

# Biennial BCA Accreditation Report Round Nine





#### Ministry of Business, Innovation and Employment (MBIE) Hīkina Whakatutuki – Lifting to make successful

MBIE develops and delivers policy, services, advice and regulation to support economic growth and the prosperity and wellbeing of New Zealanders.

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ABBR	REVIATIONS	
AOB BCO	Accredited organisation – building Building control officer	
BCA	Building consent authority	
CCC	Code compliance certificate	
FTE	Full-time equivalent	
IANZ MBIE	International Accreditation New Zealand Ministry of Business, Innovation and Employment	
NTF	Notice to fix	



### 1.0 Introduction

This report summarises the results from round nine of the building consent authority (BCA) accreditation assessments that were carried out by International Accreditation New Zealand (IANZ). It aims to provide BCAs with a detailed overview of the assessments undertaken in this round and the key findings from these assessments.

IANZ is the organisation appointed by the Ministry of Business, Innovation and Employment (MBIE) as the accreditation body that undertakes assessments, and grants accreditation, for the BCA accreditation scheme. The assessments for round nine were carried out between 1 June 2023 and 31 May 2025 inclusive.

Under the accreditation scheme, there are currently:

- > 68 accredited BCAs that are part of a territorial or regional authority
- > two accredited and registered BCAs that are standalone BCAs<sup>1</sup>
- > six private organisations that have accreditation as an accredited organisation building (AOB)<sup>2</sup>.

During round nine of assessments, IANZ carried out:

- > 80 routine reaccreditation assessments
- > 17 monitoring (special focus) assessments<sup>3</sup>

MBIE representatives were present at selected assessments as observers to assist where questions arose about the scheme, the legislative and regulatory requirements, and to ensure assessments continue to be carried out as intended.

MBIE's key reasons for observing accreditation assessments are:

- > to provide support to BCAs and assist IANZ with interpretation of the Building (Accreditation of Building Consent Authorities) Regulations 2006 and MBIE's guidance where appropriate
- > to observe some higher risk BCAs that were undergoing special focus assessments to enable MBIE to assess what additional measures might be needed for the resolution of any matters of concern, and
- ensuring MBIE understands the issues and practices within metropolitan BCAs as they represent the majority of building consents processed in New Zealand.

MBIE thanks BCAs for their hospitality in accommodating MBIE observers during this round of assessments.

MBIE would also like to thank IANZ for its willingness to engage with MBIE to ensure the intent of the scheme is met and for its work in carrying out these assessments.

<sup>1</sup> One of the standalone BCAs was accredited and registered towards the end of round nine and was not included in the data for this report.

For the remainder of this report reference to BCAs includes AOBs unless otherwise stated.

<sup>&</sup>lt;sup>3</sup> A special focus assessment is an out of sequence assessment or one that is undertaken because there is some concern about the BCA meeting accreditation requirements.

#### The purpose of the BCA accreditation scheme is...

... to set out the minimum policies, procedures and systems that a BCA must have, and consistently and effectively implement, to perform its building control functions.

#### The scheme's objectives are...

#### ... to make sure all BCAs have:

- > appropriate, documented and implemented policies, procedures and systems
- > appropriate, documented and implemented effective quality assurance systems
- sufficient skills and resources to undertake their statutory functions
- > employees and contractors with appropriate building control competencies and qualifications

#### ... to support:

- > territorial authorities (TAs) and regional authorities to transfer their consenting functions where they wish
- > BCAs to enter into outsourcing arrangements with other BCAs
- > BCAs to align nationally, across a region, or a policy, procedure or system.

Sections 250 to 255 of the Building Act 2004 (the Building Act) set the requirements for the accreditation of BCAs. The Building (Accreditation of Building Consent Authorities) Regulations 2006 (the Regulations) then set the criteria and standards an applicant must meet to be accredited as a BCA and to maintain this accreditation. The most recent <u>amendments</u> to these Regulations took effect on 22 August 2025.

MBIE's <u>Building Performance website</u> has more information about the accreditation scheme, as well as quidance (available as an online tool) to help BCAs comply with the scheme's requirements.

#### **BCA/TAS LISTED ON THE MBIE REGISTER**



## 2.0 Summary of findings

Round nine has seen an increased uptake of remote inspections (RI) by a number of BCAs. The adoption of remote inspections was made easier due to the sector developing a variety of tools which have supported BCAs and practitioners to undertake remote inspections. MBIE would like to acknowledge those BCAs who have actively supported remote inspections as a viable and practical option for completing part of their overall inspection volume.

Other positive findings to emerge from the latest round of assessments include:

Almost all BCAs are now using electronic application systems and processing to better support their BCA functions, with many BCAs also having undergone significant changes or upgrades to their ICT systems during this round.

A number of BCAs had clear, well documented policies, procedures and systems in place and were well supported by BCA management and staff.

BCAs that had a dedicated quality management resource and stable workforce generally performed better during their assessment.

Many BCAs demonstrated good levels of internal auditing including detailed audits of the performance of technical functions.

Most BCAs had a good level of understanding of technical requirements for processing and inspection activities.

BCAs generally maintained good levels of compliance with statutory timeframes throughout the round and have responded well to MBIE's requests for performance data related to these timeframes.

Some BCAs had good communication with designers and building consent applicants and processes that involved rejecting substandard and/or incomplete applications – which led to better quality consent applications and improved outcomes.

## 3.0 What's going well

As noted earlier, there has been an increase in the uptake of remote inspections with some very successful remote inspections observed by IANZ during this round of assessments. This round also saw the accreditation and registration of the second standalone BCA.

Almost all BCAs were using electronic systems for processing this assessment round. An improvement in the recording of decisions and reasons for decisions was observed, including ensuring that all relevant Building Code clauses were addressed.

#### **3.1 REMOTE INSPECTIONS**

Some BCAs have implemented robust systems for remote inspections, supported by MBIE's <u>remote inspection</u> <u>guidance</u>. Remote inspections reduce the need for inspectors to travel to site and can allow for inspectors to carry out inspections in other districts, which supports increased capacity and capability across the country and can help reduce inspection wait times.

Remote inspections are a specialist skillset that often requires additional training and investment in new technology. Assessments found that not all inspectors hold suitable skills to undertake remote inspections and that this had not always been recognised by the BCA.

#### **3.2 STANDALONE BCAS**

Building Consent Approvals Limited (BCAL) were registered by MBIE as a standalone BCA in May 2025, this followed BCAL gaining accreditation by IANZ in October 2024 to perform the functions of a BCA. BCAL was assessed against the <u>criteria for registration</u> as prescribed in section 192 of the Building Act, and the <u>criteria and standards for registration as a BCA</u> in regulation 4 of the Regulations.

BCAL's initial focus has been rolling out their consenting function in the Canterbury region and servicing group home builders. This is the second standalone BCA to gain accreditation and registration, with the other standalone BCA being Consentium who were registered as a BCA in March 2021.

The  $\underline{\text{register of BCAs}}$  was fully transferred to our online portal  $\underline{\text{Te Pae}}$  this round, along with the CodeMark and MultiProof registers.

### 4.0 Round nine initiatives

This round saw the introduction of initiatives aimed at reducing assessment costs for lower risk BCAs.

#### **4.1 NEW RISK RATING**

The extra low risk rating was introduced this round with IANZ's risk decision table defining extra low risk as 'the BCA being almost fully compliant and likely to remain that way'.

BCAs who receive an extra low risk rating at their accreditation assessment will have reduced monitoring at their next two-yearly assessment, helping to reduce the time and cost of assessments. IANZ is seeking feedback from these BCAs to assist in developing a robust system for assessing extra low risk BCAs.

Factors that IANZ may consider when determining whether a BCA should be deemed extra low risk include (but are not limited to):

- > the BCA having good systems in place to identify and address any issues that arise
- > no concerns in relation to the BCA's technical output
- > minimal or no non-compliances identified
- the BCA being substantially compliant with statutory timeframes for processing building consents and code compliance certificates (CCCs) since their last assessment
- > whether the BCA has a well-functioning continuous improvement and internal auditing system, which ensures it captures any improvement opportunities
- > no upcoming changes identified that could affect the BCA's ongoing performance.

There were four BCAs who were given an extra low risk rating this round, which is testament to a great deal of hard work and a commitment to actively implementing good quality management systems and processes.

#### 4.2 PRE-ASSESSMENT PROCESS FOR LOWER RISK BCAS

Following assessments of 'low' and 'extra low' risk BCAs and acknowledging the pressure on BCAs to be fiscally responsible, IANZ and MBIE recently looked at how the time and cost of accreditation assessments could be reduced for lower risk BCAs, without reducing the robustness of the process.

Examples of the proposed changes include:

- > BCAs providing a review to IANZ of their consumer information as an alternative to IANZ reviewing this information (which generally doesn't change significantly from assessment to assessment).
- > BCAs completing their own review for compliance schedules, from building consent through to issue of the compliance schedules and providing this prior to the assessment. This saves IANZ time in gathering the information needed.
- > IANZ reviewing technical procedures only where changes to the procedures have occurred since the previous assessment.
- Requesting BCAs prepare information regarding how they ensure their data is accessible, retrievable, and stored securely and have this available for the assessment (as an alternative to IANZ working with the BCA's ICT team during the assessment).

The changes are opt-in and will see IANZ relying more on the BCA's self-assessment process prior to the accreditation assessment, and less on repeating work that has already been recently completed by the BCA.

IANZ has run a pilot with lower-risk BCAs who were keen to adopt these cost saving measures. The pilot also allowed tweaks to be made to the concept to ensure it works well, before a wider rollout.

## 5.0 Some challenges – resourcing and downturn in the building sector

MBIE acknowledges that weather related challenges are still affecting many BCAs, with 18 BCAs continuing to have active building emergency designations in place with resources redirected to manage this.

BCAs have also felt the impact of a significant reduction in construction demand which has resulted in less building work and new dwellings being consented.

Some BCAs have struggled in this round of assessments. We have seen an increase in the number of serious non-compliances (SNCs) issued as well as a high number of special focus assessments carried out, compared to the previous round. Two BCAs were issued with an initial notice that 'sustained non-compliance may lead to revocation' regarding their accreditation this round.

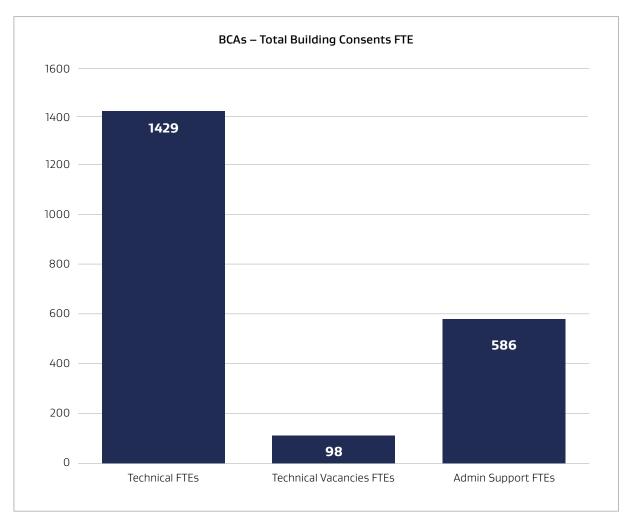
The above-noted issues with SNCs and notices to non-compliant BCAs were often associated with staffing challenges, a lack of appropriate quality assurance oversight as well as the failure to implement changes that related to the clearance of GNCs from a previous assessment.

#### **5.1 RESOURCING**

The total vacancy rate across all BCAs for technical roles within building consenting was slightly over 6%. Approximately 40% of BCAs had at least one technical vacancy at the time of their assessment, with this ranging up to 35 vacancies (for the largest metropolitan BCA).

The following graph shows the total number of technical full-time equivalent (FTE) staff, admin FTE staff and the number of technical vacancies for all BCAs combined for this round (data collected from June 2023 to May 2025). For the purposes of this data, where a BCA had two assessments this round (for example a special focus assessment and a routine assessment) the data from one of these assessments has been included – generally the routine assessment or the most recent assessment (in the few instances where a BCA had two routine assessments take place).





# 6.0 What BCAs could improve on – specified systems, compliance schedules, annual audits and statutory timeframes

While most BCAs now have good processes in place, with good outcomes, some have still not developed policies, procedures and systems that fully meet the requirements of the Regulations.

It was often observed that new BCA management does not fully understand the complexities of BCA requirements. Where there is a change in management, training should be provided to ensure that the Regulations and Building Act are fully complied with.

#### **6.1 SPECIFIED SYSTEMS AND COMPLIANCE SCHEDULES**

The consideration of specified systems during processing has improved this round, however some BCAs are continuing to struggle with the processing requirements for building consent applications with specified systems. This was observed as most apparent in relation to the BCA's consideration of the proposed specified systems, their interrelated performance standards and inspection, maintenance and reporting requirements. Consideration of these factors was at times not being appropriately recorded in the issued building consent, which can ultimately lead to specified systems not being maintained, inspected or reported on appropriately over the life of those systems.

Applications for building consent are often not provided with sufficient information about specified systems and some BCAs are reluctant to reject these applications because of a required 'customer service' focus. The provision of guidance and training by BCAs, in this aspect, for local building consent applicants could assist these applicants to provide appropriate detail with their application and allow BCAs to improve their performance.

Gaps in knowledge or skill regarding preparation and issue of compliance schedules has at times also been observed and has resulted in the issuing of poor-quality compliance schedules. A high number of non-compliances were issued for regulation 7(2)(f) this round, many of which related to compliance schedules.

MBIE is aware of these challenges and is actively developing guidance to support BCAs, beginning with a comprehensive overhaul of the existing Compliance Schedule Handbook, which is expected to be released in early 2026.

#### **6.2 ANNUAL AUDITS**

Some BCAs continue to demonstrate a lack of understanding of the requirements for annual internal audits, with some not utilising MBIE's checklists fully. BCAs are encouraged to use these checklists to undertake a self-assessment of their policies, procedures and systems when preparing for accreditation assessments and when carrying out the required annual internal audits between assessment cycles.

BCAs who took the opportunity to complete a self-assessment using the <u>MBIE checklists</u> prior to their assessment continue to have better assessment outcomes and a good understanding of the areas within their BCA that require improvement.

Where BCAs have a high number of non-compliances or recommendations identified during assessments it is often a result of insufficient auditing, or that the audits have lacked the necessary depth and technical understanding and have not identified areas for improvement.

BCAs with good internal auditing systems frequently performed strongly in technical areas. These systems often included good representative sampling and a competent technical auditor, with audits being conducted at high frequencies which ensured BCAs were able to identify and resolve issues promptly.

In total, there were 43 non-compliances relating to regulation 17(2)(h) this round, which covers the procedures for *'ensuring that an internal audit of every building control function occurs annually'*. This is a slight increase from the previous round which saw 41 non-compliances relating to annual audits.

#### **6.3 COMPLIANCE WITH STATUTORY TIMEFRAMES**

Although many BCAs maintained good levels of compliance with statutory timeframes this round, a small number of BCAs struggled to fully meet the statutory timeframes in the Building Act for the processing of building consents and/or the issuing of CCCs.

Where MBIE's performance data collection identifies non-compliance with statutory timeframes, and the BCA's most recent assessment did not identify a non-compliance in this area, MBIE has engaged with the BCA directly to support and monitor the BCA's progress toward regaining compliance with statutory timeframes.

Common themes observed by MBIE for non-compliance include insufficient resources, increased complexity of building consent applications and changes to ICT systems. Depending on the reasons for the non-compliance, outcomes of MBIE's performance monitoring can include a recommendation for a special focus accreditation assessment with IANZ looking at whether the BCA's policies, procedures and systems continue to remain appropriate and effectively implemented.

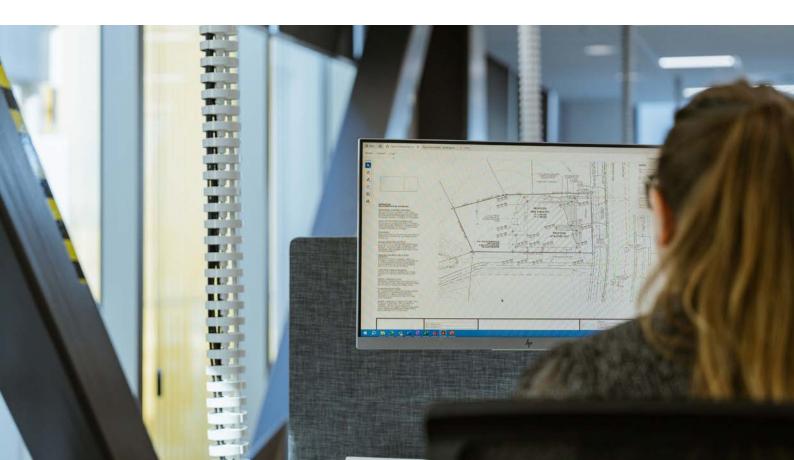
### 7.0 Round nine assessment costs

Assessment cost	Percent of assessments
Under \$20,000	15%
\$20,000 - \$30,000	30%
\$30,000 - \$40,000	39%
Over \$40,000	16%

BCAs whose actual assessment costs (the cost charged by IANZ for an accreditation assessment) were lower than estimated this round had typically made improvements to their systems following issues identified during the last round of assessments and as a result had a lower number of non-compliances this round.

BCAs who were adequately prepared for their assessment, able to access records quickly and provide the requested information, were able to have their assessments completed within the anticipated timeframe and did not incur additional costs.

Some BCAs struggled to clear their non-compliances within the timeframe provided which contributed to greater overall assessment costs, and in some cases, a requirement for further assessment. A higher number of non-compliances often leads to increased assessment costs due to additional time spent on the report by IANZ as well as time spent monitoring and reviewing the clearance of non-compliances.

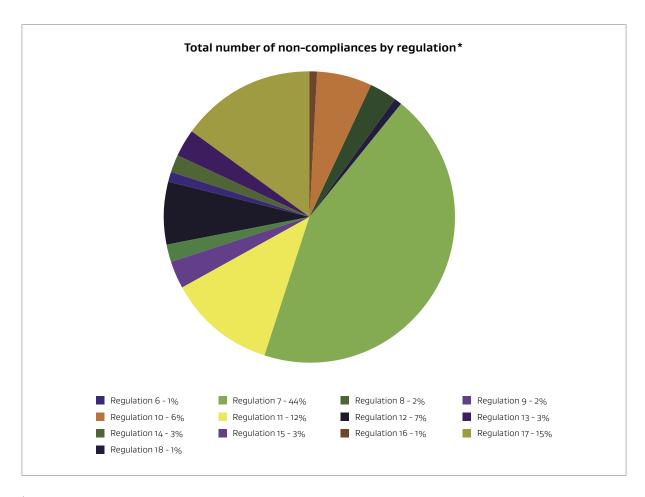


## 8.0 General observations around non-compliances

The majority of non-compliances raised during this assessment round continue to relate to regulation 7, which covers the BCA's 'day-to-day' functions of receiving, processing and certifying.

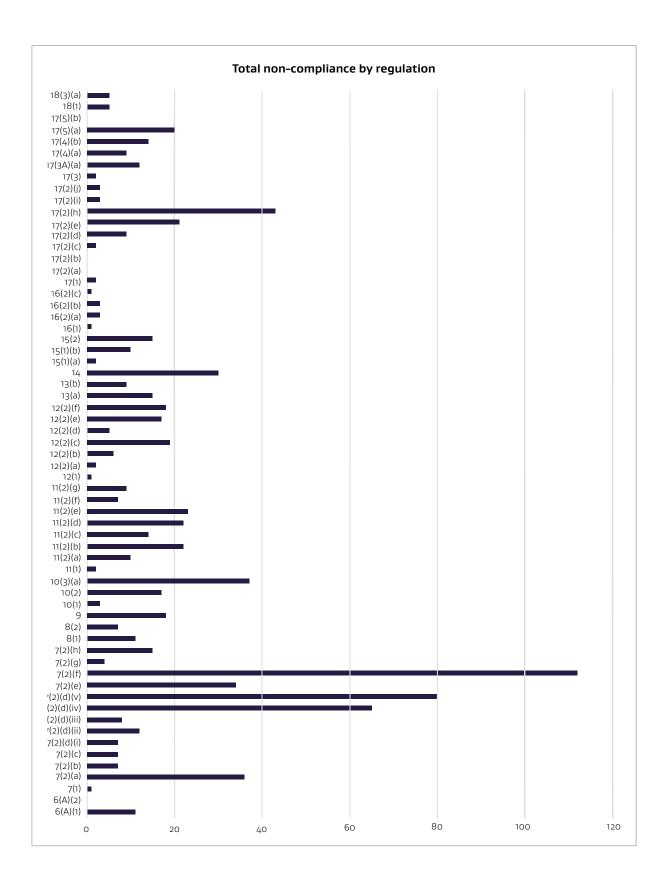
Regulation 7 requires a BCA to have policies, procedures and systems in place for performing its building control functions and prescribes what the policies and procedures must include.

The following graphs provide an overview of the number of non-compliances<sup>4</sup> for each of the regulations 6-18, as well as a more detailed view of the non-compliances for each sub-regulation under regulations 6-18.



<sup>\*</sup> Rounded to the nearest whole percent.

<sup>&</sup>lt;sup>4</sup> Includes both SNCs and GNCs.



## 9.0 Non-compliance in more detail

The average number of non-compliances per assessment<sup>s</sup>

This was a slight decrease from round eight which saw an average of 11 non-compliances per assessment.

#### 9.1 REGULATIONS WITH THE HIGHEST NUMBER OF NON-COMPLIANCES

Number of NCs		Regulation	Description
1	112	7(2)(f)*	Policies and procedures for issuing and refusing to issue CCCs, compliance schedules and notices to fix (NTFs).
2	80	7(2)(d)(v)	Policies and procedures for granting, refusing to grant, and issuing building consents.
3	65	7(2)(d)(iv)	Policies and procedures for processing applications to establish whether they comply with the requirements that the Building Act, the Building Code and any other applicable regulations under the Building Act specify for buildings.
4	43	17(2)(h)	The procedure for ensuring that an internal audit of every building control function occurs annually.
5	37	10(3)(a)	Requirements for competency assessment systems to cover employees' understanding of the philosophy and principles of building design and construction.
6	36	7(2)(a)	Policies and procedures for providing information to a person who wants to apply for a building consent.
7	34	7(2)(e)	Policies and procedures for planning, performing, and managing inspections.
8	30	14	Ensuring necessary technical resources.
9	23	11(2)(e)	Systems for supervising employees under training.
10	22	11(2)(b) and 11(2)(d) <sup>6</sup>	Preparing training plans for employees that specify the training outcomes required and monitoring and reviewing employees' application of the training they have received.

<sup>\*</sup> The way non-compliances are recorded against regulation 7(2)(f) changed this round with the amendments to the Regulations in June 2024 that separated this regulation out into three distinct areas, 7(2)(f)(i) - CCCs, 7(2)(f)(ii) - compliance schedules and 7(2)(f)(iii) - NTFs. This is an administrative change to make clear where the accreditation issue raised in an assessment arises from. For this report, given the change occurred midround, we have included all non-compliances issued against regulations 7(2)(f)(ii), 7(2)(f)(iii) and 7(2)(f)(iiii) under regulation 7(2)(f).

<sup>&</sup>lt;sup>5</sup> Includes both routine assessments and special focus assessments.

<sup>&</sup>lt;sup>6</sup> Regulations 11(2)(b) and 11(2)(d) both had 22 non-compliances recorded.

Regulation 7(2)(f) continues to record the highest number of non-compliances. There were 112 non-compliances recorded this round (up from 81 in round eight). This indicates BCAs are continuing to struggle with policies and procedures that cover the issuing (and refusing to issue) of CCCs, compliance schedules and NTFs. Of the 75 organisations, 66 received at least one non-compliance relating to regulation 7(2)(f).

The second highest number of non-compliances (80 – up from 74 in round eight) were in relation to 7(2)(d)(v) which requires a BCA to have policies and procedures that cover the granting, refusing to grant, and issuing of building consents.

As per previous rounds, regulations 7(2)(a), 7(2)(d)(iv), 10(3)(a) and 17(2)(h) continue to be areas where many non-compliances are observed, although a decrease in non-compliances for regulation 7(2)(a) was noted (36 – down from 51 in round eight).

Where external contractors conduct building control functions within a BCA's quality system, some BCAs were not meeting requirements to assess each individual contractor's competency, particularly with regards to assessing the competence of the contractor to work within the BCA's quality system.

BCAs that had gone through a system change (a change to the BCA's ICT systems, and/or substantially amending their documented procedures and processes) were found to have more non-compliances raised around procedural issues.

#### 9.2 NON-COMPLIANCE WITH REGULATIONS 5 AND 6

Where there is failure by a BCA to meet the requirements for policies, procedures and systems in the Regulations, then by default there will be non-compliance(s) with the requirements of regulations 5 and/or 6.

Regulation 5 specifies that policies, procedures and systems required by the Regulations must be:

- a. written or electronic; and
- b. appropriate for their purposes; and
- c. implemented in a consistent and effective manner.

Regulation 6 requires a BCA to record the:

- a. decisions it makes under the policies, procedures and systems required by the Regulations; and
- b. the reasons for the decisions; and
- c. the outcomes of these decisions.

IANZ records and reports non-compliance against the relevant regulation 5 and/or 6 sub-clause each time it occurs in relation to non-compliance against regulations 7–18 of the Regulations. For example, if the accreditation body finds that:

- A BCA has not written down its policy, procedure and system for giving every consent application its own uniquely identified file this is a breach of regulation 5(a) and regulation 16 of the Regulations.
- A BCA's policy for issuing and refusing to issue CCCs is not appropriate for purpose this is a breach of regulation 5(b) and regulation 7(2)(f)(ii) of the Regulations.
- An employee has failed to record the reasons for multiple consent decisions over an extended period this is a breach of regulation 6(c) and regulation 7(2)(d)(v) of the Regulations.

The data in this report relating to non-compliances, and the above graphs do not include regulations 5(a), (b), (c) and regulations 6(b), (c), (d) as these are not counted in the total number of non-compliances for each assessment.

## 10.0 Serious non-compliance during this assessment round

44%

of BCAs were assessed as having demonstrated one or more SNC

There were 33 BCAs who had a SNC identified at one or more assessments this round, with the number of SNCs identified for these BCAs ranging from one to nine. This was a significant increase from round eight where only 10 BCAs (13%) were found to have a SNC. This increase may be attributed, in part, to a revision in the definition of a SNC this round.

MBIE's guidance on <u>recording and reporting of non-compliance</u> contains a flowchart that can be used to determine whether a non-compliance will result in a GNC or SNC being issued.

As noted earlier, some BCAs did struggle this round, and SNCs were often associated with staffing challenges, a lack of appropriate quality assurance oversight as well as the failure to implement changes that related to the clearance of GNCs from a previous assessment.

Serious non-compliance is where one or more of the policies, procedures and systems required by the Regulations is absent (and that function that requires it has not been formally transferred) or not appropriate for purpose. Serious non-compliance may also include where a BCA has failed to fully implement one or more of the required policies, procedures or systems over two or more assessment cycles.

'Appropriate for purpose' means that an employee of the BCA, or contractor, can use the policy, procedure or system to come to a decision about whether to grant a building consent, pass an inspection, or issue a CCC, compliance schedule or NTF.

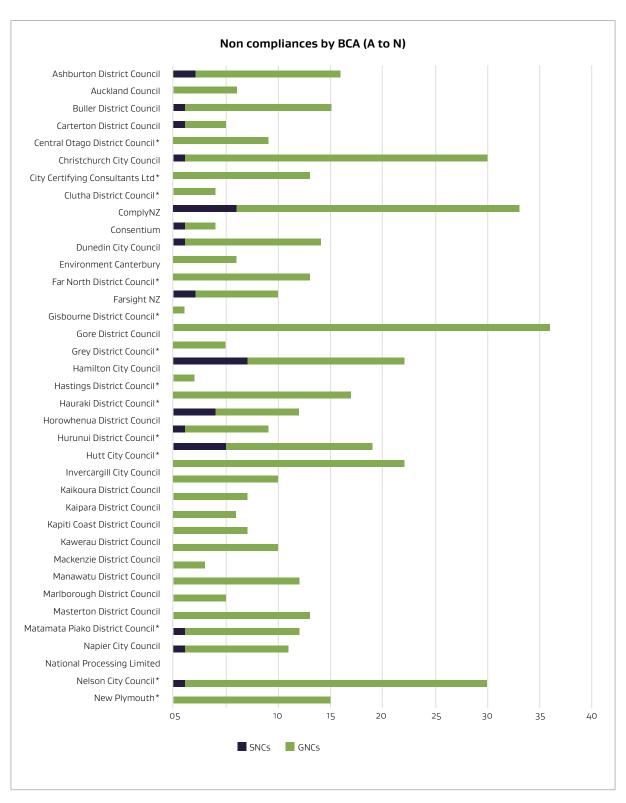
## 11.0 Performance of individual BCAs

MBIE has introduced new reporting on BCA performance in this report that details the number of non-compliances per BCA as well as the BCA's risk rating, as assigned by IANZ following their accreditation assessment.

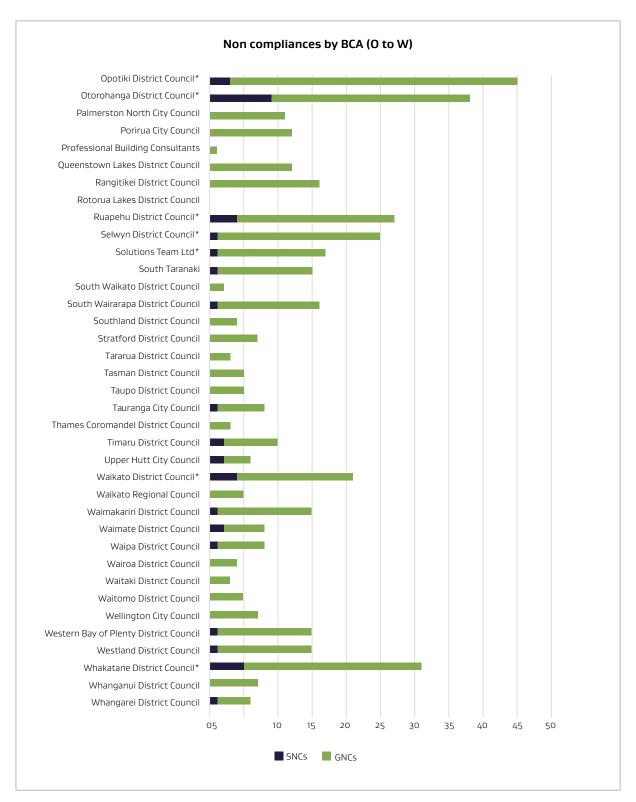
The intent of this information is to provide BCAs with insights into their performance and improve visibility of BCA performance across the sector.

The below graphs show the number of SNCs and GNCs for each BCA during round nine and the BCA's risk rating (as at the time of this report). A number of BCAs were given a higher risk rating at their routine assessment this round which was subsequently changed to a lower risk rating following a special assessment.





<sup>\*</sup> These BCAs had two or more assessments this round (typically a routine assessment and a special focus assessments) so the total number of non-compliances is from both assessments combined.



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BCA Risk Levels	
Farsight NZ	
National Processing Limited	
Professional Building Consultants	
Thames Coromandel District Council	
Ashburton District Council	Low
Auckland Council	Low
Buller District Council	Low
Carterton District Council	Low
Central Hawke's Bay District Council	Low
Central Otago District Council	Low
Christchurch City Council	Low
City Certifying Consultants Ltd	Low
ComplyNZ	Low
Consentium	Low
Dunedin City Council	Low
Environment Canterbury	Low
Far North District Council	Low
Gisborne District Council	Low
Gore District Council	Low
Grey District Council	Low
Hamilton City Council	Low
Hastings District Council	Low
Hauraki District Council	Low
Horowhenua District Council	Low
Hurunui District Council	Low
Hutt City Council	Low
Invercargill City Council	Low
Kaikoura District Council	Low
Kaipara District Council	Low
Kapiti Coast District Council	Low
Kawerau District Council	Low
Mackenzie District Council	Low
Manawatu District Council	Low

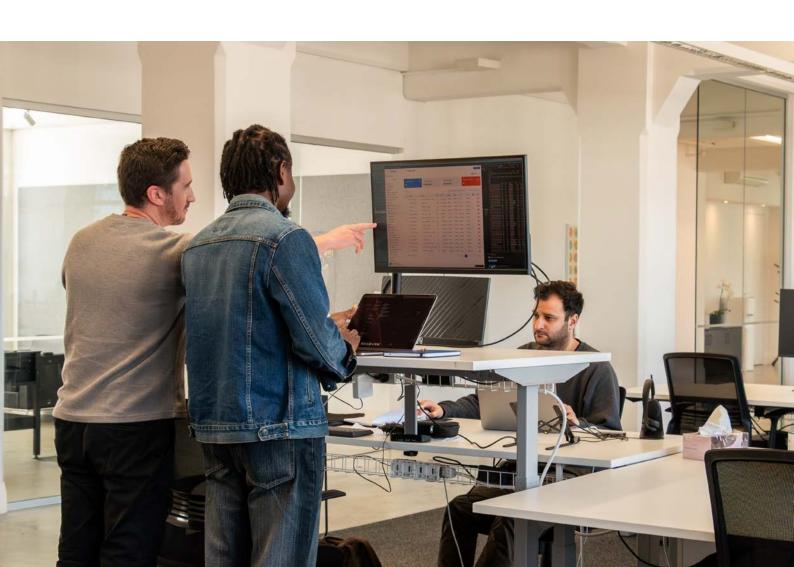
BCA Risk Levels	
Ruapehu District Council	Low
Selwyn District Council	Low
Solutions Team Ltd	Low
South Taranaki	Low
South Waikato District Council	Low
South Wairarapa District Council	Low
Southland District Council	Low
Stratford District Council	Low
Tararua District Council	Low
Tasman District Council	Low
Taupo District Council	Low
Tauranga City Council	Low
Waikato Regional Council	Low
Waimakariri District Council	Low
Wairoa District Council	Low
Waitaki District Council	Low
Waitomo District Council	Low
Wellington City Council	Low
Western Bay of Plenty District Council	Low
Westland District Council	Low
Whakatane District Council	Low
Whanganui District Council	Low
Whangarei District Council	Low
Napier City Council	Medium
Opotiki District Council	Medium
Otorohanga District Council	Medium
Timaru District Council	Medium
Upper Hutt City Council	Medium
Waikato District Council	Medium
Waimate District Council	Medium
Waipa District Council	Medium
Clutha District Council	High

## 12.0 Special focus assessments

There were 17 special focus assessments carried out this round. Special focus assessments occur when IANZ identifies a specific issue or issues which need following up outside the routine assessment cycle. These can arise out of information provided by the BCA in a 6A notification, or where IANZ identifies that although a BCA is performing most functions adequately, ongoing attention is needed in a specific area.

At the end of a routine accreditation assessment, IANZ carries out a risk assessment to determine whether the next assessment should be in two years' time, or sooner if there is a higher risk the BCA will not continue to comply with the ongoing requirements for accreditation in the intervening period.

There are five BCAs with special focus assessments that have either already been undertaken or have been scheduled within round ten (the current round of assessments which commenced in June 2025) – due to IANZ's assessment that they were at higher risk of failing to meet accreditation requirements.



### 13.0 Revocation of accreditation

In this round, after consultation with MBIE, IANZ issued two BCAs with an initial notice 'that sustained non-compliance may lead to revocation' regarding their accreditation. This was due to ongoing non-compliances with several different regulatory requirements, a failure to clear the non-compliances within the provided timeframe and a failure to provide an appropriate action plan.

Section 254 of the Building Act provides the accreditation body or MBIE with the power to revoke, or amend the scope of, a BCA's accreditation if they no longer meet the prescribed criteria and standards for accreditation.

Following a notice of this type, IANZ is required to provide the BCA with a reasonable opportunity to resolve the matter and monitors the BCA's progress in addressing the non-compliance(s). This is undertaken in accordance with an action plan notified by the BCA to IANZ and approved by IANZ. One BCA has cleared their outstanding non-compliances and the other BCA continues to be monitored by IANZ.

## 14.0 IANZ appeals

There was one appeal to IANZ, under IANZ's complaints and appeals procedure, during this accreditation round regarding its decision on non-compliance. MBIE's website contains <u>information</u> on the resolution process BCAs should follow for disagreements about accreditation requirements and processes.

This appeal related to information submitted by the BCA for the clearance of a GNC regarding competency assessments and was upheld by IANZ

# 15.0 Recent changes to the Building (Accreditation of Building Consent Authorities) Regulations 2006

The below amendments were made to the Regulations during this assessment round

#### 15.1 INTRODUCTION OF REGULATION 7A

The new <u>regulation 7A</u>, which came into force on 22 August 2025, requires that the policies and procedures a BCA has in place for planning, performing, and managing inspections must ensure that a minimum of 80 per cent of inspections are carried out within the period of three working days after the date for inspection requested by the building owner or their agent.

This requirement for inspections is intended to reduce delays in inspection wait-times and ensure that BCAs deliver inspections in a timeframe that supports efficient and predictable building work.

BCAs will need to review their existing regulation 7(2)(e) (*Planning, Performing and Managing Inspections*) policies and procedures to determine that these, when implemented, support compliance with regulation 7A and, if needed, raise a continuous improvement recommendation under regulation 17(2)(e) to amend their policies and procedures to ensure these are appropriate and implemented effectively to meet the new requirement.

MBIE's <u>online guidance</u> has been updated to include a new page for regulation 7A that provides guidance on meeting the accreditation requirement. Other relevant pages in the guidance have also been updated to incorporate regulation 7A requirements.

For round ten assessments through to July 2026 it is expected that:

- > BCAs who cannot yet record inspection wait-times have a plan in place to document and implement a system to record and monitor inspection wait times with a completion date of no later than 1 July 2026.
- > BCAs who can record inspection wait-times, have the required policies and procedures in place to meet the performance requirement and evidence of effective implementation.

MBIE has also begun requesting data from BCAs on inspection timeframes through the <u>performance data</u> collection.

#### 15.2 AMENDMENTS TO REGULATION 6A, 10(2) AND 7(2)(F)

The <u>Building (Accreditation of Building Consent Authorities) Amendment Regulations 2024</u> came into force on 17 June 2024 and amended the Regulations to include the following changes:

- Regulation 6A a requirement for BCAs to notify MBIE and IANZ of a change to their Quality Assurance Manager.
- > Regulation 10(2) a reduction in the frequency of competency assessments for BCOs from annually to at least once every two years.
- > Regulation 7(2)(f) separating the compliance provisions to improve the clarity of assessment results.

The amendments also amend <u>Schedule 2 (Fees)</u> of the Regulations to increase the fees payable for accreditation applications and assessments to ensure IANZ recovers the cost of delivering the BCA accreditation assessment programme.

An evaluation of the process that BCAs complete to maintain their accreditation found that while it was achieving the desired outcomes, the workload required by the Regulations was putting pressure on BCAs. An outcome of the evaluation was for MBIE to investigate ways for BCAs to complete the competency assessments of their building control officers (BCOs) more efficiently.

Overall, MBIE's assessment of the regulatory impact of these changes indicated that the increase in accreditation fees would be significantly offset by reducing the frequency of competency assessments for building control officers. These changes will mean BCAs can focus on processing building consents, completing inspections and issuing CCCs.

## Appendix One - Updates to MBIE's accreditation guidance

The following updates and clarifications were made to MBIE's online guidance or communicated directly to BCAs, during round nine. BCAs will need to consider whether any policies, procedures and/or systems need updating as a result of the below updates and clarifications.

#### 1. REGULATION 7(2)(D)(V) - GRANTING A BUILDING CONSENT

The guidance for regulation 7(2)(d)(v) under 'Granting a consent' now states that 'a BCA is not required to grant a building consent if it has not received any required fees and levies' and that 'the clock cannot be suspended while awaiting payment of fees'.

Previously, the guidance stated that 'a BCA is not required to grant a building consent, regardless of the time limit imposed in section 48 of the Act, if it has not received any required fees and levies'.

## 2. REGULATION 7(2)(F) – REFUSING A CCC APPLICATION (WHERE NO APPLICATION FOR A CCC HAS BEEN MADE)

Section 95A of the Building Act refers to the requirement to notify an applicant of a decision to refuse a CCC.

BCAs have often been unclear as to whether this section applies to the decision not to issue a CCC at the expiry of two years after the date on which the building consent was granted.

The guidance for  $\underline{\text{regulation }7(2)(f)}$  has been updated to help clarify:

- > that the decision not to issue a CCC after two years (or any further time as agreed between the owner and the BCA), is interpreted as a refusal to issue the CCC, and
- > whether a BCA is required to give notice of the refusal under section 95A if there is no application for a CCC.

Under 'Deciding a CCC application' the guidance now states: 'The Act provides for a CCC to be issued despite an owner's failure to apply (section 93(2)(b)) and places an obligation on the BCA to make this decision. When deciding whether to issue, or refuse to issue, a CCC where no application for a CCC has been made within two years of granting the consent, the BCA should consider whether the building work complies with the building consent (along with the other matters set out in section 94) based on the information available to the BCA'.

Under 'CCC decisions where no application is received' the guidance now states the following:

- > 'The BCA must decide whether to issue a CCC where no application for a CCC is received within two years of the date the relevant building consent was granted (or any further time as agreed between the owner and the BCA)'.
- > 'If the BCA decides not to issue a CCC, this is a refusal to issue the CCC'.
- > 'It is recommended that a BCA take all reasonable steps to notify the building owner of its decision to refuse the CCC and the reasons for this. However, as there is no 'applicant' to notify as per section 95A of the Act, the BCA is not required to provide notice of a refusal or the reasons for that refusal'.

#### 3. REGULATION 7(2)(F) - STATUTORY TIMEFRAMES

Under <u>'Timeframes for making decisions on the issue of a CCC'</u> the guidance now states that a *'BCA's processes must also enable it to effectively monitor its compliance with the statutory timeframe in section 93 of the Act for issuing CCCs and outline what it will do in the event it is unable to meet the timeframe in the Act'.* 

The <u>checklist for regulation 7(2)(f)</u> has been updated to ensure consistency with the guidance and states that that the BCA must have a process:

- > 'to monitor its compliance with the timeframes specified in section 93 of the Act', and
- > 'that outlines what it will do if it is unable to meet the timeframes in section 93 of the Act'.

#### 4. REGULATION 7(2)(F) – ISSUING A CCC

For clarity, the <u>guidance</u> for regulation 7(2)(f) under 'Applications for CCCs' has been amended to include: 'There is also nothing preventing a BCA from issuing a CCC without an application where they are satisfied that the requirements of sections 93 and 94 of the Act have been met i.e. where the 24-month period for the BCA to make a decision has been exceeded."

The guidance previously stated: 'There is also nothing preventing a BCA from issuing a CCC without an application where they are satisfied that the requirements of section 94 of the Act have been met.'

#### 5. REGULATION 12 - CONTRACTORS

Following amendments to the Regulations in June 2024, MBIE received queries about regulation 12 - which relates to choosing and using contractors who perform building control functions.

It is for the BCA to determine the terms of the contract they enter into when engaging contractors under regulation 12. For the avoidance of doubt, this does not require a BCA to undertake a 'regulation 10 type competency assessment' on an annual basis for its contractors. This is because regulation 10 is specifically written for employees of a BCA and works hand-in-hand with a number of other regulations such as regulation 11 that relates to BCA employee training.

There is also no intention for AOBs working under their own quality system to be required to have their competency assessed within their own organisation on a yearly cycle. They are and will continue to be assessed under the current regulation 10 settings for the purposes of accreditation. Should a BCA require a higher level of confirmation of competence (or a more frequent cycle of assessment) then this should be covered in the conditions of contract.

<u>Guidance for regulation 12</u> has information on choosing and using contractors, including a checklist outlining the minimum criteria for compliance.

#### 6. REGULATION 14 – FLEXIBLE WORKING

<u>Guidance for regulation 14</u> has been updated to reflect the flexible working strategies that most BCAs have implemented.

It now states that 'appropriate facilities for performing building control functions may include access to a workstation' (rather than appropriate workstations at an office - as it previously stated).

#### 7. REGULATION 16 - 'RMS' TO 'IRMS'

The guidance and checklist have been updated to reflect that the Records Management Standard for the New Zealand Public Sector 2014 (RMS) has been revoked and incorporated into the Information and Records Management Standard (IRMS). The standard covers information and records in any format. It has been updated to support digital recordkeeping as the public sector continues its transition to digital business processes.

#### 8. REGULATION 17(2)(H) - ANNUAL AUDITS

The guidance for regulation 17(2)(h) has been updated to clarify the two types of audits:

- Quality assurance system auditing which focuses on checking that documented policies, procedures and systems meet the requirements of the Regulations, the Building Act, and other legislation including the Building (Forms) Regulations 2004. This part of an audit is non-technical and can be completed by an auditor with appropriate knowledge of the requirements.
- > The technical part of the annual audits (peer review) which focuses on decision making to confirm that technical outcomes are appropriate. This involves assessing whether appropriate matters have been considered and appropriate reasons recorded, for each building control function.

<u>The checklist</u> for regulation 17 has been updated to refer to Quality Assurance Manager (rather than Quality Manager) for consistency with the Regulations.

#### 9. REGULATION 17(4) – QUALITY ASSURANCE SYSTEMS

MBIE is aware there is often some uncertainty regarding what work contractors are doing under their own quality assurance system and what work is being done under a BCA's quality assurance system – this has resulted in instances of non-compliance being raised during accreditation assessments.

Under the Regulations, contractors can comply with either the BCA's quality assurance system or their own quality assurance system, they do not have to comply with both. In practice, there may be some overlap, and contractors may comply with aspects of both the BCA's quality assurance system and their own quality assurance system. The role of the BCA is to ensure that the contractor complies with at least one of those systems fully.

Therefore, BCAs need to ensure their systems can adequately assess compliance with both its own quality assurance system and the quality assurance systems used by its contractors, to enable appropriate monitoring of a contractor's performance.

MBIE recommends that BCAs ensure agreements with contractors are clear regarding what quality assurance system the contractor is working within.

The <u>guidance for regulation 17(4)</u> has been updated to clarify this, and now states: 'A BCA's consistent and effective implementation of regulation 17 should enable it to take follow up action where an employee or contractor has not complied with either the BCA's quality assurance system or the contactor's own quality assurance system'.

#### 10. REGULATION 18

MBIE has fielded a number of queries concerning regulation 18 during this assessment round. These queries were generally focussed on two parts of regulation 18:

- > the appropriateness of certain technical qualifications, and
- > establishing circumstances of employees and contractors where it would be unreasonable and impractical for a BCA to have the BCO be working towards a 'specified New Zealand qualification', as is defined in regulation 3.

With respect to technical qualifications, these are defined/listed in regulation 3 and are New Zealand qualifications offered by a New Zealand tertiary education provider or organisation (TEOs). The definition of 'specified NZ qualification' in regulation 3 includes (in subclause (o)): 'a qualification in the field of building design or construction –

- (i) at or above Level 6 in the New Zealand Qualifications and Credentials Framework administered by the New Zealand Qualifications Authority (continued by section 430 of the Education and Training Act 2020); or
- > (ii) equivalent to a qualification in subparagraph (i).'

For the avoidance of doubt, sub-clause (o) of regulation 3 enables a BCA to employ judgement as to whether or not a qualification that is outside those listed still meet this technical requirement e.g. the qualification may have been assessed as equivalent and/or someone seeking employment holds a Level 7 qualification in the field of building design and construction.

On the second point, the 'exemption provision' in regulation 18 is a long-standing provision and the <u>regulatory</u> <u>impact statement for the 2017 changes</u> to the regulations had this to say about the exemption: *BCAs have* already had eight years in which to support their staff to gain appropriate technical qualifications (unless exempt). This points to a narrow window of consideration for those seeking to use this exemption provision.



#### 11. BUILTREADY - BCA ROLES AND RESPONSIBILITIES

The guidance has been updated to include requirements introduced into the Building Act that relate to the BuiltReady scheme. <u>BuiltReady</u> is a voluntary certification scheme for manufacturers of modular components.

As part of its responsibilities, BCAs will need to ensure that manufacturers who supply certificates accompanying a building consent or CCC application have a current registration within the scheme. The BCA must also check that the modular component is used in accordance with the scope and limitations as defined on the certificate. BCAs will also need to establish the extent of any work not covered by a manufacturer's certificate. MBIE maintains a register of certified and registered manufacturers, this register will not include all of the manufacturer certificates issued for components.

The guidance for regulation 7(2)(d)(iv) has been updated to include that a BCA's policies, procedures and systems for processing a building consent application must include processes for the processing of consents related to 'modular components manufactured, or designed and manufactured by, registered Modular Component Manufacturers'.

The guidance for regulation 7(2)(f) has been updated to include that the:

- > BCA collects the following information from an applicant for a CCC where required 'current manufacturers certificates issued by a registered manufacturer, that relate to any modular components', and
- BCA's policies, procedures and systems for deciding whether to issue a CCC must include processes for 'accepting current manufacturers certificates for modular components as establishing that the building work to which the certificate applies complies with the building consent'.

The checklists for these regulations have also been updated to align with the guidance.

#### 12. UPDATES TO OTHER MBIE GUIDANCE AND RELATED MATTERS

In this round MBIE issued the following guidance to better support BCA/TAs, standalone BCAs and AOBs navigate New Zealand's building regulatory system.

- > 'SORG', or 'satisfied on reasonable grounds'. This guidance speaks to a BCAs decision-making process to grant a building consent, 'if satisfied on reasonable grounds that the Building Code provisions will be met if the building work is completed in accordance with the plans and specifications accompanying the consent application'.
- Natural hazard guidance, which provides detailed guidance and a decision-tree to support decision-making for sections 71-74 of the Building Act
- > MBIE's <u>remote inspections (RI) guidance</u>, as noted in this report.

## Appendix Two – MBIE guidance in progress

#### 1. NATIONAL COMPETENCY ASSESSMENT SYSTEM (NCAS)

The NCAS has been undergoing a 'refresh' for some time now, which has resulted in considerable scope creep in drafting the updates. This scope creep has resulted in Version 2 of the NCAS incorporating:

- > specific competencies for large dams
- > material that reflects the 2024 amendments to the Regulations
- > the notion of 'core competencies' for the residential and commercial competency groupings
- > 'assessment types' have been better clarified as have assessor requirements
- > competency requirements for off-site manufacturing (OSM) or modular component manufacturing (MCM) have been better clarified
- > content on specific engineered design and alternative solutions has been included
- > more detail on building importance levels
- a glossary of terms
- > a hybrid residential level of competence for those processing, inspecting or certifying medium density housing (MDH).

The refresh is now complete and in the process of being published. MBIE intends to run webinars and work with BCAs and IANZ to roll out Version 2 of the NCAS.

