

Proposed Amendments to the BuiltReady Scheme Rules Public Consultation

NOVEMBER 2023



**MINISTRY OF BUSINESS,
INNOVATION & EMPLOYMENT**
HĪKINA WHAKATUTUKI

Ministry of Business, Innovation and Employment (MBIE) Hīkina Whakatutuki – Lifting to make successful

MBIE develops and delivers policy, services, advice and regulation to support economic growth and the prosperity and wellbeing of New Zealanders.

MORE INFORMATION

Information, examples and answers to your questions about the topics covered here can be found on our website: www.mbie.govt.nz.

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How to have your say

The Ministry of Business, Innovation and Employment (MBIE) seeks written submissions on proposed amendments to the BuiltReady scheme rules for modular component manufacturer certification by **5pm on 12 December 2023**.

Your submission may respond to any, or all of the proposed amendments. Where possible, please include evidence to support your views – for example, references to independent research, facts and figures, or relevant examples.

- You can provide your feedback by completing a survey online via www.mbie.govt.nz/have-your-say or
- You can download a form at www.mbie.govt.nz/have-your-say and either:
 - email the completed form to building@mbie.govt.nz with the subject line **'BuiltReady consultation 2023'**
 - post it to:
BuiltReady consultation 2023
Building System Performance
Building Resources and Markets
Ministry of Business, Innovation and Employment
PO Box 1473, Wellington 6140
New Zealand

If you have any questions about the submissions process, please email us at building@mbie.govt.nz.

Use and release of information

The information provided in submissions will contribute to MBIE's continued development of the BuiltReady scheme rules. We may contact submitters directly if we require clarification of any matters in submissions.

Your submission will also become official information, which means it may be requested under the Official Information Act 1982 (OIA). The OIA specifies that information is to be made available upon request unless there are sufficient grounds for withholding it. If we receive a request, we cannot guarantee that feedback you provide us will not be made public. Any decision to withhold information requested under the OIA is reviewable by the Ombudsman.

Please set out clearly in the cover letter or email accompanying your submission if you have any objection to the release of any information in the submission and, in particular, which parts you consider should be withheld and reasons for withholding this information. MBIE will take such objections into account and consult with submitters when responding to requests under the OIA.

Private information

The Privacy Act 1993 establishes certain principles with respect to the collection, use and disclosure of information about individuals by various agencies, including MBIE. Any personal information you supply to MBIE in the course of making a submission will only be used for the purpose of assisting in the continued development of the BuiltReady scheme rules. Please clearly indicate in the cover letter or email accompanying your submission if you do not wish your name or any other personal information to be included in any summary of submissions that MBIE may publish.

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Interpretation

Accreditation body	MCM certification accreditation body
Building Act	<i>Building Act 2004</i>
ISO/IEC 17065	ISO/IEC 17065: 2013 Conformity assessment – Requirements for bodies certifying products, processes and services
MCM	Modular component manufacturer
MCMCB	MCM certification body
MBIE	Ministry of Business, Innovation and Employment
Regulations	Building (Modular Component Manufacturer) Regulations 2022
Section	Section of the <i>Building Act 2004</i> unless otherwise specified

Seeking your feedback on proposals for BuiltReady scheme rules

We are seeking your feedback on proposed amendments to the BuiltReady scheme rules, which are made by MBIE's Chief Executive under the *Building Act 2004* (the Building Act). Specifically, we are seeking feedback on:

- incorporating use of the BuiltReady brand for scheme participants
- mandating use of MBIE's manufacturer's certificate template for registered manufacturers.

This document provides some context for the proposed amendments to the scheme rules and suggested questions. A complete draft of the proposed amendments to the BuiltReady scheme rules is available at www.mbie.govt.nz/have-your-say.

BuiltReady is a voluntary modular component manufacturer scheme that shows a manufacturer designs (where applicable) and manufactures modular components that comply with the New Zealand Building Code. Building consent authorities must accept a current manufacturer's certificate as establishing compliance with the Building Code, so long as it is issued by a manufacturer certified and registered to design and manufacture.

The BuiltReady scheme rules (the scheme rules) apply to the scheme parties, which are:

- the MCM certification accreditation body (the accreditation body), an organisation appointed by MBIE to accredit certification bodies to the MCM scheme
- MCM certification bodies (also referred to as MCMCBs), which are the third-party organisations that evaluate modular component manufacturers for certification
- manufacturers of modular components (also referred to as MCMs) that hold current MCM certification.

This consultation will be of interest to the scheme parties and also to:

- building consent authorities, which must accept modular components detailed on a BuiltReady manufacturer's certificate from a certified and registered modular component manufacturer as Building Code compliant (when used in accordance with the conditions on the BuiltReady manufacturer's certificate)
- manufacturers of modular components interested in applying for BuiltReady certification
- other users including designers, builders and consumers.

As per sections 272Z1 and 272ZJ of the Building Act, there are offences related to misrepresenting yourself as a BuiltReady scheme party if that is not the case. These offences can incur penalties up to \$1,500,000. Due to this, it's important to us that the industry and relevant parties find the rules around both the branding and manufacturer's certificates clear and workable.

Context – the BuiltReady scheme

A high performing building and construction industry is crucial to Aotearoa/New Zealand's economy and vital for delivering safe, healthy, and durable buildings for everyone.

The building and construction industry is innovating by making use of manufacturing technology and processes to increase productivity. These advances help deliver precise, repeatable, and consistent construction, resulting in high quality products with fewer defects.

The Building Amendment Act 2021 introduced a new voluntary certification scheme for modular component manufacturers called BuiltReady, which enables modular component manufacturers to be certified and registered to design and/or manufacture modular building components to establish compliance with the Building Code.

Under the BuiltReady scheme, the entire prefabricated construction process from design (where applicable), manufacture, assembly, transportation, and on-site installation of modular components will be assessed and certified. BuiltReady manufacturers will benefit in most cases from reduced inspections and faster, more consistent building consent applications. This will aid in reducing costs, barriers and on-site building time.

The BuiltReady scheme operates under the legislative framework provided by the *Building Act 2004* – the *Building (Modular Component Manufacturer Scheme) Regulations 2022* (the Regulations) and specific BuiltReady scheme rules. As the scheme rules are only one part of the legislative framework for the BuiltReady scheme, they should be read in conjunction with the Building Act and supporting regulations.

The Regulations and the BuiltReady scheme rules commenced on 7 September 2022.

For more information on the BuiltReady scheme, please visit: <https://www.building.govt.nz/building-code-compliance/product-assurance-and-certification-schemes/builtready/>

What's changing and why

MBIE is proposing new scheme rules that aim to provide greater clarity and consistency for scheme participants around the use of a new BuiltReady brand and the manufacturer's certificate template. The purpose of this consultation is to seek feedback from affected parties on whether the proposed scheme rules below are suitable and can be implemented by scheme participants.

The BuiltReady brand

Along with the CodeMark and BuiltReady certification schemes, MBIE also administers MultiProof, which is a statement by the MBIE that a set of plans and specifications for a building complies with the Building Code. CodeMark, BuiltReady and MultiProof all provide evidence of compliance with the Building Code for building consent authorities. The aim of the three schemes is to alleviate pressure in the consenting system by providing streamlined, robust and trustworthy compliance options for manufacturers, suppliers, builders, designers and consumers.

With the introduction of the BuiltReady scheme in September 2022, MBIE needed to create a new brand name and visual identity for the scheme. This provided an opportunity to also review and propose new brand visual identities for the CodeMark product certification scheme and MultiProof.

As government backed schemes, the three schemes provide confidence that innovative building products, building methods and designs have been rigorously evaluated and their performance

monitored. Certified users of the BuiltReady and CodeMark schemes can also use the new brands for advertising and marketing purposes.

The new brands for BuiltReady, CodeMark and MultiProof are visually linked, which provides a cohesive identity across the three schemes, as they all can be used together as deemed to comply pathways. For example, a CodeMark certified building product could be used in conjunction with a MultiProof design approval or a BuiltReady manufacturer's certificate to reduce the consent processing time, and even the number of inspections a building consent authority may require. CodeMark, BuiltReady and MultiProof also provide marketing advantages for participants.

The BuiltReady brand is a registered trade mark.



MBIE is proposing new scheme rules that set out requirements for how the BuiltReady brand can be used by scheme participants. It is proposed that *Schedule 1: Use of the BuiltReady brand* is added to the scheme rules that sets out the use of the BuiltReady brand including formatting requirements if a scheme participant chooses to use the BuiltReady brand for marketing and advertising purposes.

Scheme participants are not required to use the BuiltReady brand – however, if one of the scheme participants chooses to use the BuiltReady brand, they must follow the relevant scheme rules contained in *Schedule 1*.

The proposed *Schedule 1: Use of the BuiltReady brand* is contained in the appendix.

Manufacturer's certificates

Under the BuiltReady scheme, registered manufacturers are able to issue certificates to support building consent applications. So long as the certificate issued is for a component that is covered by the manufacturer's scope of certification, this certificate establishes compliance with the Building Code.

For more detail on how manufacturer's certificates are used as part of the building consent process, please visit: [BuiltReady step-by-step guides](#)

MBIE is proposing that registered manufacturers must use the provided template to ensure consistency and clarity across certificates, which will aid building consent authorities, builders, designers and consumers to identify and understand BuiltReady manufacturer's certificates. It will also mean that manufacturers have clearer understanding of the requirements for the information that needs to be provided for the modular components that fall within scope of their certification.

Discussion: the proposed BuiltReady scheme rules

This part of the consultation discusses the draft of the proposed amendments to the BuiltReady scheme rules, which is available at www.mbie.govt.nz/have-your-say, in more detail.

Part 2: Accreditation body requirements

MBIE is proposing one new scheme rule for the accreditation body:

1. Using the BuiltReady brand

The proposed scheme rule specifies that the accreditation body may use the BuiltReady brand, provided they follow the format and conditions of use provided for in the *Schedule 1* of the scheme rules.

Questions:

1. Do you agree with the proposed rule that the accreditation body may use the BuiltReady brand, provided they do so in accordance with Schedule 1?
2. Do you think there are there any barriers to following this rule?

Part 4: MCM certification body requirements

Part 4 of the BuiltReady scheme rules covers the ongoing, detailed requirements that a certification body must continue to meet and maintain once accredited.

MBIE is proposing one new scheme rule for the MCM certification body:

1. Using the BuiltReady brand

The proposed scheme rule specifies that the MCM certification body may use the BuiltReady brand, provided they follow the format and conditions of use provided for in *Schedule 1* of the scheme rules.

Questions:

3. Do you agree with the proposed rule that the MCM certification body may use the BuiltReady brand, provided they do so in accordance with Schedule 1?
4. Do you think there are any barriers to following this rule?

Part 6: Certified modular component manufacturer requirements

The proposed rules in this section detail the manufacturer's ongoing requirements once certified.

1. Mandating use of MBIE's current manufacturer certificate template

The proposed rule to mandate the use of MBIE's provided manufacturer certificate template is to ensure consistency of BuiltReady manufacturer certificates across the country, both for trust in the BuiltReady scheme and ease of use in consenting decisions.

In addition to using MBIE's current manufacturer certificate template, modular component manufacturers must not change the structure and the design of the certificates.

Questions:

5. Do you agree with the proposed rule to mandate the use of MBIE's provided manufacturer certificate template?
6. Is the proposed rule to mandate the use of MBIE's current manufacturer certificate template clear and workable? If not, what changes would you suggest?

2. Using the BuiltReady brand

With the proposed rule around use of the BuiltReady brand, the modular component manufacturer may use the BuiltReady brand, provided they follow the format and conditions of use provided for in *Schedule 1* of the scheme rules.

Schedule 1 also contains additional requirements for modular component manufacturers. A proposed rule specifies that if a modular component manufacturer uses the BuiltReady brand, they must state the scope of certification and not use the BuiltReady brand for advertising other services beyond the scope of certification.

Questions:









7. Do you agree with the proposed rule that a modular component manufacturer may use the BuiltReady brand, provided they do so in accordance with Schedule 1?
8. Is the proposed rule to require modular component manufacturers to state their scope of certification while using the BuiltReady brand, as well as only using the BuiltReady brand in relation to services they offer under their scope of certification, clear and workable?
9. Do you think there are any barriers to following this rule?




Appendix: Insertion of Schedule 1: Use of the BuiltReady brand

This Schedule is to be inserted into the [BuiltReady scheme rules](#) (Part 6: Certified modular component manufacturer requirements and before Appendix 1)

Schedule 1: Use of the BuiltReady brand

Guidance: The Schedule contains the requirements for using the BuiltReady brand (which is a registered trade mark), including acceptable formats.

S1 Format	
S1.1	The BuiltReady brand must be rendered in accordance with rules Error! Reference source not found. to S2.6 unless the Chief Executive has given prior written approval for any departure from these rules.
S1.2	<p>The mark of conformity must be rendered in one of the acceptable formats shown in Figure 3.</p> <div style="display: flex; justify-content: space-around; align-items: center;">   </div> <p>(a) Pantone 262 or equivalent <input type="checkbox"/></p> <div style="display: flex; justify-content: space-around; align-items: center;">   </div> <p>(b) Reversed version with Pantone 262 or equivalent <input type="checkbox"/></p> <div style="display: flex; justify-content: space-around; align-items: center;">   </div> <p>(c) White on a black background <input type="checkbox"/></p> <div style="display: flex; justify-content: space-around; align-items: center;">   </div> <p>(d) Black on a white background <input type="checkbox"/></p> <p><i>Figure 1: Format and colour options for the BuiltReady brand</i></p>

<p>S1.3</p>	<p>The BuiltReady brand must be reproduced:</p> <ul style="list-style-type: none"> (a) no less than the minimum sizes outlined in Figure 4; (b) with a minimum clear space on all sides as illustrated in Figure 4; and (c) without adjusting the proportions or any part of the mark of conformity. <div style="text-align: center;">  </div> <ul style="list-style-type: none"> (d) no less than 27 millimetres/140 px in width <div style="text-align: center;">  </div> <ul style="list-style-type: none"> (e) no less than 29 millimetres/150 px in width <p><i>Figure 2: Minimum size and clear space for the BuiltReady brand</i></p>
<p>S1.4</p>	<p>The accreditation body, registered MCMCBs, and registered MCMs may use the BuiltReady brand as a separate graphic element. Registered MCMs may use the BuiltReady brand, but only in direct relation with the components and services covered by the scope of their certification.</p> <p>The graphic element can be rotated for visual variety, but it must not be stretched or distorted in any way. The graphic element must be rendered in one of the colour options shown in Figure 6.</p> <ul style="list-style-type: none"> (a) Pantone 2082 on PMS 2082 background or equivalent: <div style="text-align: center;">  </div> <ul style="list-style-type: none"> (b) 50% tint on Pantone Cool Grey 2 on Light Grey background or equivalent:



(c) 30% tint on Pantone Cool Grey 2 on White background or equivalent:



(d) 80% tint Scheme Green on Pantone 2260 background or equivalent:

Figure 6: Colour options for the BuiltReady icon

S1.5	If a registered MCM uses the BuiltReady certified button in digital and print channels, they must only use it in relation to the components and services covered by their scope of certification.
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	<p>The acceptable format is shown in Figure 7:</p> <div data-bbox="582 315 979 461" data-label="Image"> </div> <p>(a) Pantone 294 and reversed logo</p> <p><i>Figure 7: Format of the BuiltReady certified button</i></p>
<p>S1.6</p>	<p>When using the BuiltReady brand in any communication media including documents, brochures and advertising, a registered MCM is responsible for ensuring their own compliance with the requirements of these scheme rules.</p>

DRAFT



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