \$1.50 including GST (per \$1,000).
2	Standardise the threshold at \$20,444 including GST.
3	Amend the Building Act to enable MBIE's chief executive to spend the levy for purposes related to broader stewardship responsibilities in the building sector.

Proposal 1 - Reduce the rate of the building levy from \$2.01 to \$1.50.

5.1	Do you agree that the levy rate should be reduced from \$2.01 to \$1.50?				
	□ Yes ⊠ No				
	KCDC believes that the s run a product registration to implement and run a Architects and Engineer	on service, to ma more rigorous a	ake adequat	e training availa	ble for the sector, and
5.2	(For building consent authorities) What impact, if any, would a reduced levy rate have on building consent authorities?				
	Strong negative impact	Negative impact	No impact	Positive impact	Strong positive impact
		\boxtimes			
	It would reduce the com	nmission receive	d but not re	duce the work.	
5.3	Other than reduced buil current levy rate?	ding consent co	sts, what are	e the other impa	acts from reducing the
	The reduction to building	g costs is insigni	ificant (0.000	05% of build cos	st).
	KCDC proposes that mo take would reduce the a	· · · · · · · · · · · · · · · · · · ·		· ·	
5.4	(For building consent authorities) How long would you need to implement the proposed changes to the building levy rate and threshold?				
	☐ 0-3 months				
	☑ 3-6 months				
	☐ 6-12 months				
	☐ 12 months or longer				
	□ other (please tell us more)				
	The change would requi	re resetting valu	ues within o	ur existing syste	ms

Proposal 2 - Standardise the threshold for the building levy at \$20,444 including GST (per \$1,000).

5.5 Do you have any comments on standardising the threshold at \$20,444?

KCDC already uses this threshold. Legislation should however be amended so that the threshold does not change again if GST changes. The work this creates is not justifiable.

Proposal 3 - Amend the Building Act's provisions to enable the chief executive to spend the levy on activities related to stewardship responsibilities in the building sector.

Do you agree that the Building Act should be amended so MBIE's chief executive may spend the levy for purposes relating to building sector stewardship?

☐ Yes

☐ No

KCDC submits that the proposal does not give wide enough scope for the use of the Levy. Refer to 5.1 and other sections of this document.

We propose that the levy rate and threshold changes take effect on 1 July 2020.

Do you agree with the proposed start date of 1 July 2020 for the changes to the building levy rate and threshold?

☐ Yes ☐ No

KCDC believes that the threshold is already set and that the levy rate should not be changed.

Final thoughts

5.8 If you have any other comments on the proposals for building levy, please tell us.

KCDC believes that central government needs to take a more active role the building process by supporting the BCAs and practitioners to raise standards. The levies should be used to achieve this.

Part 6 Offences, penalties and public notification

MBIE wants stakeholders' feedback on four proposals:

1	Increase the maximum financial penalties for all persons.				
2	Set the maximum penalty levels differently for individuals and organisations.				
3	Extend the time relevant enforcement agencies have to lay a charge under the Building Act, from six months to 12 months (section 378 of the Building Act).				
4	Modify the definition of 'publicly notify' in section 7 of the Building Act.				
Proposa	al 1 - Increase the maximum financial penalties.				
6.1	Are the current maximum penalty amounts in the Building Act appropriate?				
	□ Yes ⊠ No				
	Adjustments need to be made to align with other legislation (separate organisation and individual rates, and to reflect 2019 rates)				
6.2	Do you agree with the proposed increases to maximum penalties?				
	⊠ Yes □ No				
Proposa	oposal 2 - Set the maximum penalties differently for individuals and organisations.				
6.3	Do you agree with introducing higher penalties for organisations?				
	⊠ Yes □ No				
	Aligns with other legislation approach.				
6.4	What impacts on the building industry could arise from this proposal if it is implemented?				
	Strong negative impact Negative impact No impact Positive impact Strong positive impact				
	Little impact is expected as few prosecutions are taken. Courts awarding higher penalties would have a deterrent effect.				
=	roposal 3 - Extend the time parties have to lay a charge under the Building Act, from six nonths to 12 months (section 378 of the Building Act).				
6.5	Do you think 12 months is an appropriate time period for relevant enforcement agencies to lay a charge?				
	⊠ Yes □ No				
	KCDC processes and delegations in order to bring a prosecution are lengthy. The time extension would help KCDC consider prosecution as an enforcement option.				

Proposal 4 - Modify the definition of 'publicly notify' in section 7 of the Building Act to remove the requirement to publish in daily newspapers circulating in each of the cities of Auckland, Hamilton, Wellington, Christchurch, and Dunedin. Public notification will still be required in a more modern form that is future proofed and publicly accessible.

6.6	Do you agree that public notification under the Building Act should no longer be required in newspapers?	
	⊠ Yes	□ No
	Largely obsolete in today's society	
6.7	Do you agree that publication on the internet and in the New Zealand Gazette is sufficient?	
	⊠ Yes	□ No
	The internet is a more relevant means of communication today and likely to be seen by a wider audience.	

Final thoughts

6.8 If you have any other comments on the proposals for offences, penalties and public notification, please tell us.

Because of the cost of bring a prosecution, BCAs more often use lower levels of enforcement including infringements. KCDC considers that the infringement fines also need to be updated to reflect present day costs.

Overall feedback

Thinking about this consultation, do you have any comments or suggestions to help us improve future consultations?

1 What worked for you?

Kapiti Coast District Council (KCDC) supports the selection of the 5 areas for reform. The proposals largely seek to strengthen the existing Building Act provisions. KCDC is of the opinion that more intervention than that proposed will be necessary to make a real difference.

2 What would we do better?

The recurring theme is one of needing a robust building consenting regime that is faster and more cost effective. KCDC considers that it is the amount of duplication and re-work that causes delays and inevitably increases costs. More competent people will reduce the amount of re-work as will centralising some assessment aspects. Practical ways of achieving this include;

- A national product register that is compulsory for certain product groups and simpler than the existing 'Codemark' regime as it is to a 'reasonable grounds' standard
- Legislating for producer statement regimes that allow BCAs to rely on the work of certain others (accompanied by the better definition of the limits of expertise of practitioners such as engineers)
- Competency assessments for LBPs, Architects and Engineers that are as robust as those for building consent authority (BCA) officers
- Provision of comprehensive training opportunities with assessment components for building practitioners in a variety of formats (roadshows, e-format).

KCDC supports the widening of the scope for which Levy money can be used, and suggests that reserves and levy money could be used for the purposes given above.

There are also proposals that seek to address the risks of building failure. KCDC agrees that homeowners may not be aware of the risks associated with undertaking building work, however further consideration should be given to making GIP uptake compulsory. With the availability of GIPs, KCDC considers that it is no longer justifiable to continue with joint and several liability which sees the ratepayer underwriting poor performance of practitioners.

While KCSC supports the proposal to increase maximum financial penalties, increasing the infringement fines used more commonly by BCAs would have a greater deterrent effect.

3 Any other comments or final thoughts?

MBIE as co-regulator needs to provide leadership, strong central direction, a focus on operational policy and more support for upskilling the whole sector.

Establishing a fit for purpose product assessment system and register would help better

manage assessments and provide consistency for the benefit of designers and BCAs.

Introducing competency assessments for LBPs, Architects and Engineers at the same level as required for BCA Building Officers, would have the most impact on outcomes.

Widening the scope for which the Levy can be used provides an opportunity to make a quantum step change through MBIE using reserves to initiate a product registration service, and upskill practitioners. The levy could then be utilised to provide future training and monitor practitioner competence through robust assessment.

Changing from 'joint and several' to 'proportional' liability would see fairness restored to our ratepayers. Other options could be considered to ensure the homeowner interests were protected such as better information and availability of GIPs, or compulsory insurances for practitioners.

KCDC is aware that a submission is being prepared by LGNZ and has provided input into the development of that submission.