

LBP SCHEME UPDATE

Hawkes Bay BOINZ Session



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BUILDING
PRACTITIONERS**
Building confidence

Paul Hobbs
Registrar Building
Practitioner Licensing



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MAY 2017

New Zealand Government

Itinerary

- Today's focus:
 - A quick reminder why we regulate builders and related trades?
 - The NZ building sector
 - Licensing- then, now and looking forward
 - The Board and LBP complaints



About me...



Builder



**Building
Bureaucrat!**





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Why regulate builders and related trades?



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Background/Context

Why the need for occupational licensing?

Acceptance of and appetite for **RISK** changes over time

Recommendation 16

That the BIA in conjunction with the appropriate affected sector groups:

- a) explore the issues involved in advocating the national registration of builders and building related trades, given the contents of this report and concerns expressed about the standards of some trade practices on-site; and
- b) support such advocacy if it is convinced of the benefits to the Industry.

Recommendation 17

That the BIA:

promotes debate on the issues of trade regulation, professional education and builder registration at the proposed executive forum.

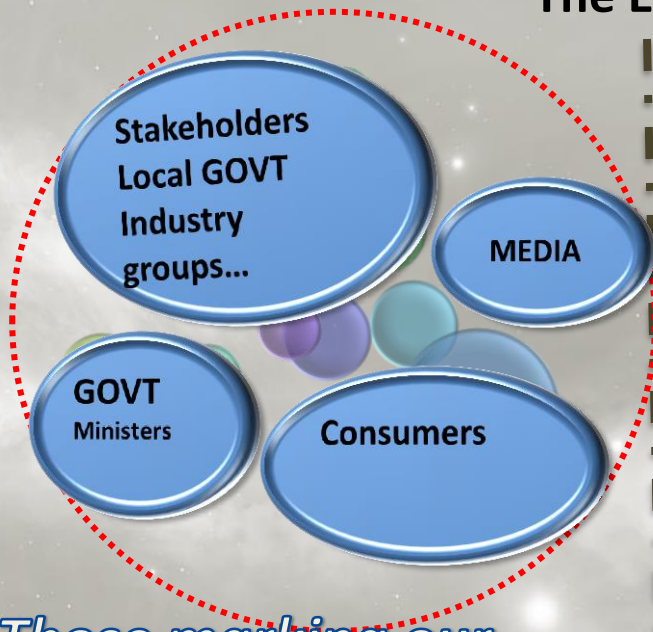


To identify:

1. The nature, extent and effect of the current failure of some buildings to deal with moisture in and through their exterior envelopes.
2. Potential contributing causes such as, but not limited to:
 - a) Inadequacy in the Building Code and Approved Documents
 - b) Inadequate documentation supplied for building consent
 - c) Insufficient checking at building consent, during construction, and at

The LBP universe

"The Exchange"



The Building
Practitioners
Board

The
Registrar
MBIE

The Scheme
25,000+
Individuals

Three key pillars!

*Those marking our
card! Wanting to see
value added both in a
private and public
sense*

LBP competencies-
entry to scheme

LBP complaints and
monitoring functions

LBP skills
maintenance





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The state of the sector

Some context...



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The construction sector is the 5th largest sector in NZ, it:

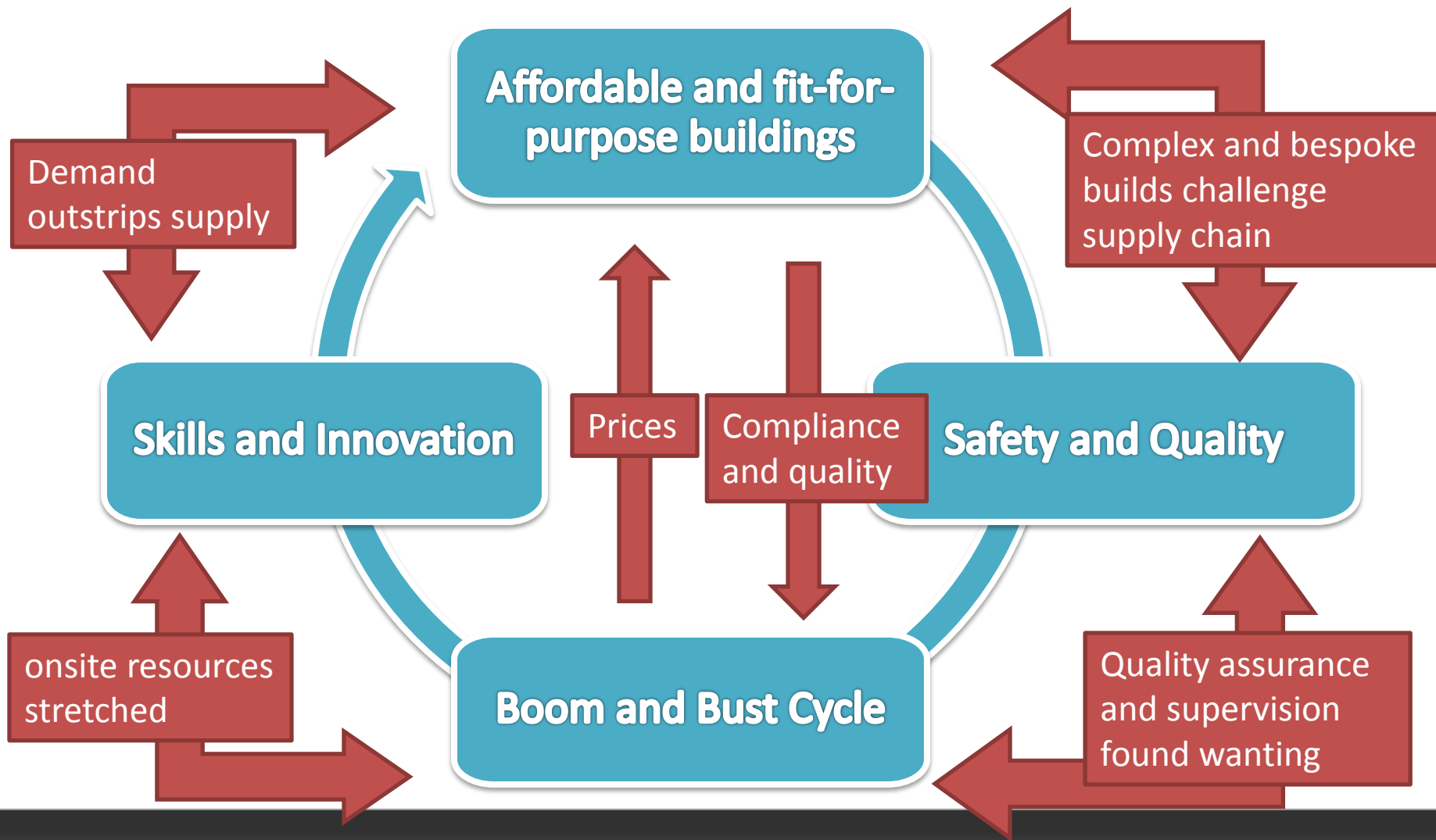
- **employs over 230,000 people or around 10% of the workforce, but only generates around 4% of GDP**
- **operates under a complex regulatory and compliance regime**
- **is currently growing at an unprecedented rate**
- **is failing to supply affordable, fit-for-purpose housing options to market (most evident in Auckland)**
- **has poor productivity and suffers from an influx low skilled or semi-skilled workers in times of high growth, best illustrated here.....**



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Four key “challenges” for the sector





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Licensing- then, now and looking forward



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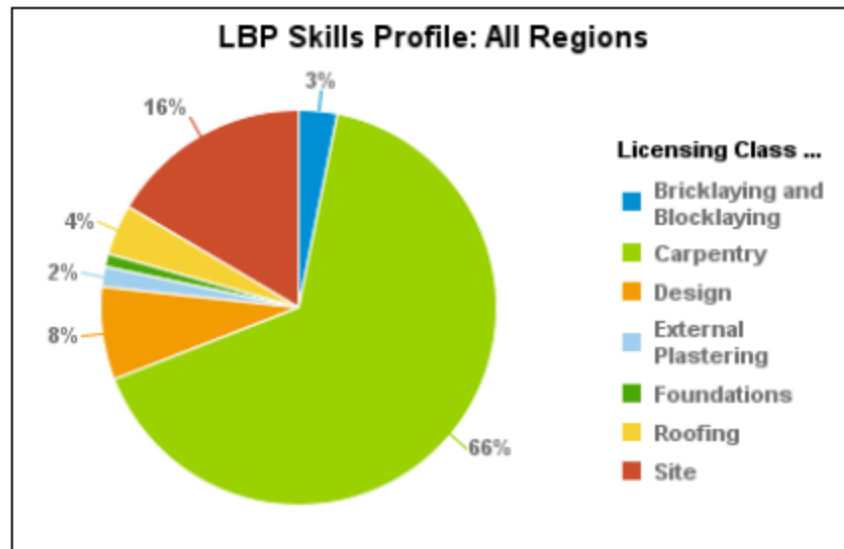
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CURRENT STATE

LBP SKILLS PROFILE

All Regions

License Classes	Licenses
Bricklaying and Blocklaying	961
Carpentry	20,121
Design	2,319
External Plastering	501
Foundations	322
Roofing	1,262
Site	5,033
Sum:	30,519



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A lot of building work
needs licensed people on the job,
right?

Yes, you're right!

If the work affects the structure, weathertightness or fire safety design of your home, it may be restricted building work. You **MUST** use a Licensed Building Practitioner (LBP) for this work.

Go to > building.govt.nz/lbp

- 1 Understand if you need an LBP
- 2 If you do, check they're on the register
- 3 Ask to see their LBP ID card



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**BUILDING
PERFORMANCE**

受限制的建筑工程

Restricted Building Work factsheet - Simplified Chinese

根据法律，在为您的房屋或中、小型公寓房屋做一些修建或翻新工作时，您必须雇用有执照的人

如果该工作影响房屋的结构，或者保护房屋不受恶劣气候的侵袭，那么就可能是属于受限制的建筑工程（restricted building work）。根据法律，您必须雇用被称作“Licensed Building Practitioners (LBPs)”的有执照的专业人士来做这样的工作。这样的例子包括：

- 地基 (foundations)
- 墙 (结构、砖和泥瓦石块) (framing, brick and block)
- 屋顶 (roofs)
- 外部覆面 (exterior claddings)
- 加防潮层 (damp-proofing)
- 加防水层 (water-proofing)
- 防火安全设计 (在中、小型公寓房屋中) (fire safety design in small to medium sized apartment buildings).

有关受限制的建筑工程的法律非常重要。如果您触犯了该法律，您和为您施工的人员可能会被当场罚款，或者面对法庭开出的高达\$20,000的罚款。

受限制的建筑工程必须由一名LBP来做，或者是在其监督指导之下进行。LBPs在获得执照之前都通过了审核，并且他们必须掌握最新的知识才能够更新其执照。他们包括：

- 设计师 (designers)
- 木匠或建筑施工者 (carpenters or builders)
- 屋顶工 (roofers)
- 砌砖工或泥瓦匠 (brick or blocklayers)
- 外部泥水匠 (external plasterers)
- 场地和地基专家 (site and foundation specialists).

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LBP SUPERVISION



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PRACTICE NOTES SUPERVISION

MAY 2017

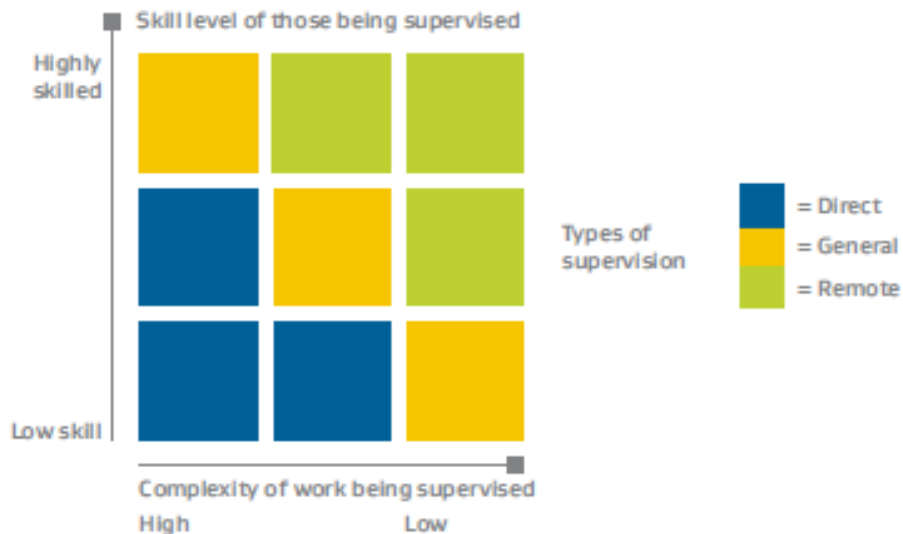


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RISK MATRIX TO ESTABLISH THE CORRECT TYPE OF SUPERVISION

The below diagram provides a risk-based view of how supervision requirements should be assessed by the supervising LBP. In simple terms the figure provides direction on what type of supervision is appropriate once the skills of the individual(s) being supervised and the complexity of the working being undertaken have been assessed.



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LBP skills



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LBP SKILLS



**BRICK &
BLOCK LAYING**



DESIGN



**EXTERNAL
PLASTERING**



CARPENTRY



ROOFING



FOUNDATIONS



SITE



ALL

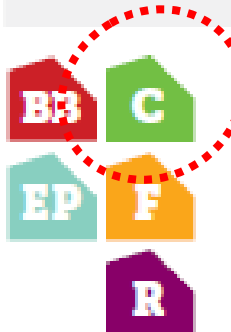
**All classes must complete a
programme of skills maintenance**



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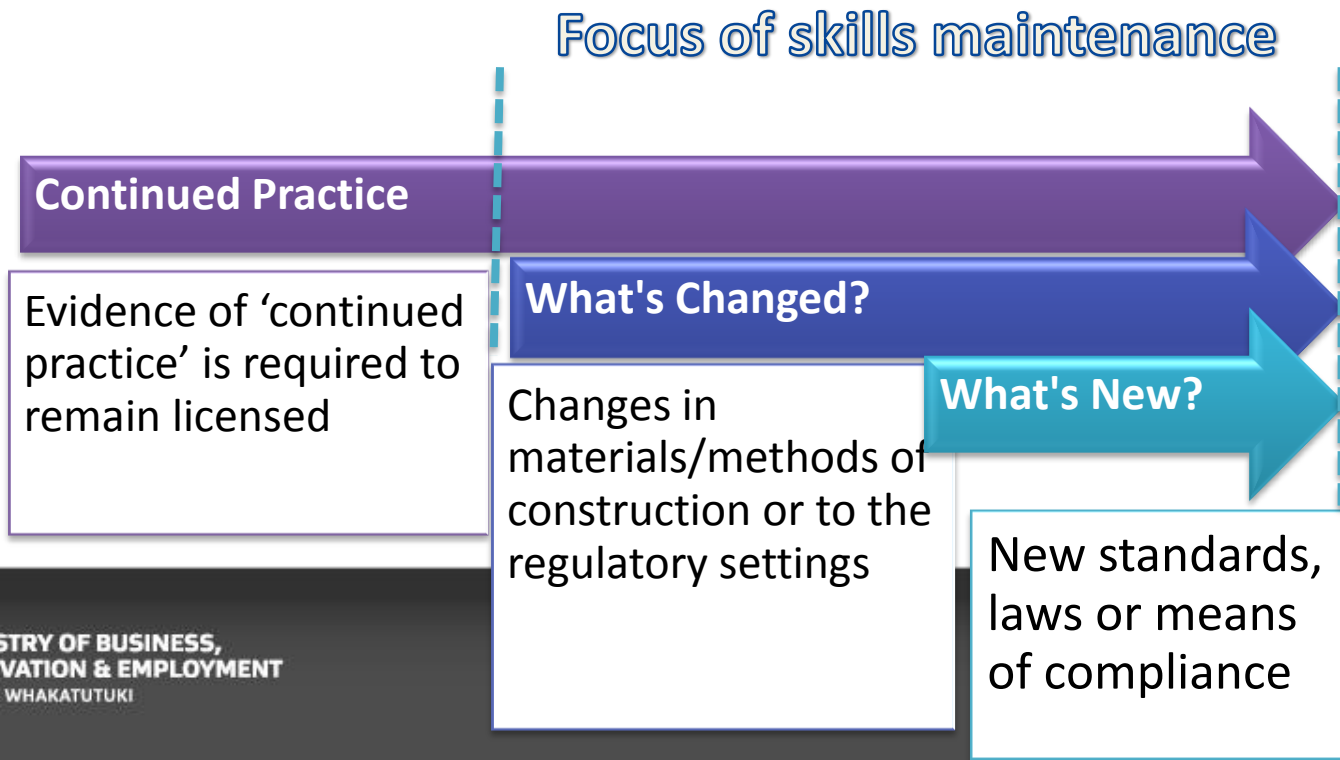
Breakdown of model

LICENCE CLASS		ACTIVITIES YOU MUST DO		PLUS ACTIVITIES YOU CHOOSE
		READ CODEWORDS	ON-THE-JOB LEARNING	POINTS REQUIRED
	Bricklaying & Blocklaying, Carpentry, External Plastering, Foundations and Roofing	Yes	Yes	12
	Design or Site area of practice 1	Yes	Yes	15
	Design or Site area of practice 2 & 3	Yes	Yes	18



Why do skills maintenance?

- The LBP rules require a minimum standard of 'current competence' for continued licensing
- In simple terms it is a question of **what's changed** and **what's new** in respect of your license-class



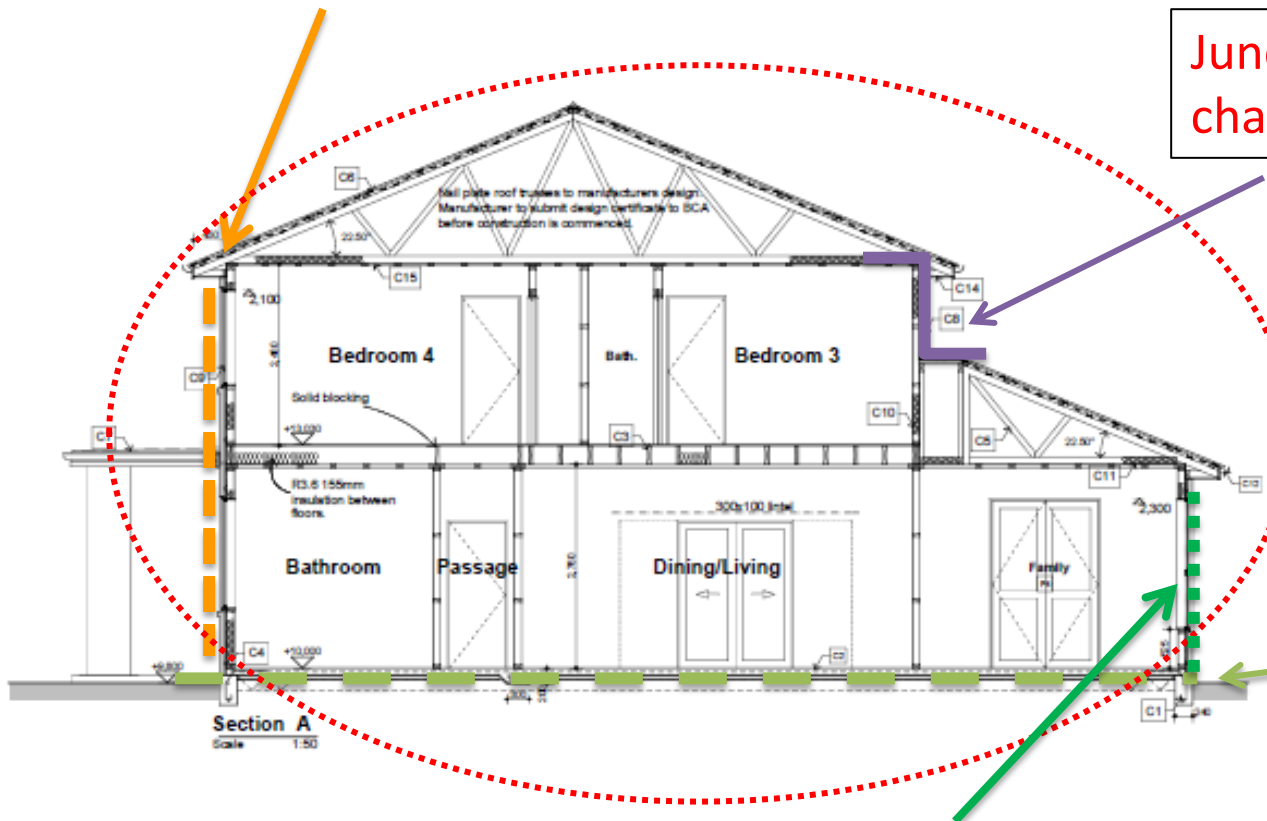
Practical application on-the-job

E2/AS1 amended to account for 'extra high' wind zone

Junction details roof-to-wall changes E2/AS1

NZ adopt a new loading Standard as a means of Compliance AS/NZ1170

New national requirement for 'Type E' mesh B1/AS1 & NZS3604



NZS 4229 Amended
following the Canterbury earthquake sequence



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Complaints and the Board



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The Board

- Statutory Board- members are appointed in accordance with Schedule 3 of the Building Act
- Hears appeals against decisions of the Registrar
- Investigates and hears complaints about the conduct and behaviour of LBPs
- Report to the Minister



LBP Complaints



Initial assessment of complaint by MBIE
then referred to the Board

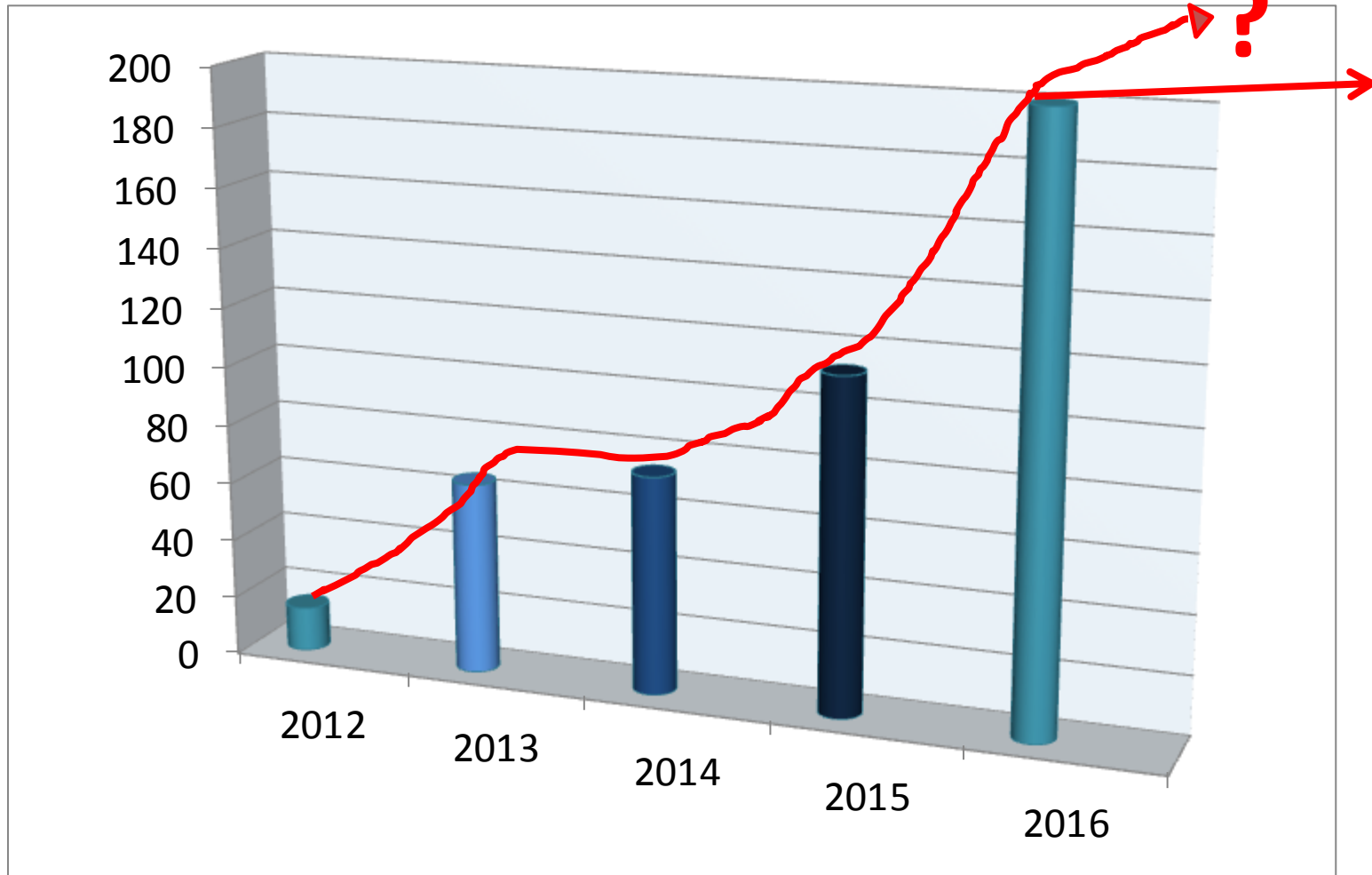


Non-LBP complaints

Assessment, investigation and prosecution by MBIE
No Board involvement



LBP Complaints

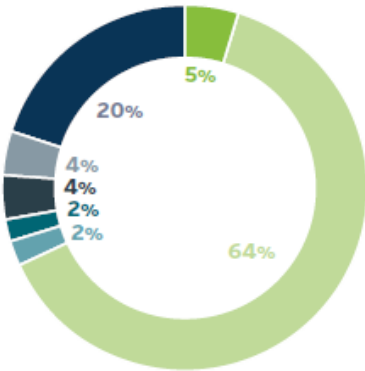


LPBs disciplined by region in the last financial year

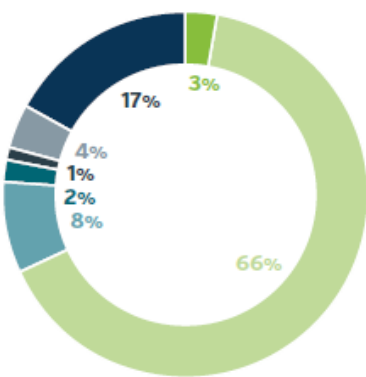
LBPS DISCIPLINED IN 2015/16 – BY REGION

The information below details the regions disciplined

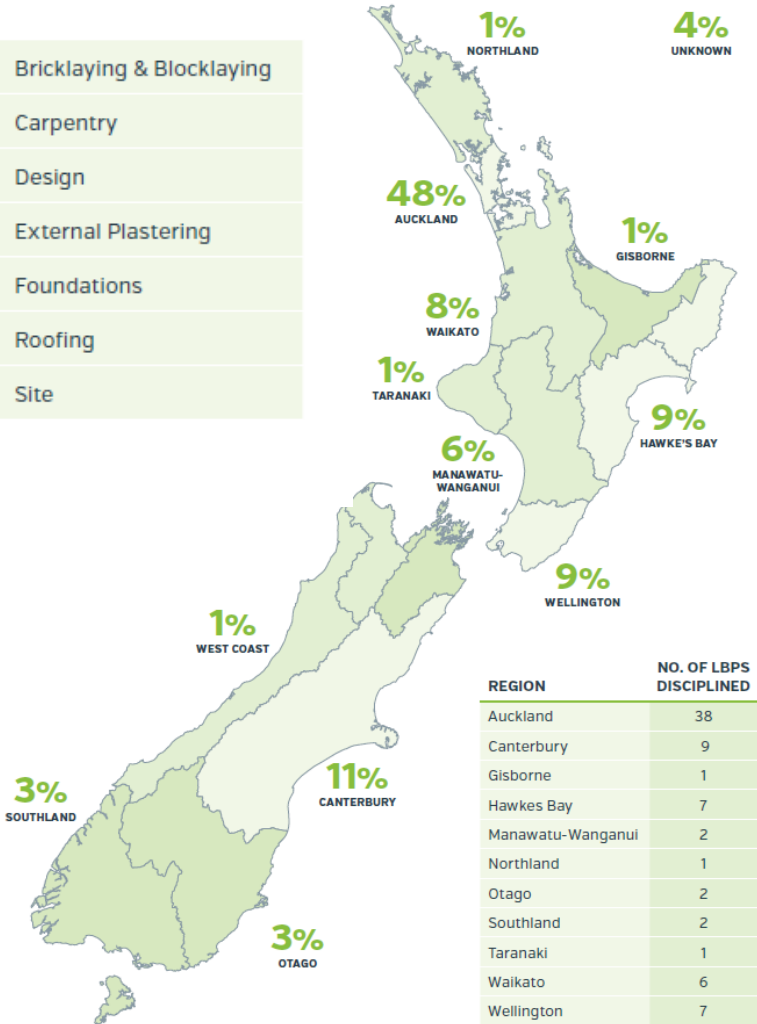
PERCENTAGE OF LBPs DISCIPLINED IN 2015/16



TOTAL PERCENTAGE LBPs IN SCHEME



Note: Some LBPs hold licences in more than one class.



REGION	NO. OF LBPS DISCIPLINED
Auckland	38
Canterbury	9
Gisborne	1
Hawkes Bay	7
Manawatu-Wanganui	2
Northland	1
Otago	2
Southland	2
Taranaki	1
Waikato	6
Wellington	7
West Coast	1
Unknown	3
Total	80



Learnings

**Be intelligence-led, co-produce
move towards qualification-based
entry and implement the new skills
maintenance model**

Failing to provide a record of work once building work is complete,

which is in breach of sections 40 and 317(1)(da)(ii) of the Act. The Ministry and Board has sought to educate practitioners on their obligations, particularly as failure to update the Record of Work can sometimes relate to an administrative oversight as opposed to a premeditated intention to mislead.

Poor understanding and application of site supervision.

On-going education is required so that practitioners properly understand their responsibilities with regard to supervision.

A high number of LBPs did not have a good grasp of the regulatory rules they are required to comply with.

There is also a significant level of misunderstanding with regard to individual responsibility and accountability. This normally comes down to LBPs failing to build in accordance with a building consent, or without a building consent, or an amended building consent, in breach of sections 40, 45A and 317(1)(d) of the Act.

Many complaints highlighted issues with contract administration & communication skills.

A contingent of LBPs are not good 'information seekers'.

There was a tendency to proceed with non-complying work even though there was some level of doubt over compliance with the consented plans and/or the Building Code.





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Enforcement non LBP



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Ministry prosecutes Auckland builder

On: 27 August 2015

An unlicensed North Shore builder has pleaded guilty to a \$3000.

The prosecution against 32 year old Bin Zhang, a former employee of the Ministry of Business, Innovation and Employment's Occupational Licensing Team.

Bin Zhang recently pleaded guilty in the North Shore District Court to carry out or supervise building work or building work.

The Court heard that Bin Zhang had carried out building work as a limited liability company on the Companies Register.

Since 1 March 2012, a building practitioner carrying out building work under the Building Act 2004 and Bin Zhang has never been licensed.

The Court also heard that in late August 2014, Bin Zhang



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Home About MBIE > Whats happening > Media releases > 2017 > Auckland builder prosecuted for falsely claiming to be a licensed building practitioner

Auckland builder prosecuted for falsely claiming to be a licensed building practitioner

On: 1 February 2017

Unlicensed Albany-based builder Blair Cole has been convicted of two charges of falsely claiming to be a licensed building practitioner, resulting in a \$5,000 fine and an order to pay court costs and \$1,296 in reparation.

The case against Mr Cole was brought to the North Shore District Court by the Ministry of Business, Innovation and Employment's Occupational Licensing Team.

"Mr Cole, who trades as Akoranga Construction Limited, ran numerous advertisements in local papers falsely claiming to be a licensed practitioner and displayed the Licensed Building Practitioner (LBP) logo on his business card, despite never holding an LBP license," says Investigations Team Leader Simon Thomas.

"Furthermore, an Orewa homeowner responded to one of these print advertisements, engaging Mr Cole to replace a number of piles under the deck of her house. Mr Cole undertook this work, continuing the guise of a licensed builder. The homeowner paid Mr Cole for the job, which remains unfinished."

It is an offence under the Building Act 2004 for a person to claim to be licensed to carry out or supervise restricted building work, while not being licensed.

Mr Cole pleaded guilty to both charges, was fined \$5,000, and ordered to pay court fees and \$1,296.02 in reparation to the homeowner for the unfinished work on her Orewa home.

"This prosecution sends a clear message to the building industry that claiming to be a licensed building practitioner without actually holding such a license is illegal. Where MBIE has evidence of this occurring, offenders can expect to be prosecuted accordingly," Mr Thomas says.

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A few examples of poor work!



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**Sometimes it is harder to build it
wrong than it is to build it right!**



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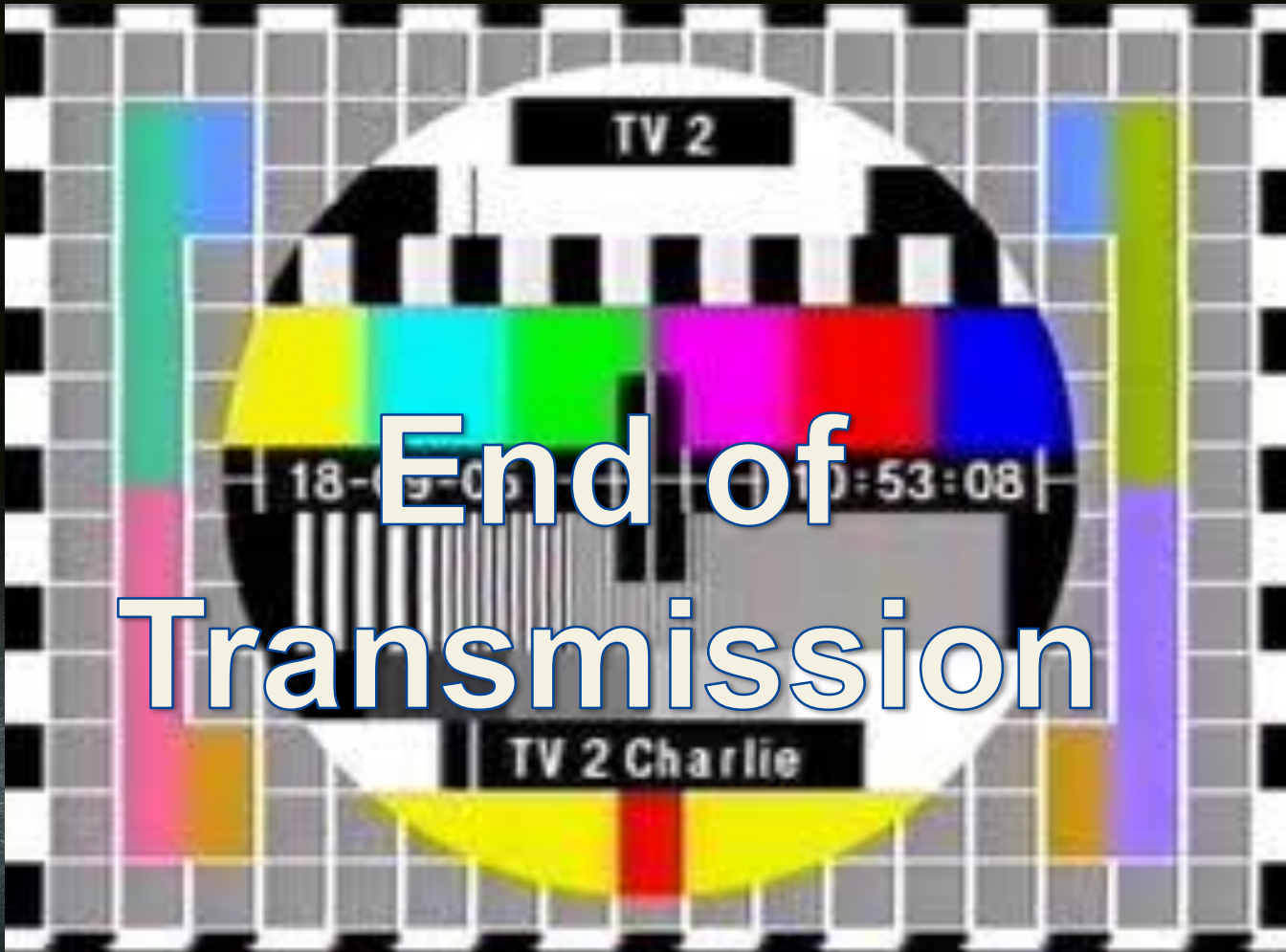


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Questions?



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