

7. BUILDING BILL

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The purpose of this report is to advise the Committee that the Building Bill is now open for submissions and to suggest a process for the preparation of a Council submission.

WHAT THE CHANGES AIM TO ACHIEVE

Proposed changes to the Building Act 1991 are currently being considered by Parliament. These changes are set out in the Building Bill, which aims to improve the control of building design and construction so that buildings are designed and built right first time. The changes are designed to achieve:

- More information on the standards buildings are expected to meet.
- More guidance on how those standards can be met.
- More capable people undertaking building design, construction and building inspections.
- More scrutiny in the building consent and inspection process.
- Better protection for homeowners through the introduction of mandatory warranties.

WHAT THE PROPOSED CHANGES ARE

The following summarises the proposed changes and how they will affect different parts of the building industry:

Building Industry Authority (BIA)

Building Code Changes

- The Building Code will be updated in the next two years.
- All the costs and benefits of proposed Building Code changes will be assessed.

Compliance Documents

- More guidance will be provided on best practice for meeting standards.
- Clear consultation will be required on acceptable solutions, verification methods and changes to the Building Code.
- All the costs and benefits of any changes will be taken into account.

Warnings, Bans

The BIA will be given power to:

- issue warnings on, ban, or require the use of, particular products, methods and practices.
- require the use of acceptable solutions in specific circumstances.

Determinations

- The BIA will be able to review matters of doubt or dispute, using a streamlined process so that decisions are made quickly and efficiently.
- People will be able to use the determination process to ensure compliance with disabled access requirements.

Fines

- An infringement fine system will be introduced for simple breaches of the Building Act and Code.
- The BIA will be able to take enforcement action.

Territorial Authorities

Accreditation

- All territorial authorities will have to be accredited for issuing building consents and undertaking work inspections. Accreditation will involve an independent audit to check the capabilities of the territorial authority, including people, and that they are doing things the right way.
- Not all territorial authorities may be able to issue consents or do inspections for all types of buildings themselves. In such cases, the territorial authority would have to make arrangements with another, suitably accredited territorial authority, or with an accredited private certifier, to carry out the functions it can't do.

Private Building Certifiers

Accreditation

- Accredited private building certifiers will be able to issue building consents, carry out inspections, and issue Code Compliance certificates.
- Certifiers who issue a consent for a job will follow that job through to its finish, including final inspection.
- Territorial authorities will be excluded from any liability associated with certifiers issuing building consents and Code Compliance certificates.
- Professional indemnity insurance will not be necessary, but certifiers will have to show adequate means to manage risks and liabilities.
- If a private certifier goes out of business or loses accreditation during the consent process, the building owner will have to apply for a new consent.

Building Products

Certification

- A new product certification system will be available to manufacturers. The certificate will set out when a product should and shouldn't be used, how it should be installed and, in some cases, who should install it.
- Complying with the product certificate will provide proof of Building Code compliance. The territorial authority will still have to assess the whole building.
- Organisations doing product certification will have to be accredited by an independent body.
- The BIA will be able to require the use of certified products in certain circumstances.

Building Owners

Building Consents, Code Compliance Certificates

- Building owners will be required to apply for a Code Compliance certificate on completion of work and within two years of obtaining a building consent.
- A "notice to fix" will be issued if the work is not Code-compliant.
- If a notice is not acted on, the territorial authority or private certifier will be able to have the work completed at the owner's cost.
- Building owners will be made aware at the building consent stage of any requirement for an evacuation scheme and for the scheme to be reviewed before works are completed.

Change of Use

- If a commercial building is converted for residential use, it will have to comply as near as is reasonably practical with all Building Code requirements.

Building Practitioners

Licensing of Building Practitioners

- A licensing system will be introduced for building practitioners, including builders, engineers, building designers and sub-trades.
- Categories of building practitioner will be developed in consultation with the industry.
- Architects and chartered professional engineers may automatically be licensed building practitioners because of the registration systems already used by their professions.
- An independent board will license building practitioners on the basis of knowledge and skills.
- There will be ongoing competency testing of licensed building practitioners.
- The licensing board will be able to de-register people after considering complaints.
- Plans and documentation for building consents will have to be certified by a licensed building practitioner with the appropriate level of licence as complying with the Building Code.
- Work over a specified monetary value will either have to be done or supervised by a licensed building practitioner.
- The licensed building practitioner will have to state and sign in a document that the work they did or supervised was done in accordance with the building consent.
- Building practitioners will have five years to become licensed, giving time for assessment, possible retraining and/or upskilling.

Owner Builders

- Owner builders will be required to have their work supervised and signed off by a licensed building practitioner.

Consumers

Consumer Protection

- Minimum standard terms, including mandatory warranties, will be required in all design and construction contracts for residential buildings, written or otherwise.

THE SUBMISSION PROCESS

The closing date for submissions is 31 October 2003. It is recommended that a subcommittee be established with power to act and that a draft submission from the subcommittee be forwarded to the Council meeting on 23 October for adoption.

The subcommittee would need to meet around 16 October to consider the Bill and a draft submission prepared by staff.

Staff

Recommendation: That a Subcommittee be established with power to act in formulating and forwarding a draft submission on the Building Bill to the Council meeting on 23 October 2003.

Recommendation from the Chair:

That the Building Bill submission be considered at the ordinary meeting of the Regulatory and Consents Committee to be held on 17 October 2003.