



Report on the review of the Christchurch City Council building consenting system

Introduction

Christchurch City Council (CCC) has experienced a surge in building consents related to the repairs and rebuilding of homes damaged by the earthquakes, including new builds, it is also having difficulty processing these consents within its statutory timeframes. The Council's consenting process was recently reviewed by International Accreditation of New Zealand (IANZ) and the outcome of the review is that insufficient evidence has been provided of compliance with the prescribed criteria and standards for accreditation, to justify continuing accreditation.

IANZ has advised that a recommendation to commence the administrative process to revoke the BCA's accreditation under Section 254 of the Building Act 2004 has been made. The Council had until 28 June 2013 to produce evidence that it has a credible plan to address the issues raised in the IANZ assessments.

The Ministers for Canterbury Earthquake Recovery and Building and Construction agreed with the Mayor and Chief Executive of Christchurch City that a team of MBIE technical experts would join the Council's consenting group to work with Council officers to improve the flow of consents. Terms of Reference for the work was agreed with the Council (refer to appendix A).

A team of five experts from, or contracted by, the Ministry of Business Innovation and Employment (MBIE) spent time at the Council between 19 and 25 June 2013 reviewing the Building Consent Authority's systems and processes, outsourcing arrangements and talking to key high volume applicants. The review team provided recommendations to the Council management and Government on required changes. This report presents the findings of the review.

Key findings

1. The increase in consent volumes was identified by MBIE (formally the Department of Building and Housing) as early as December 2011 and was entirely predictable and should not have come as a surprise to the Council. The Council has failed to implement a system of intelligence gathering to inform resource levels. The Council has also been slow to build consent processing capacity and to streamline systems to increase throughput. Key recommendations made in the Baseline Assessment in 2011 are still outstanding.
2. There appears to be a lack of realisation by senior managers at the Council of the quantum and urgency of change required to meet accreditation requirements and to improve the Council's building control systems and processes to meet future demands on the system. As a result a "business as usual" culture seems to exist at the Council and the silo culture within the BCA hasn't changed. Despite a change in the organisation structure there appears to be little

coordination between the core process areas of consenting, inspections and Code Compliance Certificate issue.

3. There are serious resourcing issues in key process areas currently including project information memorandum (PIM) processing, consent processing and administration support, refer to Appendix B. While inroads have been made to reduce processing backlogs through the use of external resources there appears to be no long term plan to resolve these issues, refer to Appendix D, External Contractor Workload. Contracted resources are not being used efficiently and the Council is establishing a hub to deal with outsourced consents to improve this process. External BCAs find the system administratively burdensome. A further problem noted was delays in receiving development reports from the Council delayed the completion of the consent processing. Consents are no longer being held up pending invoices being paid.
4. Contact with other BCAs indicates that there is limited additional external resource available for the Council to access suggesting the focus needs to be on streamlining the Council's systems to seek productivity gains. Contact has been initiated with the Australian Institute Building Surveyors to assess their capacity to assist.
5. No planning seems to have been initiated to increase inspection resources and to consider risk based approaches. Inspection demand will increase as a result of the increase in consents being issued.
6. As a result of the consent processing resource constraints at the local and national level, it is critical that there is a focus on process reengineering to gain process efficiencies, to make full use of exemptions and to introduce risk based processes. The MBIE team has developed a system to process Schedule 1(k) exemptions. Recommendations have been made to make fuller use of the exemptions under the Building Act. This recommendation was first made to the Council in December 2011 so it is concerning that little progress to implement these changes has been made.
7. The introduction of a new computer system, (recommended in December 2011), has recently commenced but has coincided with a substantial increase in consenting workload further stressing staff and systems. Staff expressed concerns about the new system but because its introduction is so new it was not possible to form a view about its effectiveness.
8. The Ministry's Multiproof team has met with Housing New Zealand (HNZC) to assess the utility of the Multiproof approval scheme for their new build plans. Further meetings are planned with Group Home Builders.

Recommendations

The following table contains the high level recommendations that were identified during the review. Some of the recommendations have been started by the Council or initiated by MBIE's technical experts with the assistance of Council staff, and will be fully implemented with extensive Ministry input.

Short term solutions

Increase consent processing capacity and clear backlog

Maximise use of exemptions and develop an efficient 1(k) exemption process

Improve demand forecasting and match resources to demand

Complete competency assessment

Review reourcing and management of processing development reports (PIMs)

Medium term solutions

Redesign core BCA processes for greater efficiency

Build inspection capacity and implement risk based inspections

Implement risk based consent processing

Pilot NMUA applications with Group Home builders and develop 5 day consent process

Streamline PIM process and encourage PIM applications before BC applications

Long term solutions

National online consenting

Residential and commercial risk based consenting fully implemented

Reduce number of minor RMA non compliances through LURP and District Plan review

Change culture

Implementation

Short term:

1. Increase consent processing capacity and clear backlog.

- The Council needs to increase consent processing capacity immediately to free up internal resources to concentrate on the redesign of internal core BCA processes. The Council needs to ensure that development reports are sent to external BCAs with applications. This ensures the external BCA has all of the required information to process the consent. It should also mean that consents with significant planning issues can be handled by CCC who administers the District Plan. Work also needs to be undertaken to further streamline the contracting system to reduce the administration burden.
- Only hold pre-application meetings for residential building work when there is an identified need rather than routinely.
- Work with key high volume customers to improve application quality and reduce the need for requests for further information and rework.

2. Maximise use of Schedule 1 exemptions and develop an efficient schedule 1(k) exemption process.

- The Ministries technical team is working with the Council and two project management offices (PMOs) to develop an efficient Schedule 1(k) exemption process. This will require dedicated resource of approximately 3 staff to process applications efficiently.
- Remove the council's Form B391 guidance document from the Council's website as it contains inaccurate and contradictory information on Schedule 1 exemptions.

3. Improve demand forecasting and match resources to demand.

- Dedicated resource is required to ensure intelligence, data analysis and forecasting is effective. This can be achieved by ensuring appropriate relationships are in place with those key organisations that are participating in the rebuild including PMOs and Group Home Builders. The Ministry is available to assist the Council in this area.
- The Council needs to monitor the demand coming into the system and match resources with demand. Developing resource flexibility (for example cross training staff in several roles) is required to achieve this. Active management of workload is required. For example, the active management of the consent and development report processing backlog has led to backlogs being reduced in these areas. However without a continued active management focus, backlogs are likely to grow again.
- Competency assessments for technical staff must be completed to understand and map current capabilities and to identify resource gaps.

4. Review interface between planning and building consents.

- There is evidence from the review that physical building work and reconstruction may be getting held up due to resource consent requirements. This was made evident by the number of Section 37 certificates issued with building consents from the last 6 months (591 Section 37 certificates). The level of non compliance needs to be assessed and if required District Plan rules amended.
- Appendix B shows that PIMs and development checks, and the time taken to undertake such checks, have steadily increased over the last 6 months leading to a backlog. In many cases a building consent cannot be processed without this information. This is particularly the case for the contracted external processing resource that relies on this information before they start processing.

Medium term:

5. Redesign core BCA processes for greater efficiency.

- Core BCA processes require redesign to be more customer focused and efficient.
- Categorise consent applications into streams including volume residential (includes PMOs and group home builders) commercial, minor consents and stand- alone applicants and apply different processes for each processing stream.
- Undertake further analysis to identify the source of delays within processes.
- Undertake further analysis of the type and frequency of demand entering the system and identify failure demand with a view to reducing or eliminating this type of demand.

6. Build inspection capacity and implement risk based inspections.

- There will be a knock-on effect from the amount of processing work that is currently being undertaken and it is unlikely existing inspection capacity is adequate. Contract resource or re-directing existing internal resource (once internal processing systems are streamlined) needs to be considered and implemented.
- The Council also needs to implement inspections based on risk. There are lower risk types of buildings or building work where fewer or no inspections should be needed and the Council needs to review its inspection requirements and implement this.

7. Implement streamlined (risk based) consent processing.

- Develop criteria for processing various complexities of buildings and building work, particularly major earthquake damage repairs and new build houses.
- Implement the Council's guidance document for risk based consenting (B-639, GD048) with all necessary modification.

- Establish a commercial consenting team and redesign and implement a pre application process for certain commercial projects. Investigate the introduction of risk based approaches which take into account developers quality assurance processes.

8. Pilot national multiple-use approval applications with Group Home builders and develop five day consent process.

- Co-operate with the Ministry in any pilot that it undertakes with group home builders.

9. Streamline Project Information Memorandum (PIM) process and encourage PIM applications before building consent applications where required.

- Determine areas where an early PIM will add value to the design process and communicate to PMOs or other relevant parties.
- Ensure that adequate resources are provided to process the forecast PIM application volume and development checks.

Long term:

10. Introduction of a national online consenting system.

- Co-operate with the Ministry in any pilot for the development of a national online consenting system

11. Residential and commercial risk based consenting fully implemented.

- Ensure appropriate procedures are put in place when the Building Acts risk based consenting regulation come into force.

12. Change the Council's culture.

- A change in culture needs to occur within the Council. The Council needs to become customer focused and introduce "lean" processes to improve their productivity. Management need to develop a whole of process view of the consent process because this is the lens through which customers view the Council's services. This culture change can be implemented by creating urgency for change and developing a new customer focused vision for the service and through more effective leadership.

The onsite review:

The Ministry team met with the Council management to gain their feedback on the issues, spoke to team leaders and managers and interviewed external consultants to better understand the contracting process. The following feedback was received from the General Manager Regulatory and Democracy Services, Acting Manager BCA and the Quality Manager.

Managers noted the situation got to this crisis point for several reasons, including:

- Information to senior management about the need for corrective actions and/or the seriousness of the CCC situation was not accurate or was not read or followed up on.
- Constant change distracted staff from follow through action on key issues and the best ideas were never fully implemented. While there was a lot of initial progress changes were not completed as change work was constantly put to one side as new demands arose.

Appendix C is a copy of the Council's '*Consenting Rebuild Monthly Report*' prepared for the 3 July 2013 Council (Committee) meeting which includes statistics on a range of matters. This confirms a sustained performance failure by the Council over several months in terms of consent processing.

Management advised that:

- Currently there are 1239 building consent applications in the system with 497 suspended for requests for further information (RFI).
- During the period 1-24 May 2013 830 new consent applications were received and 713 consents were granted.
- There are now just 109 solid fuel burner applications in the system, 39 are suspended for RFI. Four building control cadets are working on clearing these.
- CCC estimate that:
 - they have sufficient internal capacity, under normal operating conditions, to reliably process and issue around 600 building consents per month (i.e. substantive consents, not including solid fuel burners)
 - current external contracted capacity is about 150 to 200 consents per month (and growing)
 - the Council's staff have been working extended hours and additional external contractors were engaged to help clear the backlog, which management believes will be completed by the end of June 2013.

On 20 June 2013, management generated a report showing that between 17 June and 20 June 2013 CCC had granted a total of 139 consents (including 50 solid fuel burners). At the end of the day on 20 June 2013, CCC issued a media release advising there were 1185 consents being processed and a backlog of 371 (i.e. > 20 working days).

Assisting CCC to increase consent processing capacity by increasing numbers of other accredited consenting authorities contracted to and working for CCC to process consent applications.

The Council has appointed a manager to run the process of engaging and managing additional external consent processing capacity. This contracting arrangement will now be managed through a central hub, rather than the previous *ad hoc* arrangements. A standard contract is being used for all external building consent processing service agreements.

Information provided about current external capacity is consistent with the capacity advice reported to the Council. Appendix D is a summary overview of external consent processing capacity – current and projected based on contracting arrangements finalised, or almost finalised.

Currently consent applications referred to external processors is limited to residential 1 category over \$150,000 on 'clean' land (which is taken to mean TC1 or better). There is potential to broaden these criteria to enable external processing of a wider range of work, for example, reducing the value of work to \$100,000 and extending the land criteria to include TC2 land.

All outsourced consents are issued with a project information memorandum (PIM) or a lesser form of 'PIM' referred to by CCC as a development check (DC). However there was evidence provided that PIMs or DC are currently also backlogged leading to a delay in processing building consent applications, including those by external processors (refer to Appendix B)

Even though 100% of inspections are currently being undertaken within the council target timeframe (currently within 3 days), inspection demand has been relatively low. If additional inspection resources are not secured in the short-term, looming demand pressures will inevitably mean performance will drop – possibly to an extent similar to the current processing 'crisis'.

There is also a need to review and reconsider the approach to inspections to reduce the field inspection demand (e.g. through the use of technology to submit visual evidence, percentage audits versus 100% inspection or some other risk-based approach).

Examination of the pre-lodgement meeting process and identification of opportunities for improvements.

Staff involved in the pre-application meeting process were interviewed. They provided an overview of how the pre-lodgement meeting process works from an administrative support and technical input perspective.

In summary:

- Meetings are pre-booked and the council aims to set meetings up within 48 hours of receipt of the meeting request. Based on information provided by the potential consent applicant, the administrative team determine who from the Council should attend the meeting. Usually the Council participants are drawn from the multi-discipline team and from the Planning Team .
- The multi-discipline team also process certificates of acceptance applications and Schedule 1(k) exemptions. They do not undertake building consent processing.

- It is often difficult to coordinate the limited Council resources (i.e. there are few dedicated people and venues) that are available to support/enable the meetings. The staff who are dedicated to meetings are also very busy and have to grapple with competing priorities.
- Currently, the first 30 minutes is free and then the Council charges \$60 per hour for each Council official in attendance at the meeting. There is an intention to change the charges for the meetings to do away with the free time and introduce a minimum fee. Staff advised that this would be \$125 for residential buildings and \$250 for commercial buildings, but, others were not certain that this would be the final amount of the fees. The aim of the new approach is to help ensure that potential applicants are motivated and well-prepared to use the meeting time (and the Council resource) constructively and to the desired effect.
- The Council undertakes to send out a written record of the meeting to attendees within 2 working days of the meeting. This is an additional demand on the building officials' time who attend such meetings (i.e. as officials actually prepare the notes themselves rather than some other note-taker). Perhaps, to reduce the officials' workload digital voice recording of such meetings and subsequent transcripts and/or key point summaries could be prepared by someone other than building officials, with officials simply checking the accuracy of the summaries. Another option would be to keep the recordings, but only offer written notes to the 'customer' if they want them and are prepared to pay extra to have them.

Points from wider discussions are, in summary:

- The number of building related pre-application meetings increased to 55 in May 2013 compared to 29 in April 2013.
- The meetings are seen by the Council staff who are directly involved as essentially one step above the general advice provided to potential applicants by the Council Public Advice Team (who may call on a building official for more technical support if appropriate/necessary).
- For residential buildings Council officials consider that while the meetings may be useful from the potential applicants' perspective (and surveying of people who participated in the meetings indicates that this is the case), it does not appear to have resulted in a significant improvement in the quality of applications, nor has it helped to reduce the number of RFIs. That is because discussions are usually at the general 'how to' or conceptual level rather than specific technical aspects of a proposed building design or building site. To some extent the meetings may be compensating for a lack of competence among building designers (i.e. the meetings would not be necessary if designers were fully competent).
- For commercial buildings, however, officials consider that pre-application meetings do deliver some real value for both the prospective applicant and the Council. This is particularly the case where discussions are about compliance with section 112 (alterations to existing buildings and compliance 'as near as reasonably practicable') and section 115 (change of use). Commercial building designers being seen as generally being more competent. Commercial consenting is further analysed below.

Review of Commercial building consent process

The commercial consenting system was reviewed and key staff interviewed. The findings of the high level assessment are that the Councils current commercial building consenting process does not appear to focus on projects holistically.

It fails to utilise the opportunity to drive efficiencies and confidence in process that are possible through effective use of initial 'pre-application meetings'. Additionally longstanding proposed revisions to this pre-application process have not been implemented.

Furthermore, forecasting information for future commercial consenting volumes is limited as there appears to be no formal process for collection of accurate data on future commercial consenting needs based on; RMA enquiries/application received or design industry feedback.

It is recommended that the process is redesigned with specific focus on meeting the emerging and anticipated consenting volumes for commercial projects.

Key findings of the Council's Commercial building consent process:

1. The Council's current commercial process does not appear to focus on projects holistically. Although all the parts necessary to perform the task are undertaken the end result does not provide efficiencies and confidence in the process for stakeholders.
2. The BCA are not providing significant process gains from the use of the 'Pre-application' meeting process provided for commercial projects. Based on the information provided the process is being used but is perceived by applicants and staff as unnecessary, inconsistent, costly, time consuming and of not adding value to the project.
3. The current pre-application process does not provide continuity to a project, as the personnel involved in the meetings do not retain ownership and are not the same as those who process the consent. This results in the loss of valuable knowledge and a lack of efficiencies.

The use of pre-application meetings nationally has consistently demonstrated, for many years, significant improvements in the efficiency of the consent process. Councils such as Wellington and Auckland continue to use them very effectively.

4. The current pre application meetings do not appear to include input from other critical decision staff from the building team and other regulatory parts of the Council. This all impacts on the projects 'end to end' processing time and ultimately the projects completion.
5. The Council has been discussing for some time further developments and efficiency gains for 'mandatory pre-application' meetings.

Such developments are:

- The use of an Engineering Advisory Panel for technical expertise.
- Multiple stakeholder involvement at concept and pre-application meetings.

- The development of risk based assessment process for building consent approval.

Currently all of the above have been discussed extensively for some period of time but not trialled, or implemented.

6. No quantitative evidence was provided, during the assessment, to substantiate accurate forecasting information on the future consenting needs for commercial building work. There was no apparent correlation between data from RMA applications (for commercial projects) as a source of data for future applications.

At present the Council are just starting to notice an increase in commercial activity which is not yet a significant impact on the consent volumes, or resourcing. However, industry representatives would suggest that applications for significant projects will commence within a few months and this is evident in the significant upturn in commercial design work.

7. Technical BCO processing building consents indicate that they are spending significant amounts of time in their day dealing with administrative enquiries and process issues rather than focusing on technical assessments.

Appendix A - Terms of reference:

Terms of Reference for the Ministry of Business, Innovation and Employment assistance to Christchurch City Council building consenting

Background

Christchurch City Council (CCC) has experienced a surge in building consents related to the repairs and rebuilding of homes damaged by the earthquakes, as well as new builds. It is having difficulty processing these consents within its statutory timeframes. Its consenting process has been recently reviewed by IANZ and the outcome of the review is that insufficient evidence has been provided of compliance with the prescribed criteria and standards for accreditation, to justify continuing accreditation.

IANZ has advised that a recommendation to commence the administrative process to revoke the BCA's accreditation under Section 254 of the Building Act 2004 has been made. The CCC has until 28 June to produce evidence that it has a credible plan to address the issues raised in the IANZ assessments.

The Ministers for Canterbury Earthquake Recovery and Building and Construction have agreed with the Mayor and Chief Executive of Christchurch City that a team of MBIE technical experts join the Councils consenting group to work with council officers to improve the flow of consents.

Purpose

The purpose of the work is to streamline business processes, improve BCA performance and seek productivity gains in CCC's building consent authority systems and processes in order to enable a timely, high quality and cost efficient rebuild.

This Terms of Reference outlines:

- key areas of focus
- role of the MBIE team and authority to act
- outputs
- key personnel
- monitoring and reporting.

Key area of focus:

The key area of focus is to alleviate current pressures on CCC's consent processing teams and speed up the consent processing and issuing of compliant building consents by CCC, which include processing the current backlog of consents.

This key area of focus will form a plan to address the Corrective Actions identified by IANZ and the Baseline Review findings and recommendations.

The agreed steps to achieve the key area of focus are set out in the Appendix. These steps may be added to or changed from time to time as considered appropriate by MBIE and CCC.

Role of the MBIE team and authority to act

The role of the MBIE team is to:

- Provide business improvement advice and expertise on building consent authority performance matters to council's senior management and BCA staff
- Implement changes in relation to the design and operation of building consent authority systems, processes and practices, including supportive administrative processes
- Report progress to MBIE and CCC senior and executive management

CCC will ensure that the MBIE team will have all necessary authority to carry out the above and implement appropriate process changes.

The MBIE team will not be responsible for making decisions on individual building consents.

Role of the CCC

The CCC will provide relevant information, and make available and accessible the resource required. There is an expectation that there will be a high degree of collegiality.

CCC will retain all statutory and operational decision making responsibility. These terms of reference do not affect CCC consenting and contracting powers.

Outputs

The team will develop a report for the Chief Executive and Mayor of CCC, the Ministers for Canterbury Earthquake Recovery and Building & Construction and senior management at MBIE and CERA reporting on CCC's current progress and identifying medium term activities required in order to successfully implement the key areas of focus detailed on the previous page.

Key personnel

The team will be led by Peter Sparrow, Manager Consent System Capability at MBIE with team members drawn from within MBIE and external consultants with expertise in building controls, business improvement, and local government. Team members include:

1. Gary Higham, MBIE
2. Steve Garner, Consultant
3. Henry Dowler, Consultant
4. Rob Tierney, Consultant
5. Chris Astbury, Auckland Council

Monitoring and reporting

The MBIE team will report to the General Manager Building System Performance at MBIE and CCC Chief Executive.

Status of this Terms of Reference

These terms of reference provide a framework for MBIE and CCC to work together to improve consent processing outcomes. These terms of reference will be reviewed by both parties 5 working days after the date they are agreed to.

Signed by Adrian Regnault

General Manager Building System Performance

Ministry of Business, Innovation and Employment

Signed by Tony Marryatt

Chief Executive

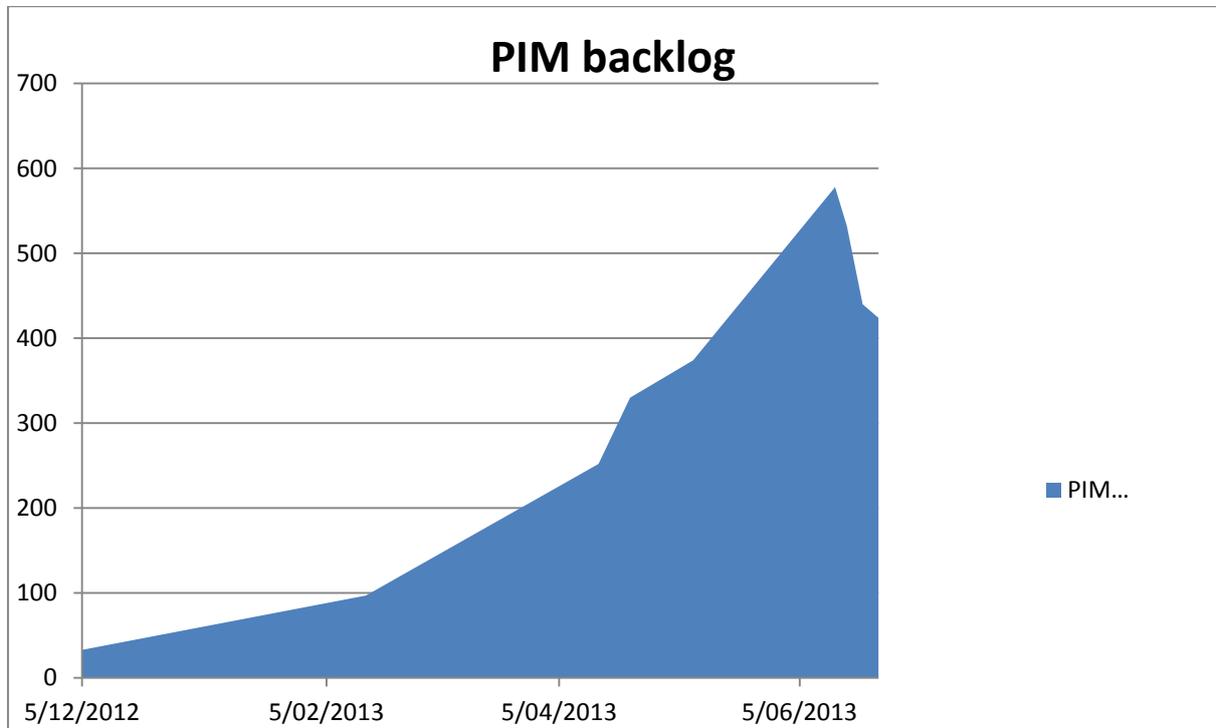
Christchurch City Council

MBIE will work with CCC on the following matters to achieve the key area of focus:

- a. Assisting CCC to increase consent processing capacity by increasing number of other accredited consenting authorities contracted to and working for CCC to process consent applications.
- b. Assisting CCC to negotiate an agreement and establishing the necessary business systems and processes with Selwyn District Council to process most of the building consents for Greenfield new builds, typically undertaken by group home builders.
- c. Ensuring that Schedule 1 exemptions are used to their maximum potential by reviewing CCC's current policies and procedures and proposing streamlining amendments.
- d. Investigating options for and establishing business systems and processes within CCC for greater use of Schedule 1(k) exemptions for low risk building work.
- e. Getting greater uptake within the sector of the use of MBIE's MultiProof approvals for large scale builds of standardised designs (i.e. 700 HNZN houses, Group home builders regular designs etc).
- f. Improving CCC's forecasting and intelligence gathering on consenting activity by developing a system and helping establish relationships to achieve this.
- g. Assisting CCC to actively recruit for additional BCA staff, including support to establish a secondment process with other BCAs around NZ and AUS.
- h. Review and feedback by MBIE on CCC's electronic consent lodgement system and the opportunities for improvement and further development.
- i. Streamlining current administrative processes to avoid administrative delays.
- j. Examination of the pre-lodgement meeting process and identification of opportunities for improvements .
- k. Assessing how to operationalise corrective actions, recommendations and guidance provided in the DBH Baseline Review and IANZ accreditation assessment.
- l. Identification of the required competencies for technical staff.
- m. Identification of the required staff resources, tools and equipment necessary for the next several years of the rebuild.

n. Considering the interface between building consent and resource consent.

Appendix B PIM statistics



Appendix C Consenting Rebuild Monthly Report to Council

INTRODUCTION

The purpose of this report is to provide the Committee with relevant information on the performance of the earthquake related building and resource consents as considered in the report to the Council at its 2 February 2012 meeting. This report only covers activity from 1-24 May 2013 due to the transition from current technology to new technology (Connect) on 27 May 2013.

PRE-APPLICATION MEETINGS

The number of building related pre-application meetings increased to 55 in May compared to 29 in April 2013.

BUILDING CONSENTS

There were 18 working days from 1-24 May 2013 with 830 building applications received = 46 per day. In April there was 20 working days with 712 building applications received = 35.6 per day.

The jump in May consents granted (713 vs 608 in April) is testament to how our response to being inundated with applications is working. We continue to see a significant increase in building consent applications maintaining the current strain on resources and processing times. Recruitment for building officials is ongoing and we are working closely with the Ministry of Business, Innovation and Employment (MBIE) to explore further initiatives for processing services within New Zealand and also in Australia.

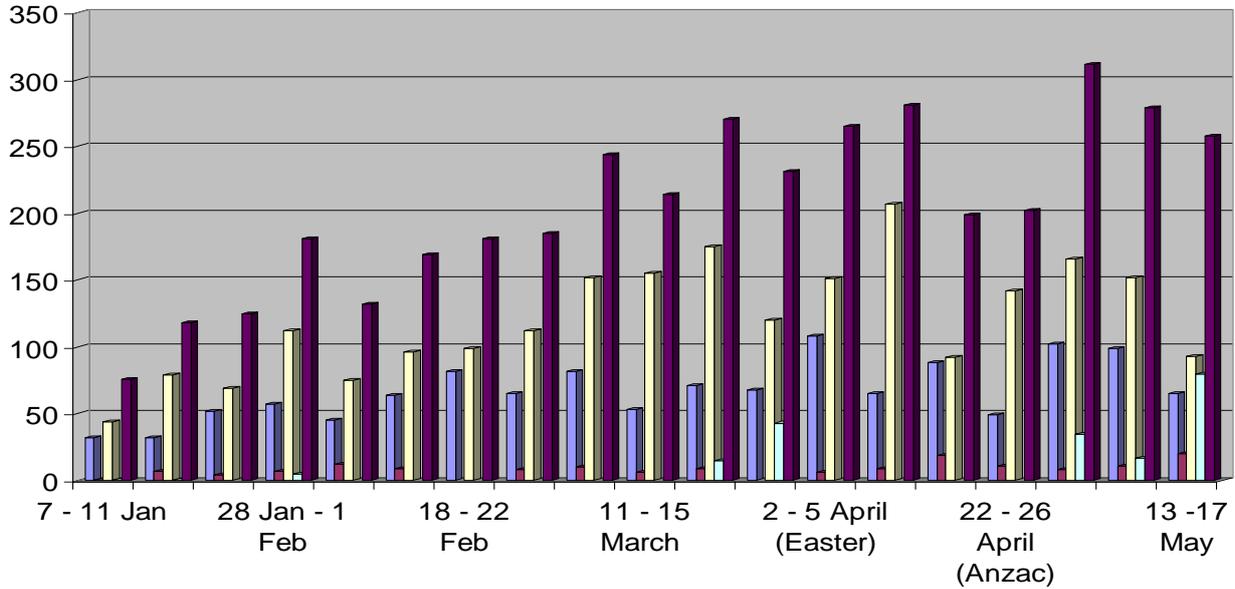
New technology (Connect) was successfully implemented on Monday, 27 May across the building consent teams and we will report on its impact in more detail next month.

We are monitoring the number of consents issued but with no inspections booked yet. We anticipate that this work will flow through to the building inspections team within the next few months which will impact on resources. As above, recruitment is ongoing for additional building officials in order to meet these anticipated demands.

- For the 421 consents granted in March, 175 (42%) haven't had an inspection yet (this includes 31 new dwellings).
- Of the 623 consents granted in April, 300 (48%) have not had an inspection (this includes 32 new dwellings).
- Of the 713 consents granted in May, 578 (81%) have not had an inspection (this includes 97 new dwellings).

The following graph gives an overview of the increase in weekly building consent applications during the period 7 January to 17 May 2013.

Weekly Building Consent Applications Received from 7/1/13 to 17/5/13



■ Consents Build Express ■ SFH's Build Express ■ Consents Connect/ Hard Copy ■ SFH's Connect/ Hard Copy ■ Total per week received

BUILDING INSPECTIONS

2379 building inspections were completed from 1-24 May 2013 with 100% of these inspections completed within three working days from being booked.

The building inspections area is also under intense pressure and we endeavour to maintain 100% inspections within three working days. Applications for Solid Fuel Heaters (SFH) continue to increase and to counter this we have recently appointed a Solid Fuel Heater Inspector to meet current demand. Another Solid Fuel Heater Inspector is also being sought. This role will not only conduct on site inspections for Solid Fuel Heaters but will also be responsible for issuing a code compliance certificate once all documentation is received and requirements are met. This will provide a more streamlined process resulting in reduced processing times.

CODE COMPLIANCE

247 code compliance certificates were issued in May 2013.

CERTIFICATE OF ACCEPTANCE (COA) AND BUILDING CONSENT EXEMPTIONS

8 COA applications were resolved in May 2013. There remain 147 still outstanding including 81 current, 68 awaiting further information and 8 new applications received.

Processing of these applications is a long and detailed matter requiring many hours of customer contact often with engineers involved. For these reasons the time taken can be very lengthy.

There were 36 building consent exemption applications received in May and 50 remain current as at the end of May.

CERTIFICATE FOR PUBLIC USE (CPU)

14 certificates for public use were issued in May 2013 and 13 new applications were received.

CUSTOMER SATISFACTION SURVEY

In our routine monthly customer satisfaction survey for the period 1 to 20 May 2013 there was an overall **76%** customer satisfaction with the building consent service. Results from this survey are below:

1. How effective do you find the Pre-application meeting process prior to applying for consent?

	% Response	Response Count
Extremely effective	12.8%	12
Very effective	16.0%	15
Moderately effective	10.6%	10
Slightly effective	4.3%	4
Not at all effective	4.3%	4
Service not used	52.1%	49

Positive	37	Answered Question	94
Negative	8	Skipped Question	6
Positive Result	82%		

2. How convenient is the electronic consent service we provide?

	% Response	Response Count
Extremely convenient	33%	32
Very convenient	24.7%	24
Moderately convenient	17.5%	17
Slightly convenient	5.2%	5
Not at all convenient	6.2%	6
Service not used	13.4%	13

Positive	73	Answered Question	97
Negative	11	Skipped Question	3
Positive Result	82%		

3. Compared to other Councils you have dealt with is the quality of service we offer within the Consent, Inspection and Code Compliance process better, worse, or about the same?

	% Response	Response Count
Much better	8.0%	7
Somewhat better	20.7%	18
Slightly better	13.8%	12
About the same	33.3%	29
Slightly worse	5.7%	5
Somewhat worse	10.3%	9
Much worse	8%	7

Positive	66	Answered Question	87
Negative	21	Skipped Question	13
Positive Result	75%		

4. Compared to other Councils you have dealt with, is the cost of your consent more reasonable, less reasonable, or about the same?

	% Response	Response Count
Much more reasonable	3.9%	3
Somewhat more reasonable	1.3%	1
Slightly more reasonable	2.6%	2
About as reasonable	50.0%	38
Slightly less reasonable	14.5%	11
Somewhat less reasonable	13.2%	10
Much less reasonable	14.5%	11

Positive	44	Answered Question	76
Negative	32	Skipped Question	24
Positive Result	57%		

5. When we ask for further information during the consent process is it easy to understand the request and why the information is required?

	% Response	Response Count
Extremely easy	10.8%	10
Very easy	25.8%	24
Moderately easy	38.7%	36
Slightly easy	10.8%	10
Not at all easy	14.0%	13

Positive 70 **Answered Question** 93
Negative 23 **Skipped Question** 7
Positive Result 75%

6. Overall, are you satisfied with the service provided to you by the Christchurch City Council staff you have dealt with in relation to this consent?

	% Response	Response Count
Extremely satisfied	32.6%	31
Moderately satisfied	23.2%	22
Slightly satisfied	10.5%	10
Neither satisfied or dissatisfied	14.7%	14
Slightly dissatisfied	5.3%	5
Moderately dissatisfied	4.2%	4
Extremely dissatisfied	9.5%	9

Positive	77	Answered Question	95
Negative	18	Skipped Question	5
Positive Result	81 %		

CUSTOMER COMMUNICATIONS

During May, the focus of communications has changed slightly to reflect the fact that we are receiving record numbers of consents and that this is a challenge. Supplementary messages are that that the Council is here to give the Go Ahead, to come to us early and general hints and tips on completing consent applications fully.

Advertising and articles ran through the month of May to increase awareness about the scale of the rebuild and to also build general public awareness about the role of the Council and the value of the consenting process.

- Advertising on realestate.co.nz and rebuildchristchurch.co.nz.
- Advertising in The Star, Metropol and Build & Renovate Today.
- A billboard on the corner of Opawa Rd and Brougham St.
- An article in the 'Our Christchurch' page of The Press, 27 April - *Record numbers of residential consents.*
- An article in The Star's 'Your Rebuild' tabloid, 6 May - *Ethan Stetson introduces the topic of record residential consents.*
- An article in Metropol's 'Canterbury Rebuild', 7 May - *No compromise on quality with record consent applications.*

The Go Ahead newsletter was distributed on 16 May 2013 to 466 email addresses and 252 postal addresses. The email was opened by 50% of recipients (10% more than e-newsletter average). The newsletter included stories on:

- Record number of building consent applications
- Take a closer look - the current situation
- How we are dealing with the record numbers
- Understanding our pre-acceptance application checks.

Representatives from the Council continue to engage with the building industry as below:

- *New Zealand Institute of Architects (NZIA):* 17 May. Ethan Stetson and Andre Winkelman presented to over 25 local architects, covering a range of issues including an update on current consent volumes and methods for managing this, the pending introduction of Connect, the recently completed Engineering Services Review, and RFI refusals.
Certified Builders Association of New Zealand: 30 May - Aaron Haymes met with Graeme White, the South Island Membership Development Manager, to discuss ongoing options for the Council providing updates and presenting to the Association's members. This meeting followed on from the presentation Aaron gave to the Regional Branch meeting on 17 April 2013.

RESOURCE CONSENTS

The number of applications granted in May climbed from 148 to 173 (16% increase). This continues a trend of fluctuating numbers with an overall increase in consenting related activity. Going forward we expect to see this trend to continue (fluctuation in numbers but an overall increasing trend upwards in consenting activity).

In May, the team continued to produce excellent results. 98% of applications were processed within statutory timeframes with only three applications going over time. In relation to Requests for Information (RFIs) over 87% of RFIs were issued in the first 10 working days. This too was a very good effort.

15 applications were issued in May for the Central City area; this is an increase from 12 in April.

Temporary accommodation application numbers increased to 17 from 15 in May.

While we continue to strive for 100% of applications processed within statutory timeframes, overall the results continue to be very good. The challenge for us is to improve and maintain these good results in an environment where workloads continue to increase. We continue to proactively explore and implement process improvements so that we continue to be well positioned going forward.

While inherently resource consents can receive mixed feedback being a regulatory process, we are however receiving mostly positive feedback about the process and service provided. The Committee will recall a number of positive comments (close to 100% positive) received from the customer surveys included in a previous report. The verbatim comment below is another example of positive feedback received from a major developer.

“With the issue this morning of 2C2 titles, I want to offer my thanks to you and the planning staff for all your hard work. It shows that working as part of a team with sound communication, judgement and trust can really get things done. I fully recognise the extra hours you have put in over the last few weeks to get us to this point as well as the extraordinary effort from the likes of Keith and David amongst others.”

NUMERICS

BUILDING CONSENTS

All Consents

Month	Building Applications Received	Building Consents Granted	Building Consent Value Granted
March	690	452	\$103,467,550
April	712	608	\$125,097,630
May 1-24	830	713	\$109,873,989

Building Consents – Requests for Information (RFI)

Month	Build Granted	No RFI Required	RFI 5 days or less	RFI after 5 days	RFI after 20 days or more
March	452	66 15%	288 63%	98 22%	6 1 %
April	608	61 10%	456 75%	91 15%	10 2%
May 1-24	713	84 12%	507 71%	122 17%	13 2%

Non-Earthquake Related Building Consents

Month	Type	Building Consents Granted	Granted in ≤20 days	Granted in >20 days
March	All	250	226 90%	24 10%
	Residential	176	161 91%	15 9%
	Commercial	74	65 88%	9 12%
April	All	385	317 82%	68 18%
	Residential	313	262 84%	51 16%
	Commercial	72	55 76%	17 24%
May 1-24	All	523	449 85%	74 14%
	Residential	481	418 87%	63 13%
	Commercial	42	31 74%	11 26%

85% granted within 20 working days

Earthquake Related Building Consents

Month	Type	Building Consents Granted	Granted in ≤20 days	Granted in >20 days	
March	All	202	184 91%	18 9%	54% granted within 20 working days
	Residential	158	142 90%	16 10%	
	Commercial	44	42 95%	2 5%	
April	All	223	163 73%	60 27%	
	Residential	186	133 72%	53 28%	
	Commercial	37	30 81%	7 19%	
May 1-24	All	190	104 54%	86 45%	
	Residential	161	87 54%	74 46%	
	Commercial	29	17 59%	12 41%	

Building Consents Received per TC Zone

Month	Type	TC1	% of New Builds	TC2	% of New Builds	TC3	% of New Builds
March	Residential	74	39%	239	23%	92	24%
	Commercial	5	0%	12	0%	8	0%
April	Residential	105	30%	282	18%	82	28%
	Commercial	7	0%	19	0%	7	0%
May 1-24	Residential	99	32%	337	12%	120	14%
	Commercial	1	0%	11	0%	0	0%

Building Consents Granted per TC Land Zone

Month	Type	TC1	% of New Builds vs repairs	TC2	% of New Builds vs repairs	TC3	% of New Builds vs repairs
March	Residential	30	43%	164	26%	42	36%
	Commercial	2	0%	11	0%	2	0%
April	Residential	61	34%	229	25%	64	33%
	Commercial	1	0%	13	0%	3	0%
May 1-24	Residential	101	22%	300	13%	85	12%
	Commercial	2	0%	7	0%	4	0%

Building Consents Pre-application/Concept Stage Meetings

Month	Total Consents Received	Meetings Booked
March	690	46
April	712	29
May	830	55

The activity of pre-application meetings has increased.

All Building Inspections

Month	Inspections Booked and Achieved	EQ Inspections Booked and Achieved	Target	% Achievement
March	2734	103	3 w/days	All inspections 100% achieved within 3 days
April	2763	408	3 w/days	All inspections 100% achieved within 3 days
May 1-24	2379	389	3 w/days	All inspections 100% achieved within 3 days

Code Compliance Certificates Issued

Month	Target	CCC All Types Granted	EQ CCC Applications Granted	EQ CCC Applications Processed within 20 working days	CCC % Achievement for all
March	20 /wd	290	53	47 89%	78%
April	20 / wd	314	55	51 93%	95%
May 1-24	20 / wd	247	81	75 93%	80%

There are limitations in the processing system for Code Compliance Certificates. Tracking of time is not enabled and will not be until we have the new software installed. The 20 day target is checked on a random sample basis (40).

Building Consents: Results by values and total elapsed time

Description	Performance Standard <i>excluding</i> Suspension time		Performance standard <i>including</i> suspension time	Number of Consents	Total Value of Consents
Consents where proposed building work is less than \$150,000 (GST inclusive)	Time not to exceed 5 working days		Time not to exceed 15 working days		
	Mar	Average is 16 working days	Average is 34 working days	205	\$7,664,884
	Apr	Average is 16 working days	Average is 24 working days	327	\$8,779,342
	May	Average is 13 working days	Average is 21 working days	646	\$10,553,977
Consents where proposed building work value is \$150,000 or greater, but less than \$500,00 (GST inclusive)	Time not to exceed 10 working days		Time not to exceed 20 working days		
	Mar	Average is 17 working days	Average is 41 working days	112	\$31,646,065
	Apr	Average is 20 working days	Average is 38 working days	146	\$41,169,151
	May	Average is 22 working days	Average is 46 working days	119	\$33,141,083
Consents where proposed building work value is \$500,000 or greater, but less than \$1,000,000 (GST inclusive)	Time not to exceed 15 working days		Time not to exceed 25 working days		
	Mar	Average is 18 working days	Average is 47 working days	33	\$22,880,550
	Apr	Average is 19 working days	Average is 44 working days	22	\$15,327,143
	May	Average is 22 working days	Average is 55 working days	42	\$26,527,116
Consents where proposed building work value is greater than \$1,000,000 (GST inclusive)	Time not to exceed 20 working days		Time not to exceed 35 working days		
	Mar	Average is 18 working days	Average is 40 working days	15	\$34,027,700
	Apr	Average is 20 working days	Average is 47 working days	18	\$59,822,000
	May	Average is 18 working days	Average is 54 working days	17	\$5,450,018

RESOURCE CONSENTS

Month	RMA applications received	RMA applications granted (includes temporary accommodation applications)
March	229	186
April	206	164
May 1-24	232	192

Resource consent pre-application/concept stage meetings

Month	Total applications received	Meetings booked
March	229	85
April	206	70
May 1-24	232	96

Resource consents (all consents)

Month	Applications issued	No RFI required	RFI 0-9 working days	RFI 10 working days and after	RFI Over 20 working days	Processed within 20 working days
March	167	119	34	14	0	164 (98%)
April	148	94	37	17	0	147 (99%)
May	173	110	40	23	0	170 (98%)

Month	Type of Consent	Applications with no RFI required %	RFI 0-9 working days	RFI ≥10 working days	Total
March	Land use consents	68%	23%	9%	100%
	Subdivision consents	100%	0%	0%	100%
April	Land use consents	62%	25%	13%	100%
	Subdivision consents	80%	20%	0%	100%
May	Land use consents	63%	23%	14%	100%
	Subdivision consents	68%	24%	8%	100%

Total elapsed days (working days) – May							
	0-5	6-10	11-20	21-30	31-50	51-100	100+
Land use	9	27	44	26	21	15	6
Subdivision	0	6	9	2	3	3	2
Total (128)	9	33	53	28	24	18	8

Percentage	5%	19%	31%	16%	14%	10%	5%
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Temporary accommodation approvals

- There were 17 temporary accommodation approvals in May. Below is a list of the approvals. Please note that only 15 are included below. There are still 2 to be update in the temporary accommodation table which are not included in this list.

Displaced businesses

Business Name	Old Address	New Zoning	New Address	Activity Type
Wilkinsons English Language School	22 Kilmarnock Street	Living 3	147 Hereford Street/24 Mona Vale Ave	Education
Balance Accounting	214 Papanui Road	Living 2	11 Longley Place	Office
Downer NZ Ltd	16 Grafton Street	Business 3B		Workers Facilities
Lake Terrace Preschool	255 New Brighton Road	Cultural 3	30 Lake Terrace Road	Preschool
Christchurch City Council	36 Welles Street	CC Mixed Use	71 Lichfied St	Carpark
Kidsfirst Kindergarten	53 Kendal Ave	Cultural 3	55 Kendal Ave	Kindergarten

Depots

Activity types	Business name	Address	Zoning
Storage Facility	Downer	443 Madras St	Living 3
Packaging	Alto Packaging	67 Waltham Road	Business 4
Depot	McConnell Dowell Constructions Ltd	870 Avonside Drive	living 1
Site office	Downer NZ	188 Rocking Horse Road	Living 1
Site office & depot	McConnell Dowell Constructions Ltd	4 & 6 Goodman Street	Living 1
Depot & storage facility	Nikau Contractors Ltd	320A Cumnor Terrace	Business 4
Site office and storage facility	Downer NZ	47 Clissold St	Living 3

Depot & storage facility	Downer NZ	20 Pavitt Street	Living 3
Depot & storage facility	McConnell Dowell Constructions Ltd	77 Medway Street	Living 1

RMA discount requirements for applications exceeding statutory timeframes

- Three applications exceeded the statutory timeframe in May. Two exceeded the timeframe due to administrative errors and the applications not being forwarded to the resource consents team following application fees being paid. The third went over due to ongoing discussions around design changes to a multi unit residential development. A total amount of \$339.00 was discounted in May for those applications under the RMA discount policy.

Central City resource consents approved

15 out of 173 applications approved in May were within the Central City area.

Appendix D: Summary overview of external consent processing capacity

Consents issued to outsourced vendors per week											Comment
	Target	current	21-Jun	28-Jun	5-Jul	12-Jul	19-Jul	26-Jul	2-Aug		
PBC	35	15	15	15	25	25	25	25	35		15 to 25 confirmed
Hastings	15	15	15	15	15	15	15	15	15		15 confirmed
Porirua	15	1	8	15	15	15	15	15	15		15 confirmed
Compass	35	0	0	0	10	10	25	25	25		build up to 25 confirmed, start 1 July
Auckland	0	0	0	5	5	5	10	15	20		contract to be confirmed, up to 20
Invercargill	20	0	20	0	0	5	5	5	5		contract to be confirmed
Thames	?										contract in discussion
Selwyn	?										approach in discussion
Total	120	31	58	50	70	75	95	100	115		consents out will triple in next month
Per day		6	12	10	14	15	19	20	23		

Total Consents in Outsourced Vendors Management											
(active/hold assuming 4 week ave including hold time)											
PBC			150	155	155	165	175	185	200		
Hastings			60	70	70	70	70	70	70		
Porirua			1	10	15	30	45	60	70		
Compass			0	0	0	10	20	45	70		
Auckland			0	0	5	10	15	20	20		
Invercargill			20	20	15	10	10	15	20		
Thames											
Selwyn											
Total			231	255	260	295	335	395	450		total out will double in next month