

# 2024 Annual Report



Annual Report of the Registration Authority to the Chartered Professional Engineers Council pursuant to section 52 of the Chartered Professional Engineers of New Zealand Act 2002

1 January - 31 December 2024

Under the Chartered Professional Engineers of New Zealand Act 2002, the Registration Authority reports to the Chartered Professional Engineers Council each year on its administration of the Register of Chartered Professional Engineers. This report covers the 22nd year of operation of the Chartered Professional Engineers (CPEng) Register.

The Registration Authority under the Chartered Professional Engineers of New Zealand Act 2002 is the Institution of Professional Engineers New Zealand (trading as Engineering New Zealand Te Ao Rangahau).

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## **Overview**

As we look back on another year of progress and growth, it is with immense pride that we reflect on how far we have come in strengthening the CPEng system and enhancing public safety. Engineering New Zealand's Registration Authority plays a vital role in shaping the future of engineering in Aotearoa and, in this past year, we have continued our unwavering commitment to excellence, integrity and public protection.

The CPEng (Chartered Professional Engineer) system has long stood as a cornerstone of professionalism and trust within our engineering community. But we know that in a rapidly evolving world, it's not enough to rest on past successes. We must continue to adapt, innovate and push forward to ensure that the CPEng designation remains synonymous with the highest standards of engineering practice, safety and ethics.

This year has been a testament to our collective strength. We have streamlined our processes, introduced more robust assessment frameworks, and reinforced our focus on ensuring that all CPEngs meet the rigorous standards that the public and industry have come to rely on. The work we have initiated this year to improve the supporting Rules will address some of the findings of the Canterbury Earthquake Royal Commission and some of the Government's thinking on occupational regulation and building systems reforms. We want to ensure that our engineers are more empowered than ever, equipped with the tools, support, and recognition they need to lead with confidence in a changing world.

But it's not just about the engineers themselves. It's about the communities, businesses, and individuals who place their trust in the work we do. By fortifying the CPEng system, we are not only ensuring that engineers are recognised for their expertise, but we are also safeguarding the public's right to quality, safe and sustainable engineering solutions. Every bridge, every building, every system that we help create or protect has the potential to impact lives, and we are committed to making sure that these impacts are positive and lasting. As we move forward into the next year, we will continue to uphold the values that have brought us this far – service, bravery, integrity and mahi tahi. Together, we are shaping the future of engineering in Aotearoa, ensuring that it is not just about what we build, but how we build it, with an unwavering commitment to the wellbeing of all.

Thank you for your continued dedication and for supporting us to help make the CPEng system one of the strongest and most trusted in the world. We look forward to working with the Hon Minister Penk, Minister for Building and Construction, and his officials to support our collective mahi. The work we do today will set the foundation for generations of engineers to come, ensuring that we leave a legacy of safety, innovation and prosperity for New Zealand.

Nga mihi nui

#### **Dr Richard Templer**

Chief Executive, Engineering New Zealand

#### Keryn Kliskey

Chair, CPEng Board

## Introduction

The Registration Authority (RA) is pleased to confirm that all CPEng reassessments due in 2024 have occurred and we have maintained our median processing time of 60 working days or less. In 2024 we focused on work to further strengthen the quality and consistency of the CPEng assessment process through:

- » The launch of a new Registration Authority website (registrationauthority.org.nz), as well as a new CPEng Register. Registrants are now able to provide their contact email address as well as service region, and the register is filterable on registration type and field. The ability to filter on region will soon be added, once registrants have had sufficient time to provide their details.
- » Improvements to the assessment process, including:
  - > requirement of at least one referee to sight and sign off on applications
  - > mandatory assessor referee calls
  - > the introduction of ID verification
  - > provision of Engineering New Zealand Microsoft365 accounts to all Lead Assessors so that emails between panels and applicants can be retrieved in the event of an appeal. This has also enabled all interactive interviews to be recorded.
- » Improvements to assessment support:
  - > All application guidance documents have been reviewed and updated.
  - > A new Self-Assessment Tool has been developed and published, with detailed performance indicators for each CPEng competency element at different career stages, to assist engineers on their journey towards Chartership in New Zealand.
  - > A new 'Pathway to Chartership' online learning module has been developed and made available to provide additional support to those preparing an application.
  - Informative videos as well as webinar recordings have been provided on the new website, for applicants who may prefer assessment guidance in this format.
- » Finances:
  - > Increased 2025 fees by 8 percent.
  - > Improvements to the invoicing system to ensure that a pro-rata fee is charged for registrants who join part way through the year.
  - > Reduced the financial deficit reducing from \$214,000 in 2023 to \$45,000 in 2024.
- » Team structure:
  - > With our ongoing focus on eliminating the financial deficit of previous years, the RA's assessment team structure has been modified and no longer includes a coordinator role.
- » Improvements to the complaints processing timeframe from a median of 182 business days in December 2023, to 156 business days in December 2024.

## **Key activities**

Our key activities in 2024 were:

- » completing over 1,000 CPEng assessments, registering 366 new CPEng
- » continued training and support for assessors
- » presentations at several industry seminars and conferences to educate stakeholders and the profession on CPEng registration
- » several meetings with Building Consent Authorities to improve relationships and understand the needs of stakeholders
- » Active engagement with engineering firms through face-to-face presentations to promote CPEng
- » receiving 33 complaints about Chartered Professional Engineers and closing 48 complaints
- » complaints timeframe reduction from a median of 182 business days in December 2023, to 156 business days in December 2024.

## **Highlights**

### **Review and update of Chartered Professional Engineer regulations**

In 2023, we identified that the CPEng regulations needed to be updated to achieve better outcomes for the public. The Registration Authority has proposed changes and we are currently reviewing the submissions on those changes. One example of the changes is a lack of alignment between CPEng registration and the building regulatory system whereby building consent authorities have been making use of Practice Area Descriptions as a quasi-license. Auckland Council, for example, maintains its own list of engineers for producer statement authorship which includes the engineer's practice area description.

In response to this, the Registration Authority has proposed changes to the CPEng Rules that would enable the establishment of registration classes to better align with the requirements of Building Consent Authorities (BCAs). Consultation closed in late October and initial analysis has indicated support for our proposals, with Structural, Geotechnical and Fire being indicated as key areas where registration classes would be beneficial. In February 2024, the CPEng Board will make decisions on the introduction of CPEng Rules on Class establishment, and work to implement new Rules will be a priority in 2025.

#### Finances

Overall, the RA's financial result for 2024 is significantly better than 2023, with the annual deficit reducing from \$214,000 to \$45,000. The Registration Authority had significant expenditure on a notable investigating committee proceeding. Should the complaint be upheld, the RA will seek to recover a portion of these costs.

The result indicates that work that has been done to improve the assessment system's efficiency, careful planning of resources, together with annual increases have significantly improved the RA's financial position.

Some of the other highlights of our work in 2024 included:

- » conducting a detailed review of the CPEng Rules and consulted on proposed changes.
- » passing of regulations on 21 November 2024 under the Legislation Act 2019, empowering Engineering New Zealand to draft and publish rules for the Registration Authority. This gives the Registration Authority the complete responsibility for regulation of Chartered Professional Engineers.
- » reviewing and updating the Competency Assessment Board operating manual
- » recruiting and appointing three new Competency Assessment Board members to keep up with monthly reporting reviews
- » completing the first two early reassessments, in response to concerns raised by the public.

## Challenges

The Registration Authority regulatory regime will need to continue to improve over time. We will continue to improve regulatory effectiveness and public safety by reviewing the outcomes of CPEng regulation in the different practice fields. We will work with stakeholders and other regulators who rely on engineers and CPEng to improve.

## Key statistics at a glance

At the end of the reporting period:

Number of registered CPEngs	4,781
Number of first-time applicants registered	366
Number of applicants declined registration	29
Number of engineers resigned or removed from the register	110
Number of registrations placed in abeyance	67
Number of registrations suspended	47
Number of disciplinary findings made against registered CPEngs <sup>1</sup>	1
Charges payable for registration (less any rebates) <sup>2</sup>	\$1,721.50
Charges payable for the issue of a registration certificate <sup>2</sup>	\$506.00

### Governance

### **CPEng Board**

The CPEng Board's role is to govern the Registration Authority's functions in line with the Chartered Professional Engineers of New Zealand Act 2002 and the Chartered Professional Engineers of New Zealand Rules (02) 2002. The Board currently has seven members. Members are appointed by the Engineering New Zealand Governing Board, following a call for nominations or expressions of interest.

The CPEng Board currently comprises of the following members:

- » Keryn Kliskey (Chair, civil)
- » Debbie Scott (Deputy Chair, fire)
- » Geoffrey Farquhar (geotechnical)
- » Paul Campbell (structural)
- » Rachel Wright (civil, geotechnical, structural)
- » Mel Orange (lawyer)
- » Jeff Fahrensohn (consumer representative Auckland City Council)

Having a cohesive board with the right mix of skills, experience and knowledge is a fundamental requirement for a governance board in achieving good performance. In 2024, the CPEng Board increased its diversity in appointing Rachel Wright (registered in three practice fields) as well as Jeff Fahrenson who is the Board's consumer representative.

#### **Competency Assessment Board**

The Competency Assessment Board (CAB) operates in accordance with the provisions outlined in the Chartered Professional Engineers of New Zealand Act 2002, and the Chartered Professional Engineers of New Zealand Rules (No 2) 2002 (Rules).

The CAB's primary responsibility is to moderate the process of assessments conducted and reported by the Assessment Panels. Subsequently, the CAB decides whether a candidate's application, as evaluated by the Assessment Panels, aligns with the minimum requirements specified in the Rules. This scrutiny by the CAB is essential for ensuring consistency across applications and making informed decisions regarding the approval or decline of a candidate's application for chartered engineer status in New Zealand.

<sup>1</sup> This is up from zero in 2023, however that decision is currently under appeal.

<sup>2</sup> Charges are set out in Schedule 2 of the Chartered Professional Engineers of New Zealand Rules (No.2) 2002.

The Competence Assessment Board (CAB) has worked diligently to improve processing efficiency, and the growing number of assessment applications has contributed to another busy year. The Board welcomed three new members in 2024, while bidding farewell to four members, bringing the total to 11 by year end. Two new members are set to join the CAB in early 2025. Brady Cosgrove was appointed as Chair of the Board in 2024 and will continue as Chair for the remainder of his final Term in 2025.

CAB Members are Chartered Professional Engineers with extensive experience in, and knowledge of, professional engineering. In appointing members, the Registration Authority looks for candidates with experience in competency assessments and quality assurance of competency assessments. Consideration is given to geographical representation, diversity, and inclusivity within the CAB membership.

Name Field(s) Location Date first Expiry date of Reappointed appointed present term Brady Cosgrove, Chair Fire Christchurch 01/04/2020 01/09/2024 31/03/2026 Sisira Jayanatha Civil, Wellington 1/04/2019 1/04/2021 1/04/2025 Environmental (final term) 1/04/2023 **Rachel Wright** Civil, Whangarei 1/04/2022 01/06/2024 31/03/2026 Geotechnical, Structural Jan Kupec Geotechnical, Christchurch 1/04/2023 1/04/2025 Engineering Management Victor Mthamo Civil, Rolleston 1/04/2023 1/04/2025 Environmental Alasdair Sinclair Structural Wellington 1/04/2023 1/04/2025 **Richard Snow** Electrical, Auckland 1/04/2023 1/04/2025 Engineering Management Vincent Wong Structural Christchurch 1/07/2023 1/07/2025 Ed Rafferty Electrical, Wellington 01/06/2024 31/03/2026 Engineering Management, Mechanical Don McKenzie Transportation Auckland 01/06/2024 31/03/2026 Transportation Auckland 01/06/2024 31/03/2026 Ida Dowling

The current members of the CAB are listed in the table below.

## **Strategic priorities for 2025**

The Registration Authority will prioritise implementation of the new CPEng Rules that are planned to come into effect in early 2026. In the first half of 2025, we will establish a work programme that involves:

- » publication of CPEng Rules by the Registration Authority, ensuring that the drafting and publishing of regulations adheres to the standards and guidelines for publishing secondary legislation as set out by the Parliamentary Council Office
- » provision of class establishment guidance which sets out the principles and process for establishment of registration classes.
- » internal readiness for the establishment of new classes, for example an online application form, staff training and communication with industry.
- » updates to reassessments including implementing any changes required to the online application form, training for assessors and RA staff, and timely communication with registrants on changes to requirements.
- » updates to the complaints system including a new Chairs' manual, updated guidance for complainants and respondents, establishment of an early reassessment sub-committee and staff training documents.

Engineering New Zealand will also consider consequential changes to its membership classes including the possible disestablishment of its Chartered Member class to ensure that confusion between the Chartered Membership class and CPEng registration is mitigated.

## **Competence** assessment

## **Applications for initial registration**

During 2024, 366 first-time applicants successfully gained CPEng registration, while 29 were declined initial registration (7 percent), resulting in a 93 percent pass rate. The RA has worked hard to ensure that registration requirements and the assessment process are well documented, which encourages applicants to apply only when they are fully prepared.

Once submitted, applications undergo a series of internal checks to determine their readiness for panel assessment. Many applications require additional information before proceeding – at the time of writing, 66 applications had been sent back to applicants for further details. Under CPEng Rule 9A(2), applicants have up to six months to provide the requested information, though some choose to withdraw and reapply later.

As a result, applications that reach the panel stage are typically well-prepared, contributing to the consistently high pass rate.

## **Applications for continued registration**

In 2024, 811 registrants were due for reassessment, and these were managed over six cohorts. Careful planning has been done to ensure capacity is managed similarly in 2025, when there are 825 registrants due. All registrants have been notified of their respective due dates. Names of registrants currently going through the assessment process are published on the Engineering New Zealand Te Ao Rangahau website. The list is also sent to building consent authorities (BCAs) to encourage feedback on applicants.

The table below shows the number of registrants due over the next five years.

2025	2026	2027	<b>2028</b> <sup>3</sup>	<b>2029</b> ⁴
825	836	863	908	614

### Assessors

The number of assessors is shown below.

#### Table 1: Summary of assessor numbers as at end of 2024

Assessor Type	2020	2021	2022	2023	2024
Practice Area Assessor	448	464	416	438	430
Contract Lead Assessor	24	23	40	43	36
Engineering New Zealand Staff Lead Assessor	3	2	2	2	2
Knowledge Assessor	4	4	4	5	5

#### Lead Assessors

Lead Assessors met monthly in 2024 to share knowledge, discuss challenges, and receive updates from the CAB and Registrar. In 2024, all Lead Assessors were provided with Engineering New Zealand Microsoft365 accounts to ensure that emails can be easily retrieved in the event of an appeal. All interactive assessments can now be recorded and stored where required.

3 Likely to increase as new registrants from 2024 will be due in 2028.

<sup>4</sup> Likely to increase as new registrants from 2025 will be due in 2029.

### **Practice Area Assessors**

Practice Area Assessors (PAAs) are expected to work on at least two assessments per year to stay up to date with assessment processes and expectations. The RA provides quarterly refresher training sessions, and the RA has begun monitoring attendance at these sessions to ensure all PAAs have attended a session within the past six months. Work has also been done in 2024 to improve the onboarding and training provided to PAAs including final sign off on PAA appointments by the CAB.

Teams channels have been established for PAAs to enable easy communication. These channels have been a useful way for PAAs to discuss challenges and receive updates from the Registrar.

#### Structural triage panel

In 2024, we had two Lead Assessors and 10 expert structural PAAs on the structural triage panel. The names of the expert structural assessors on the triage panel are published on Engineering New Zealand's <u>website</u>.

## **Register/assessment trends**

Table 2 provides a summary of key registration and assessment statistics, including those required by section 52(2) of the CPEng Act.

#### Table 2: Registration Statistics

Registration Statistics for	2020	2021	2022	2023	2024
(A) Chartered Professional Engineers at the end of the reporting period (see Figure 1 for longer-term trend)	4,010	4,251	4,300	4,532	4,781
(B) Applicants (first) registered during the reporting period	398	421	247	432	366
(C) Applicants (first) registered via mutual recognition (subset of B)	31	36	33	66	50
(D) Applicants declined registration during the reporting period	23	25	21	23	29
(E) Total Assessments for Admission completed (B+D) (See Figure 2 for longer-term trend)	421	446	268	464	395
(F) Assessment for Admission pass rate	95%	95%	92%	95%	93%
(G) Continued Registration Assessments completed (See Figure 2 for longer term trend)	587	461	836	750	680
(H) Registrants resigned or removed during the reporting period (see Note 1)	79	89	157	209	110
(I) Registrants suspended during the reporting period	117	92	72	55	47
(J) Registrants placed in abeyance during the reporting period	36	42	30	24	67
Median Processing times (business days)					
Assessments for Admission	101 days	116 days	139 days	65 days	55 days
Continued Registration Assessment	147 days	151 days	238 days	47 days	50 days

Note 1: Reasons for removal from the register can include:

» resignation

» death

» Registration Authority action due to non-payment of fees, inability to meet the standard for continued registration or disciplinary action.

The number of registrants who resigned or were removed from the register during a year includes registrants whose registration was already in suspension at the beginning of that year.

## **Overall registration numbers**

In 2024, the growth trend of CPEng registration seen in 2023 has continued, after easing in 2022 due to our focus on eliminating the reassessment backlog. The growth in CPEng registration continues to trend upward, as illustrated in Figure 1.

#### Figure 1: Number of CPEng registrants



### Assessment numbers

The number of first-time assessments has remained relatively stable in 2024, with the number of reassessments declining due to the elimination of the backlog.





## **CPEng registration under mutual recognition**

Fifty engineers successfully applied for CPEng under mutual recognition schemes in 2024. The successful applicants came via the Trans-Tasman Mutual Recognition Act (TTMRA) or through mutual recognition from other jurisdictions.

## Assessment processing times

In 2024, we continued to meet our goal of completing CPEng assessments within a three-month timeframe. This was made possible through continued monitoring of lead assessor capacity and support, and continuous monitoring and improvement of internal processes. Initial applications for registration are now processed within a median timeframe of 55 days, and reassessments within 50 days – both well within our target of 60 days for assessment processing.

## **Assessment pass rates**

The pass rate for CPEng was 95 percent in 2023 and this decreased slightly to 93 percent in 2024.

### **Gender breakdown**

There are currently 510 females registered as CPEng, compared with 480 in 2022. The proportion of female CPEngs increased slightly from 11 percent in 2022 to 11.2 percent in 2023.

Increasing the representation of women in the engineering profession remains a critical issue, but one that requires a sustained, multi-faceted approach. The Diversity Agenda is Engineering New Zealand's key leadership initiative for the profession and has over 160 firms committed to driving change. In 2020, the Diversity Agenda was enhanced by the launch of the Diversity Agenda Accord, which has drawn formal commitments from chief executives and business owners to diversity objectives and targets.

Engineering New Zealand's work on the Diversity Agenda and Accord helps the Registration Authority achieve its wider targets for diversity across CPEng.

Beyond that, Engineering New Zealand's innovative schools programme, the Wonder Project, focuses on engaging young people – particularly girls, Māori and Pasifika – to shift perceptions about STEM subjects and the impact that engineers can have on society. The aim is that the Wonder Project will eventually have a positive flow-on effect for the CPEng register.





#### Table 3: Gender breakdown of CPEng registrants 2019–2024

	Female	Male	Gender diverse/ Prefer not to state
2024	11.7%	88.1%	0.2%
2023	11.2%	88.7%	0.1%
2022	11%	88.9%	Not available
2021	10.6%	89.4%	
2020	9.8%	90.2%	
2019	9.7%	90.3%	

### **Ethnicity breakdown**

Māori have been, and continue to be, underrepresented in the profession. While providing ethnicity data to the Registration Authority is optional, the data we hold shows only 2 percent of CPEngs identify as Māori, which is unchanged from last year.





## Te Ao Māori

Engineering New Zealand's Te Ao Māori strategy, Kimihia Rangahaua, is guided by an external advisory group, Papaki Parihau. In 2024, we:

- » published a new self-assessment tool, which provides detailed performance indicators for CPEng competency elements including Te Ao Māori considerations that registrants are expected to be aware of
- » updated the mutual recognition guidance, which provides details about New Zealand specific competencies, particularly Te Ao Māori considerations
- » updated the standardised questions that are asked during the interactive interview, to include questions about applicants' knowledge and understanding of te ao Māori, Te Tiriti o Waitangi and how cultural considerations impact their work as an engineer in New Zealand.

## Age distribution

Figure 5 below shows a distributed age profile of CPEngs. Engineers tend to follow wider workforce trends of working longer, with 4.7 percent of registrants working and contributing to the profession in the 70–89 age bracket. The age distribution of registrants remained relatively stable in 2024 compared with previous years.





#### Table 4: Age distribution of CPEng registrants 2019–2024

	24-39	40-59	60-69	70-89
2024	30.2%	51.3%	13.8%	4.7%
2023	31.7%	50.1%	14.3%	4.0%
2022	30.7%	50.4%	15%	3.9%
2021	32.0%	49.1%	14.6%	4.1%
2020	30.1%	49.2%	15.9%	4.8%
2019	29.1%	50.1%	16.3%	4.5%

## **Fields of engineering practice**

As part of their portfolio of evidence for either their first-time assessment or reassessment, candidates self-declare the practice field they consider their practice area best aligns. Candidates are also able to select more than one practice field. Candidates applying for more than one practice field are required to provide an additional 15 hours of CPD per year for each additional practice field.

The information in Table 5 provides the number of current registrants in a practice field.<sup>5</sup>

5 Totalling the number of registrants across all fields will exceed the total number of current CPEng registrants.

#### Table 5: Distribution of CPEng registrants by practice field

	2019	2020	2021	2022	2023	2024
Structural	1,258	1,402	1,457	1,471	1,542	1,633
Civil	1,427	1,505	1,415	1,336	1,349	1,382
Management	520	499	420	421	439	443
Geotechnical	354	392	401	406	427	459
Transportation	311	352	345	344	359	368
Water	2	48	126*	220	304	355
Mechanical	285	306	315	317	300	302
Electrical	241	277	270	267	299	311
Environmental	382	380	312	276	254	237
<b>Building Services</b>	187	224	227	238	246	257
Fire	93	97	108	110	120	128
Industrial	113	119	123	107	102	97
Chemical	31	35	31	22	30	30
Petroleum	34	33	32	27	21	19
Construction Engineering	0	0	0	0	19	39
Academic	6	1	1	10	15	
Information	20	17	14	14	14	18
Aerospace	11	11	10	8	7	7
Mining	6	6	7	6	5	6
Mechatronics	0	0	0	3	3	3
Bio	0	1	1	0	0	0
Software	0	0	0	0	0	0

\*The increase in the number of CPEngs in the water discipline in 2021 can be attributed to a general desire to have a recognised water and waste workforce stemming from the previous Government's Three Waters reform programme. The demand for CPEng Water engineers with recognised skills and experience continued in 2022, 2023 and 2024.

## **Geographical distribution**

In Table 6, the geographical representation of all CPEng registrants is provided (whether members or non-members of Engineering New Zealand). In previous years, reporting was shown for registrants who were members, but reporting has now been improved to show geographic location of all registrants regardless of membership with Engineering New Zealand.

#### Table 6: Geographical distribution of CPEng registrants

	2019	2020	2021	2022	2023	2024
Northland	60	68	71	71	72	78
Auckland	1,390	1,558	1,628	1,642	1,803	1,958
Waikato-Bay of Plenty – Hamilton	225	248	254	250	273	315
Waikato-Bay of Plenty – Tauranga	123	136	157	162	188	217
East Coast	4	6	6	5	5	6
Taranaki	76	79	80	80	84	87
Hawkes Bay	67	75	82	84	90	99
Whanganui	11	11	11	9	11	9
Manawatu	42	42	36	36	41	30
Wellington	430	464	486	489	537	584
Nelson-Marlborough	80	88	93	87	93	104
West Coast	11	12	10	9	9	10
Canterbury	645	742	728	737	795	876
South Canterbury	12	15	20	19	19	17
Otago	117	128	122	126	134	138
Southland	19	21	21	20	19	20
United Kingdom	46	47	32	30	29	41
Rest of world	200	200	257	149	159	190
Not specified/unknown <sup>6</sup>	321	227	157	<b>295</b> <sup>7</sup>	171	2
TOTAL	3,879	4,167	<b>4,251</b> <sup>8</sup>	4,300	4,532	4,781

8 The 2021 total included those CPEng on voluntary hold (4), in abeyance (42) and suspended (117).

<sup>6</sup> In previous years reporting of geographic region was tied to Engineering New Zealand membership branches but this is no longer relevant for 2024 as reporting has been improved to enable the location of all registrants regardless of membership to be provided.

<sup>7</sup> The increase in the number of CPEngs who are not members of Engineering New Zealand may be attributed to the increasing cost of living, or potentially due to them not seeing the need to be both CPEng and Engineering New Zealand members.

## **Complaints and disciplinary activity**

## Key themes and highlights

The theme of 2023 in the complaints and discipline space was change, with a high level of staff turnover and a focus on moving towards reformation and process improvement. In 2024, the team stabilised and we advanced further towards our goal of a more effective and efficient complaints and disciplinary process. As such, the theme for 2024 was **progress**.

The three new hires in the legal team space have proven to be reliable and skilled, with a doubling of case resolutions from 24 in 2023 to 48 in 2024, which is the highest number of resolved cases in at least five years. Much of this can be attributed to the new Complaints Officer position, who holds the sole responsibility of shepherding complaints through the initial investigation phase, leaving other staff to focus on the few matters that make it through to full investigating and disciplinary committees. This team effort also resulted in the achievement of the 2024 KPI – a 10 percent reduction in the median time for the completion of a complaint from 182 business days in December 2023 to 156 business days in December 2024.

The high number of resolved complaints is not sustainable as the team is currently resolving more complaints than are coming in. However, we expect to see the median time for complaints to continue to reduce. In line with this expectation, the Legal and Complaints team has a new long term three-year KPI of reducing the median time a complaint spends at each step of the complaints process – 60 business days for the initial investigation, 120 business days for the investigating committee stage, and 120 business days for the disciplinary committee stage.

We look forward to more progress being made in 2025, with a particular eye to 1 January 2026 when it is hoped amendments to the Chartered Professional Engineers of New Zealand Rules (No 2) 2002 will come into force, unlocking greater potential for a more effective and efficient complaint and disciplinary process. In the meantime, we will continue to look for other ways to improve the process.

## **Complaints snapshot**

#### **Concerns/complaints received**

We received 33 concerns/complaints about Chartered Professional Engineers during the 2024 calendar year.<sup>9</sup> This is five less than in 2023 and eight more than in 2022. The majority of concerns and complaints continue to come from engineers' private clients, but we also have a mix of concerns from other engineers, building consent authorities and other third parties.

#### JURISDICTION

We set clear boundaries and manage complainants' expectations by explaining our role and powers. We only have the jurisdiction granted to us under the Chartered Professional Engineers of New Zealand Act 2002 and the associated Rules, including to investigate whether there has been a breach of the Code of Ethical Conduct or a failure to meet the competency standards. We do not have the power to resolve commercial disputes. We encourage complainants who are seeking financial outcomes to consider other options, such as the Disputes Tribunal. Complainants who come to our process with financial goals at front of mind are often dissatisfied with the eventual outcome, particularly as the disciplinary process does not include any powers or penalties that involve compelling an engineer to take any particular action (eg doing particular work), or to financially compensate a complainant. Sometimes complainants come to us to get a disciplinary finding because they believe it might assist them in civil action (which may result in compensation).

<sup>9</sup> We interpret this literally as the number of complaints about CPEngs, rather than the number of CPEngs who have complaints against them. We calculate this by counting the number of complaints raised that involve a CPEng, by reference number, rather than the number of CPEngs complained about. For example, we might have a single complaint (under one reference number) about three different engineers (hypothetically, the engineer who did the work, the peer reviewer, and the director of the firm), two being CPEngs, and one only being a member. As there is only one reference number, this would count as one complaint about CPEngs, rather than two.

#### **Concerns/complaints closed**

We are obliged to respond to all complaints we receive.

Our first step on receiving concerns is to undertake an initial investigation. During this stage we ascertain if the Registration Authority has the jurisdiction to investigate the complaint and whether it is suited for our early resolution procedures. More than half of the complaints we receive are resolved before they get to the Investigating Committee stage, through dismissal by a Chair of Investigating Committees (CIC) on an initial assessment, jurisdictional dismissals, early resolution, there being no applicable ground of discipline, or other similar reasons. We remain proud of our efforts to encourage parties to resolve matters between themselves, rather than resorting to more adversarial outcomes available through the formal process. While the formal process certainly has its place (we take care to ensure legitimate competency or behavioural concerns are appropriately handled), it does not promote the restoration of trust and confidence between a client and engineer.

As noted in previous annual reports, the only limitation of early resolution of low-level concerns is the parties' willingness to engage;<sup>10</sup> both parties need to agree to concerns being resolved this way. We will continue to work with parties to help them see the value in this method of resolution where possible.

Any complaints which are not resolved by some form of early resolution are then referred to an adjudicator then potentially to an investigating committee. Both of those decision makers have the ability to recommend the parties attempt alternative dispute resolution, though that option is typically exhausted by the time a dispute reaches the investigating committee.

The formal complaints process has three decision-making stages: initial investigation (culminating in a decision of a CIC); investigating committee; and disciplinary committee. A complaint may be dismissed at any of these three stages but can only be upheld by a disciplinary committee. No cases were dismissed by a disciplinary committee in the reporting period. If the complaint has not been able to be dismissed by an adjudicator or investigating committee, it is more likely than not that there is sufficient evidence and gravity to uphold the complaint, although this is not a foregone conclusion.

#### **Manner of resolution**

Figure 6 shows the manner of resolution for concerns/complaints. The proportion of matters being resolved at an early stage remains pleasing.



Figure 6: Manner of resolution of complaints files

10 Leaving aside complaints that lapse at the early stage due to complainants ceasing communication with the Registration Authority.

Disciplinary committees made one decision about CPEngs in 2024, however this decision is currently under appeal. Additionally, there are a number of matters currently at the disciplinary committee stage that have had hearings (including one that is currently considering penalty), so it is expected that 2025 will have more disciplinary committee decisions. Where possible, these decisions will be published on Engineering New Zealand's website (as discussed, the one disciplinary decision to be made is under appeal and so cannot be published at present).

At the end of 2024, 11 CPEng complaints were being considered by investigating committees.

## Year on year comparison: Open files, concerns received and files closed

In 2023, we closed 24 complaints about CPEngs and received 38 complaints. 2024 saw a reversal of fortunes as we closed more concerns about CPEngs (48) than we received (33). The total number of open CPEng complaint files at the end of 2024 was 35, a pleasing reduction on 49 at the end of 2023.



Figure 7: Comparison of open files, concerns received, and files closed: 2019–2024

The length of time it takes to resolve a complaint varies due to factors including:

- » the technical complexity of the subject matter
- » the responsiveness and engagement of the parties
- » the availability of decision-makers and expert advisors
- » time spent exploring the possibility of early resolution
- » the complaints team's case load.

The Registration Authority's complaints process is overseen by its in-house legal team. In 2024, the Complaints and Legal team was tasked with reducing the average (median) time of complaint resolution by 10 percent. This was achieved through a number of efficiency improvements to the process, and the establishment of the Complaints Officer role. The median time for the resolution of complaints at the end of 2024 was 156 business days, down from 182 in December 2023.

The median time for the completion of complaints is heavily skewed by the fact that most complaints are resolved in the early stages, as depicted in Figure 6. As such, the progress on the average time was gained by efficiency improvements to those early stages. The Complaints and Legal team has now been tasked with a long term goal of reducing the median time it takes for a complaint to progress through each step in the complaints process. The goal is that, by October 2027, the initial assessment stage (up to the decision of the CIC) will take on average 60 business days, with the investigating committee and disciplinary committee stages taking on average 120 business days each. We look forward to continuing to improve the efficiency of the complaints process, both through procedural changes and changes to the CPEng Rules.

#### **Decision maker capability**

In accordance with the Rules, we keep a list of Investigating Committee Chairs and Disciplinary Committee Chairs, along with a list of engineers who have agreed to be members of these committees. These are volunteer positions.

We work closely with our decision makers to ensure robust, fair and proportional decision-making. While the team tries to move complaints through the process quickly, one of the factors that contributes to the length of time a complaint takes to move through the process is the availability of our decision makers. As of December 2024, we had nine active Investigating Committee Chairs (four more than at the same time the year before), and three Disciplinary Committee Chairs. Investigating Committee Chairs also act as decision makers when complaints are referred to Investigating Committees and are therefore expected to make a large number of decisions.

We are committed to ensuring the roles of our decision makers are sustainable ones. We have been working to increase the number of members available to sit on committees, with the intention that they will eventually become Chairs.

#### Themes and trends

The 48 concerns/complaints closed in 2024 have been categorised according to the practice field of the engineer involved.

Consistent with previous years, the greatest number of complaints we receive are about structural engineers. We believe this is largely due to there simply being a greater number of structural engineers in practice, as opposed to the quality of structural engineers. Similarly, structural engineers often have more direct and frequent contact with their clients, who are usually members of the public. Structural engineers also have more public visibility than other parts of the profession. Another point to note is the emergence of complaints against management, mechanical and electrical CPEngs, which have not been seen since at least 2018.

Year	2019	2020	2021	2022	2023	2024
Structural	22	24	18	21	16	23
Civil	6	6	1	5	5	9
Geotechnical	1	3	2	8	3	11
Water	-	1	-	-	-	-
Transport	2	-	1	2	-	-
Fire	1	-	-	1	1	3
Environmental	-	-	-	-	1	-
Management	-	-	-	-	-	1
Mechanical	-	-	-	-	-	1
Electrical	-	-	-	-	-	1

#### Table 7: Practice fields relating to complaints closed<sup>11</sup>

11 There are 49 areas counted (with 48 complaints) as two complaints were multidisciplinary.

### **Appeals to CPEC**

Until recently, the number of appeals to CPEC on complaints matters had historically been around three a year. This spiked in 2021 to a record of 12 appeals. In 2024, we had another spike with eight appeals against complaint decisions.

The number of appeals reflects the number of decisions made in 2024, which is double the number of decisions made in 2023. As noted in Figure 6, most matters are resolved at an early stage, and this is reflected in the breakdown of the appeals, with six of the eight appeals being appeals by the complainant against CIC dismissals following initial investigation. The other two appeals were by respondent engineers in response to an investigating committee decision to refer a complaint to a disciplinary committee, and a disciplinary committee decision finding grounds to discipline the engineer. At time of writing, CPEC has not yet made any decisions on the appeals.

We are confident the credibility of our decision makers, and the robustness of our process. We expect that most, if not all of these complaint decisions will be upheld.

#### **GCCRS** and **CEIT**

Engineering New Zealand has been assisting the Government with its Greater Christchurch Claims Resolution Service (GCCRS) since late 2018. Engineering New Zealand was very pleased to be working with the Government to extend the GCCRS model into a nationwide New Zealand Claims Resolution Service (NZCRS) in 2023, and has continued to contribute to this service in 2024 through the transition to the Natural Hazards Insurance Act 2023.

The GCCRS provided a free case management service for residential homeowners in Christchurch who need assistance to resolve outstanding insurance claims. Engineering New Zealand administered an expert engineering Panel to assist the GCCRS with claims resolution. The panel offered peer review and expert advice. In addition, Engineering New Zealand operated a service to facilitate between engineers who have different opinions on earthquake damage and reinstatement. The facilitators are senior engineers specifically trained in facilitation and mediation techniques.

The services of the Panel were extended to the Canterbury Earthquake Insurance Tribunal (CEIT) when it was established in 2019. The Panel has provided engineering services to over 400 homeowners in resolving their claims. Feedback on the service continues to be extremely positive. The Panel's work is a direct response to what the Registration Authority has seen through complaints and has contributed to the successful resolution of some long-standing disputes between homeowners and insurance companies.

We look forward to assisting with the NZCRS in 2025 and beyond.

## **Case study**

As noted above, there were no disciplinary committee decisions in respect of CPEngs in 2024 that are currently reportable, as the one disciplinary decision that was made is currently under appeal. As such, we are unable to report on any disciplinary decisions from 2024. However, the following case study illustrates how simple steps taken at the beginning of the process – specifically seeking a response to the complaint and seeing if that response resolves the complainant's concerns- can resolve matters before they evolve into more formal action. The case study also underscores the importance of respondent engineers providing full responses to concerns.

#### Engineers' response resolves Complainant's concerns

An engineering firm was engaged to complete an assessment of a property damaged by a natural disaster in the context of an insurance claim.

The owner of the property, who also happened to be an engineer, disagreed with the report and considered it had a number of shortcomings and inaccuracies, including missing information, and the proposed remediation of the property would not be appropriate in the circumstances. The owner also considered the length of time to receive the report was excessive. The owner considered that the two engineers who had authored and reviewed the report had breached the Code of Ethical Conduct by failing to act competently.

The owner's complaint was passed on to the respondent engineers who authored and reviewed the report. The engineers provided fulsome responses to the complaint, refuting that they had breached any of their professional obligations, carefully addressing each point the owner had raised. Importantly, they also acknowledged the owner's frustrations, particularly with the timeframes involved, and highlighted it as an opportunity to review the contents of future reports and conversations with customers to better manage expectations.

On reading the responses from the engineers, the owner confirmed that they had resolved his concerns and that he wanted to withdraw his complaint.

It is pleasing to see engineers fully engaging with the process and listening to the concerns of complainants, and adopting a helpful position without taking strong allegations too personally. Such responses help build trust in the professionalism of the profession.

## **Financials**

## Appendix 1: CPEng fees for 2024

(unchanged since 2022)

#### Initial registration

Charge or Rebate	Amount excl. GST
Registration application charge less any of the following rebates that apply:	\$3,578.30
» if there is no engineering knowledge assessment	\$1,292.50
» if there is no interactive assessment	\$297.00
» for each assessor (if any) who is not remunerated for an assessment during which there is an interactive assessment	\$564.30
» for each assessor (if any) who is not remunerated for an assessment during which there is no interactive assessment	\$415.80
» for applicants excused under rule 9(2) from having to provide certain information, if the assessment panel uses only a single interactive assessment	\$385.00

#### Registration certificates

Charge	Amount excl. GST
Registration certificate charge for a certificate issued for 1 year, commencing 1 January	\$506.00
Registration certificate charge for each calendar month, or part of a calendar month, for which a certificate is issued, if issued for less than 1 year	\$44.00

#### Continued registration

Charge or rebate	Amount (\$) excl. GST
Further interactive assessment charge less the following rebate if it applies:	\$704.00
for each assessor (if any) who is not remunerated for the further interactive assessment	\$247.50

#### Review of registration decision procedures

Charge	Amount excl. GST		
Charge for review of decision procedures	\$1,100.00		

#### Voluntary abeyance

Charge	Amount excl. GST	
Charge for each 12-month period of abeyance	\$317.90	

## Appendix 2: Summary of fee income costs incurred 2024

**CPEng Annual Summary** 

Summary of fee income and costs incurred	2024	2023
	\$	\$
Revenue from annual CPEng fees, fines and admission applications	3,599,881	3,051,552
Less:		
Operational costs	1,012,250	1,041,899
Professional standards costs	1,956,436	2,029,201
Complaints and litigation	676,890	195,371
Total Expenditure	3,645,576	3,266,471
Net Deficit	(45,695)	(214,919)
Carry forward loss	(\$2,577,361)	(\$2,531,666)

Notes:

- 1. All figures are for the year ended 30 September 2024 and are taken from The Institution of Professional Engineers New Zealand Incorporated (Engineering New Zealand) audited accounts and associated management reporting.
- 2. Operational costs are an allocation of costs based on cost allocation by activity.
- 3. Professional standards costs are based on a direct allocation of costs associated with CPEng professional standards activity and knowledge assessments.
- 4. Complaints and litigation costs are the direct costs associated with receiving and processing complaints and costs associated with individual hearings. Included in this total is \$494,072 of external consultant costs related to disciplinary hearings and investigations.

There is a carried-forward deficit of \$2,577,361 after this year's result.



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The Registration Authority under the Chartered Professional Engineers of New Zealand Act 2002 is the Institution of Professional Engineers New Zealand (trading as Engineering New Zealand).