Monday, 13 November 2006

SUBMISSION TO COUNCILS and TERRITORIAL AUTHORITIES

Team Leaders charged with processing and issuing Building Approvals for residential in-ground swimming pools.

A submission by Laurence E (Larry) Ogden Dip Pool Tech (NZMPBG) Hon. Life member, representing the members of the New Zealand Master Pool Builder's Guild

"Why does it take so long to get a Building Approval for a simple residential swimming pool?"

Many NZ Master Pool Builder's Guild members are reporting delays of up to six or more months in getting Building Approvals for residential swimming pools. The delays are causing them financial distress, and I have authorised me to look into the situation with a view to improving the output of swimming pool permits by TAs (Territorial Authorities).

Most pool installations are quoted some months before the customer signs the sale & purchase agreement, using material costings that may be months or more old at the time of quoting. Several more months may then go by while Council's (in)activity prolongs the permit procedures, before the pool construction may be commenced.

This leads to inflationary cost increases not anticipated initially when the pool was first planned by the customer, and a potential loss of profit to the builder. It is difficult (or impossible) for the pool builder to increase the agreed price for the pool, even with cost escalation clauses in the agreement – leading to financial adversity for him.

I would like you to consider the following points:

- 1. Residential Swimming pools are relatively minor projects, generally ranging from \$25,000 + G.S.T. to \$50,000 + G.S.T. in price.
- 2. Building Approvals are escalating in cost, and now approach 15% to 20% of the cost of constructing the swimming pool (cost to produce the pool, not including G.S.T., overheads or profit margin). Typically, Building Approvals have increased in cost from \$500 or so in year 2000 to as much as \$2,750 in recent times (in 2006)
- 3. Swimming pool Building Applications must be accompanied by an A2 or A3 site plan, A2 or A1 size engineering drawings, and accompanying engineering calculations. These are prepared by approved, qualified or certified persons such as a Structural Engineer at a cost of \$750 to \$1500.
- 4. Many TAs are now requiring PS1, PS3 and PS4 certificates from the Structural Engineers and builders of the swimming pool.
 - a. This is a duplication of effort and cost to the Ratepayer.

- b. More often these days the Council's engineers are non-New Zealand trained, and do not fully comprehend the data they are given. This leads to inefficiencies and delays as letters pass back and forth between the Council and applicant seeking to clarify often quite simple details. This adds weeks to the approvals being granted and leads to the suspicion that this is possibly a ploy by TA's to get more time to process their work-load (due to understaffing, overworked staff etc.)
- c. Why is the Council charging an engineering factor in its fees when these have been already supplied by an approved, competent Structural Engineer, and why are they then requiring the Producer's Statements to verify the (a) Original Engineering data, (b) their own checking (?) of these data, and (c) a further Statement from the original Structural Engineer that (a) and (b) are in fact accurate?
- d. Swimming pool Building Approval applications are required to be accompanied by design drawings and calculations from a listed engineer (i.e. Council Approved) or they will not be accepted. This implies that the engineer involved has the acquiescence and approval of council as being a fit and proper person to produce such data.
- e. They ask the same engineer to review his own work, and supply a PS1 (Design Review) and after construction commences, the builder to provide a PS3 (Construction Review). Then the Structural Engineer must "supervise" the construction and provide a PS4 (Construction Review, Confirmation). This is repetitive, time wasting, and unnecessary and difficult and costly to get the Structural Engineer out on a small \$25,000 job. They just don't have the time, and will charge accordingly for the inconvenience. A PS2 (Design Review) is not normally required for minor projects such as residential swimming pools, unless there are extraordinary design implications beyond the scope of this study (which is restricted to the average home swimming pool and not commercial pools).
- f. If the TA insist on the builder's Structural Engineer checking the construction personally (at some cost), then the fees charged by the TA should be reduced or eliminated accordingly! This does not seem to be happening, and refunds are rare!
- g. The design of most concrete pools is generally the same: i.e. 100mm walls, D10 steel at 250 centres, 25mpa shotcrete etc. There is no magic in the design or calculations, and to a swimming pool engineer, these data are generally rote (*mechanical repetition of something so that it is remembered Encarta Dictionary U.K.*) and do not require extensive checking and/or re-checking.
- h. Prefabricated type swimming pools (i.e. Fibreglass, Vinyl Liner) are simply repetitions of hundreds (or thousands) of similar pool installed over the 36 years the swimming pool has existed in New Zealand. It is repetitious and wasteful to require complete sets of engineering

drawings (in triplicate, in A2 size) and engineering calculations which simply re-state the data of possibly 45,000 previous applications that have been made in New Zealand. One full set of engineering data from each pre-fabricated pool manufacturing company should be sufficient, and held on file as a Master Copy (Blanket Approval) for the thousands of pools that follow. For one thing, this would eliminate the tens of thousands of paper records that are held in Council vaults.

- i. My own company has installed more than 7,900 functionally identical swimming pools since 1971. At six A2 pages per pool, the various Councils would have accumulated forty-six thousand pieces of A2 paper from us alone. Multiply this by the number of pool builders in New Zealand (100+?), and you will appreciate the magnitude of waste paper produced!
- j. Some Council are microfilming data rather than storing the paper records (which are then, presumably, destroyed). This is a wasteful use of New Zealand resources, as (i) the huge volume of paper waste is unacceptable, (ii) the destruction may involve burning, which is a carbon gas product and not acceptable in the current climate of Global Warming, and (iii) a waste of oil resources used in transporting the records to the point of destruction. (iv) Even if these documents are being stored for posterity, it is a colossal job to house such a mountain of paper.
- 5. Most swimming pool builders have been around for quite a while, and could build a acceptable concrete swimming pool without reference to the design specifications and drawings after a cursory glance to check the size and shape of the proposed swimming pool. These drawings are supplied simply to comply with Council requirements, and for the Inspector to check that what is being built conforms to the Approvals. There must be a better way?
- 6. Many reputable and experienced New Zealand pool builders are members of the New Zealand Master Pool Builder's Guild.
- 7. The NZMPBG has been pushing for a Diploma Course to educate pool builders – both existing and prospective newcomers. The Diploma Course has been in existence since 2000, yet we have had no encouragement or support of the introduction of this diploma. When approached, NZQA's response was to quote \$60,000 plus to vet and recognise the Diploma Course – a price out of the question for a body with a total membership of less than 50 people.
- 8. The NZMPBG is investigating the merits of introducing a Pool Builder's Licensing scheme, and is currently in dialog with SPASA Qld (Swimming Pool & Spa Association, Qld Australia) in reference to their adoption of the NSPI (National Swimming Pool Institute, USA now defunct) builder's licensing scheme which will comply with the requirement of a Pool Builder's License in Australia within a year or two. Their scheme which is available to us is recognised by their NZQA equivalent, and I understand there is a reciprocal agreement in place between the two organisations.

- 9. It is a requirement of entry into the Master Pool Builder's Guild that a Builder Member must have been competently building residential swimming pools for a minimum of five consecutive years, and must have or supply:
 - a. Three customer references
 - b. A good Trade history
 - c. Financial competency, and
 - d. Pools may be checked by Guild committee members, if the applicant is not known or personally recommended by an existing Builder Member Initially (up until three years ago) the requirement was for ten years in business, but was dropped to five to encourage new generation Builders to join the Guild. (Which, sadly, is lacking in New Zealand)
- 10. Accordingly, Master Pool Builder's Guild Members should be given priority in Approvals being granted by TAs.
- 11. Prefabricated type pools (i.e. Fibreglass, Vinyl Liner) must be given Blanket Approval to save unnecessary processing time and cost, and not be subject to continual repetition of design drawings and cyclostyled structural calculations.
- 12. Residential swimming pool customers should not be penalised if construction or installation is sought over the top of Council's sewer or stormwater lines, as the light weight of the pool structure and water when filled is less than 65% of the weight of the common clay or saturated soil etc. found in most New Zealand towns & cities, meaning there is less impact on the lines.
 - a. One Auckland regional Council has started requiring that any sewer line under pools be excavated with a trench to a distance of two meters either side of the pool, replaced with a new line, and capped in concrete. This requirement puts the pool project in jeopardy, and has resulted in customer cancellations due Council attempting to indemnify the cost of doing what is essentially their financial responsibility to undertake.
 - b. There is no logical reason for this requirement, as modern sewer pipe thrusting methods would allow the sewer to be refurbished internally from the nearest man-hole should it require. The requirement to excavate a massive hole to do this from the top is unreasonable.
 - c. This requirement has been made by the TA involved irrespective of the age and condition of the sewer line involved, despite CCVT evidence that the line is in perfect condition. The customer in this instance cancelled the pool contract, despite negotiations and time spend over several months by the pool builder involved.
 - d. Septic Sewer and Stormwater lines have been installed by TAs with no future planning in mind which would allow for the installation of home swimming pools often diagonally crossing lawns (ideal placement for a pool) instead of following the boundary lines of properties.

- e. In deciding the placement of these lines in future housing developments by TAs they should take into account the preponderance of existing swimming pools, and the projected future desires of New Zealanders who may want to install a swimming pool over the next 50 years. While this is a still growing number in New Zealand, the possibility of future climate changes due to Global Warming must be taken into consideration, and it is productive to bear in mind the statistics of Qld Australia where it is estimated that 33% of all residential properties have home swimming pools.
- 13. Companies like mine work closely with their Structural Engineers, and can assure the TAs that full attention is given to the design, stability, and longevity of the resulting product. We and many others consider our relationship with the Structural Engineer to be essential and close, and consider them part of "the team" who produces the customer's swimming pool. The TAs have our assurance that there will be no compromises in quality to come back to haunt them in future years.
- 14. There may be scope for the guild to institute a bonding/licensing scheme which will guarantee the customer a complete and finished pool with a guildbacked ten year guarantee. We are currently investigating this proposal. This scheme could indemnify the TAs from liability in the unlikely event of a failure of the pool.
- 15. Reputable Pool Builders know the rules and regulations:
 - a. Distance to boundary fences
 - b. Fencing requirements under the Fencing of Swimming Pools Act 1987
 - c. Site Coverage
 - d. Disposal of waste water from filtration
 - e. Guild Members are kept up-to-date with the proposed clarification of the NZ Standards for pool fencing, and embrace the positive changes to the Fencing Act which will clarify many misunderstandings on the part of TAs interpreting the current Act.

Providing these are clearly shown on a Site Plan, and are in compliance with the Rules Regulations and By-Laws of the appropriate TA, the application for the construction or installation of a residential swimming pool under \$50,000 should be "Rubber Stamped" and given immediate approval, subject to the production of a PS3 and PS4 by the appropriate persons.

Swimming pools are quite often an impulse purchase. It's a hot summer day, you are stuck in traffic, and you suddenly "want" a swimming pool. (Fast forward six or seven months) it's now winter and the pool is still not there! Not only that, the builder is asking for a 7.5% increase in the agreed price. Is this acceptable?

Many people still ask if they can "have the pool by Christmas"?

To guarantee this (if anything can ever be guaranteed in the swimming pool industry after all we work out in all weather – good and bad – and suffer excavation collapses, rain days, subcontractors "delayed", excavations full of water, heat pumps "back ordered", you get the picture) you would have to call the pool company and sign up in March or April, have the applications all ready and taken to Council in early May, all the "to and from" letters dealt with by August, and a start date of September. That leaves October, November and ½ December to get the pool installed, the pool fencing up, the surrounds all finished, and the planting all in place.

Merry Christmas!

By now, the customer is hacked off with the delays, unwilling to fork over any more money "until it's finished" (even though he has contracted to meet his financial obligations to the builder – who has HIS financial obligations to his suppliers), the builder is harassed and irritable, the gloss has gone off the whole project, the customer is left wondering why he ever bothered in the first place, and the builder checks his Bank Statement & sees his measly diminished profit and wonders how the pool business would be in Surfer's Paradise, Australia instead of New Zealand!

Alternatively: picture this scenario.

- The customer calls in the mid-March heat, agrees to your price, terms and conditions, and you sign them up for a home swimming pool.
- You draw up the site plan and the Structural Engineer produces the engineering design calcs (not required for prefabricated pools) and issues a PS1 (Design review) within a few days.
- You call the TA for an appointment to take these into Council to see a Planner.
- The Planner checks the Town Planning rules, and accepts the application.
- Providing all the Planning issues are complied with, the Application is granted there and then. Time for Council: *one hour*.
- The construction of the swimming pool takes place as soon as the builder is free to start hopefully within the next few weeks.
- The Ratepayer gets a few swims in in his heated pool before winter sets in.
- The pool is completely "up and running" when spring arrives!
- The result" A happy ratepayer, and a happy pool builder!

During construction of the pool, the NZMPBG Qualified builder observes each stage and on completion issues a PS3 (construction review) and the Structural Engineer will issue a PS4, so the TA's are covered for Inspections (which under this scenario, they will not be performing)

Hopefully this will ensure the continued viability of the pool building industry – unlike the building industry in general which is seeing receiverships amongst reputable and experienced builders who are equally suffering from delays in getting approvals for their new house construction.

LE Ogden