

CPEC

Chartered Professional Engineers Council  
Kāhui Kaiwetepanga Ngaio Whaimana

Report  
on the  
Performance  
of the  
Registration Authority

**2023**

FOR THE PERIOD 1 JANUARY - 31 DECEMBER 2023





Chartered Professional Engineers Council  
Kāhui Kaiwetepanga Ngaio Whaimana

## Contents

<b>1</b>	<b>INTRODUCTION</b>	<b>1</b>
<b>2</b>	<b>REGISTRATION AUTHORITY'S ANNUAL REPORT</b>	<b>1</b>
<b>3</b>	<b>REPORTING REQUIRED BY THE ACT</b>	<b>2</b>
<b>4</b>	<b>RULES FOR CPENG STANDARDS</b>	<b>3</b>
<b>5</b>	<b>THE COMPETENCE ASSESSMENT PROCESS</b>	<b>3</b>
<b>6</b>	<b>REGISTER TRENDS</b>	<b>4</b>
<b>7</b>	<b>COMPLAINTS &amp; DISCIPLINARY ACTIVITY</b>	<b>6</b>
<b>8</b>	<b>COMPLAINTS STATISTICS AND TRENDS</b>	<b>6</b>
<b>9</b>	<b>OTHER CPENG RELATED ACTIVITIES</b>	<b>7</b>
<b>10</b>	<b>THE COUNCIL'S PERSPECTIVE ON THE REGISTRATION AUTHORITY'S PERFORMANCE</b>	<b>8</b>

## 1 INTRODUCTION

Each year the Chartered Professional Engineers Council (the Council / CPEC) reports on its assessment of the Registration Authority's (RA) performance and exercise of the Authority's functions and powers pursuant to section 53 of the Chartered Professional Engineers of New Zealand Act 2002 ('the Act'). This report covers the RA's performance over the period 1 January to 31 December 2023. The report was received by the Council on 26 March 2024.

The RA is the Institution of Professional Engineers New Zealand Incorporated, which trades as Engineering New Zealand Te Ao Rangahau.

The functions of the RA, as set out in section 39 of the Act, include to:

- (a) make, and always have, rules relating to chartered professional engineers, prepared and approved in accordance with the Act;
- (b) register persons, issue registration certificates, assess continued registration;
- (c) keep and maintain the register of chartered professional engineers;
- (d) receive, investigate, and hear complaints about, inquire into the conduct of, and discipline chartered professional engineers in accordance with the Act.

Section 52 of the Act requires that the RA report to the Council on the operations of the RA and the chartered professional engineer register for a 12-month period ending on the preceding 31 December.

In carrying out its review, appeal and reporting functions, the Council continues to invite the RA to each of its quarterly meetings to:

- present and discuss reports on CPEng registration assessments and complaints,
- discuss the time taken for assessments and complaints,
- address the outcomes of appeals, and
- maintain dialogue on the Act and the Rules<sup>1</sup> with the purpose of considering their efficacy and any emerging need for amendment.

## 2 REGISTRATION AUTHORITY'S ANNUAL REPORT

As for previous years, the RA's annual report for the year ending 31 December 2023 presents both quantitative and qualitative information on the RA's activities, addressing the work that it has undertaken to fulfil its obligations under the Act.

A copy of the RA's 2023 Annual Report, which accompanies this report, addresses the following subjects:

- **Overview:** Introductory commentary on the improved time frame within which CPEng reassessments and most registration applications are being processed; key activities undertaken; highlights of work done; challenges encountered and a list of key statistics.
- **CPEng Review:** Reference to work carried out with Government over the last decade to change the way engineers are regulated; intention to focus in 2024 on strengthening of regulations for Chartered Professional Engineers to achieve many of the prior reform objectives with minimal disruption; planned continuation of process improvement work under the governance of the

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<sup>1</sup> Chartered Professional Engineers of New Zealand Rules (No 2) 2002

Chartered Professional Engineers Board and intention to begin advocating to Ministers and officials for changes to the Act and for a review and rewrite of the Rules.

- **Strategic priorities for 2024:** Advocating for the changes to the CPEng Act; improved regulation under the current regime through reviewing and rewriting the Rules to improve public safety; changes to the Code of Ethical Conduct to include New Zealand specific considerations; and consequential changes to membership classes which may include disestablishing Chartered Membership class to prevent confusion between CPEng registration and Chartered Member class.
- **Competence assessment:** Applications for initial registration and continued registration; registration of Recognised Engineers - Dam Safety; composition of the CPEng Board, Competency Assessment Board (CAB) activities, responsibilities and membership; Lead Assessor and Practice Area Assessor capacity; and update on triage panel membership capacity.
- **Register/assessment Trends:** Year-on-year registration and assessment statistics and trends (2019-2023); registration under Mutual Recognition schemes; assessment processing times and pass rates; gender breakdown; Te Ao Māori and ethnicity of registrants; age distribution; engineering practice field data and geographical distribution of registrants.
- **Complaints and disciplinary activity:** Key themes and highlights including 'change' being the theme for 2023, a continuation of the previous year's challenge with regard to staff turnover in the legal team, and the appointment of a complaints officer as a step towards reformation of the complaints process; the number of concerns/complaints received; jurisdiction provisions of the Act and Rules limiting the ability to grant outcomes sought in some complaints; numbers and year-on-year data comparisons relating to manner of resolution, open files, concerns received and files closed; decision maker capability; breakdown of concerns/complaints closed by practice field; appeals to CPEC; application of learning from complaints and an update on Engineering New Zealand's involvement with the Greater Christchurch Claims Resolution Service (GCCRS), Canterbury Earthquake Insurance Tribunal (CEIT) and New Zealand Claims Resolution Service (NZCRS).
- **Case study:** An overview of a case which was resolved amicably by the parties reaching agreement rather than through a full disciplinary process.
- **Financials:** Summary of CPEng fees for 2023 (Appendix 1) and summary of fee income and costs incurred with notes (Appendix 2), indicating a further increase in the accumulated deficit.

### 3 REPORTING REQUIRED BY THE ACT

Section 52(2) of the Act prescribes the RA's annual reporting requirements. The RA's associated responses for 2023 are summarised below.

- the number of chartered professional engineers at the end of the period (4532); and
- the number of persons whom the RA registered (432)<sup>2</sup> and the number whom the RA declined to register (32) during the period; and
- the number of persons whose registration was removed (200), suspended (55) or placed in abeyance (24) during the period; and
- the number of persons against whom the RA made a disciplinary order (0)<sup>3</sup> during the period; and

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<sup>2</sup> Initial registration only

<sup>3</sup> This figure is down from 2 in 2022

- the amount of the charge or charges payable in relation to registration (\$3,578.30 without rebates) or the issue of a registration certificate (\$508); and
- any other information that the Council reasonably requires. This includes regular reporting on progress towards increased numbers of female CPEng registrants, and progress towards resolution of the RA's accumulated financial deficit.

The RA's report addresses the requirements of section 52(2)(a) to (c) of the Act under *Register/Assessment Trends* (page 12-19), 52(2)(d) under *Complaints snapshot* (pages 21–24) and 52(2)(e) in *Appendix 1*.

## **4 RULES FOR CPEng STANDARDS**

A function of the Council established under section 45(a) of the Act, is the review and approval of rules containing CPEng standards. No such changes were made to the Rules<sup>4</sup> in 2023.

## **5 THE COMPETENCE ASSESSMENT PROCESS**

### **Initial Registrations**

In 2023 the RA processed 464 assessments for admission, of which 432 applications were successful and 23 were declined. These figures compare with 268, 247 and 21 respectively in 2022.

The RA notes that it no longer uses monthly assessment rounds for first-time applicants as they now have the capacity to process applications when they are received, the rate of which is approximately 40 per month.

### **Mutual Recognition**

In 2023 there were 66 successful applications for CPEng under mutual recognition schemes. This up 33 on the previous year. The RA reports that it continues to apply a policy developed in 2004 for handling applications from Registered Professional Engineers in Queensland (RPEQ).

In 2023 the RA was advised that the RPEQ will no longer register New Zealand chartered professional engineers under section 18 of the TTMRA. The basis for their refusal was that the NZ qualified CPEng was not equivalent to or substantially the same as registration as a RPEQ under the Professional Engineers Act 2002 (Qld). An appeal by the RA was unsuccessful with BPEQ maintaining their position. The RA is considering its next steps to develop a pathway for chartered professional engineers with the support of Engineers Australia.

### **Continuing Registrations**

In 2023 the RA carried out 750 assessments for continued registration. This was 10% lower than 2022 and 63% higher than 2021. The Council notes the process the RA implemented during 2022 to resolve the backlog of reassessments has been successful, with all reassessments in that backlog being completed. The RA has planned to process the almost 800 reassessments which are due in 2024 and has also identified annual demand out to 2028.

### **Registration of Recognised Engineers – Dam Safety**

Engineering New Zealand as the Registration Authority for chartered professional engineers is responsible for assessing and registering 'Recognised Engineers' in relation to the Building (Dam Safety) Regulations 2022. Working with the New Zealand Society on Large Dams (NZSOLD) and MBIE, Engineering New Zealand has developed a framework for the related qualifications and competencies to be assessed. As at 7 March 2024 the RA reports that the register for Recognised Engineers contained 16 registered

<sup>4</sup> Chartered Professional Engineers of New Zealand Rules (No 2) 2002

Recognised Engineers in each of the categories 'Potential Impact Classification' and 'Dam Safety Assurance Programmes'.

### **Assessors**

The policy for appointing and onboarding assessors of applications for initial and renewing registration was reviewed and updated by the RA in 2023.

Assessor numbers for 2023 and the three years prior are presented in Table 3 on page 11 of the RA's report. While there has been no change in the number of staff lead assessors, the number of contract lead assessors increased from 40 to 43 in 2023. The number of Practice Area Assessors (PAAs) increased to 438 in 2023, after dropping to 416 in 2022 from a high of 464 in 2021.

A new assessor manual was written in 2023 and a two-day workshop held with all lead assessors in March 2023. Lead Assessors also met monthly during the year to share knowledge, discuss challenges and receive updates from the CAB and Registrar.

The RA has conducted optional quarterly refresher training sessions for PAAs in the past and is considering making attendance mandatory. The RA is also initiating work to further improve onboarding and training. The RA reviews its list of PAAs quarterly and is also keen to include key industry stakeholders in the review process. In 2024 the RA plans to establish a mechanism to have the PAA list endorsed by the industry to make sure the right people are providing the assessments.

The RA reports there are currently 2 lead assessors and ten expert structural PAAs on the structural triage panel. As there is no longer a backlog of reassessments there is currently no intention to increase the number of lead assessors to previous levels.

The Council suggests that resource levels continue to be monitored so that in the event of any emerging issues additional resources can be brought on board quickly.

### **Appeals to CPEC**

Although not addressed specifically by the RA, the Council notes an increase over the last two years in the number of appeals against decisions of the CAB to decline applications for CPEng registration or for continued registration. To some extent this may be due to the CAB no longer agreeing to shorter registration terms being granted where the applications are considered marginal. Such applications would now be declined.

With respect to the complexity of appeals, the Council notes that a significant proportion of appellants are supported by legal counsel.

## **6 REGISTER TRENDS**

In a manner consistent with previous years, the RA's report addresses a range of registration metrics including total numbers, processing times, pass rates, gender, ethnicity, age, practice field and geographic location breakdown of registrants.

### **Assessment Processing Times**

Processing times for initial assessments (assessments for admission) and continuing registration respectively, are presented in Table 2 on page 12 of the RA's report. Both categories have seen pleasing and significant reductions in processing times from the increasingly high figures of the previous two years. The Council considers this achievement indicative of a clear commitment on the part of the RA to fully analyse and understand the underlying problem and then allocate and manage the necessary resources to deal with it.

## **Assessment Pass Rates**

The figures presented in Table 4 on page 12 of the RA's report, for initial assessments, indicate a reversal of a downward trend from 97.5% in 2019 to 92% in 2022. The RA suggests that the increased rate of 95% in 2023 might be attributed to clearer guidelines for applications leading to a significant improvement in the quality of applications submitted.

## **Growth in Registrant Numbers**

Registrant numbers are presented in Table 2 on page 12 and Figure 1 on page 13 of the RA's report. After a dip in the year-on-year growth rate in 2022 the total number of registrants grew 5.4% to 4532 in 2023 bringing the current registrant total more in line with the longer-term historical trend.

## **Gender, Ethnicity and Age Distribution**

Gender breakdown is illustrated in Figure 3 and Table 5 on page 15 of the RA's report. Over 2023 the number of female registrants increased from 480 to 510, and there was a further slight increase in the percentage of females as a percentage of all registrants, from 11% in 2022 to 11.2% in 2023. As noted in the 2022 report the RA is now reporting statistics on those engineers who identify as gender diverse or prefer not to state. In 2023, 0.1% of registrants have identified as gender diverse or prefer not to state.

In addition to reporting that its Diversity Agenda and Accord helps achieve its wider targets for diversity, the RA also refers to Engineering New Zealand's schools programme, the Wonder Project where the focus is on engaging young people, particularly girls, Māori and Pacific to alter perceptions about STEM subjects and the impact that engineers can have on society. The RA's aim is for the project to ultimately have a positive impact on the diversity of the CPEng register.

The ethnicity of registrants is indicated in Figure 4 on page 16 of the RA's report. The percentage of registrants for whom ethnicity was not recorded dropped from 14% in 2022 to 11% in 2023. Registrants recorded as Asian dropped two percent in the same period and those recorded as Pakeha/New Zealand European increased 5% in 2023. The RA reports an increase in registrants identifying as Māori from one to two percent in 2023 but rightly observes that Māori continue to be underrepresented in the profession.

Figure 5 and Table 6 on page 17 of the RA's report illustrate the distribution of registrants by age. As reported, the age distribution of registrants remains relatively stable with no significant trends evident.

## **Te Ao Māori**

Engineering New Zealand's Te Ao Māori strategy Kimihia Rangahaua is guided by Papaki Parihau. A work plan is being developed for implementation of the strategy. On page 4 of its report the RA outlines current related actions with regard to an update of the Code of Ethical Conduct and cultural competency in the context of CPEng registration.

## **Practice Fields**

In 2023, Structural (1542) and Civil (1349) clearly remain the practice fields with the greatest number of registrants, followed by Management (439) and Geotechnical (427). The only notable change reported is the addition of a new field 'Construction Engineering' which in 2023 had 19 registrants. From January 2023 the RA requires candidates applying for more than one practice field to undertake an additional 15 hours of CPD per year for each additional practice field.

## **Geographic Distribution**

There has been no significant change in the geographical distribution of registrants in the reporting year. The distribution continues to be dominated by Auckland (40%), Canterbury (18%) and Wellington (12%). The RA has observed that a challenge for engineers practicing overseas is to demonstrate that they are able to meet the requirements related to widely applied good practice for professional engineering specific to New Zealand. In 2023, the RA published new guidance to assist applicants to meet that challenge.



## **7 COMPLAINTS & DISCIPLINARY ACTIVITY**

Significant staff turnover in the RA's legal team was reported in 2022. This continued to impact the RA's complaints and disciplinary capacity in 2023. Following the resignation of three legal advisors towards the end of 2023, efforts were taken to identify ways to improve process efficiency and regulatory efficacy. The RA took the opportunity to introduce a structural change to the complaints process and also hired two new legal advisors and a complaints officer.

A key performance indicator has been introduced by the RA for reducing the median time for completion of complaints by 10% and together with other changes made a faster closure rate and better experience for all participants are anticipated.

## **8 COMPLAINTS STATISTICS AND TRENDS**

### **Concerns and Complaints Received**

This section relates to concerns/complaints about Chartered Professional Engineers. In 2023 the RA received 38 concerns/complaints, 13 more than in 2022 and 5 more than in 2021. Most complaints continue to be received from the private clients of engineers, but a mix of concerns/complaints come from other sources including engineers and building consent authorities.

### **Jurisdiction**

As has been reported previously, the RA notes that it sets clear boundaries to manage complainants' expectations by explaining its role and powers, noting that it only has the jurisdiction granted under the Act and associated Rules to investigate whether there has been a breach of the Code of Ethical Conduct or a failure to meet competency standards. The RA notes also that complainants with expectations that are broader than the scope of the legislation can be dissatisfied with the outcome of a disciplinary process because there are no powers or penalties available that involve compelling an engineer to take a particular action or to financially compensate a complainant.

This issue is also observed from time to time in appeals that are filed with the Council.

### **Concerns / Complaints Closed**

The RA's first step on receipt of a concern is to undertake an initial investigation to ascertain if it has jurisdiction to investigate it and, if so, determine whether it is suited to early resolution procedures. The formal complaints process has three decision-making stages – initial investigation; investigating committee; and disciplinary committee. A complaint may be dismissed at any of the three stages but can only be upheld by a disciplinary committee.

The manner of resolution of complaints is shown in Figure 6 on page 22 of the RA's report and illustrates a consistent year on year pattern of matters being resolved in the early stages. The Council agrees that this is positive and as noted previously the Council considers the major benefits of this to be a reduction in time commitment and cost on the part of all involved, without the more prolonged investigation and potentially disciplinary processes.

A year-on-year comparison of open files, concerns received and closed files is presented in Figure 7 on page 23 of the RA's report. As a result of the staff turnover issues discussed above, and compounded by the number of new files received during 2023, the number of files remaining open at year end was 49, an increase of 44% on the number reported in 2022 but still 9% below the number in 2021.

### **Themes and Trends – Practice Fields**

Table 9 on page 24 of the RA's report shows the year-on-year breakdown of closed concerns/complaints by practice field from 2018 to 2023. As noted by the RA, the mix in 2023 remains consistent with previous

years, with the greatest proportion of complaints received being about structural engineers. The RA suggests that this is largely due to the relatively higher number of structural engineers in practice, the likelihood of them having more frequent / direct contact with clients who are often members of the public and the comparatively high public visibility of structural engineers. There is no suggestion that the quality of structural engineers is any different from other disciplines.

The Council notes the number of engineers in the civil field is close to those in the structural field whereas the complaints attributed to civil engineers remains constant at 5 (2023). The RA is inclined to attribute the higher proportion of complaints in the structural area to the more frequent direct contact between clients and structural engineers, and the relatively high public visibility of structural engineers.

### **Appeals to CPEC**

The RA reports that historically, the number of appeals against decisions on complaints has been approximately three per year, with a peak of 12 appeals in 2021, dropping to four in 2022 and three in 2023.

In two of the 2023 cases the complainants were unsatisfied that the Chair of Investigating Committees dismissed their complaints and the third involved a respondent engineer who appealed a decision of a Chair of Investigating Committees to refer the matter to an Investigating Committee. The latter decision was overturned and the appeal upheld by the Council. However, the two appeals against dismissal of complaints were both dismissed, the RA's decisions being upheld by the Council.

As the RA suggests and as has been reported previously, the Council notes that the rate of appeals being filed with the Council and the generally low proportion of those appeals which are upheld is an indication that the complaints process is robust and credible.

However, the Council notes again, the reality that some appellants, especially some members of the public whose complaints and ultimately appeals were unsuccessful, might not consider the process in such a positive light, especially where emotion at times appears to prevail over objectively established fact.

### **Learning from Complaints**

The Council notes that the RA's legal team continues to include a regular column in Engineering New Zealand's quarterly *EG* magazine addressing case studies and emerging legal issues. The RA also sometimes contributes to Engineering New Zealand's fortnightly newsletter *Discover*.

The Council considers these measures to be very valuable in terms of the potential for improved future outcomes based on the lessons learnt.

## **9 OTHER CPEng RELATED ACTIVITIES**

### **CPEng Review**

On page 8 of its report the RA refers to its work over the last decade with Government to change the way engineers are regulated and notes that the focus for 2024 will be on strengthening the Chartered Professional Engineers regulations to achieve many of the reform objectives with minimal disruption. The already established Chartered Professional Engineers Board provides independent governance of the Registration Authority and the focus has been on improvements to both the registration and disciplinary processes. A review of CPEng has been reported in previous years and the process improvement initiatives represent the implementation of areas or change that were identified in that earlier review.

In addition to process improvement initiatives referred to above, the RA has indicated the intention to begin advocating to Ministers and officials for changes to the Act in terms of strengthening its purpose and 'levers' as well as a review and rewrite of the Rules. Any such changes would require the support of the Minister, officials and the Parliamentary Counsel Office and would also need consultation with the engineering profession.

## **10 THE COUNCIL'S PERSPECTIVE ON THE REGISTRATION AUTHORITY'S PERFORMANCE**

### **Functions being performed soundly**

As reported previously, the Council considers that the RA continues to perform its functions well in the following areas:

- maintaining a robust competency assessment and re-assessment process, and actively seeking to make practical changes aimed at maximising efficiency and effectiveness as any prospective legislative change programme advances;
- applying feedback from consultation, and from assessment/re-assessment and complaints processes, to implement improvements where warranted;
- a continuing increase in the number of registrants (4532) – at a growth rate consistent with the established trend of recent years:
- ongoing commitment and progress towards the achievement of inclusion and diversity goals;
- continuing to refine the complaints process, with ongoing success from the use of early resolution initiatives where applicable;
- ongoing commitment to support the Government's New Zealand Claims Resolution Service.

### **Accumulated Financial Deficit**

For some years the growing deficit of the RA has been a significant concern. As indicated in the 2022 report, the RA increased CPEng fees by 10% with effect 1 January 2023. The fees had remained unchanged since 2015. In its 2023 report the RA notes that the actual financial deficit for 2023 was \$214,919 bringing the accumulated deficit to \$2,316,747. The RA report suggests that the net annual deficit above would have been \$193,000 higher had the fee increase not been introduced. In 2023 the RA had assessed that the impact would be in the vicinity of a \$240,000 reduction.

While the January 2023 fee increase has improved the financial situation significantly, further measures are clearly needed to balance expenditure and revenue on an annual basis. The Council supports the RA's stated intention to undertake a detailed review of assessment fees, to ensure alignment between fees charged and the actual cost to run the Authority, as it works on refining the assessment process.

The Council will continue to engage with the RA through quarterly discussion, on the adequacy of measures to eliminate the annual deficit.

### **Areas for development and improvement**

In addition to further necessary measures to eliminate annual operating deficits, the Council will continue to engage with the RA on operational areas where there is room for further progress as outlined below:

- on-going implementation of improvements to the CPEng assessment and disciplinary processes, that do not require legislative change;
- stable and sustainable assessment capability which assures on-going achievement of realistic target assessment times, driven by planned, measured actions by the management team and oversight by the CPEng Board;
- stable and sustainable complaint resourcing, with flexibility to accommodate fluctuations in the numbers and nature of concerns/complaints being filed, through planned, measured actions by the management team and oversight by the CPEng Board; and

- communication that keeps engineers up to date with the implementation of short term (CPEng review based initiatives) and any longer term changes (legislative and regulatory) that are being considered.

The Council also supports the RA's strategic priorities which are presented on page 8 of the RA's report, and which indicate establishing a work programme in the first quarter of 2024, involving:

- Advocating for changes to the Act;
- Improved regulation under the current legislative regime, reviewing and rewriting the Rules;
- Changes to the Code of Ethical Conduct to include public safety and other New Zealand specific considerations; and
- Consequential membership class changes.

The Council will continue to engage regularly with the RA on these matters, including through its quarterly meetings which are generally attended by the RA and MBIE representatives.

The Council also acknowledges the significant turnover issues with the RA's legal team over 2022 and 2023 but recognises that in rebuilding the team the RA has taken the opportunity to refine and improve its approach and processes. The Council looks forward to seeing the future benefits of these actions.

Dated: 30 June 2023



Sandra Hardie  
Deputy Chair

**Council members:**

Sandra Hardie (Deputy Chair)  
Mark Holland  
Megan Neill  
Alan Winwood

Manjit Devgun  
Simonne Eldridge  
Anthony Fairclough  
Chris Harrison (retired May 2024)



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