

CPEC

Chartered Professional Engineers Council
Kāhui Kaiwetepanga Ngaio Whaimana

Report
on the
Performance
of the
Registration Authority

2024

FOR THE PERIOD 1 JANUARY - 31 DECEMBER 2024



ANNUAL REPORT

BY THE

CHARTERED PROFESSIONAL ENGINEERS COUNCIL

ON THE

PERFORMANCE OF THE REGISTRATION AUTHORITY

FOR THE PERIOD

1 JANUARY TO 31 DECEMBER 2024



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1 INTRODUCTION

The Chartered Professional Engineers Council ('the Council' or 'CPEC') is a statutory body established by, and with powers and functions under, the Chartered Professional Engineers of New Zealand Act 2002 ('the Act').

The Registration Authority under the Act for chartered professional engineers ('CPEng') is the Institution of Professional Engineers New Zealand Incorporated, which trades as Engineering New Zealand Te Ao Rangahau ('the RA').

Section 52 of the Act requires that the RA report to the Council on its operations and the chartered professional engineer register for a 12-month period ending on the preceding 31 December. The RA's annual report for the period 1 January to 31 December 2024 was received by the Council on 25 March 2025 (RA's Report).

As required by section 53 of the Act, each year following the receipt of the RA's report, the Council makes its own report on the RA's operations.

This report is made under section 53 of the Act and covers the RA's operations over the period 1 January to 31 December 2024.

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.

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 Rules¹ 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 2024 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 annual report, which accompanies this report, addresses the following:

- **Introduction:** The introduction highlights the RA's achievements in 2024, including a focus on enhancing the CPEng assessment process by launching a new website and register, improving

¹ Chartered Professional Engineers of New Zealand Rules (No 2) 2002

assessment procedures with mandatory referee calls and ID verification, and providing better support for applicants through updated guidance documents and online learning modules. Financially, the RA reduced its deficit significantly and improved the complaints processing timeframe. Key activities included completing over 1,000 assessments, engaging with stakeholders through seminars and meetings, and addressing 33 complaints. The Authority also proposed changes to the Chartered Professional Engineers of New Zealand Rules (No 2) 2002 ('CPEng Rules') to better align with building regulatory systems and improve public outcomes. Governance was strengthened with a diverse CPEng Board and an active Competency Assessment Board working to ensure consistency and quality in assessments.

- **Strategic priorities for 2025:** In 2025, the RA will focus on implementing new CPEng Rules set to take effect in early 2026. Key priorities include publishing these rules, providing guidance for establishing registration classes, and ensuring internal readiness through staff training and updated application processes. The RA will also update reassessment and complaints systems, including new manuals and training documents. Additionally, Engineering New Zealand will consider changes to its membership classes, including the possible disestablishment of its Chartered Member class, to avoid confusion with CPEng registration. These efforts aim to enhance regulatory effectiveness and public safety.
- **Competence assessments:** In 2024, the Registration Authority completed 366 initial CPEng registrations with a 93% pass rate and managed 811 reassessments. It maintained median processing times of 55 days for initial applications and 50 days for reassessments. The Authority also improved support for assessors through monthly meetings and provided Microsoft365 accounts for better communication and record-keeping. Practice Area Assessors were required to work on at least two assessments per year and received quarterly refresher training. The structural triage panel included two Lead Assessors and ten expert structural assessors, whose names were published on Engineering New Zealand's website.
- **Register/assessment trends:** The section provides an overview of the registration trends and geographical distribution of Chartered Professional Engineers (CPEng). The overall registration numbers show a continued growth trend, with 4,781 registered CPEngs in 2024, up from 4,532 in 2023. The number of first-time assessments remained stable, while reassessments declined due to the elimination of the backlog. The geographical distribution highlights Auckland as having the highest number of registrants, followed by Wellington and Canterbury. The pages also detail the gender and ethnicity breakdowns, noting efforts to increase diversity through initiatives like the Diversity Agenda and the Wonder Project. Additionally, the age distribution of registrants is provided, showing notable proportion of engineers working into their 70s and 80s.
- **Complaints and disciplinary activity:** In 2024, the RA received 33 complaints, mostly from private clients, and resolved 48 complaints, reducing the median resolution time from 182 to 156 business days. The RA focussed on early resolution, with more than half of the complaints resolved before reaching the Investigating Committee stage. The Legal and Complaints team, bolstered by new hires and a Complaints Officer, aims to further reduce resolution times. The themes and trends in complaints noted included a high number of complaints about structural engineers, and the emergence of complaints against management, mechanical, and electrical CPEngs. Additionally, the section covers the appeals process and the role of the Greater Christchurch Claims Resolution Service (GCCRS) in resolving long-standing disputes.
- **Case study:** The case study illustrates how effective communication, and responsiveness can resolve complaints early in the process. An engineering firm conducted an assessment of a property damaged by a natural disaster for an insurance claim. The property owner, also an engineer, disagreed with the report, citing inaccuracies and delays. The engineers who authored the report provided detailed responses, addressing each concern and acknowledging the owner's frustrations. Their thorough and empathetic responses led the owner to withdraw the complaint, demonstrating the importance of clear communication and professional engagement in resolving disputes.

- **Financials:** Summary of CPEng fees for 2024 (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 2024 are summarised below:

- the number of chartered professional engineers at the end of the period (4,781);
- the number of persons whom the RA registered (366)² and the number whom the RA declined to register (29) during the period;
- the number of persons whose registration was removed (110), suspended (47) or placed in abeyance (67) during the period;
- the number of persons against whom the RA made a disciplinary order (1)³ during the period;
- the amount of the charge or charges payable in relation to registration (\$1,721.50 without rebates) or the issue of a registration certificate (\$506); 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 13-19), those of 52(2)(d) under *Complaints snapshot* (pages 20–25) 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. In 2023 Engineering New Zealand began the process to update these and analysis of the submissions on the proposed changes are underway.

Consultation has closed on proposed changes to the Rules that would better align registration classes with the requirements of the Building Consent Authorities. Any changes to the Rules containing CPEng standards are required to be approved by the Chartered Professional Engineers Council.

5 THE COMPETENCE ASSESSMENT PROCESS

Initial Registrations

In 2024 the RA processed 395 assessments for admission, of which 366 applications were successful and 29 were declined. These figures compare with 464, 432 and 23 respectively in 2023.

Mutual Recognition

In 2024 there were 50 successful applications for CPEng under mutual recognition schemes. This was down from 66 on the previous year.

Continuing Registrations

² Initial registration only

³ This figure is up from 0 in 2023

In 2024 the RA carried out 680 assessments for continued registration. This was 10% lower than 2023 and 22% lower than 2022.

In 2025, the RA is planning on processing the 825 reassessments due in 2025. Assessments have been scheduled out to 2029.

Competency Assessment Board

The Competency Assessment Board (CAB) was established to moderate the assessment process as conducted and reported by the Assessment Panels. The RA reports that the scrutiny by the CAB is essential to ensure consistency and to make informed decisions regarding a candidate's application for chartered engineered status.

Assessor numbers for 2024 and the three years prior are presented in Table 1 on page 11 of the RA's Report. There has been no change in the number of staff lead assessors. The number of contract lead assessors decreased from 43 to 36 in 2024. The number of Practice Area Assessors (PAAs) decreased to 430 in 2024, after increasing to 438 in 2023 from 416 in 2022.

Lead Assessors met monthly during 2024. They were provided with Microsoft365 accounts to provide easier communication and to allow the RA access to emails in the event of an appeal.

The RA has conducted optional quarterly refresher training sessions for Practice Area Assessor (PAA). Attendance is being monitored to ensure the PAAs attend a session at least six monthly. The appointment of a PAA is signed off by the Competency Assessment Board.

The RA reports there are currently 2 lead assessors and ten expert structural PAAs on the structural triage panel. The names of the triage panel expert structural assessors are published on the RA's website.

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 Figure 2 on page 14 of the RA's report. Over 1,000 CPEng assessments were completed during 2024 within the median processing time of 60 working days or less.

Assessment Pass Rates

The RA reported that the assessment pass rate remains stable at 95% in 2024.

Growth in Registrant Numbers

Registrant numbers are presented in Table 2 on page 13 and Figure 1 on page 14 of the RA's Report. The total number of registrants continues an upward trend to a total of 4,781 in 2024.

Gender, Ethnicity and Age Distribution

During 2024 the number of female registrants remained static at 510. In 2024, 0.4% 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 Pasifika 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 increased from 11% in 2023 to 14% in 2024. The RA reports that registrants identifying as Māori remains stable at 2% in 2024 but rightly observes that Māori continue to be underrepresented in the profession.

Figure 5 and Table 4 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 the external advisory group, Papaki Parihau. Actions undertaken during 2024 included; publishing a new self-assessment tool, updating the mutual recognition guidance and updating the standardised questions posed during the interactive interview.

Practice Fields

In 2024, Structural (1633) and Civil (1382) clearly remain the practice fields with the greatest number of registrants, followed by Management (443) and Geotechnical (459). In 2023 the RA included a new field 'Construction Engineering' which had 39 registrants in 2024 an increase on the 19 in 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 reporting provided by the RA includes all CPEng engineers not just those who have membership with Engineering New Zealand.

7 COMPLAINTS & DISCIPLINARY ACTIVITY

Significant staff turnover in the RA's legal team was reported in 2023. This continued to impact the RA's complaints and disciplinary capacity in 2024. The RA stabilised its team and improved efficiency, resulting in a doubling of case resolutions from 24 in 2023 to 48 in 2024, the highest number of resolved cases in at least five years. This improvement is largely attributed to the addition of a Complaints Officer, who streamlined the initial review phase, allowing other staff to focus on more complex cases that proceed to full investigating and disciplinary committees.

The RA achieved a 10% reduction in the median time for complaint resolution, decreasing from 182 business days in December 2023 to 156 business days in December 2024. This reduction was part of the 2024 Key Performance Indicator (KPI) and was accomplished through various efficiency improvements in the complaints process. The high number of resolved complaints is not sustainable long-term, as the team is currently resolving more complaints than are being received. However, the RA expects the median time for complaints to continue to decrease.

Looking ahead, the Legal and Complaints team has set a new long-term three-year KPI to further reduce the median time a complaint spends at each step of the process. The goal is to achieve an average of 60 business days for the initial investigation stage, 120 business days for the investigating committee stage, and 120 business days for the disciplinary committee stage by October 2027. The RA is committed to making continuous improvements to the efficiency of the complaints process, both through procedural changes and proposed amendments to the Rules.

8 COMPLAINTS STATISTICS AND TRENDS

Concerns and Complaints Received

This section relates to concerns/complaints about Chartered Professional Engineers. In 2024 the RA received 33 concerns/complaints, 5 less than in 2023 and 8 more than in 2022. Most complaints continue to be received from the private clients of engineers, but a mix of concerns/complaints come from other sources including other 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.

Themes and Trends – Practice Fields

Table 7 on page 23 of the RA's report shows the year-on-year breakdown of closed concerns/complaints by practice field from 2019 to 2024. As noted by the RA, the mix in 2024 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 and that the number of complaints against Civil Engineers has increased to nine during the reporting period. The RA also noted the emergence of complaints against engineers in management, mechanical, and electrical fields which has not been seen since at least 2018.

Appeals to CPEC

The RA reports that historically, the number of appeals against decisions on complaints has been approximately three per year. In 2024 there was an uplift to eight complaint decisions being appealed to CPEC.

The RA suggests that the increase on the previous three years is because the number of decisions made in 2024 was double that made in 2023.

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 from the complaints process.

9 OTHER CPEng RELATED ACTIVITIES

CPEng Review

The Chartered Professional Engineers Council provides independent governance of the Registration Authority and the focus has been on improvements to both the registration and disciplinary processes.

On page 7 of its report the RA refers to its work over the last year to review and update the Chartered Professional Engineers regulations. In addition to process improvement initiatives, the RA has indicated the intention review and rewrite the 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 2024 and the submissions are being analysed. Any changes to the Rules would require the support of the Council, Minister, officials and the Parliamentary Counsel Office.

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 (4,781) – 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

In its 2024 report the RA notes that the actual financial deficit for 2024 was \$45,000 which is a significant decrease from \$214,000 in 2023. The accumulated deficit is \$2,577,361.

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

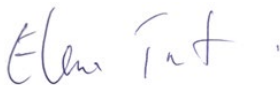
- on-going implementation of improvements to the CPEng assessment and disciplinary processes, that do not require legislative change;
- stable and sustainable assessment capability which assures on-going achievement of realistic target assessment times, driven by planned, measured actions by the management 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.
- considering a measure regarding the use of ADR-related processes to see if that helps reduce case resolution. One of the areas that could be improved is the use of expert conferencing rather than ADR between the parties to the complaint.

The Council also supports the RA's strategic priorities which are presented on page 10 of the RA's report, and which indicate establishing a work programme, involving:

- publication of the CPEng Rules;
- provision of class establishment guidance
- ensuring internal readiness for the establishment of the new classes
- updates to reassessments
- updates to the complaints system
- possible disestablishment of the Chartered Member class.

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.

Dated: 30 June 2025



Elena Trout
Chair

Council members:

Elena Trout (Chair)
Sandra Hardie (Deputy Chair)
Mark Holland
Megan Neill

Manjit Devgun
Simonne Eldridge
Dr Carron Blom
Matt Harris

Alan Winwood (term finished June 2024)
Anthony Fairclough (term finished 2024)
Chris Harrison (retired May 2024)

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