

SUBMISSION: REVIEW OF THE BUILDING CONSENT SYSTEM

INTRODUCTION

This submission responds to the Ministry of Business, Innovation and Employment (MBIE)'s *Issues Discussion Document: Review of the Building Consent System (July 2022)* (the consultation document). As a membership body, Engineering New Zealand Te Ao Rangahau represents over 22,000 engineers. Engineering New Zealand is also the Registration Authority for Chartered Professional Engineers. In this role, Engineering New Zealand maintains the register of chartered professional engineers, key building system participants.

We support the submissions of our collaborating technical societies, noting that submissions are expected from the Structural Engineering Society of New Zealand, the New Zealand Geotechnical Society, Engineering General Practitioners and the Society of Fire Protection Engineers.

Recent years have seen several high-profile engineering design failures in the building system. Engineering New Zealand has undertaken, or is undertaking, investigations into the engineers involved in these failures, as well as a series of complaints relating to lesser-profile engineering design failures in the building system. All failures undermined confidence in the building system, as well as the engineering profession. Our investigations give us insight into wide, systemic issues across the building system, particularly how buildings are consented and disparities in consenting processes across the country.

MBIE's consultation document addresses some of the concerns we are seeing, but there are omissions in the document. We have reservations about the document's focus, the review process and outcomes sought.

Submission overview

In this submission we respond to MBIE's consultation in two ways -

- 1. General comments on key points of the consultation document, as well as our view on opportunities to improve the system.
- 2. Answering MBIE's questions in detail, as per the feedback form (Appendix).

Above all, our response focuses on improving *quality* across the building consent system. While an efficient system is good for industry, we need to ensure New Zealand's building supply supports good societal outcomes. We need quality buildings that are healthy to live and work in, resilient to seismic events and other natural disasters, have continually lower embodied and operational carbon, with appropriate adaptive resiliency to climate change. This is our legacy.

PURPOSE AND PRINCIPLES

MBIE's consultation focuses heavily on system efficiency and productivity outlining that the current system is stressed. We agree the system is stressed but do not agree that efficiency is 'desirable outcome 1'. Current demand on the system is high, but this ebbs and flows. It is our view that MBIE would be remiss if a review of the system looked predominantly at addressing today's issues, while missing others that will set out a better framework for the future. To do this requires clarity of purpose and underlying principles. We cannot see that clarity within the consultation document and welcome further mapping of intervention logic should this review continue.

The Building Act 2004 outlines its purpose as being the safety of building users, promoting sustainable development, and ensuring that system participants can be held to account (section 3). BCAs act as the regulator of the consenting process, which must satisfy the intent of the Act and the regulations set out in the Building Code. As it is currently scoped, we cannot see how the outcomes of this review will support the safety of building users, promote sustainable development and ensure that system participants can be held to account.

Efficiency and quality

Our greatest concern with the consultation document is its focus on efficiency and productivity. We understand there are legislated timeframes for BCAs, that these drive system performance and are not inherently bad (although they lead to unintended consequences, as outlined in the consultation document). What is missing is a clearly stated focus on the *quality* of building consent system outputs. If quality was a stated purpose, the issues and outcomes identified in the consultation document would be different.

Quality must be central to the building consent system, as this ensures the safety of the building user. In our investigations of engineering design failures, we observe design errors entering the system (through human error, negligence or incompetency) and these errors being missed by quality assurance processes (if they are in place) and peer reviews (if peer reviews are undertaken), and again by the BCAs. Without audits, issues throughout the system go unchecked and learnings are missed. Quality must be central in all the work undertaken across the system.

Risk-based approach

To increase efficiency, MBIE proposes a risk-based approach to consenting. Largely this already exists in the system but is not uniformly applied across the different BCAs. We are supportive of further direction for BCAs on the application of risk in managing the consenting process, however we issue a strong word of caution. When considering structural, geotechnical or fire engineering work, the 'type' of building does not assume engineering simplicity, or less risk.

Engineering New Zealand has been considering options to develop guidance for BCAs to support them in managing the risk of poor engineering design. Like MBIE, we observe different consenting processes across

the country, with some BCAs managing the risk of poor engineering design differently than others. We want to support unity of approach across the country, to protect the public.

Joint and several liability

We understand the matter of joint and several liability is outside the scope of this review. However, we remained concerned that under the current policy framework there is no significant consequence for poor behaviour and that the risk ultimately sits with BCAs. Without addressing the primary driver of BCA behaviour (the risk they manage under the current joint and several liability policy), the system is unlikely to change substantively and to the level of government ambition.

SYSTEM STRUCTURE

Economies of scale

MBIE's consultation document references Government's work to review the structure of local government. The document notes the varied number of consents issued annually by BCAs across the country. We also observe different consenting processes across BCAs and are concerned that the management of engineering design work by BCAs is inconsistently applied across the country.

The engineering profession is significantly impacted by the number of reforms being driven across government (local government reforms, resource management reforms, water reforms and reforms to the building consent system, among others). We are deeply concerned by the order in which this work is being undertaken by Government. Water entities are being established without the structure of local government being resolved. MBIE is considering economies of scale across BCAs, without the future of the local government structure being resolved. All this work seems contrary to an effective sequence of events – that being the reform of local government and then the reform of system aspects. As Government works through its processes, the system is losing skills and capabilities. This is a significant problem.

This said, we are largely supportive of standarisation and efficiencies gains across the system and consider that the consolidation or rationalisation of BCAs will support better system outcomes.

System processes and procedures

In addition to addressing efficiencies of scale, it is our view that MBIE's review should consider processes and procedures across BCAs to ensure the quality of engineering design. Engineering New Zealand and the Association of Engineering and Consulting New Zealand work closely together to maintain the producer statement process for the construction industry. The majority of BCAs rely on this process, but it has no anchoring in the Building Code or other regulation.

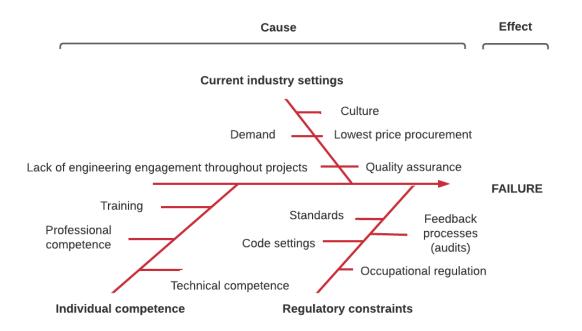
OCCUPATIONAL REGULATION

Engineering New Zealand has worked closely with MBIE on changes to the occupational regulation of engineers. The current regulatory system for engineers does not provide the public with sufficient assurance that engineers are competent to practise or appropriately hold these engineers to account when standards slip, as high-profile failures have demonstrated. We support decisions made by Cabinet in March 2022 and will continue to work with MBIE on legislating these changes and implementing them. We also support work to strengthen the occupational regulation of other trades and professions across the building system.

MBIE'S ROLE AS THE REGULATOR

We agree with the view expressed that 'performance of the system is insufficiently monitored and MBIE is not yet the strong central regulator that was contemplated in the original system design'. We are strongly supportive of the review's focus on MBIE. We have long advocated for audits across the system and consider MBIE has a critical role to play in ensuring stronger management of quality assurance (through regulations, standards, guidance and discipline).

For reference, we have been working to map out the root causes of the engineering failures we observe. The fishbone diagram figure below highlights potential causes of failure. It is our view that many of the causes outlined are within the control of the central regulator to change, while others are within the ability of educational institutes, professional bodies, industry, or individuals to change. As the professional body we have a significant role and are continuing to work to strengthen our role to prevent failure.



REVIEW PROCESS

The consultation document leaves us uncertain on the timing and structure of this review going forward. Furthermore, the questions posed in the consultation document are open ended and not testing solutions but posing further queries on issues to be addressed and scope. The document leaves us questioning how this work will progress and our role in supporting better outcomes. We are keen to be involved and therefore welcome clarity of scope and options to move forward. This review is very important to the engineering profession, and we are keen to drive the best results possible within system constraints.

CONCLUSION

Thank you for the opportunity to respond to the consultation document. As highlighted in both this covering memorandum and our answers to the consultation questions (**Appendix**), it is our view that MBIE

has missed addressing concerns of quality across the building consent system in its review work to date. We have reservations about progress to date and welcome an opportunity to discuss these with MBIE.

If the purpose of both the system and the review were more clearly articulated, we believe outcomes would be clearer and support the system to fulfil its purposes under the Act. This review is important, and we welcome further involvement as the work progresses.



Consultation submission form

Review of the Building Consent System



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The Government has commenced a substantive review of the building consent system. A better building consent system is a key priority of the Government and is necessary to support transformation of our housing market to unlock productivity growth and make houses more affordable.

The aim of the review of the building consent system is to modernise the system to provide assurance to building owners and users that building work will be done right the first time, thereby ensuring that buildings are well-made, healthy, durable and safe.

How to make a submission

The Ministry of Business, Innovation and Employment (MBIE) is seeking your feedback on:

- what role you think the government should have in providing assurance that buildings are healthy, durable and safe
- the desirable outcomes from the building consent system
- an initial assessment of the key issues that are barriers to achieving those outcomes.

When completing this submission form, please provide comments and reasons explaining your choices. Your feedback provides valuable information and informs decisions about the proposals.

You can submit this form by 5pm, Sunday 4 September 2022 by:

- Sending your submission as a Microsoft Word document to <u>building@mbie.govt.nz</u>
- Mailing your submission to:

Consultation: Review of the Building Consent system Building System Performance Building, Resources and Markets Ministry of Business, Innovation and Employment PO Box 1473

Wellington 6140 New Zealand

Use of information

The information provided in submissions will be used to inform MBIE's policy development process, and will inform advice to Ministers on the review of the building consent system. We may contact submitters directly if we require clarification of any matters in submissions.

Release of information

MBIE may upload PDF copies of submissions received to MBIE's website at <u>www.mbie.govt.nz</u>. MBIE will consider you to have consented to uploading by making a submission, unless you clearly specify otherwise in your submission.

If your submission contains any information that is confidential or you otherwise wish us not to publish, please:

- indicate this on the front of the submission, with any confidential information clearly marked within the text
- provide a separate version excluding the relevant information for publication on our website.

Submissions remain subject to requests under the *Official Information Act 1982*. Please set out clearly in the cover letter or e-mail accompanying your submission if you have any objection to the release of any information in the submission, and in particular, which parts you consider should be withheld, together with the reasons for withholding the information. MBIE will take such objections into account and will consult with submitters when responding to requests under the *Official Information Act 1982*.

Private information

The *Privacy Act 2020* establishes certain principles with respect to the collection, use and disclosure of information about individuals by various agencies, including MBIE. Any personal information you supply to MBIE in the course of making a submission will only be used for the purpose of assisting in the development of policy advice in relation to this review. Please clearly indicate in the cover letter or e-mail accompanying your submission if you do not wish your name, or any other personal information, to be included in any summary of submissions that MBIE may publish.

Submitter information

MBIE would appreciate if you would provide some information about yourself. If you choose to provide information in the "About you" section below it will be used to help MBIE understand the impact of our proposals on different occupational groups. Any information you provide will be stored securely.

A. About you

Name:	Dr Richard Templer, Chief Executive, Engineering New Zealand
Email address:	richard.templer@engineeringnz.org

B. Are you happy for MBIE to contact you if we have questions about your submission?

🛛 Yes	□ No
C. Are you making this submission on bel	nalf of a business or organisation?
⊠ Yes	□ No
If yes, please tell us the title of your company/	organisation.
Engineering New Zealand Te Ao Rangahau	
D. The best way to describe your role is:	
Building Consent Authority	☑ Industry organisation (please specify below
Business	Individual
\Box Other (please specify below)	
Please specify here.	

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Professional body for engineers and the Registration Authority for Chartered Professional Engineers			
E. If you represent a Business the	best way to describe it is:		
Designer/ Architect	□ Builder		
□ Sub-contractor	⊠ Engineer		
Developer	\Box Other (please specify below)		
F. If you are an individual the best	way to describe you is:		
Designer/ Architect	□ Builder		
□ Sub-contractor	Engineer		
□ Building Consent Officer	Developer		
□ Homeowner	\Box Other (please specify below)		

- G. Privacy information
- □ The *Privacy Act 2020* applies to submissions. Please tick the box if you do <u>not</u> wish your name or other personal information to be included in any information about submissions that MBIE may publish.
- MBIE may upload submissions or a summary of submissions received to MBIE's website at <u>www.mbie.govt.nz</u>. If you do <u>not</u> want your submission or a summary of your submission to be placed on our website, please tick the box and type an explanation below:

I do not want my submission placed on MBIE's website because... [insert reasoning here]

H. Confidential information

I would like my submission (or identifiable parts of my submission) to be kept confidential and <u>have stated</u> my reasons and ground under section 9 of the Official Information Act that I believe apply, for consideration by MBIE.

If you have ticked this box, please tell us what parts of your submission are to be kept confidential.

Section 1: Introduction and strategic context

Building consent systems aim to provide assurance that buildings are healthy, durable and safe. Government intervention is typically directed at addressing the following problems that can occur in the building market:

Information gaps: many building owners and other users of buildings have insufficient knowledge or skill to assess the quality of building design or building work, or properly identify and manage risk.

Risk of harm: protecting building owners and other users from the risk of serious harm that could arise from poor design or building work.

Cost of defects: building defects can be very expensive to repair once work is completed. Buildings have a long life and defects may show up long after construction. It can be difficult for an owner to determine who is at fault and obtain redress.

Questions for the consultation

1. What do you think the primary focus of the building consent system should be?

The building consent system's focus is to fulfil the purposes of the Building Act 2004 which are to ensure the safety of building users, promote sustainable development, and ensure that system participants can be held to account (section 3)). These should be the focus of the system, together with system efficiency.

The role of government in the building process varies around the world:

- Some countries delegate specific roles to private third parties, such as the review of plans, conducting risk assessments of projects or carrying out inspections during construction.
- Australia allows private building surveyors to directly oversee building design and inspection.
- Nearly all countries surveyed by the World Bank Doing Business report allow private thirdparty inspections. However, the task of issuing the final permit (the equivalent of the code compliance certificate) remains largely the responsibility of local authorities.

2. What role should government have in providing assurance that buildings are healthy, safe and durable?

The government should play the central role in providing assurance that buildings are healthy, safe and durable. It does this by regulating the products of the system (building consents granted) and ensuring ongoing quality assurance/feedback.

Section 1: Introduction and strategic context

🗆 No

3. Are there any building consent functions that could be delegated to or provided by another party?

🗆 Yes

-

Not sure

If so, please explain your response.

REVIEW OF THE BUILDING CONSENT SYSTEM

Section 2: Desirable outcomes

MBIE has identified four critical outcomes that the building consent system should primarily seek to achieve.

Outcome 1: Efficiency. The building consent system is efficient in providing assurance to building owners and users. It is risk-based, has proportionate compliance costs, and allows for innovation.

Outcome 2: Roles and responsibilities. Roles and responsibilities are clear and based on participants' respective ability to identify and manage risks. All participants across the system have a good understanding of their own responsibilities and the extent they can rely on others for assurance.

Outcome 3: Continuous improvement. The system is responsive, flexible and agile, and seeks to continually improve through performance and system monitoring, good information flows and feedback loops.

Outcome 4: Regulatory requirements and decisions. Regulatory requirements are clear, and decisions are robust, predictable, transparent and broadly understood.

Questions for the consultation

4. Do you agree these four critical outcomes are necessary to ensure the building consent system provides high levels of assurance to the public that buildings are healthy, safe and durable?

🗆 Yes

□ Somewhat

🛛 No

□ Not sure

Please explain your views.

No, quality must be the first outcome to ensure buildings are healthy, safe and durable.

5. Are there any other outcomes that are critical to ensure buildings are healthy, safe and durable?

🛛 Yes

🗆 No

 \Box Not sure

Please explain your views.

Quality.

6. How well is the system currently performing against the four identified outcomes? Please explain your views.

	Poor	Fair	Good	Very Good	Excellent
Efficiency			\boxtimes		
Roles and responsibilities		\boxtimes			
Continuous improvement					
Regulatory requirements and decisions		\boxtimes			

Please explain your views.

It is our view that continuous improvement is a significant issue is the system. We encourage MBIE to take a leadership role in driving continuous improvement. We also think there is room for improvement in clarifying roles/responsibilities and regulatory requirements and decisions. As per our cover letter, we do not agree efficiency is a key driver for change.

MBIE has identified five issues that are constraining the ability of the system to achieve the desirable outcomes expected of this system. In turn, this compromises the ability of the building consent system to provide assurance that building work will be 'done right the first time', thereby ensuring that buildings are well-made, healthy, durable and safe.

Many of these issues are complex and long-standing. While these issues are presented separately, they are intrinsically related and collectively affect the performance of the overall system.

We welcome your feedback on these issues and other any other issues. In particular, what is the cause of these issues, what are their impacts, how could a better consent system address these, and what would that system look like?

Issue 1: Roles, responsibilities and accountability

Roles and responsibilities across the system are not always well understood, accepted, applied or consistently enforced. There is sometimes an over-reliance on building consent authorities to provide assurance of compliance with the Building Code.

Questions for the consultation

7. How well understood are roles and responsibilities across the sector?

Very poorly understood	Somewhat understood	Understood	Well understood	Very well understood
	\boxtimes			

Please explain your views.

System participants (trades, professional services, and industry groups) understand roles and responsibilities to some degree. However, it is our view that the public's understanding of roles and responsibilities is limited.

8. Does the building consent system allocate responsibility appropriately to those best able to identify and manage the associated risks?

□ Yes	□ Somewhat	🗵 No	□ Not sure
Please explain your vie	WS.		

Issue 1: Roles, responsibilities and accountabilities No - too much responsibility on Building Consent Authority. This needs to be shared across all participants. 9. Does the building consent system provide sufficient incentives for each party to meet their responsibilities and 'get it right the first time'? □ Yes □ Somewhat ⊠ No □ Not sure Please explain your views. Accountability is limited across the system, as are appropriate quality assurance processes. 10. Should other parts of the sector (outside of building consent authorities) have a greater role in providing assurance that buildings are safe, durable and healthy? If yes, what would the risks and
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mitigations be?
⊠ Yes □ No □ Not sure
Please explain your views.
This should be shared across all participants, including engineers/designers. For this reason and others, we support strengthening occupational regulation.
If yes, what would the risks and mitigations be?
If accountability is spread further, it may discourage some participants from engaging in the system.
11. Are some parts of the sector more prepared than others to take on more of the responsibility for providing assurance?
⊠ Yes □ No □ Not sure
Please explain your views.

Issue 1: Roles, responsibilities and accountabilities

We agree with the consultation document that there is a need for MBIE to be a stronger central regulator of the building consent system.

For engineers, Engineering New Zealand is actively reviewing its role in supporting continuous quality improvement and is working to drive improved performance.

Issue 2: Capacity and capability

Building consent authorities face capacity and capability constraints in dealing with an increased volume and complexity of building work. Sector workforce capacity and capability constraints can also undermine the performance of the system.

Questions for the consultation

12.How significant are building consent authority capacity and capability constraints on the performance of the system?

Not significant at all	Somewhat significant	Significant	Quite Significant	Very significant
		\boxtimes		

Please explain your views.

Our observations are that BCAs are performing differently across the country and that some are managing the risk of poor design work differently than others. In part this is because of capacity and capability constraints across the system.

What are the most significant impacts of building consent authority capability and capacity constraints on the performance of the building consent system? Please explain your views?

Quality is impacted because of BCA capability and capacity constraints.	
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13. How significant are sector workforce capacity and capability constraints on the performance of the system?

Not significant at all	Somewhat significant	Significant	Quite Significant	Very significant
Please explain your	views.			

Section 3: Issues with the current system Issue 2: Capacity and capability

As above.

What are the most significant impacts of sector workforce capability and capacity constraints on the performance of the building consent system? Please explain your views.

As the consultation document identifies, economies of scale and different processes/procedures for managing risk across the country are significantly impacting the performance of the system.

14. How could the impacts of capacity and capability constraints be mitigated?

(1) Consolidation and rationalisation of BCAs (2) Greater central regulator (MBIE) leadership of the	ē
system.	

15. Are there any barriers to a more efficient use of technical expertise across the system?

🛛 Yes

🗆 No

 \Box Not sure

Please tell us what these barriers might be.

As above, the system is heavily fragmented and there is limited central regulator leadership. Our observations are that this stifles the dissemination of technical expertise across the system.

Issue 3: System agility

All consents go through the same basic process, which is not always responsive to the level of risk, complexity of the building work, or type of project. The current system does not always deal well with new or innovative practices or products or the design-and-build approach. Nor is it sufficiently responsive to the building needs and aspirations of Māori.

Questions for the consultation

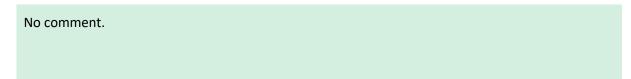
16. Do you agree that the consent system is not sufficiently agile for the way in which we design, procure and build today and in the future?

Strongly disagree	Disagree	Neither agree or disagree	Agree	Strongly agree
		\boxtimes		

Please explain your views.

As per our cover memo, system agility is not fundamental to our concerns on system performance. We are more concerned about improving the quality of outputs and ensuring continuous quality improvement.

If you agree, how does rigidity in the building consent system impact consenting outcomes and productivity in the building sector?



17. What changes would you suggest to the building consent system to make it more agile?

No comment.

Issue 3: System agility

18. Does the current building consent process constrain or limit the use of traditional Māori methods of construction?

□ Yes	□ Somewhat	□ No	Not sure			
Please explain your viev	NS.					
No comment, but we agree this is a relevant consideration.						
19. Does the current building consent process add constraints to the development of Māori-owned land that other landowners don't face?						
□ Yes	□ Somewhat	□ No	□ Not sure			
Please explain your views.						
No comment, but we agree this is a relevant consideration.						

20. What Māori perspective or set of values do building consent authorities need to take into account when considering and processing consent applications for iwi/hapū/Māori-led building and construction projects?

No comment, but we agree this is a relevant consideration.

Issue 4: Performance monitoring and system oversight

Section 3: Issues with the current system

Issue 4: Performance monitoring and system oversight

The performance of the system is insufficiently monitored, and information flows are poor. MBIE is not yet the strong central regulator that was contemplated in the original system design.

Questions for the consultation

21. What can be done to improve monitoring of the building consent system?

We strongly advocate for the introduction of audits of consented buildings. This needs to be mandated by MBIE and resourced by MBIE. It is our view that the learnings of audits would drive quality improvement across the system.

22. What information or data relating to the consenting system performance would you find useful?

We would value audits of Building Code compliance, as well as audits on the design work of professional services.

23. Are you aware of any barriers to collecting and sharing information across the sector?

□ No

□ Not sure

Please explain your views.

Resourcing and leadership.

Issue 4: Performance monitoring and system oversight

24. Are you aware of additional data and information sources that we could be using to inform our understanding of the system performance?

🛛 Yes 🛛 🗆 No

Please explain your views.

As above, we need information on system wide performance and this can be achieved through audits of buildings consented.

25. Is there anything else MBIE could do to better meet its system oversight and stewardship responsibilities?

Strengthened leadership of the sector as well as more effective processes for management the Code, standards and disseminating information across the system.

Issue 5: Fragmented implementation

The processing of building consent applications is devolved to territorial authorities who are building consent authorities, which has led to variability and unpredictability in the consent process and its outcomes. This fragmentation adds to the overall costs of the system due to duplication and variable processes, tools and functions being implemented across building consent authorities, and difficulties maintaining a professional workforce.

Questions for the consultation

26. Building consent processing is devolved and carried out by individual territorial authorities under the current system. How does this structure affect the consenting performance and building outcomes?

Inequity of outcomes. Some buildings are consented through BCAs with rigorous processes and strong oversight of design work. Others have minimal processes and oversight of design work. This inevitably leads to differences in outcomes.

27. What aspects of the current consenting system structure work well?

Although MBIE's consultation document focuses on issues of efficiency, it is our view that the system is relatively efficient even with current challenges in administration skills and capacity.

28. What aspects of the current consenting system structure do not work well?

Please see above – issues with consistency and quality of outcomes, as well as economies of scale.

29. How does the current devolved consenting system structure impact consent applicants and building owners?

Without appropriate system oversight, the devolved consenting system is failing to address its purpose (see cover memo).

30. What improvements or changes are required to the current consenting system structure to reduce fragmentation in implementation and deliver better consenting outcomes?

See above. Further central oversight and leadership, as well as addressing issues with economies of scales and different processes and procedures.

31. Is there any duplication or overlap between the building consent and resource consent processes, or any other legislation?

🛛 Yes

🗆 No

□ Not sure

Please explain your views, including any impacts.

It is very common for projects that require a building consent to also require a resource consent. This might be for storm-water discharge, character features, road access or a raft of other reasons. Current legislation assumes these two processes are completely independent and this results in significant duplication of effort, delays, and sometime perverse outcomes – where only one of two necessary consents is granted.

This is complicated by the fact that building consents are largely deterministic and resource consents are largely judgement.

32. How could the relationship between the building consent and resource management systems be improved?

For minor resource consent issues, incorporating them in the building process, with allowance for some additional time for the BCA, would support improved efficiency with only one application needing be made. There could be a simple escalation pathway if the resource consent is beyond a simple assessment – in which case the client would be informed, and a separate process would occur.

General questions

33. Do you have any other comments?

As outlined in our cover memo, we understand the matter of joint and several liability is outside the scope of this review. However, we remained concerned that under the current policy framework there is no significant consequence for poor behaviour and that the risk ultimately sits with BCAs. Without addressing the primary driver of BCA behaviour (the risk they manage under the current joint and several liability policy), the system is unlikely to change substantively and to the level of the government ambition.