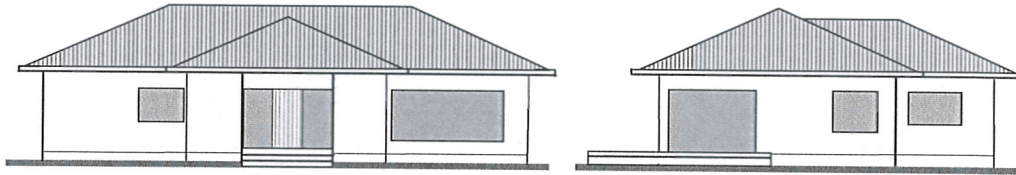




Before and after licensing

Building consent processes for a standard house before and after full implementation of licensing of building practitioners



Features

- Low weathertight risk
- Simple design and construction
- Typical of 45 percent of residential houses built in past 6 years (11,250 houses and \$2b market per annum)

Consenting processes

Without licensing	With licensing fully implemented
<ul style="list-style-type: none"> • Little differentiation between high/low risk work, creating unnecessarily high regulatory costs • Detailed plans and supporting information • 2-6 weeks to issue consent • 12-15 inspections at 2-5 days' notice and \$100 per hour for each inspection 	<ul style="list-style-type: none"> • Risk-based approach, reflecting risk of work and competency of tradesperson • Plans better aligned to risk and less supporting information; simple designs fast-tracked; greater confidence in tradespeople • Fewer inspections; inspections aligned to complexity, risk and competency of tradesperson • 4 critical inspection points – foundations, plumbing/drainage, pre-lining and final • Lower consent fees due to fewer inspections, faster consenting
<p>Results</p> <ul style="list-style-type: none"> • Multiple inspections add up to 4 weeks to building time • \$2500 per week additional finance/holding costs • Loss of productivity if workers unable to be re-deployed during inspection-related hold-ups 	<p>Results</p> <ul style="list-style-type: none"> • Building time cut by up to 4 weeks • \$2500 per week savings in finance/holding costs (\$112m pa) • Greater productivity from fewer delays and more certainty of completion date