

Submission to the Ministry of Business, Innovation and Employment



Improving efficiency in the inspection process

29 November 2024

Introduction

The Timaru District Council (the Council) thanks the Ministry of Business Innovation and Employment (MBIE) for the opportunity to submit on “Improving efficiency in the inspection process”. This submission, whilst acknowledging the well documented risks, also offers Council’s view on potential solutions to facilitate the intent of the signalled reform.

This submission has been endorsed by Timaru District Council via the Environmental Services Committee. Any further queries can be sent to:

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Council wishes to speak to this submission should the opportunity arise.

Overview of Timaru District

The Timaru District Council is a local authority in the South Island serving over 49,000 people in South Canterbury. The main settlement is Timaru (pop. 29,600), with other smaller settlements of Geraldine, Pleasant Point and Temuka.

The Timaru District Council as a Territorial Authority and a Building Consent Authority (BCA) has issued the following building consent types and numbers over the last three years.

Financial Year	Residential consents issued	Commercial consents issued	Total inspections performed
2021-22	972	136	4712
2022-23	892	183	4280
2023-24	772	156	3355

General comments

With regard to the discussion document produced by MBIE, the Council wishes to provide the following comments on this proposal.

1. Purpose and intent of the proposal

- Council supports the governments intent to develop tools that assist BCAs in achieving more efficient and effective ways to inspect building work relating to building consents.
- Council believes that ensuring BCAs to have recorded policies, processes and systems within their respective Quality Assurance Systems (QAS), that allow for the ability to perform remote inspections is appropriate. We also acknowledge the need for a BCA to include the ability to exercise discretion, within their procedures, when considering the use of remote inspections.

2. Current potential risks

- Council is of the view that the technical requirement and resource required to perform an inspection remotely, is equal to the requirement of performing an inspection onsite. This is due to both assessment processes requiring the same level of rigor. Therefore, the associated costs relating to training and competency needs for an officer would remain the same regardless of the inspection process.
- Currently the Building Act 2004 (the act) requires the BCA to be satisfied that the building work complies with the building consent for the Code Compliance Certificate (CCC) to be issued. When the complexity of the project and inspection type increases, the risk of non-compliance increases which could result in buildings not being fit for purpose and or non-compliant for their intended use.
- Should the introduction of remote inspections be mandated, council believes this should not result in the reduction of inspections required due to the use of any remote inspection/s, as the need to determine compliance with the consent has not diminished and or changed.
- Due to the liability of compliance current sitting with the BCA, we believe there are inherent risks with the use of third parties performing remote inspections. Currently any third-party performing inspections must be working under the QAS policies and procedures of the BCA that granted the consent. This process results in many challenges for the BCA to ensure third parties comply with their QAS.
- Council believes that establishing additional Accredited Organisations to perform building inspections including remote inspections, will result in increased confusion, complexities and costs associated with the with inspection and CCC processes. Extra costs will be attributed to additional work and time involved in managing the flow of information, the recording of documentation and any changes to the consent (minor variations or amendments). This will also result in additional complexities relating to the appropriate recording of decisions which will still be the responsibility of the BCA.

- Council believes that engaging a third party to perform a remote inspection/s will increase the level of risk for the BCA. However, should the owner be allowed to engage a third party to perform an inspection, they may do so without the knowledge of the BCA therefore, having the potential to de-rail the inspection process and impact the BCAs ability to satisfy itself that the building work complies with the consent. This may in turn impact the issuing of the Code Compliance Certificate (CCC).
- Council also has concerns about the liability that may result from situations where a remote inspection that was passed, is found subsequently to have non-compliances at a later inspection. The situation may be exacerbated if the inspection was performed by a third party that does not have the appropriate regulatory liability measures in place, as opposed to an accredited and registered BCA.

3. Future potential benefits and value

- Council supports option two as identified on page 13 of the discussion document, *“Require building consent authorities to have the systems and capability to conduct remote inspections”*.
- The alteration to the BCAs quality assurance systems (QAS) to include the ability, systems and tools, to perform remote inspections will be of low cost and little change to how the BCA already operates under s7(2)(e) of the Building (Accreditation of Building Consent Authorities) Regulations 2006.
- Council believes that BCAs can successfully adapt their QAS policies and procedures, allowing for remote inspections to be successfully performed. They have the knowledge, experience and understanding of how best to implement and manage the use of this tool.
- Council also believes that the use of discretion is imperative when deciding on the use of a remote inspection/s. BCAs have the embedded ability to use sound judgement that will ensure the result is compliant and robust outcomes are achieved.
- The use of remote inspections, performed by the BCA will reduce the amount of time to travel from one site to the next, giving the potential to perform more inspections in any given day. It will also see the potential reduction in number of vehicles required and fuel consumption, thus reducing the impact on the environment.
- It is worth noting that there is value in driving from one site to another as this allows visibility of the district that can identify other non-building consent related matters and may assist and support the needs of other council units.
- Due to the legislative requirement for a BCA to be satisfied on reasonable grounds that compliance has been achieved, council is of the view that they are best positioned to appropriately implement and manage the use of remote inspections. The level of scrutiny that a BCA is subjected to, across the building

regulatory spectrum, is higher than all other entities involved in the building consent system.

Conclusion

Timaru District Council supports the use of remote inspections as an additional tool for the purpose of supporting efficiencies and robustness relating to the building inspection process and compliance with the building consent. We also support the regulations to allow BCAs the ability to use discretion in the use of remote inspections.

Thank you again for the opportunity to submit on this Bill. Please do not hesitate to contact us via Jayson.ellis@timdc.govt.nz or 027 434 6053, if you have any questions or wish to discuss aspects further.

Ngā mihi



Michelle Pye

Chair Person

Environmental Services Committee