



# Building consent authority accreditation and registration update – what we learned from the pilot programme

April 2007



The assessment of territorial and regional authorities (councils) for accreditation as building consent authorities is under way.

The Department of Building and Housing is working with councils to assist councils to meet the standards and criteria for accreditation within the statutory timeframe of 30 November 2007. Assistance includes:

- Case advisors appointed in February are liaising with councils to find out what help they need to prepare for accreditation.
- The Department is hosting nationwide workshops to explain accreditation requirements and processes.
- The first round of applications from councils for funding for specific projects to help them prepare for accreditation has been completed.
- Pilot assessments have been undertaken to determine council preparedness for accreditation.

This update focuses on the findings of the pilot assessments. It also provides information on:

- accreditation fees
- the building consent authority government assistance package
- the overall accreditation process and timeline.

It is important that councils take action towards accreditation by:

- submitting their initial assessment to IANZ and finding out what they still need to do
- talking to the Department about their needs
- talking to each other
- making use of the assistance package, which can be tailored to individual councils' needs.

## Accreditation pilot programme

The Department undertook a pilot accreditation assessment programme with six councils in the Mainland and Wellington cluster groups between late November 2006 and February 2007. The pilots presented opportunities to:

- find out what support councils need to ensure they achieve accreditation as a building consent authority within the statutory timeframe of 30 November 2007
- test councils' application of the accreditation criteria and standards in the Building (Accreditation of Building Consent Authority) Regulations 2006 before formal assessments are undertaken in 2007
- trial and fine-tune assessment processes
- train technical experts in assessment techniques
- agree on the technical interpretation of the standards and criteria regulations.

Reflecting the fact that the pilot programme was also a training opportunity for assessment teams, assessment methods were adapted as it progressed. This allowed more time to train assessors in assessment methodology, and to determine the most effective use of assessment resources.

Participating councils were advised that the pilot assessments were not a substitute for undergoing full assessment for accreditation later in 2007, but would provide an indication of their readiness for accreditation.

## Scope of pilot assessments

The pilot programme included:

- a desk-based review of cluster documents, undertaken off site by International Accreditation New Zealand (IANZ)
- an assessment of the technical aspects of the systems and processes by the Department's technical experts
- an on-site assessment by IANZ assessors and the Department's technical experts
- an exit meeting and verbal report to the participating council
- a debrief meeting with the assessors and pilot project consultant to identify the main lessons learned
- a written report to the participating council.

Information about the pilot programme was provided to participants and to the wider sector at cluster meetings, one-on-one meetings and in published sector updates in December and February.

In addition, much of the pilot programme information from debriefs and technical workshops was included in the *Building Consent Authority Accreditation Preparation and Self-assessment Guide* published on the Department's website in February 2007 and since distributed in hard copy.

## Pilot findings and comment

### Findings

#### General

- Several individuals within participating councils said that documenting their processing has improved the way they do business and their relationship and cooperation with neighbouring councils.
- Participants are using accreditation requirements to improve the quality of applications.
- Some individuals found the assessment process challenging, and staff were initially anxious about it but became more relaxed once they understood the process better.
- The assessment process's identification of issues that require attention meant some staff found it negative. However, after assessment, a number of participants agreed that the process was useful in terms of addressing areas needing improvement.

- Accreditation, the assessment process and its timeframe, and the potential outcomes of assessment (ie, corrective action requirements) were not always understood.
- Several individuals within participating councils did not understand that the focus of accreditation is on assessing the effectiveness of systems, rather than on finding fault with individuals (ie, wrong decisions or people working outside their competence level will trigger investigation into the systems that should have minimised undesirable outcomes).

### Comment

Accreditation is not a pass/fail system. It relies on external assessment of a system and on the applicant improving their system to the point where accreditation standards are achieved.

While there are various steps in the accreditation process, there are only two main processes for councils to focus on now.

- Documenting a system that meets the regulated standards and criteria, after which an application may be made for accreditation.
- Implementing that system.

For example, one test will be 'Are you doing what you say you do?' Some pilot participants were performing functions competently, but were not documenting them, or they were not implementing what was documented. In these cases, action to align actions with documented functions would be required.

The Department is improving sector understanding of accreditation through workshops as part of the Government's accreditation assistance package and through its publication, *Building Consent Authority Accreditation Preparation and Self-assessment Guide*, which includes the accreditation process.

### Documentation

#### Findings

- Not all cluster group participants were aware that they needed to customise cluster group documents to their own circumstances and needs.
- There was some confusion about the meaning of the word 'policy' as used in the regulations

(ie, the regulations use it in the context of operational rules or statements of intent, rather than higher-level statements that might require political approval). This has led to a lack of guidance, in the form of a policy statement for each core building consent authority process.

- Participants did not always understand the detail required in procedures, the need for evidence that procedures are being followed consistently by all staff and the need to address all the essential elements of each core process as defined in the regulations.
- Some participants had chosen to work ahead of the 2007 requirements, by developing quality assurance systems based on ISO/AS/NZS 17020, despite quality assurance requirements not taking effect until 2010. While this may be achievable by some building consent authorities, it is not required and it may be too much for smaller councils, which should instead focus on meeting the 2007 standards and criteria.

### Comment

Building consent authorities' policy statements should document the scope or boundaries of the process and include who the policy covers, where the policy applies and any exceptions, and note who, within the building consent authority, has approved the policy.

Procedures must include descriptions or specifications of how things are done. Procedures show a team which member does what, and when and how something is carried out. Procedures should identify trigger points for action and give guidance on any limitations or special considerations that may apply. For example, the procedure might note that if an application is incomplete, the applicant will be notified and the application will not be lodged in the consent system.

While it is difficult to give guidance about how comprehensive procedures need to be, procedures will require greater clarity when ambiguities are noted by the assessment team and/or the need for further guidance is raised by staff in the course of their work. If staff lack documented direction, or do not understand the directions documented, a non-compliance could be raised against Regulation 5(b).

An underlying requirement of accreditation is to identify the records that provide evidence that the procedure is being followed and that the required systems have been implemented effectively. Examples of records may include completed consent and inspection check sheets, provided that they record the outcome and reason for a particular decision. This is important, because Regulation 6 requires building consent authorities to record details of decisions, and the reasons – positive or negative – for making a decision. The building consent authority's policy statement or procedure should define which decisions are key technical decisions. This then identifies the decisions for which this information is recorded.

To prevent inconsistent application of check sheets, there is a need to include on them a legend that defines codes used and their meaning.

The regulations define the essential elements of each core process. Some elements were missing from a number of systems reviewed. For example, Regulation 12 sets out requirements when using contractors. While a number of systems included a procedure for assessing the competence of the contractor (Regulation 12(2)(a)), some did not include a procedure for monitoring and reviewing the performance of contractors as required by Regulation 12(2)(e). Building consent authorities need to check their documentation to ensure all the elements are covered for each of their procedures.

Procedures for subsidiary processes critical to the outcome of processing or inspection must also be documented and implemented, whether they are under the direct control of the building consent authority or of some other council department or private organisation. The building consent authority is responsible for ensuring all policies and procedures it relies on for building control outcomes are appropriate and effective.

Compliance with the quality assurance requirements of Regulation 17 is not required until 30 November 2010. While IANZ will assess whole systems, accreditation will only be based on the requirements of the 2007 standards (Regulations 4 to 16). Any non-compliance with the referenced standard or 2010 requirements will be identified, but corrective actions will not be raised.

## Findings

### Systems management

- There was some misunderstanding of requirements for having a system for managing the required policies and procedures.
- Participants had a variety of approaches for developing systems to document their policies and procedures.
- Some participants had set absolute rather than realistically achievable measures for compliance against the standards, unaware that non-compliance with absolute measures will lead to corrective action requests.

### Comment

While a full quality assurance system does not have to be implemented until 2010, a system for managing the policies and procedures required by the regulations is necessary this year to ensure their effective implementation.

At the very least, the management system should include a system of document control and revision history (giving all system users access to the same document at the same time and ensuring documents are revised and reissued in a systematic manner), a table of contents with cross-referencing to the regulations, and a system for recording the induction of staff into the new policies and procedures.

Other useful information is a summary of the building consent authority's scope of usual activity, including a breakdown of the types of consent routinely processed, the number and experience of staff, and geographic considerations such as the use of service centres for some aspects of the building consent authority's functions.

When documenting their policies and procedures, building consent authorities need to consider how they will implement and maintain their system. Simple systems that meet the requirements of the regulations may be more effectively implemented and maintained than large, complex systems with multiple manuals and which exceed the requirements of the regulations.

Substantive compliance can be sufficient to allow accreditation against a standard. For example, a building consent authority may document the way in which the processing clock is used to ensure

application processing times are accurately recorded and that adequate resources are allocated to processes, rather than setting 100 percent targets of compliance.

Non-compliance with any particular requirement may not necessarily mean a building consent authority is failing to comply with the standards and criteria for accreditation set by the regulations.

### Accreditation fees

In October 2006 the Department released the consultation paper *Proposals to Set Building Consent Authority Accreditation Fees and for Assistance with Accreditation*. The 52 submissions received (summarised in an earlier update to the sector) were largely from building consent authorities and their representative organisations.

While many submitters considered that accreditation should be regarded as a 'public good', government fee-setting guidelines are clear that the benefits of accreditation are largely private in nature. While some policy refinements have been made in response to consultation feedback, a full cost-recovery approach will be taken to setting accreditation fees, as outlined in the October 2006 consultation paper.

The Department is working with the Parliamentary Counsel Office to draft the regulations, and is working towards Cabinet approval for the regulations to take effect in April 2007.

To avoid delaying accreditation applications and preliminary assessments, IANZ is now accepting applications from building consent authorities that wish to initiate the accreditation assessment process before the fees regulations take effect. Information about the interim application process has already been provided directly to building consent authorities.

### Building consent authority accreditation assistance package

The October 2006 accreditation fees consultation paper included proposals for a \$3 million (GST exclusive) accreditation assistance package for councils.

Feedback on the paper included requests for direct funding support, ongoing guidance or 'roving experts', additional training on the regulations and accreditation requirements, and support for staff competency assessment.

To meet these requests while adhering to the legal parameters of the Department's funding process, the assistance package was developed to provide three primary forms of support to the sector.

- Workshops
- Case advisors
- Project funding for external assistance

A steering group was established to oversee all assistance decisions, including making recommendations on funding disbursements. The steering group includes representatives from Local Government New Zealand (LGNZ), the Building Officials Institute of New Zealand (BOINZ), the Society of Local Government Managers (SOLGM), the Department of Building and Housing, and regional and territorial authorities.

Assistance package activities include 10 2-day workshops throughout New Zealand, which began in Auckland on 13 March 2007. Further workshops will be scheduled throughout the year to enable building consent authorities to access a reliable forum for IANZ and Department support and guidance. These forums will also help councils share information.

Assistance package case advisors have been working with building consent authorities since late February 2007. All building consent authorities have been visited for discussion about possible support activities. Approximately 95 percent of authorities accepted an offer of some form of advisory support and, on request from the building consent authority, case advisors have been conducting needs assessments to help determine future preparation requirements. These assessments are well under way and are scheduled to be completed in April 2007.

The case advisors are also helping authorities prepare applications for project funding to support accreditation preparation activities. The first funding round took place in late March 2007 with over 20 applications considered, with a value of up to \$600,000. Funding decisions have since been made and applicants have been advised.

Funding applications varied in the scope and nature of activities. They included support for completion of accreditation process documents, training staff in implementing new systems, research into options for contracting and transferring building consent authority functions, competency assessment and project management services. All applicants volunteered to share information produced.

The assistance funding available includes investigation of alternative arrangements, such as transferring building control functions to another building consent authority.

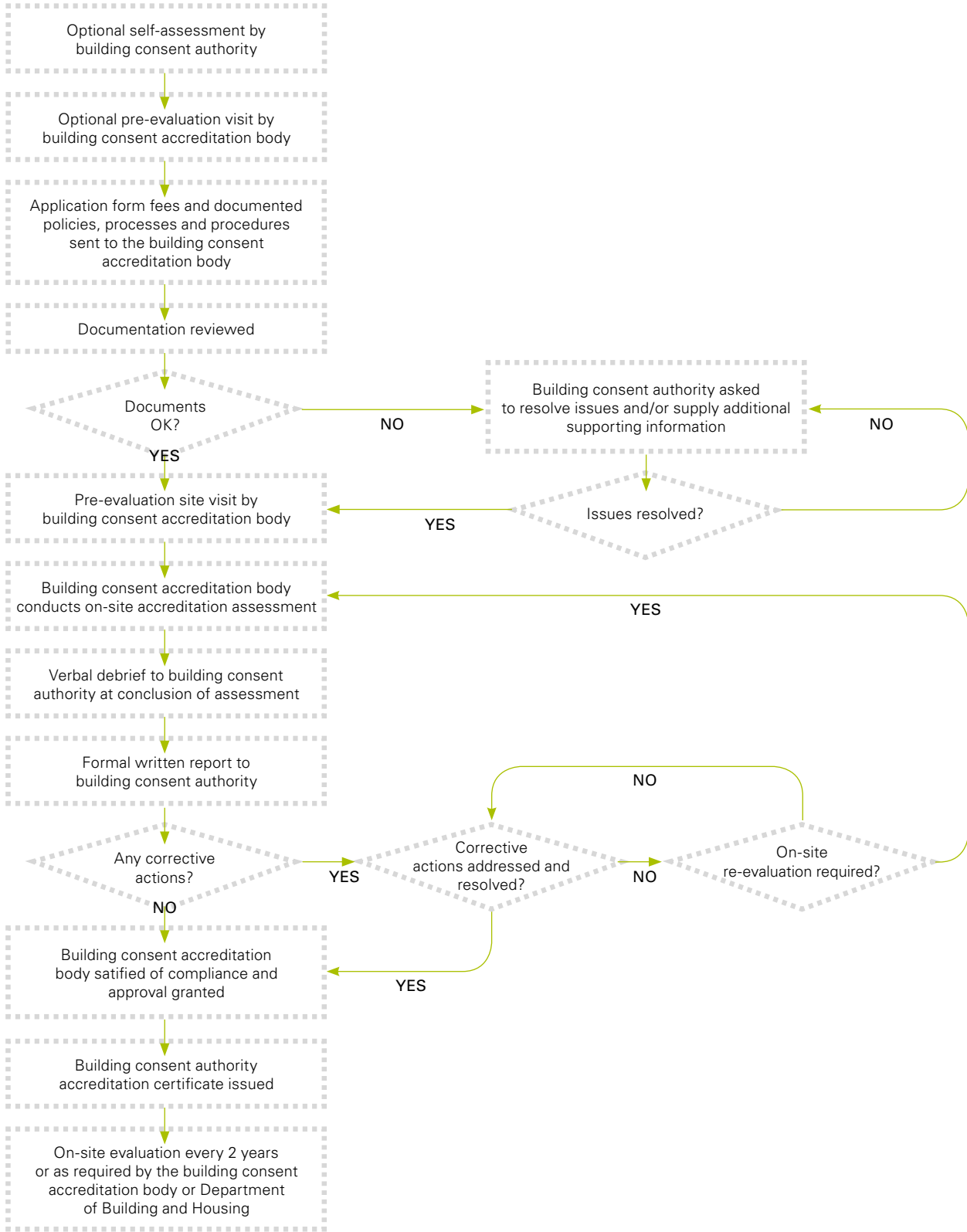
Feedback from the sector on assistance package activities has been positive. The appointment of case advisors has been viewed as a genuine effort by the Department to work with the local government sector. Workshops have also been positively received. The access to Department officials alongside IANZ assessors was seen as particularly useful. Participants have noted the value of these forums in facilitating information-sharing between building consent authorities and the forums are likely to be a major source of assistance in the coming months.

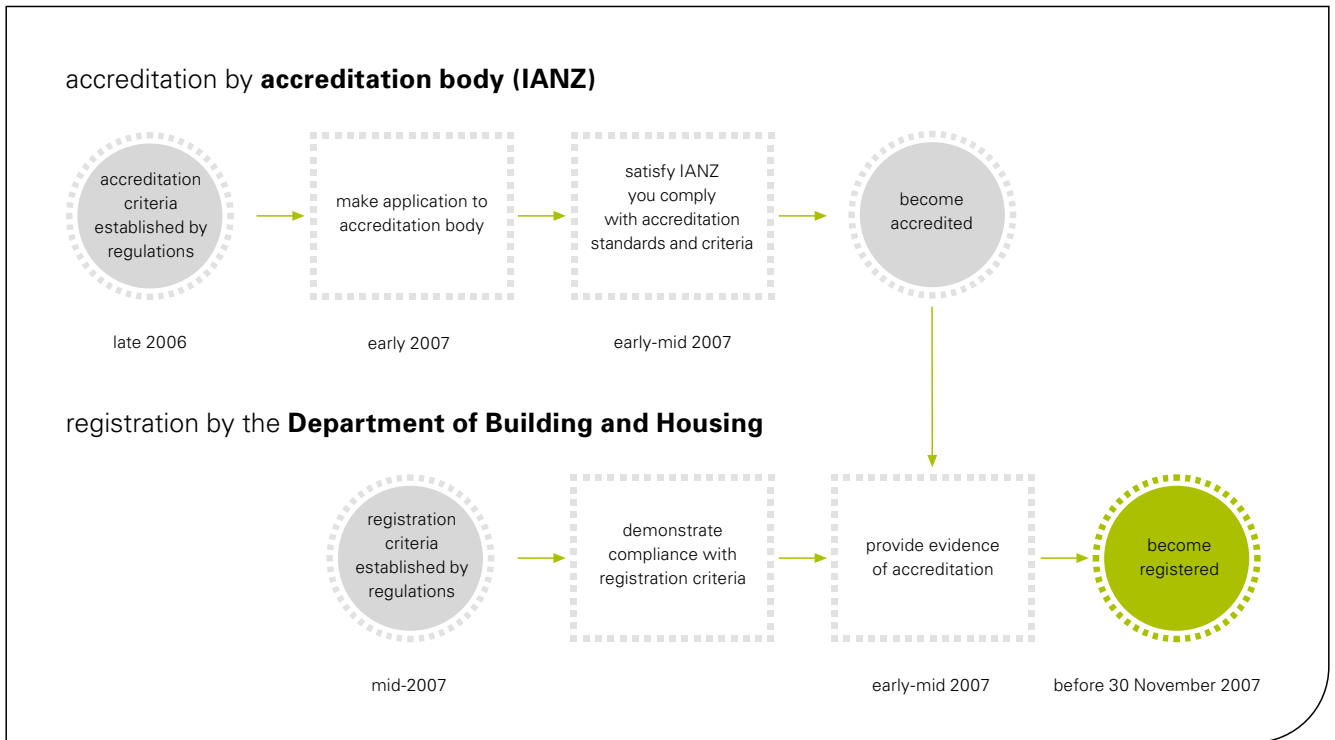
### **Accreditation process and timeline**

Assessment for accreditation has six key steps.

1. Applicants undertake a voluntary self-assessment of their internal processes and procedures against the accreditation standards.
2. Applicants submit their application for accreditation to the building consent accreditation body (IANZ).
3. IANZ conducts a desk-based documentation review of each applicant's systems, policies, processes and procedures to check compliance with the accreditation standards and criteria.
4. An on-site pre-assessment meeting is held between the applicant and IANZ.
5. An on-site assessment is undertaken by IANZ (which may require additional work by the applicant to ensure compliance).
6. IANZ conducts its approval process.

**Summary of the accreditation process**





### Requirements for the Building Consent Accreditation Body Gazette

In 2006, the Department of Building and Housing appointed International Accreditation New Zealand (IANZ) as the building consent accreditation body for the building consent authority accreditation scheme under the Building Act 2004.

IANZ will undertake accreditation assessments of those organisations undertaking building consent authority functions under the Building Act 2004 (including territorial and regional authorities).

The Department has now gazetted the requirements for IANZ's role. IANZ will be required to conduct full technical audits of each building consent authority at least every 2 years, while also having the ability to undertake special assessment audits. All audits will be undertaken in general accordance with ISO/IEC 17011: 2004 with specific reference to the standards and criteria for accreditation prescribed in the *Building (Accreditation of Building Consent Authorities) Regulations 2006*. This will include:

- accompanying and assessing building officials as they undertake their day-to-day duties
- reviewing building consent files and other consent records
- interviewing a range of building consent authority staff
- conducting case studies of completed or partially completed buildings.

IANZ will maintain audit records and provide regular reports to the Department, which will include copies of assessment reports.

IANZ is also required to have in place a complaints procedure that will include:

- the time period the complaint must be acknowledged
- according to the nature of the complaint, and the steps that will be taken to substantiate the complaint
- a requirement to document details of the actions and/or decisions taken
- a requirement to keep the complainant informed about decisions and actions taken.

The Department of Building and Housing will also be advised when complaints are substantiated. The Department can then have an opportunity to respond before any action is taken. For full details of the requirements for the building consent accreditation body, please go to New Zealand Gazette No. 27 at [www.dia.govt.nz](http://www.dia.govt.nz)

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

Further information about IANZ is available at [www.ianz.govt.nz](http://www.ianz.govt.nz)

### **Further information**

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

Building Consent Authority Accreditation and Registration Project  
Consent Authority Capability and Performance Group  
Department of Building and Housing  
PO Box 10-729  
Wellington  
Website: [www.dbh.govt.nz](http://www.dbh.govt.nz)  
Telephone: 0800 242 243

#### **Malcolm MacMillan**

Manager, Performance Monitoring and Review  
[malcolm.macmillan@dbh.govt.nz](mailto:malcolm.macmillan@dbh.govt.nz)

#### **Andrew Minturn**

Senior Advisor, BCA Accreditation and Registration  
[andrew.minturn@dbh.govt.nz](mailto:andrew.minturn@dbh.govt.nz)

#### **Zoe Dryden**

Project Manager, BCA Assistance Package  
[zoe.dryden@dbh.govt.nz](mailto:zoe.dryden@dbh.govt.nz)

For specific enquiries about applying for accreditation, the accreditation assessment process, accreditation fees or the standards and criteria for accreditation, please contact:

International Accreditation New Zealand (IANZ)  
Private Bag 28-908  
Remuera  
Auckland  
Website: [www.ianz.govt.nz](http://www.ianz.govt.nz)  
Telephone: (09) 525 6655

#### **Geoff Hallam**

Manager, Inspection Body Accreditation  
[ghallam@ianz.govt.nz](mailto:ghallam@ianz.govt.nz)

#### **David Sidwell**

Accreditation Officer  
[dsidwell@ianz.govt.nz](mailto:dsidwell@ianz.govt.nz)