



28 November 2024

Consultation: Remote inspections
Building System Performance
Building, Resources and Markets
Ministry of Business, Innovation and Employment
building@mbie.govt.nz

To whom it may concern,

Consultation on increasing the use of remote inspections in the building consent process

LGNZ thanks the Ministry of Business, Innovation and Employment (MBIE) for the opportunity to submit on this consultation.

The extent of the housing crisis, and the multiple factors responsible for it, warrant a comprehensive approach by the Government to ensure all New Zealanders are able to access high-quality housing.

LGNZ supports efforts to make the issuing of consents more efficient, as a means to getting more houses built and making the best use of the resources of Building Consent Authorities (BCAs). At the same time, the issuing of consents must be robust and result in high-quality housing stock that meets the needs of New Zealanders.

Councils play a key role in the construction of new homes and buildings

In the year to December 2023, over 37,000 new dwellings were consented in New Zealand, the vast majority by councils in their capacity as BCAs. While performance varies between councils, and can fluctuate depending on the level of construction activity occurring at any given time, overall councils are playing a crucial role in building the new housing the country needs.

While delays in acquiring consents can be frustrating, it is important to consider this in the context of the total investment in a new development and the importance of ensuring that our housing stock is built to last. Issues with “leaky homes” show the devastating impact that relaxing checks and balances can have, if not done judiciously. On the other side of the coin, the enduring quality and utility of the homes mass built in the 1930s, 40s, and 50s show the value of getting things right first time.

Clearly, however, in some cases it is taking far too long to get houses built.

Greater use of remote inspections could be beneficial, but BCAs need to remain in control

Many councils already have experience using remote inspections, though this may have peaked during COVID restrictions, with use tailing off as these restrictions were gradually phased out.

How much benefit councils can derive from greater uptake, and how much risk is generated, will depend on a range of variables. These include the geographic area a council covers, factors like congestion



(which influences the ease by which inspectors can get to and from building sites), and the types of dwellings generally being built in the localities.

Because of this, LGNZ does not support a blanket move towards the default use of remote building inspections. Instead, LGNZ supports “option 2” in the consultation document, which would require all councils to have the systems and processes in place necessary to enable remote inspections. We do not support “option 3”, which would mandate remote inspections as the default option. The final decision on whether an in-person or remote inspection is most appropriate should rest with councils, who can draw on their deep understanding of local operators and conditions.

Councils could use greater access to remote inspections, and the additional flexibility that this offers, as an incentive to contractors who consistently undertake high quality work. One council told us they intend to work remote inspections into their partnership initiative, which rewards practitioners with a good track record with a more streamlined process for obtaining consents.

Choosing option 2 also recognises the wide range of views amongst and within BCAs as to the suitability of remote inspections.

We also heard that remote inspections were a useful tool for training new inspectors, as this provided a more controlled environment for new staff and better enabled oversight of their actions. This may assist with efforts to recruit and retain inspectors, which is important for enabling the amount of construction activity necessary to overcome the deficit of high-quality housing in New Zealand.

A number of issues will need to be addressed in order to make remote inspections a success

Without proper systems and training in place, there is a risk that a move towards more remote inspections will impact building standards and have a serious impact on the quality of our housing stock.

Members told us the importance of ensuring that both their own staff and contractors are well-versed in the systems and platforms that will be required when remote inspections are conducted.

Expectations of builders will need to be made clear to ensure they act both in good faith and in accordance with the law when inspections are conducted, and are aware of the consequences if they fail to do so. LGNZ supports the proposal to introduce a new offence for deceptive behaviour during a remote inspection.

Some smaller BCAs may struggle with the costs of moving towards greater use of remote inspections. Consideration may need to be given to providing financial support to assist with this transition.

Wider system reforms are still crucial, but need to be staged

Greater uptake of remote inspections on its own will be insufficient to address the issues in the building and construction space. We note that the Minister for Building and Construction has outlined a comprehensive programme for reform in this area, and welcome the collaborative and open-minded approach that both he and officials have taken so far with local government.

Some BCAs may be reluctant to embrace reforms such as remote inspections, which could be perceived as increasing risk, before action has been taken to address the role of councils as “last man standing” under the system of joint and several liability. We note the Government has committed to looking at the



issue, and we would urge that this be done promptly so as not to undermine the effectiveness of other changes currently being worked through.

While there is a case for wider reform, we note the programme outlined by the Minister is significant and will require significant work on the part of BCAs to implement. We encourage the Government to work closely with the sector to ensure reforms are staged in a way that is manageable and does not unduly impact on the day-to-day work of BCAs.

LGNZ thanks MBIE again for the opportunity to submit on this consultation. For further information or if we can be of any assistance, please contact William Blackler, Senior Policy Advisor, at William.blackler@lgnz.co.nz.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'SB', written over a light blue horizontal line.

Sam Broughton
President
Local Government New Zealand