Monthly Progress Report of the Crown Manager to the Christchurch City Council

15 October 2013

Purpose
1. This report provides a progress update, as required by the Crown Manager’s Terms of Reference, on the programme of work in the Crown Manager’s Action Plan for improving the Christchurch City Council’s (the Council) building consent processes and decisions.
2. If agreed, it is proposed to provide future reports on a quarterly basis with additional updates as and when required including issues arising or the achievement of significant milestones.

Background
3. On 15 August 2013, the Crown Manager provided his Action Plan to the Minister for Canterbury Earthquake Recovery, Minister for Building and Construction and the Minister of Local Government. The Action Plan sets out a programme of work for ensuring the Council has the correct systems and processes in place to enable it to regain accreditation as a Building Consent Authority (BCA)
4. This report reflects the outcomes, goals and milestones of the Action Plan.

Immediate actions

Improve the Council’s demand forecasting systems and resources
5. A demand forecasting system for the Council is now largely in place and the first preliminary forecasts completed. The forecast results indicate a significant upsurge in the number of building consents received later in the year, mainly in residential consents (see graph below).

![Quarterly Building Consents (excl SFH) - Business as Usual and Earthquake Related (Stacked chart)](image)

Source: CCC Building Consents and FTE Forecasting Model – Methodology and Preliminary Results

6. In discussion with managers and other staff members, work is now being undertaken to identify and analyse potential interventions that can be
used to mitigate the impact of increased demand for building consenting services. This work is expected to be completed within the next week and will be communicated with stakeholders.

Increase building consent processing capacity and clear backlog

Initiatives

7. Initiatives are underway to reduce the number of existing building consents already in the system.

External processing of consents

8. To date 18 BCAs and one additional private building control contractor have registered their interest in assisting the Council’s building consenting function. Five of these are now processing consents for the Council with seven currently in contract negotiations. It is expected that 150 – 200 consents per week will be contracted out.

9. A successful pilot for remote access to Council systems was run with the Hastings District Council on 9 – 10 October 2013 with Council staff providing training and technical support. It is expected that remote access will be available to all contracted BCAs processing consents for the Council.

Certificates of Acceptance

10. A contractor has been engaged to review all Certificate of Acceptance (CoA) applications (approximately 170) and to remove those that are no longer required. For example, where a temporary building had been moved on to a site, and has since been moved off.

11. The contractor has undertaken a project to prioritise existing CoA applications. It is expected that up to 20 applications per week will be reviewed; significantly reducing the backlog of CoAs by the end of October 2013.

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1 A Certificate of Acceptance is used in situations where work has been done without a building consent, or where a building consent authority cannot issue a code compliance certificate. It provides some verification that part, or all, of certain building work complies with the Building Code.
**Trends**

12. The following tables summarise the number of building consents accepted and granted, building inspections completed, and Code Compliance Certificates issued over the last three months.

### Building Consents

<table>
<thead>
<tr>
<th>Month</th>
<th>Building applications accepted (received and lodged in system for processing)</th>
<th>Building Consents Granted</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total</td>
<td>Average per day (working days)</td>
</tr>
<tr>
<td>July</td>
<td>893</td>
<td>39</td>
</tr>
<tr>
<td>August</td>
<td>856</td>
<td>39</td>
</tr>
<tr>
<td>September</td>
<td>852</td>
<td>41</td>
</tr>
</tbody>
</table>

### Building Inspections

<table>
<thead>
<tr>
<th>Month</th>
<th>Number of inspections booked and completed</th>
<th>Average inspections per day (working days)</th>
</tr>
</thead>
<tbody>
<tr>
<td>July</td>
<td>3336</td>
<td>145</td>
</tr>
<tr>
<td>August</td>
<td>3246</td>
<td>148</td>
</tr>
<tr>
<td>September</td>
<td>3114</td>
<td>148</td>
</tr>
</tbody>
</table>

There is an average five day delay for a building inspection.

### Code Compliance Certificates

<table>
<thead>
<tr>
<th>Month</th>
<th>CCC Issued</th>
<th>Average per day (working days)</th>
</tr>
</thead>
<tbody>
<tr>
<td>July</td>
<td>494</td>
<td>21</td>
</tr>
<tr>
<td>August</td>
<td>757</td>
<td>34</td>
</tr>
<tr>
<td>September</td>
<td>640</td>
<td>30</td>
</tr>
</tbody>
</table>

13. There has been a significant improvement in the number of CCC’s issued within the 20 working day target. In July, 69 percent were issued within the target timeframe, 76 percent in August and 81 percent in September.

**Ensure all technical staff are assessed against the National Competency Assessment framework**

14. Holmes Farsight is progressing with a programme to provide competency assessment services.
Undertake a technical audit of building consents to ensure consents are compliant with the Building Act 2004

15. A technical audit of consents issued by the Council in July 2013 has been completed by MBIE.

Implement an audit regime that complements the requirement of the BCA Accreditation regulations for competency assessment

16. The work programme being undertaken by Holmes Farsight to provide competency assessment services includes provision of forward focused technical audits of consent processing and inspections. This work is progressing.

By the end of 2013

Implement reporting processes that align with the Council’s Performance Framework

17. Work to define the reporting requirements of the Building Control Unit is being undertaken with a rough order of magnitude project completed. This work has included the engagement of external reporting experts.

Review the operating model, systems and processes adopted by the BCA and develop and implement, where appropriate, streamlined policies, processes and systems

18. A workshop was held with managers and members of the Crown Manager’s team on 8 October 2013 to fully scope the work programme and projects for reviewing the Council’s BCA operating model. A programme plan is now being prepared to provide strategic overview of system and process improvements.

Risk-based consenting

19. The implementation of risk-based consenting processes is progressing with two commercial projects now being undertaken; the Justice Precinct and the Burwood Hospital redevelopment. The Justice Precinct is still in its preliminary stages. A building consent application for the Burwood Hospital was received by the end of the week.

Trial a regional digital, online building consent application, processing and inspection system

20. The project to trial a web-based digital building consent application, processing and inspection system is progressing with two Group Home Builders participating in the trial so far. The learnings from these have been reviewed and applied to those next to go through the process.

21. Additional Group Home Builders are being added in turn to the trial. It is anticipated external contractors will be added by the end of October 2013.
22. The Ashburton District Council has joined the wider Canterbury support network. It is intended to establish regular regional BCA forums for the Canterbury BCAs (Ashburton, Hurunui, Selwyn, and Waimakariri District Councils).

Ensure the implementation of the ‘GoGet’ electronic inspection system

23. The GoGet field technology “stand alone” solution project is underway with input from Council IT and Master Business Systems (GoGet supplier). Master Business Solutions inspection technology provided two days of update enhancements and staff training for the stand alone option in September. The implementation date for the system is scheduled for early December 2013.

Ensure the prioritisation of building control related information technology projects

24. Weekly meetings are being held with the Council’s Chief Information Officer to ensure prioritised projects are on track and that risks are raised and mitigated early.

Review the organisational structure of the Building Consent Unit

25. A review of the structure of the Council’s building control functions is progressing. On 5 September 2013, a discussion document was released to staff summarising the current structural and operational issues identified through the review, including:

- the lack of a single point of accountability for the performance of building control functions, with a resultant lack of clear leadership;
- disaggregation of building control functions across multiple teams in Council;
- having sufficient and appropriate resources to satisfy the BCA’s responsibilities to meet current and forecast demand;
- the operation of the shared services model for administration support that aims to provide flexible and efficient administration support does not, in some cases, provide for sufficient specialisation; and
- the need to free up core building officer and management time and allow them to focus on core building control business.

26. The discussion document proposed two high level options for how the Council’s building control (and related) functions could be structured:

i. **Option 1**: Consenting functions organised around commercial and residential consents; and

ii. **Option 2**: Functions organised around consent processing and compliance specialisations.

27. 34 staff submissions were received on the discussion document with overwhelming preference for Option 1 organising consenting functions
around separate commercial and residential streams to deliver a streamlined end-to-end process for building control functions that would result in a better service to the customer. This option formed the basis of the proposed new structure in the consultation document released to staff on 8 October 2013.

28. Under the proposed structure there is a net increase of 12 new positions (32 positions would be established, while 20 would be disestablished). The changes proposed have been designed to meet demand for building consent services and to see the Council regain and retain IANZ accreditation.

29. Formal consultation on the change proposal closes on 20 October 2013. Following which, feedback will be considered and then a final decision announced by late October. It is intended to have a new structure in place before the end of 2013.

Customer Advisory Group

30. The first meeting of the Customer Advisory Group (CAG) is being held on 16 October 2013. The Group includes representatives from across the construction industry who will meet regularly, providing an opportunity to build relationships and discuss and resolve issues.