SAFETY COMPETENCY COMPLIANCE



electrical workers registration board Annual Report 2015/16



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## 2015/16 Presiding Member's Report

This is the twenty-first annual report for the Electrical Workers Registration Board. During the year the Board was at its full complement of seven members, with all members taking an active part in the Board's functions.

In January, the Board reviewed its strategic plan and agreed to add a fourth priority to the ongoing plan of work. By adding "Industry Engagement" as a formal workstream, the Board recognises a need to pursue a more active relationship with key industry organisations across all sectors, with the view to providing electrical workers with a more coherent view on industry issues and emerging technologies.

The Board also confirmed its commitment to the three priorities established last year: "Connecting with the workforce", "Auditing for compliance" and "Enhancing delivery of competency and training". All of the above are currently being progressed, with the construction of a worker engagement toolbox, the completion of the pilot audit and its evaluation, and the engagement of a learning provider to develop a standardised set of competency programme materials.

The Service Level Agreement that the Board has with the Ministry of Business, Innovation and Employment (the Ministry) for delivery of its operational requirements was signed off. The Board and the Ministry began quarterly meetings to review the progress of the agreement, and any other issues that may arise in the Ministry supporting the Board in carrying out its functions. This has worked well in giving both parties an early indication of any matters that may need attention.

The Board continues to monitor issues of public safety, noting that its role is limited to making representation to the agencies that have control of these matters. Progress in regard to Board concerns is slow. It is with these issues in mind that the Board is pushing forward with the development of a worker engagement toolbox, to ensure that practitioners have access to the information they need to ensure safe and compliant work practices.

In addition, the Board has renewed a contract with Standards New Zealand for two years, making an expanded range of 72 Standards freely available to people with in the electrical industry.

The 2014/15 licensing round was independently reviewed, with the Ministry commissioning a report from Martin Jenkins. The issues that were identified in the report have been noted, and the Board and the Ministry have set up a joint committee to review and implement the recommendations for the upcoming 2017/19 licensing year.

The Board once again ran a successful consumer awareness campaign targeted at the homeowners, over the peak DIY period, starting October 2015. The campaign was designed to maintain awareness of homeowners' rights and responsibilities when getting electrical work done.

Over the last year, the Board has issued six discussion papers for industry. Industry engagement on the issues canvassed has been disappointing; hence the Board's decision to establish a workstream around engagement with other stakeholders in the industry.

With the advancement of new technologies in the electrical field, the Board is reviewing the need to

have these included in the training and examinations, to ensure that practitioners have the competency to carry out this type of work. It is a fast-moving target and the Board need to ensure that the public or property are not at risk from electrical workers acting outside their areas of competence.

Over the last year, the Board's costs have increased. This is mainly due to development, and implementation of the Board's priorities as identified elsewhere in this report. The majority of this work is carried out by the Ministry, with the Board having no control of operational matters, including costs.

The Board's Memorandum Account is still reducing, as agreed with the Ministry. With the current balance at \$3.4 million, the Board and the Ministry have agreed that a fees review is warranted in the near future.

The number of registered practitioners over all classes of registration increased for the year by 1,749, an increase on last year by 226, taking the total that have current registrations to 48,921. A total of 26,590 practising licences are on issue till the 2017/19 round.

During the year, the Board considered 96 investigator reports of which 37 proceeded to a hearing and 35 people were found guilty of disciplinary offences. The number of complaints received by the registrar was 119, up 55 from last year's figure of 64. The Board also considered 31 reports relating to non-registered people, with 15 of those people found guilty at the prosecution.

In the last year, the Board met all its performance measures within the Output Agreement with the Minister. Towards the end of the year, the Board was informed that the Registrar John Sickels was retiring from his position after 27 years in the job. The Board and the whole electricity industry have been very lucky to have had the extensive knowledge that John shared with us all. The Board thanks John for his time and commitment, and wishes him well in his retirement.

The role of the Board is set down in the Act and the Agreement with the Minister. In fulfilling that role, Board members have shown commitment and professionalism in all that has been asked of them.

As Presiding Member, it has been a privilege to have worked alongside Board Members. With the assistance of Shane Dolan, the Deputy Presiding Member and the rest of the Board it has been an eventful and successful year. The Board also wishes to thank and acknowledge the work and commitment of the Registrar Mr John Sickels to both the Board and the Industry, also the Board Secretary Brooke Mansfield and to all other Ministry staff that worked to support the Board in carrying out its role and its functions.

Neil McLeod Presiding Member



# 2015/16 Highlights



## CONSUMER AWARENESS CAMPAIGN

Successful campaign ran targeting homeowners

**EXAMS** 

4.144 candidates

sat Board exams

UP 400 on last year



4

## **STANDARDS NZ**

Two year contract renewed with Standards NZ giving free access to electrical standards for licencees

## 48,921 REGISTERED ELECTRICAL WORKERS IN NEW ZEALAND

## **NEW REGISTRATIONS**

**1,749 issued UP 226** from previous year



#### 935 electrician

- 290 electrical service technician
- 145 line mechanic
- 104 electrical appliance serviceperson
- 115 electrical inspector
- 67 electrical engineer
- 45 cable jointer
- 27 electrical appliance serviceperson (qualified)
- 20 associated tradesperson
- 1 electrical installer

### COMPLAINTS

96 complaints received. 38 Complaint Hearings held by the Board.

# **Registrar's Review**

The Minister for Building and Housing has an Output Agreement with the Board which establishes performance and service delivery measures. The Agreement enables the Minister to monitor the Board, and hold the Board responsible for its performance. The Agreement is in two sections being governance and service delivery.

Governance				
Expectation	Performance measure	Output		
1 Appropriate delegations to Registrar in place.	Delegations from the Board to the Registrar are fully reviewed by the Board by 31 December with clear evidence to support the decisions.	The Board reviewed and reconfirmed the delegations in accordance with the performance measure.		
2 Induction and training for new Board members covering governance, legislative requirements, disciplinary role of Board, role of the Ministry.	Induction carried out by Chair, supported by the Ministry, within 12 weeks of appointment.	No new members were appointed to the Board during the period under review.		
3 Provide training and professional development for Board members in the performance of their duties.	At least four half days training per annum for Board members (individual or collective).	The Board participated in a one-day training session on photo-voltaic energy systems and a further one-day course on leading in the digital era.		
4 Undertake Board self- review.	Board self-review completed by 30 June.	The Board completed a self- review in accordance with the performance measure.		
5 Conflict of interest register regularly maintained and updated.	Conflicts of interest are made known as appropriate and minuted accordingly.	The Board continued with its conflict of interest register and continued to minute conflicts of interest relating to meeting papers on a monthly basis.		
6 Publish Board annual report.	Annual report to be ready for tabling in Parliament by 31 October.	Annual report completed in accordance with the performance measure.		

Strategy and Capability					
Expectation	Performance measure	Output			
7 Complete section 158 of the Electricity Act Review.	Develop and present recommendations to the Minister in consultation with the Ministry.	As reported in the last annual report the Board completed its review of Electricity Act 1992 in full consultation with the Ministry. Recommendations were made to the Minister and the report on the review was subsequently tabled in the House.			
8 Support Ministry fees review.	Provide input and support on the review of fees to support the Board's Audit Programme.	Fees review was deferred and it is planned to be commenced during 2016/2017 financial year.			
9 Occupational licensing review.	Provide information and support Ministry officials to facilitate the review of occupational licensing.	Registrar was a member of the Ministry working party on the occupational licensing review. Other information was provided to the Ministry on request.			



Service Delivery					
Expectation	Performance measure	Output			
10 Maintain a Service Level Agreement with the Ministry.	Develop, implement and monitor an agreement which sets out the expected service levels to be provided by the Ministry to meet the Board's delegations to the Registrar.	The Board and the Ministry renegotiated the comprehensive Service Level Agreement which had been previously reported on. The overall purpose of the Agreement is to provide a framework for the ongoing relationship between the Board, the Ministry and the Registrar. The Agreement sets out expected and measurable levels of service.			
11 Maintain a working relationship with other associated occupational licensing boards.	Initiate contact with at least two occupational regulatory boards during the period. Attend occupational licensing board forums as organised by the Ministry from time to time.	Contact was initiated with members of the Building Practitioners and Plumbers, Gasfitters and Drainlayers Boards. No forums were held by the Ministry during the year under review.			
12 To register and license electrical workers in the classes of registration.	To register all eligible applicants within 12 days of receipt of correctly completed applications.	A total of 1,749 new registrations were issued in accordance with the performance measure. Details of the registrations issued are shown below: • 115 electrical inspector • 935 electrician • 67 electrical engineer • 290 electrical service technician • 104 electrical appliance serviceperson • 27 electrical appliance serviceperson (endorsed) • 20 associated tradesperson • 145 line mechanic • 45 cable jointer • 1 electrical installer.			
13 To ensure that registered persons maintain an adequate level of competency and compliance.	Board to implement its new framework for auditing of electrical workers within agreed budget.	The Board Audit Framework has been established. The Board sought a national supplier to initiate the design and implementation of a pilot electrical workers audit programme.			

Expectation	Performance measure	Output
14 To set electrical worker registration standards.	Conduct examinations four times per annum and review the examination results after each examination round.	Examinations were conducted in accordance with the performance measure. The examination rounds were conducted in May, June, September and November.
15 To maintain effective communications with all stakeholders.	Develop and implement a communications plan within agreed budget.	A communications plan was developed and implemented during the year. Communications focused heavily on a consumer awareness campaign, the 2015 practising licence round and the ongoing publication of prosecutions brought under the Electricity Act 1992.
16 To promote the licensing regime.	Promote the registration and licensing regime through communication channels and publicity campaigns within agreed budget.	The Board held four focus group meetings throughout the country. The Board conducted a successful consumer awareness campaign using a range of online communications channels. The campaign targeted homeowners with the aim of ensuring they were aware that safe electrical work is work that is completed by a licensed electrical worker.
	To prosecute non- registered persons who undertake prescribed electrical work in breach of the Electricity Act 1992 and publish the same.	Eight media releases were issued on prosecutions the Board had taken against people who had carried out prescribed electrical work in contravention of the requirements of the Electricity Act 1992.
17 Clear measurable strategic plan.	Strategic and business plan reviewed and updated by 31 March.	The strategic and business plan was reviewed and updated in accordance with the performance measure.

Service Delivery					
Expectation	Performance measure	Output			
18 Continue to liaise with and maintain key relationships.	Includes Government agencies, industry groups, training organisations, trans-Tasman agencies and overseas authorities.	<ul> <li>During the year either the Board or its committees or the Registrar held meetings with representatives of the following organisations:</li> <li>WorkSafe New Zealand</li> <li>Ministry of Business Innovation and Employment</li> <li>Electricity Engineers' Association</li> <li>Electrical Contractors Association</li> <li>Electrical Training Company</li> <li>Electrotechnical Education Centre The Board was also represented at meetings of the Australasian Electricity Regulatory Authorities Council.</li> </ul>			

### **The Board**

During the year the Board met 12 times over 27 days and Committees of the Board met 29 times over 38 days.

At the February meeting, the Board elected Neil McLeod and Shane Dolan to the positions of Presiding and Deputy Presiding Members respectively.

At the June meeting Neil McLeod resigned from the Presiding Member position and the Board elected Shane Dolan as Presiding Member and Melbourne Orange to the Deputy Presiding Member.

### **Board polices**

The Board continued its process of developing/ updating policies during the year. The policies that have been developed/updated are:

- Issuing of Limited Certificates and Provisional Licences;
- 2. Supervision guidelines in three categories;
- 3. Criteria for "fit and proper persons";
- 4. Disciplinary Rules and associated correspondence;
- 5. Board Committee Rules;
- 6. Issuing employer licences;
- 7. Member appointments as Board delegates;
- 8. Conducting of examinations;
- 9. Terms of reference for proposed practising licence round review.

### **Communications**

As previously reported, last year the Board commenced the first phase of a consumer awareness campaign which was designed to encourage homeowners to think a little more closely about electrical work being carried out in their homes.

This year the second phase of the campaign was completed with the aim of building on the awareness raised during phase one and ensuring that as many people as possible would know the rules around having electrical work carried out in their homes.

The main messages of the campaign which was carried out online were:

- Always use a licensed electrical worker for all types of electrical work
- 2. Always ask to see an electrical worker's photo ID
- 3. Always ask electrical workers to certify their completed work.

### **Electron newsletter**

Five issues of ELECTRON (the Board's newsletter) were issued to in excess of 35,000 people per issue during the year.

### **Discussion papers**

The Board issued five discussion papers during the year on the following:

- 1. Issuing of employer licences
- 2. Issuing of Limited Certificates and Provisional Licences
- 3. Proposed changes to competence programmes
- 4. Supervision of trainees holding a Limited Certificate
- 5. Supervision (other than Limited Certificate holders)
- 6. Supervision of licensed persons.

### **Standards**

A new agreement has been entered into with Standards New Zealand for a further two years. The agreement covers 72 standards and enables the following people to have access through the internet to view, download and print the documents:

- Practising licence holders
- Employer licence holders
- Trainees who have training agreements with the Skills or Connexis organisations
- Training providers
- Competency programme providers
- Board members and licensing staff.

### **Comments on Statistics**

#### **Complaints and investigations**

The Registrar received 96 complaints against people who were registered/licensed under the Electricity Act 1992. This year's total is consistent with the years prior to 2014/2015.

The Board considered 68 investigator complaint reports and of that number, investigators determined that no further action be taken in relation to 30 of the complaints.

The Board held 38 complaint hearings and 28 people were found guilty of disciplinary offences.

The Board considered 51 reports relating to people working in contravention of the licensing requirements of the Electricity Act 1992 and eight people were found guilty of disciplinary offences in the District Court.

#### Registrations

1,749 new registrations were issued during the year bringing the total number of registrations to 48,921.

#### **Examinations**

A total of 4,147 candidates attempted Board examinations during the year and that number was up by 370 on the previous year's figure of 3,777.

The Board is pleased to note a significant increase in candidates attempting examinations this year.

## **Board Financials**

	Actual 2015/16 \$000	Actual 2014/15 \$000
EW fees	2,017	3,345
Other revenues	73	69
Total revenues	2,091	3,414
Personnel	597	705
Operating	2,656	2,232
Depreciation	168	168
Capital charge	-280	-322
Support services	972	620
Total expenditure	4,113	3,401
Total surplus/deficit	-2,022	12
MEMORANDUM ACCOUNT		
Opening balance	5,474	5,462
Closing balance	3,452	5,474

#### Notes

- 1. These figures are an extract from the audited accounts of the Ministry of Business, Innovation and Employment.
- 2. Revenues reflect the licensing round occurring every two years, the last renewal date was 30 June 2016.
- 3. Operating costs have increased from 2014/15 due to the increased focus on auditing work, creation of the workers toolbox and developing new competency training material.
- 4. The support services increase reflects the increased use of IT services.
- 5. Last year an adjustment was made to the Memorandum Account balance reducing it by \$26,000.
- 6. This adjustment has been reversed to reflect this year's audited accounts.

# **Board Statistics**





	2013/14	2014/15	2015/16
Received by Registrar	64	88*	96
Complaints referred to Board by investigators	64	72	68
Complaint hearings held by Board	44	37	38
Practitioners guilty of disciplinary offences	39	35	28

\*Received by Registrar 2014/15: The 2014/15 Annual Report incorrectly reported complaints received by the Registrar as 119. This total included complaints against unregistered electrical workers which should not have been included. The correct number was 88.

## Three-year trend of new registrations



	2013/14	2014/15	2015/16
Electrician	872	842	935
Electrical service technician	223	232	290
Inspector	77	71	115
Line mechanic	182	166	145
Associated tradesperson	7	8	20
Cable jointer	23	24	45
Electrical appliance serviceperson	119	108	104
Electrical appliance serviceperson (qualified)	36	24	27
Electrical engineer	62	45	67
Electrical installer	2	3	1
Total	1,603	1,523	1,749

## Examinations



16

	Sat 2013/14	Passed 2013/14	Sat 2014/15	Passed 2014/15	Sat 2015/16	Passed 2015/16
Associated tradesperson	2	2	15	13	10	10
Electronic installer	5	3	4	3	3	2
Inspector's theory	143	101	147	127	178	138
EST	398	297	618	416	538	376
EASQ	48	40	41	28	74	57
EAS	345	292	251	201	269	215
Electrician's regulations	1,207	762	1,519	930	1,652	1,022
Electrician's theory	1,102	488	1,149	634	1,420	715

EST - Electrical Service Technician. EASQ - Electrical Appliance Serviceperson - Qualified. EAS - Electrical Appliance Serviceperson.

## **Board Members**



#### **Neil McLeod (Presiding Member)**

Mr McLeod is a self-employed registered electrical contractor with a current knowledge of the electrical sector. He was a councillor on the Whangarei District Council from 1998 until 2005 serving on a number of committees including the judicial committee.



#### Shane Dolan (Deputy Presiding Member)

Shane runs a business that provides auditing, geospatial and consulting services to utility companies. He is a registered line mechanic with 29 years of experience in the electricity industry and holds a Graduate Diploma in Geographic Information Systems as well as a Master of Business Administration (MBA) degree. Shane brings to the Board expertise in implementing and managing quality and safety systems.



#### Mel Orange

Mel Orange is a self-employed barrister and solicitor and business consultant from Christchurch who works in the energy and construction industries. He has previously held senior management positions and board positions in the energy industry. Mel is a former Presiding Member of the Electrical Workers Complaints Assessment Committee and a current member of the Building Practitioners Board.



#### **Mike Macklin**

Mr Macklin is a self-employed registered electrical inspector based in Darfield. Mr Macklin was previously a director for a large New Zealand low voltage switchboard and switchgear company. He comes to the Board with broad experience in electrical, commercial and disciplinary proceedings.



#### William Waterworth

William is a registered electrical service technician and has a background in general management, sales and marketing. He has worked as a senior executive for a large American corporation, in both Australia and New Zealand. He has also had significant experience within SMEs, as well as operating his own business.

William has significant experience at board level, being the immediate past Chairman of a School Board and working with a number of SME boards. He holds a BSc in Applied Mathematics and Marketing and is a member of the Institute of Directors. William also has technical qualifications in telecommunications engineering.



#### **Quentin Varcoe**

Quentin Varcoe holds a senior management position for the contracting arm of an electrical distribution business based in Hastings (Unison), where he is responsible for the operational and financial performance of the business and implementation of the company's strategies.

Quentin holds practising licences/certificates as a registered electrical inspector and is a barrister and solicitor. He has owned and operated several businesses (including electrical contracting and software development) and is a former senior advisor for the Electrical Workers Licensing Group.



#### **Debra Hall**

Debra is an engineer by training, a marketer by profession, and in her retirement, an independent director and mentor. An active participant in the early-stage angel investment space, Debra sits on the National Council of the Angel Association NZ, alongside a portfolio of governance and advisory board positions with both young and established companies in the private sector.



Top left to right: John Sickels, Mel Orange, Quentin Varcoe, Mike Macklin, Shane Dolan Bottom left to right: Brooke Mansfield (Board Secretary), Neil McLeod, Debra Hall Absent: William Waterworth



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