

Submission form improving efficiency in the inspection process

Improving efficiency in the inspection process

Increasing the use of Remote Inspections and Accredited Organisations

How to have your say

Submissions process

MBIE seeks written submissions on this discussion paper by 5pm, Friday 29 November 2024.

Your submission may respond to any or all of the questions in the discussion document (noting that questions 16-21 are for building consent authorities and Accredited Organisations (Building)).

Please provide comments and reasons explaining your choices. Where possible, please include evidence to support your views, for example references to independent research, facts and figures, or relevant examples.

Your feedback will help to inform decisions on options that should be progressed, the detailed design of those options, and whether other options require further consideration.

Please respond to the questions by using this submission form which is located on [MBIE's Have Your Say page](#) or by using the [online survey form](#). This will help us to collate submissions and ensure that your views are fully considered.

You can submit the form by 5pm, Friday 29 November 2024 by:

- Sending your submission as a **Microsoft Word document** to building@mbie.govt.nz
- Mailing your submission to:

Consultation: Remote inspections
Building System Performance
Building, Resources and Markets
Ministry of Business, Innovation and Employment
PO Box 1473

Wellington 6140
New Zealand

Please include your contact details in the cover letter or e-mail accompanying your submission.

Please direct any questions regarding this consultation to building@mbie.govt.nz.

Use of information

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

Release of information on MBIE website

MBIE may publish a list of submitters on www.mbie.govt.nz and will consider you have consented to this, unless you clearly specify otherwise in your submission.

Release of information under the Official Information Act

The *Official Information Act 1982* specifies that information is to be made available upon request unless there are sufficient grounds for withholding it. If we receive a request, we cannot guarantee that feedback you provide us will not be made public. Any decision to withhold information requested under the OIA is reviewable by the Ombudsman.

Please clearly mark which parts you consider should be withheld from official information act requests, and your reasons (for example, privacy or commercial sensitivity).

MBIE will take your reasons into account when responding to requests under the *Official Information Act 1982*.

Personal 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 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

Please provide some information about yourself to help MBIE understand the impact of our proposals on different occupational groups. Any information you provide will be stored securely.

Your name, email address and organisation

Name:	Neil Brown
Email address:	mayor@adc.govt.nz
Organisation:	Ashburton District Council
Role:	Mayor

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

Yes No

Please clearly indicate if you are making this submission as an individual, or on behalf of a company or organisation.

Individual Company/Organisation
(Including individual building consent officers)

The best way to describe you or your organisation is:

- | | |
|------------------------------------------------------------------------|-----------------------------------------------------------------------|
| <input type="checkbox"/> Accredited Organisation (Building) | <input type="checkbox"/> Commercial building owner |
| <input type="checkbox"/> Builder | <input type="checkbox"/> Designer / Architect / Engineer |
| <input type="checkbox"/> Other building trades (please specify below) | <input type="checkbox"/> Developer |
| <input checked="" type="checkbox"/> Building Consent Authority/Council | <input type="checkbox"/> Homeowner |
| <input type="checkbox"/> Building Consent Officer (Individual) | <input type="checkbox"/> IT / Software provider |
| <input type="checkbox"/> Other (please specify below) | <input type="checkbox"/> Industry organisation (please specify below) |

Privacy and official information:

The Privacy Act 2020 and the Official Information Act 1982 apply to all submissions received by MBIE. Please note that submissions from public sector organisations cannot be treated as private submissions.

- Please tick the box if you do **not** wish your name or other personal information to be included in any information about submissions that MBIE may publish or release under the *Official Information Act 1982*.
- MBIE may publish or release your submission on MBIE's website or through an Official Information Act request. If you do **not** want your submission or specific parts of your submission to be released, please tick the box and provide an explanation below of which parts of your submission should be withheld from release:

Insert reasoning here and indicate which parts of your submission should be withheld:

[E.g. I do not wish for part/all of my submission to be release because of privacy or commercial sensitivity]

Consultation questions

Introduction

The primary objective of the options in this consultation is to improve the efficiency and timeliness of building inspection processes, to make it easier, cheaper and faster to build.

Outcomes and criteria

- System is efficient
- Roles and responsibilities are clear
- Requirements and decisions are robust
- System is responsive to change

Please refer to page 7 of the discussion document for full detail.

1a. Do you agree these are the right outcomes/criteria to evaluate the options?

Yes No Unsure

I agree with the outcomes and objectives as long as the liability and risk is apportioned correctly.

1b. Are there any others that should be considered?

Yes No Unsure

The outcomes specified are adequate

Increasing the uptake of remote inspections

The **main benefits** of remote inspections are increased efficiency and productivity through:

- reducing the need for inspectors to travel to site
- greater convenience, flexibility and timeliness
- the ability for inspectors to carry out inspections in other districts

Remote inspections can also reduce emissions due to reduced travel and can support good record keeping practices.

Please refer to pages 9 - 10 of the discussion document for full detail.

2a. Do you agree with our description of the opportunity (i.e., benefits) of increasing the uptake of remote inspections? Please explain.

Yes No Unsure

While it will lead to a decrease in travelling to site, the remote inspection will actually take longer while the industry gets used to the technology.

Currently there are a number of inspections that are carried out without the LBP being on site. Agree that travel time will be saved but saving time on flexibility and timeliness is simply swapped from the BCA to the LBP being able to be available for the inspection (to direct the camera). Therefore there may not be the convenience, flexibility or timeliness gains as expected.

Inspectors being available for other districts will be a nice to do but because most BCAs have their resources at a minimum and all are almost busy at the same time, this might not be achievable. We would have to ensure competencies, insurances and liability changes are adequately covered.

The definition of a simple residential build will have to be clearly defined – page 10 of the consultation document suggests a stand-alone house on flat ground with a concrete floor and one type of cladding (this will be the minority of houses in our district)

2b. Are there any other benefits? Please explain.

The inspectors will gain a new skill and the LBPs will gain more insight as to what we check and why (currently not a lot of LBPs know why we carry out inspections).

3. For builders/sector: What savings and costs have you experienced with remote inspections? Do they differ depending on whether a remote inspection is real time or evidence-based?

I agree with the approach of using evidence-based remote inspections for re-inspections

4. For builders/sector: Do you have any concerns about taking part in remote inspections (whether real time or evidence-based)?

[Insert response here]

Key barriers and risks of remote inspections

Key risks of remote inspections include:

- Building safety and performance
- Dishonest practices
- Liability concerns
- Trust in build quality

Please refer to page 11 of the discussion document for full detail.

5a. Do you agree these are the main risks associated with increasing the use of remote inspections?

Yes No Unsure

I agree with the main risks identified with liability being our main concern.

5b. Are there any other risks that should be considered? If yes, please explain.

Yes No Unsure

The risks identified are adequate

6. Are current occupational regulation and consumer protection measures fit for purpose to manage risks associated with higher uptake of remote inspections? If not, what changes would be required?

Yes No Unsure

There needs to be an ability for infringements. Complaints to the relevant boards are generally ignored or rejected because they don't have the resource to investigate.

Options to increase the uptake of remote inspections and improve efficiency of inspection processes

Option One: Review remote inspection guidance, address failure rates and/or publish wait times (non-regulatory) (Pages 12 – 13 in discussion document)

Option Two: Require building consent authorities to have the systems and capability to conduct remote inspections (Page 13 in discussion document)

Option Three: Require building consent authorities to use remote inspections as the default approach to conducting inspections (Pages 13 – 14 in discussion document)

Option Four: (complementary option): Create a new offence to deter deceptive behaviour (Page 14 in discussion document)

7. Which option(s) do you prefer? Please explain why by commenting on the benefits, costs, and risks compared to other options.

Option One Option Two Option Three Option Four None

Option 2 gives the both the BCA and trades the option of requesting the type of inspection they want.

8. Are there any other options we should consider?

Yes No Unsure

The options identified provide a good range of choice.

Option One: Review remote inspection guidance, address failure rates and/or publish wait times (non-regulatory) (Pages 12 – 13 in discussion document)

9. What can be done to help reduce inspection failure rates?

Currently we have about a 12% failure rate. The two main reasons are not being ready and failing to follow the approved plans. We try and educate the trades but the majority believe they are doing it right and we are being pedantic.

Option Three: Require building consent authorities to use remote inspections as the default approach to conducting inspections (Pages 13 – 14 in discussion document)

10. What inspections could generally be conducted remotely with confidence?

Very prescriptive inspections such as solid fuel heaters (set guidelines and little room for interpretation), maybe postline inspections as well.

11. Are there any inspections that should **never** be carried out remotely (e.g., based on the type of inspection or building category)? Please explain why.

Yes No Unsure

Inspections that require calibrated equipment. Commercial inspections as builders do not have to be a LBP therefore no professional body to back up the Council.

Some exclusions may be needed under **Option Three**, including when:

- there is poor internet connectivity at the inspection site
- there is poor lighting or adverse weather that may impair video/photo quality
- the inspector and/or builder deem it necessary to conduct an on-site inspection to ensure critical details are not missed
- a building professional has previously been deceptive or regularly failed inspections
- building work is being carried out by an individual with an Owner-Builder Exemption

Please refer to page 13 in the discussion document for full detail.

12a. Do you agree with the proposed exclusions under Option Three?

Yes No Unsure

Unsure of how commercial inspections would be covered as no LBP regime to fall back on

12b. Is there anything else that should be added to this list?

Yes

No

Unsure

I believe the exclusions are covered adequately.

Option Four: create a new offence to target deceptive behaviour during a remote inspection.

The offence relates specifically to *'deliberate actions to hide, disguise, or otherwise misrepresent non-compliant building work'*.

The offender would be liable on conviction to a maximum fine of \$50,000 for an individual and \$150,000 for a body corporate or business.

Please refer to page 14 in the discussion document for full detail.

13. If a new offence were to be created, does the above description sufficiently capture the offending behaviour? If not, is there anything else that should be considered?

Yes No Unsure

[Insert response here]

14. Would the maximum penalty of \$50,000 for individuals and \$150,000 for a body corporate or business be a fair and sufficient deterrent?

Yes No Unsure

Most builders know that Councils don't have the resources/money to take people to court

15. Are there any other ways to discourage deceptive behaviour besides creating an offence?

Yes No Unsure

An infringement

Questions for Building Consent Authorities and Accredited Organisations (Building)

16. What percentage of inspections do you carry out remotely?

Currently about 1% (using evidence-based – photos and videos)

17. What are the main things preventing you from using remote inspections, or using them more often? Please explain.

Lack of cellphone coverage in our District

18a. Please briefly outline your policy regarding when, how and with whom you use remote inspections.

No policy has been formulated at this stage

18b. In what circumstances do (or would) you use real time remote inspections versus evidence-based? Do you prefer one method (real time or evidence-based) over the other? Please explain why with reference to benefits, costs and risks.

Would prefer real-time remote inspections as with evidence based inspections, the evidence may show non-compliance but it would have been covered up at that stage. Inspecting a solid fuel heater with evidence-based remote inspections would be good and of low risk if the installer follows the guide of all parts of the inspection required. The owner should not light the SFH until CCC is issued therefore non-compliance can be caught with low risk to the home-owner. We currently use evidence based for a small number of re-inspections.

19. We want to know about building consent authority costs and savings (actual or anticipated) in establishing remote inspection technology and processes.

What are your actual or projected costs from undertaking remote inspections?

Training

\$

IT Expenses

\$

Additional staff

\$

Other

We anticipate we would require additional hardware to efficiently conduct a remote inspection. Initial training costs would be high and no additional staff would be required.

What are your actual or projected savings from undertaking remote inspections?

Travel and vehicle

\$

Ability to do more inspections per day

\$

Reduced staffing costs

\$

Other

There would be anticipated savings in the use of our vehicles but not in the actual number of vehicles as they are still required for other functions. Increased number of inspections would be able to be achieved after the initial slowdown of learning a new system. There would be no reduced staffing costs as the same number of resources/equipment would still be required.

Please also provide any data and/or estimates on travel and emissions reductions achieved through the use or potential use of remote inspections. Please include any assumptions or qualifiers. Relevant attachments can be emailed along with your submission form to building@mbie.govt.nz.

No data collected or calculated at this stage

20a. Considering the actual or anticipated costs of establishing remote inspection capabilities, how long has it taken (or do you expect it to take) to see a return on investment?

We would expect a couple of years before we have an efficient working system

20b. Do you anticipate that you will be able to reduce inspection charges for remote inspections?

Not in the short to medium term, as we would require additional hardware/software and specific training (as required by MBIE/IANZ) to be able to carry out remote inspections. Inspections would take longer until all involved became used to the inspection method.

21. What factors would you consider in pursuing a prosecution for the deceptive behaviour described in Option 4?

Council would have to take a measured response pursuing a prosecution due to the burden of costs to make such a case. Although having a successful case would be very beneficial in sending a message.

Increasing inspection capacity through the use of Accredited Organisations (Building)

Many building consent authorities engage Accredited Organisations (Building) to carry out consent processing on their behalf, but only a few are involved in inspections.

There is an opportunity to increase inspection capacity (onsite and remote), by using these organisations to carry out more inspection work, either on behalf of building consent authorities, or by enabling owners to engage them directly.

Please refer to page 17 in the discussion document for full detail.

22. What are the benefits, costs, and risks of building consent authorities contracting more Accredited Organisations (Building) to undertake inspections?

Currently, we engage contractors to undertake inspections during peak times. The risk is that the contractor is unfamiliar with the project and therefore we lose that continuity/consistency if our own staff were inspecting.

23. What are the main barriers to building consent authorities contracting Accredited Organisations (Building) to undertake inspections? How could these be addressed?

There are concerns with liability settings and with the various hoops to jump through with accreditation

24. Do you think that owners should be able to directly engage Accredited Organisations (Building) to undertake inspections? Please explain, commenting on the benefits, costs, and risks.

Yes No Unsure

There would be a loss of control and continuity. Where would the liability sit? Most owners are unaware of project milestones and timeframes therefore would place additional pressure on trying to get an inspection

25a. Do you agree with the potential mitigations? (refer to table on page 18 of the discussion document)

Yes No Unsure

25b. Are there any other issues or mitigations we should consider?

Yes No Unsure

The mitigations are adequate

General Comments

26. Do you have any other general comments you wish to make?

Yes

No

Unsure

Thank you for considering our submission