

Regulation 17 – Assuring quality

Last updated: 10 October 2017

Building consent authorities must have a system that supports quality and continuous improvement in its management and operation.

The objective of the regulation

The objective of regulation 17 of the Building (Accreditation of Building Consent Authorities) Regulations 2006 (the Regulations) is to ensure that building consent authorities (BCAs) have a system that supports quality and continuous improvement in their management and operation, including the performance of their building control functions. The system should support a BCA to improve and strengthen the critical building consent (consent), inspection and code compliance stages of work.

The regulatory guidance below has been developed to support understanding of the Regulations.

[Regulation 17 \(http://www.legislation.govt.nz/regulation/public/2006/0399/latest/DLM424692.html\)](http://www.legislation.govt.nz/regulation/public/2006/0399/latest/DLM424692.html) is available on the Legislation website.

Regulation 17 must be read in conjunction with regulations 5 and 6.

The policies and procedures required by regulation 17 must be written and/or electronic, and appropriate for purpose.

A BCA must ensure that the policies, procedures and system required by regulation 17 are consistently and effectively implemented. BCAs must ensure they record the decisions they make under regulation 17, including the reasons for the decisions, as well as the outcomes.

A BCA must also ensure that the system required by regulation 17, specifically regulation 17(2)(a), enables it to assure the quality of all the policies, procedures and systems required by the Regulations.

MBIE's guidance on meeting the accreditation requirement

[Checklist for regulation 17 \(https://www.building.govt.nz/building-officials/bca-accreditation/detailed-regulatory-guidance/checklists/\)](https://www.building.govt.nz/building-officials/bca-accreditation/detailed-regulatory-guidance/checklists/) outlines the minimum criteria for compliance.

If a BCA's management and operations are covered by their parent organisation's quality assurance system and audit process, that system and process must be accessible to the assessment team for the purposes of an accreditation assessment.

Effect of certification under AS/NZS ISO 9001:2016 Quality management systems – Requirements

A BCA can comply with regulations 17(1), (2), (3) and (5) if it, or its parent organisation, is currently certified under AS/NZS ISO 9001:2016 Quality management systems – Requirements (ISO 9001:2016 certification) and its certified quality management system covers the management and operation of the BCA.

A BCA or parent organisation with ISO 9001:2016 certification must still meet the requirements of:

- Regulation 17(3): A person responsible for managing quality
- Regulation 17(3A): Making complaints about building practitioners

Regulation 17(1) and (2)(a): A quality assurance system that covers management and operations

A BCA must have a quality assurance system that covers its management and operation, including the performance of its building control functions. A BCA's quality assurance system must include the core components outlined below. It may be:

- incorporated into all the policies, procedures and systems of the BCA (required by the Regulations). This would mean that each system would include a

quality check, and a mechanism of recording and reporting quality issues to enable continuous improvements

- separate to the policies, procedures and systems of the BCA but enable a quality review of the consistent and effective implementation of all systems (required by the Regulations). This would mean that the outcomes of each system would be systematically quality checked, there would be management reporting and continuous improvement practices.

Regulation 17(2)(b): A policy on quality

A BCA must have a policy on quality. It may include its policy within its customer service policy (or similar), independently in a standalone document or as part of any policy procedure or system required by the Regulations. To comply with regulation 17(2)(b), the policy must state the BCA's:

- quality objectives
- expected standards for performance
- quality performance indicators, at a high level
- commitment to continuous improvement.

Regulation 17(2)(c): Ensuring operation within any scope of accreditation

Where a BCA has a limited scope of accreditation, its quality assurance system must ensure that it operates within that scope. To comply with regulation 17(2)(c), a BCA must ensure that its quality assurance system specifically monitors its implementation of regulations 7(2)(a) and (c) of the Regulations, and its:

- provision of information to customers about how to apply for a building consent that is within its scope to process or where else to make an application
- process for receiving applications to ensure that only those within its scope of accreditation are accepted for processing and others are appropriately redirected (and the customer informed).

Regulation 17(2)(d): Management reporting and review of performance

To comply with regulation 17(2)(d), a BCA must ensure that its quality assurance system includes regular management reporting against the expected standards for performance and high level performance indicators from its quality policy (or policies). The system must state the:

- frequency of required management reports
- form required of the management reports, at a high level.

Any outcomes arising or actions taken in response to management reporting must be recorded.

Regulation 17(2)(e): Supporting continuous improvement in BCA performance

To comply with regulation 17(2)(e), a BCA's procedure for continuous improvement must enable it to:

- accept and consider feedback from customers, employees and contractors
- identify issues and opportunities within its policies, procedures and systems
- respond to issues identified in its required annual audits
- respond to any non-compliances identified with accreditation requirements in an assessment
- assess the seriousness of an issue or non-compliance
- decide if any action might be taken to address issues or improve a policy, procedure or system
- agree on action necessary to address non-compliance with accreditation requirements
- plan for, and implement any agreed action
- monitor and evaluate any action implemented
- record any decisions, actions and outcomes to comply with regulation 6.

A BCA's system should allow it to make change to support continuous improvement in a way that is appropriate for the nature of the change, the significance of it and the impact it might have. It should enable:

- simple changes to be made quickly and easily, with little more than an agreement in a meeting
- more complex changes to follow a more robust process, but one that works for the BCA.

Regulation 17(2)(h): Annual audits

To comply with regulation 17(2)(h), a BCA must have a procedure for ensuring an annual audit of its building control functions as defined in regulation 3.

A BCA may meet this requirement by engaging Audit New Zealand, a licensed auditor or registered audit firm with appropriate skills and experience to undertake an audit on its behalf.

If an independent audit is not undertaken, a BCA's procedure and system for undertaking an audit must include:

- an audit schedule that covers each function being audited every 12 months
- a defined scope and criteria for each audit
- a detailed audit process, including guidance on audit sample sizes
- a framework for classifying non-compliance
- the submission of an audit report to the BCA's quality manager and responsible manager
- the requirement that action is undertaken (within a defined timeframe) to address adverse findings
- evidence of audits and actions to be retained.

Classifying non-compliance

A BCA should have a framework for classifying non-compliance that can distinguish between:

- isolated issues or non-compliance that may identify an individual training need or prompt a recommendation to improve a policy, procedure or system
- minor issues or non-compliance that may not have had an immediate or significant impact on the BCA's performance but, if left to continue, may create a risk
- major issues or non-compliance that may impact on a BCA's performance and require expeditious attention to address
- critical issues that require immediate attention as they identify non-compliance with legal requirements or safety risks for employees or contractors.

A BCA may also choose to identify 'best practice' as part of the audit process. 'Best practice' by an individual employee, contractor or team may contribute to the continuous improvement process.

Regulation 17(2)(i): Identifying and managing conflicts of interest

To comply with regulation 17(2)(i), a BCA must have a procedure for identifying and managing conflicts of interest in which:

- a conflict of interest is defined and guidance on the definition is given
- employees and contractors are asked to declare perceived, potential or actual conflicts of interest
- perceived, potential or actual conflicts of interest are recorded
- actual conflicts are managed.

Regulation 17(2)(j): Communicating with internal and external persons

To comply with regulation 17(2)(j), a BCA must have a procedure for communicating (as appropriate) to internal and external parties which enables it to:

- identify matters that should be communicated
- decide to whom matters should be communicated
- decide on the communication approach
- ensure communications are approved by an appropriate person
- ensure agreed communications are made.

Detailed below are possible techniques that a BCA may choose to use in its procedure for communicating with employees and contractors, and any stakeholders. A BCA may choose any or all of the techniques below, or may identify and implement its own techniques.

Possible methods for communicating

Management meetings

A BCA may have a weekly, monthly or quarterly management team meeting to discuss relevant operational issues and opportunities, and the results of any quality reviews, audits or accreditation assessments. It may follow a standard agenda that includes a review of customer queries and complaints, and has the flexibility for additional items to be discussed. Key messages from the meeting could be agreed to share with staff and contractors, and other affected stakeholders.

Quality assurance monthly meetings

A BCA may establish a quality assurance team that meets on a regular basis to discuss relevant operational issues and opportunities, and the results of any quality reviews, audits or accreditation assessments. It may follow a standard agenda and have the flexibility for additional items to be discussed. Key recommendations for continuous improvement from the meeting could be agreed to take to the management meeting.

Technical management meetings

A BCA may convene regular technical management meetings with its building control employees and contractors. Issues of a technical nature such as building trends, new building products or systems, application techniques and processes may be raised and discussed, with issues or opportunities for continuous improvement identified, recorded and raised with the quality manager and/or quality assurance team.

Direct-reports meetings

Managers, team leaders or supervisors within a BCA may hold regular meetings to discuss the agreed messages from management meetings, and any actions as a result of quality reviews, audits and continuous improvement processes. The team may raise and discuss issues or opportunities impacting their successful performance of their building control functions that are recorded and raised with the quality manager and/or quality assurance team.

Regular broadcast emails

A BCA may use its internal email system to broadcast information about changes to:

- policies, procedures and systems
- the implementation of the changes
- the availability of any training
- the future expectations of employees and contractors related to any change.

The emails may invite feedback.

Employee questionnaires

From time to time, a BCA may initiate internal employee questionnaires to evaluate employees' perception or understanding of issues affecting the performance of building control functions or compliance with the BCA's accreditation requirements. The questionnaires may be analysed with trends reported back to the employees and opportunities for continuous improvement identified, recorded and raised with the quality manager and/or quality assurance team.

Intranet

A BCA may choose to maintain an internal intranet site that supports its compliance with the Regulations. It may update the site with information about changes it has implemented as a result of continuous improvement processes, with learning opportunities or seminars for staff and/or information about current, new and innovative building methods or materials.

Website

A BCA may choose to maintain a website that supports its compliance with regulation 7 and also includes its customer service policy or quality policy, details of its complaint process and a customer feedback process. It may update the website with information about changes it has implemented that may affect its customers.

Quarterly newsletter

A BCA may choose to produce a quarterly newsletter for staff and contractors, or customers, which could include editorials from the chief executive, senior managers or the responsible managers outlining the organisation's commitment to quality and customer service, and the training and support of staff. The newsletter may report on important events that have happened within the past quarter, projected events in the future and current, new and innovative building methods or materials.

Other media

A BCA may choose to communicate with external customers through a range of media including Facebook or Twitter, or local or national newspapers. The communications may report on important events that have happened within the past quarter, projected events in the future and current, new and or innovative building methods or materials.

Regulation 17(3): A person responsible for managing quality

To comply with regulation 17(3), a BCA must have a person who is responsible for quality management and supporting compliance with the requirements of regulation 17. Depending on the BCA, and the number and nature of consents it processes, the quality manager may be a person in:

- an independent role, who has a singular focus on delivering the quality assurance system
- a management or technical role, who also has responsibility for quality procedures and systems.

Regulation 17(3A): Making complaints about building practitioners

A BCA's dealings with building practitioners may give rise to concerns about the organisation or individual's competence or capability. To comply with regulation 17(3A) of the Regulations, a BCA must have a system that enables it to make a determination about when it is necessary or desirable to make a complaint to a professional body about a practitioner.

Complaints can be made, for example, to:

Type of practitioner	Professional body
<ul style="list-style-type: none"> • Licensed building practitioner (LBP) • Someone purporting to be an LBP • Unlicensed practitioner doing work requiring a licence 	<p>Licensed Building Practitioners Board (http://www.lbp.govt.nz/)</p>
<ul style="list-style-type: none"> • Registered architect • Someone purporting to be an architect • Unlicensed practitioner doing work requiring registration and licensing 	<p>Registered Architects Board (http://www.nzrab.org.nz/)</p>
<ul style="list-style-type: none"> • Chartered Professional Engineer (CPEng) • Someone purporting to be a CPEng • Unlicensed practitioner doing work requiring registration and licensing 	<p>Engineering New Zealand (https://www.engineeringnz.org)</p>
<ul style="list-style-type: none"> • Registered and licensed plumber, gasfitter, or drainlayer • Someone purporting to be a registered practitioner • Unlicensed practitioner doing work requiring registration and licensing 	<p>Plumbing, Gasfitters and Drainlayers Board (http://www.pgdb.co.nz/)</p>
<ul style="list-style-type: none"> • Electrical worker • Someone purporting to be an electrician • Unlicensed practitioner doing work requiring registration 	<p>Electrical Workers Registration Board (http://www.ewrb.govt.nz/)</p>
<p>Other</p>	<p>Consideration may be given to making a complaint, as may be appropriate to:</p> <ul style="list-style-type: none"> • MBIE (http://www.mbie.govt.nz/) • New Zealand Police (http://www.police.govt.nz/)

A BCA's system to comply with regulation 17(3A) must include procedures and processes for:

- employees or contractors to report concerns with building practitioners
- recording concerns raised about practitioners
- recording evidence to support concerns (or reference to where evidence is stored)
- criteria for evaluating the seriousness of the concerns
- criteria for determining whether or not to make a complaint
- steps to be taken after making a decision to complain
- recording decisions made and their outcomes.

Possible criteria for determining the seriousness of concerns

A BCA's criteria for determining the seriousness of concerns about a building practitioner may include concerns about (amongst other things):

- unlawful activities (which may extend beyond non-compliance with the Building Act 2004)
- work or conduct that may bring their profession into disrepute
- work carried out or supervised negligently or incompetently
- work carried out or supervised that does not comply with a building consent
- work carried out or supervised for which they are not licensed or registered
- the practitioner purporting to be licensed or registered for work that they are not
- the practitioner misrepresenting their competence to the BCA or others
- convictions for an offence that affects their fitness to do building work
- concerns about the giving of false or misleading information to get licensed or registered
- failure to provide any required information, contracts or certificates for work carried out.

Quality manager (<https://www.building.govt.nz/building-officials/bca-accreditation/key-roles-and-responsibilities/#quality>) and responsible manager (<https://www.building.govt.nz/building-officials/bca-accreditation/key-roles-and-responsibilities/#responsible>) definitions can be found in Key roles and responsibilities.

Applying for a limited scope of accreditation (<https://www.building.govt.nz/building-officials/bca-accreditation/key-steps-accreditation-process/#applying>) has further information.

Licensed auditors, or registered audit firms (<https://www.companiesoffice.govt.nz/companies/auditors-register>) are listed on the Companies Office website.

You can read about Audit New Zealand (<http://www.auditnz.govt.nz/>) on their website.

Regulation 17(4): Compliance with a quality assurance system

Employees and contractors using the BCA's policies, procedures and systems

To comply with regulation 17(4), a BCA must communicate information about its quality assurance system to all employees and contractors performing a building control function using the BCA's policies, procedures and systems:

- at induction
- as part of any training in their use of a policy, procedure or system
- where required as a result of any management review or audit under regulations 17(2)(d), (h) or (5)
- where required as a result of any continuous improvement process under regulation 17(2)(e).

The BCA should inform the employee or contractor about the system and train them to support compliance (or otherwise initiate appropriate action).

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 the BCA's quality assurance system.

Contractors using their own policies, procedures and systems

Compliance with regulation 17(4)(b) requires a BCA to ensure that any contractor's work is captured within a quality assurance system. For the purposes of an accreditation assessment, this requirement covers contractors performing building control functions.

A BCA may satisfy the requirement of regulation 17(4)(b) for contractors using their own policies, procedures and systems by:

- requiring a contractor to hold accreditation under the scheme, and requesting a copy of the accreditation report and its responses to any non-compliance identified, assuring itself that accreditation has been maintained
- contracting an organisation or person with ISO 9001:2016 certification, and requesting a copy of the certification report and its responses to any non-compliance identified, assuring itself that certification has been maintained
- requiring a contractor to consistently and effectively implement a quality assurance system that is consistent with the requirements of regulation 17 (to have a quality policy, a quality manager, management reporting and review, training for staff, and the core components of a quality assurance system outlined below) and to report on its management reviews and audits.

Regulations 17(4)(b) and 12(2)(e) are closely aligned. Regulation 12(2)(e) requires a BCA to have a system for the monitoring and review of contractors' performance against defined criteria. This may include the outcomes of the contractor's quality assurance system and internal audits.

Regulation 17(5): Management review of the quality assurance system

A BCA's quality assurance system must include a procedure that enables its responsible manager, at least once every 12 months, to assure themselves that the quality assurance system itself is effective.

To comply with regulation 17(5), the system must require the responsible manager to, annually or more frequently, consider the appropriateness and effectiveness of:

- the policy on quality
- management reporting on quality processes, internal audits and continuous improvement
- employee and contractor engagement with the quality assurance system
- employee and contractor engagement with the continuous improvement system
- the management of conflicts of interest (refer to Regulation 17(2)(i))
- any communication related to quality assurance system matters (refer to Regulation 17(2)(j)).

A BCA must have a process for changing its quality assurance system where it chooses to do so.



New Zealand Government

This information is published by the Ministry of Business, Innovation and Employment's Chief Executive. It is a general guide only and, if used, does not relieve any person of the obligation to consider any matter to which the information relates according to the circumstances of the particular case. Expert advice may be required in specific circumstances. Where this information relates to assisting people:

- with compliance with the Building Act, it is published under section 175 of the Building Act
- with a Weathertight Services claim, it is published under section 12 of the Weathertight Homes Resolution Services Act 2006.