

E23a Public Release CBIP Meeting 81.

**Unconfirmed Minutes of CBIP Meeting Number 81
Held at Christchurch
On
March 5 and 6, 2008.**

CBIP Board meeting number 81 opened at 9:30 am on Wednesday 5 March 2008 in the conference room at the Latimer Hotel, Latimer Square, Christchurch.

Present – Bill Black, Bryn George, Steve Mabbett.
Rob Penney, Jan Westra, John Wilson,
Secretary – John Stark.

Apologies - Alan Askham, David Barnett, Angela Ibbotson,
Malcolm Kelsen, Ian Whyte, Wolfgang Scholz,
Mick Bell.

Note – The meeting was advised that Mick Bell would be joining the meeting at noon, Angela and Wolfgang would be present the next morning.

Reasons were given were accepted for those who had presented their apologies.

Proposed – Bill Black seconded Bryn George – That the apologies be accepted. **Agreed.**

The Chairman noted that as the meeting did not currently have a quorum it would not be possible to pass any resolutions in cases where that was necessary. He went on to say that there was a considerable amount of work that could continue until Mick Bell joined the meeting just after midday. At that stage Mick Bell would be advised of the background and any items needing to be passed by the Board would then be considered.

Chairman's Opening Remarks.

The Chairman welcomed those present and thanked them for attending. He advised that Andrew Kear and Richard Steel from the Department of Labour would be joining the meeting at 9.30 the next morning by invitation along with Angela Ibbotson.

He advised that he has received a draft agreement from the Department of Labour and hoped that after the Board members had examined the document it would be possible to get full agreement for its signing and completion the next day.

There was also a need for the Board to consider the type of organisational structure it would need when it was operating in a completely self funding mode. That was an item that would be explored in some detail later.

He advised that the Contract with the AINDT was due to be renewed and would be discussed later along with a suggestion that the secretary had made about CBIP Email notifications to Ordinary Members.

Much work had still to be done on the Standards of Proficiency (SoP's). The Quality Procedures Manuals (QPM's) also needed additional work to be completed prior to the accreditation process commencing. That was an item listed for later discussion and for urgent resolution.

A meeting was being planned with JASANZ to get some idea of their intentions regarding the accreditation process. He advised that the CBIP requirements for the process to be carried out in New Zealand by New Zealand auditors acceptable to CBIP had already been agreed by JASANZ. Also that JASANZ's accreditation process to start with a paper examination of CBIP's documented systems and processes had also been agreed.

He advised that currently four complaints had been received needing to be processed by the standing disciplinary committee. One dealt with a technical matter of competency and three dealt with ethical aspects. Legal opinion had been obtained as to the permitted remedies available.

In response to questions about CBIP's future structure he advised that the issue would be looked at later in the meeting when all views could be expressed and investigated. He confirmed that at present until such time as a new structure has been approved (probably at some future Special General Meeting). The present CBIP Constitution remained the document in place.

Approval of the Minutes of Meeting 80.

The Chairman asked the secretary whether any changes to the minutes had been received. The secretary confirmed that he had not received any. (This item was revisited after Mick Bell joined the meeting in the early afternoon when Mick supported the proposal to accept the minutes.)

Proposed that the minutes be accepted – Rob Penney, seconded Bryn George – **Carried.**

Matters Arising.

Radiographic Test Plates. The radiographic test plates currently in use were obtained a considerable time ago and it was now time to look at new ones being introduced into the system. To be addressed later.

A person still had outstanding payments due since May 2007 and was therefore still waiting for his certificate. They were not to be issued until the outstanding payments have been received and the cheques cleared.

The Chairman advised that the legal work to finally secure the CBIP trade mark registration was now completed.

The registration of CBIP under the provisions of the Charities Commission was also well under way.

Letters had been written to IANZ and the Department of Labour but as yet no written reply had been received. The Chairman confirmed that he had 'phoned IANZ about the delay and was hopeful of a meeting being arranged in the near future.

Other Issues.

An issue has been raised by the TAC that there was apparent confusion on the part of some about the radiographic interpretation of welds where they were part of an item of equipment for which an equipment inspector would eventually take responsibility through recommending the issue of a certificate of inspection.

Cases were outlined where the apparent responsibility for the acceptance for that type of equipment was being claimed by some inspectors with NDT certificates alone. The Board confirmed that all welds in equipment where their failure could result in failure of that equipment were to be to the satisfaction of a Certified Welding /Equipment Inspector.

There was some discussion about the pressure equipment examinations and the continued need for the variety of codes and standards currently catered for in the examinations. It was decided that the Chairman would speak to Alan Askham as chairman of the PEI examination panel to see whether some rationalisation could be achieved. This was confirmed and the panel chairman will report to the Board with a recommendation for the next meeting.

An item was raised concerning certificates of inspection issued by an organisation that did not employ CBIP certificated inspectors. DOL have issued an item of clarification that requires issuers of certification for Truck Mounted Cranes to hold appropriate CBIP certification in this discipline.

Noted.

Future Structure for CBIP.

The Chairman said that the present structure of CBIP where the Governance Board became deeply involved in technical matters was time consuming and unlikely to be acceptable in any future modern operating environment.

He said that CBIP needed very efficient structures at all levels where people involved would be placed in those positions because of the technical contributions they were capable and able to make. It would appear necessary that some critical selection process be applied to all appointments rather than the

current election process that while it was democratic did not currently guarantee the levels of knowledge and commitment desirable.

All positions in future within the CBIP structure needed to be regarded as working positions and persons appointed to those positions because of their particular knowledge and competence areas and willingness to contribute.

There would need to be provision to make payment to recognise the value of work carried out but there should be no room in any part of that new CBIP structure for persons who did not contribute in a practical manner and meet completion deadlines that had been set and accepted. The Governance Board must ensure that the authority to remove non performers from positions within the structure was encompassed in the next revision of the Constitution.

The current problems with getting work satisfactorily completed on time from volunteer resources only needed to be avoided in future. There was considerable discussion and comment about the composition of a future Governance Board.

The meeting adjourned for lunch at 12:30 and Mick Bell joined the meeting when it resumed at 1:30 pm.

The Chairman then outlined the issues that had been raised during the morning meeting and obtained Mick's agreement to the approval of the minutes of the previous meeting.

The discussion on possible future structure continued.

It was agreed that one of the purposes of a Governance Board was to monitor the performance of the various committees operating under them. Those committees should submit reports to the Board at specified intervals and it would be the responsibility of the Governance Board to judge the performance of those committees and the persons on those committees or panels by their ability to carry out their specified tasks successfully.

If technical questions arose then the appropriate committee would be approached by the Governance Board to provide the answers. The need for actual technical representation at the Governance Board level was something that still needed to be established but current indications are that this was not necessary. Detailed technical matters should not require Governance Board time to resolve, that type of problem was for the Technical Advisory Committees.

The size of that Governance Board was discussed; it was felt that ideally it should not be less than five persons and not more than seven. The method by which those persons should be appointed was not determined but they needed to be appointed by some effective and critical selection process that recognised the capabilities and willingness of persons seeking appointment to contribute.

The responsibility of the Governance Board was to establish policy, manage, control and monitor the technical committees, but in a manner where correctness of all technical decisions was ~~the total~~ responsibility of the respective technical committee.

It was felt that the Finance Committee and the Standing Disciplinary Committee would report directly to the Governance Board as also would the Application and Approval Committee and the Technical Advisory Committees.

The various examination panels then would report to the respective Technical Advisory Committee. There was considerable discussion about the structure but the Chairman said that members needed to absorb the idea that when CBIP eventually achieved a sound “stand alone self funding status” there would be many changes and the accountabilities of all committees and individuals would need to be closely defined and monitored.

Questions were asked about the membership structure that would exist under any future direction adopted by CBIP. The Chairman replied that CBIP was very grateful for the contributing members made and that in a number of cases they also provided considerable practical support which CBIP sincerely appreciated. The system applied in the future may not necessarily follow the current pattern as in a self funding mode a different structure may be more appropriate.

In response to further questions that Chairman advised that the discussion on future direction was not at this stage setting anything in place but exploring possibilities Board members must realise that the present structure where administrative and technical responsibilities were mixed and dealt with in detail at Governance Board level presented many problems.

There was considerable discussion by members about the implications that would arise under a “new structure” for CBIP and while no agreement was achieved, the need for a system where all members of the structure were actively working to support the responsibilities for which their committee, panel or group was responsible for was recognised.

No decisions were made regarding the future structure of CBIP but it appeared clear to most that significant changes would be necessary.

In relation to future direction the Chairman was asked what form the CBIP AGM should take, would Board positions become vacant and be replaced through holding elections? Discussion resulted and it was agreed that to make significant changes to the Governance Board membership at this time during the negotiations with the Department of Labour would not be wise.

The following proposal was made –

That it is a requirement of the CBIP agreement with the Department of Labour that CBIP achieve accreditation with to ISO 17024. In order to achieve accreditation Board elections will be deferred until at least three months after accreditation has been achieved.

Proposed Bill Black seconded Steve Mabbett.

Carried.

Following Completion of Accreditation.

Members asked how the future of CBIP would be possible following gaining accreditation without the ability to generate a legally enforceable source of funding that would also provide a constant and adequate cash flow.

The basis of those concerns is that CBIP has accepted considerable responsibility and prepared processes which it is confident will achieve accreditation to ISO 17024. Continuing existence of CBIP beyond the completion of accreditation is totally dependent on it becoming self funding. Without funding the overall activities that extend well beyond the coverage of the PECPR regulations will be in doubt. What progress is proposed by the Department of Labour to provide legislation or regulation enabling that self funding state covering a wide range of equipment inspection to be achieved?

Agreed.

Ethics.

The Board considered whether the upholding of the CBIP Code of Ethics requirements was important, as there are currently three breaches of ethics complaints currently before the Board.

The question was –

“Did the Board consider that where a breach of the Code of Ethics was proven to the SDC and confirmed by the Board that suspension or withdrawal of certification was an appropriate action?”

Discussion resulted. There was unanimously agreement that withdrawal of certification was an appropriate action and that if CBIP was not seen to be correctly addressing ethical issues, questions would arise that would reflect badly on CBIP and on all inspectors and holders of CBIP certifications who sought to maintain and uphold high ethical standards.

Agreed.

Correspondence.

Examination Date Changes.

The proposal to change the CBIP examination dates and the background that created the problem were outlined by the Chairman and had previously received extensive attention through Emails circulated. It was agreed by the Board to maintain the original dates as it had the responsibility to its exam applicants of enabling them to plan well ahead and for that reason the exam dates has been set previously by the Board and confirmed by AINDT to followed on automatically from year to year.

It was agreed that the reasons given for making changes this year were not sufficient and that the changes were not acceptable. **Agreed.**

It was only the Chairman who is able to change those dates based on a decision by the Board. Attempts to make changes should only be considered in very exceptional circumstances. Applications for such changes should be made in future direct to the Chairman who would then refer to the Board but the dates set must be regarded as being non-negotiable by the service provider or the exam co-ordinator. **Agreed.**

Ratifications.

The approval of the increase in auditor's fees by Email vote was accepted. **Agreed.**

The approval by Email vote of the revised schedule of AINDT – CBIP examination fees was also accepted. **Agreed.**

Sizing of Cracks.

The Chairman explained that the issue had been extensively discussed through Emails but that a resolution was needed by the Board to bring the issue to a close. It was established that inspection needs in New Zealand demand that it is essential in very many cases that the depth / height of cracks be defined.

It was agreed that Rob Penney as NDT TAC chairman after discussion with the exam panel investigate the problem and develop a solution that can be presented to the CBIP Board so that NDT UT certificates for CBIP and application within NZ are clearly identifiable from the standard AINDT certificate issued for Australia and that the CBIP certificate covers the sizing of defects, particularly in cracks and the examination of nozzles. The resulting method of discerning that required competency is to be clearly identifiable.

Proposed Mick Bell seconded Bill Black, that an acceptable solution be developed regarding the correct sizing of cracks. **Carried.**

This then raised a further question as to the suitability of the existing UT test pieces and whether they needed further verification to establish the height of the cracks or whether they needed replacement. Rod Penney and the exam panel were asked to determine what was needed as soon as possible and to then report back to the Board.

Agreed.

A and A Committee issues.

The following items were raised by Malcolm Kelsen who was unfortunately not able to attend this meeting.

Frequent problems were being experienced with applications and the verification of training experience. The requirements clearly stated that a currently certified equipment inspector must sign off training experience in that same inspection category or sub-category as that for which the trainee was seeking recognition. Where that does not happen the application will be rejected by the A and A committee.

Currently the EWP application for an examination at Level 1 only requires a statement that the person involved has carried out a practical test on an EWP. The level 2 examination requires that the report covering the practical test must be signed by a person holding a current level 2 EWP certificate.

It was suggested that in order to establish a clear paper trail establishing acceptable training these Level 1 applications in future should be signed by a Level 1 or Level 2 CBIP certified EWP person.

Agreed.

There was discussion about the recognition of overseas qualifications that could be regarded as being equivalent. It was pointed out by the Chairman that QPM 12 already covered these issues and if the A and A committee was of the opinion that changes were needed a detailed proposal needed to be presented to the Board.

The AINDT Contract.

The Chairman indicated the ~~new~~ AINDT contract had been reviewed and that it was basically in the same form as the existing one. He recommended that the contract be extended for one year with the right of further renewal until CBIP's future ability to legally generate a satisfactory self funding model and stand alone income had been established.

After discussion it was agreed that the one year renewable contract be offered to AINDT. That would include the technical changes discussed during the meeting.

Agreed.

The Chairman indicated that a suggestion had been made by the Board secretary that the Email notifications to ordinary members that is required for the AGM's and any special general meetings be sent out through the AINDT. Their Email listing was kept up to date and that process if it could be adopted would save duplication of work and speed the process up. The Board agreed that the Chairman would follow up on that item with Peter Sheedy. This was subsequently followed up and an agreed cost decided. This was in the region of 3 hours. This has since been declined by the AINDT certification board chairman

Agreed.

The Chairman asked whether the Board could agree in principle that the agreement with the Department of Labour that had been handed around for those present to view could be signed. It was felt that some issues still needed to be resolved in the morning after those from the Department of Labour had outlined their position and addressed the issues raised earlier in the day regarding the future direction of CBIP. After some further discussion that agreement in principle was given,

Agreement in Principle.

It was agreed that the meeting would resume in the morning at 8:00 am.

The meeting closed just after 5.00 pm.

The meeting resumed at 8.00 am. Persons present were - Bill Black, Mick Bell, Bryn George, Steve Mabbett, Rob Penney, Jan Westra, and John Wilson being Chairman with John Stark as secretary.

An application had been received from HERA for CBIP to replace the position previously held by Michael Tosio on the I&QC Panel. The need for a replacement was discussed.

While during this period of preparation for accreditation it was undesirable for additional work to be taken on that did not directly contribute to the accreditation project it was probable that only one meeting per year would be involved.

Bryn George offered to take up that position and report back to the Board provided the meetings were held during times he was available in Auckland. Bryn's appointment to that panel was approved and Bryn was asked to report back to the Board concerning those meetings.

Agreed.

There was discussion as to the completion of the SoP's and the QPM's. It became evident that in the case of the SoP's a large amount of work remained and for the QPM's there was a lot of revision and standardisation work still remaining. The Chairman asked for volunteers to take on that work. No one present appeared able to pick up that work.

The Chairman asked the secretary to urgently prepare a schedule of work that could be used as the basis for engaging a suitable third party person so that work could commence on the revision and standardisation of the SoP's almost immediately. Bill Black offered to assist with help from the secretary in reviewing that work on the SoP's as it was progressively completed. Those present agreed to this course of action. **Agreed.**

The Chairman said that it was unacceptable for the SoP's and the QPM's not to be revised prior to the formal accreditation process commencing as part of the process involved the review of the paper systems.

Rob Penney advised he had done work on the QPM's but a considerable amount remained. If a similar option was available for the QPM's as was being applied to the SoP's it would be helpful.

Bill Black proposed that the revisions along with the accreditation should only focus on the core purposes of CBIP. That was to ensure that the processes in place were aimed at clearly identifying the competency of persons who meet the CBIP standards. Paperwork should be kept to a minimum and where procedures currently were in place that related to other things that CBIP hardly ever did their retention needed to be questioned and justified. Where services were contracted out the responsibility for compliance was with that contractor and as the AINDT has accreditation for the NDT disciplines it was only the interface that CBIP needed to address. **Agreed.**

Tower Crane Safety.

The situation with the tower crane with the components of uncertain quality was mentioned. It appeared that the crane had not been issued with a certificate of service but was still in an erected condition and as such still presented a potential danger under strong wind conditions.

It was uncertain whether that problem had been correctly reported to the Department of Labour, or, if so to whom that report had been made and whether the current dangers were clearly understood. The Chairman agreed to raise that matter up with the Department of Labour. The current position was clarified and the appropriate remedial action brought to the attention of the DOL.

The issue of obtaining new radiographic films were raised. Those films currently in use were purchased a long time ago and were well used. To ensure that all examination material was seen as being above question, a quote needed to be obtained as to the costs of a new set. The figure of around \$4000 was quoted as a rough starting point. Rob Penney was asked to obtain details and make a recommendation to the Board as soon as possible **Agreed.**

Wolfgang Scholz joined the meeting at 9.00 am and was warmly welcomed.

The Chairman briefly outlined the more important decisions that had been made and said that the focus now was on establishing the longer term viability of CBIP in a self funding mode where the ability to maintain adequate funds and a satisfactory cash flow had some form of legislative or regulatory authority.

Angela Ibbotson accompanied by Richard Steel joined the meeting at 9.15 am.

The Chairman asked if the introductions could be deferred for a short time until Andrew Kear also joined the meeting. That was agreed. **Agreed.**

He then asked Wolfgang Scholz if he could present the financial report. Wolfgang then went through the financial report in detail and responded to some question.

After further discussion it was proposed Wolfgang Scholz seconded Mick Bell – That the financial report be accepted. **Carried.**

The Budget for 2008 was then outlined. Wolfgang explained that there would be possible variations with some items but it had been prepared on the best information available. The job costing exercise was still collecting information and he asked those who had not yet provided information to do so without delay. It was accepted that adjustments may need to be made to the budget and on that assumption it was proposed, Rob Penney, seconded Mick Bell – That the 2008 budget be accepted. **Carried.**

Andrew Kear from the Department of Labour joined the meeting at 9.30 am and the Chairman extended a formal welcome as invited guests to both Andrew Kear and Richard Steel.

The Chairman then explained the concerns that had been raised by Board members the previous day regarding the long term continuance of CBIP after the accreditation process had been completed.

The Chairman confirmed that the Board had agreed to sign the agreement with the Department of Labour that carried on until 30 June 2008. He then read the concerns of the Board that had been expressed and recorded the day before. These were –

The basis of the concerns is that CBIP has developed and prepared the documentation for the processes which it is confident will achieve accreditation to ISO 17024. Continuing existence of CBIP beyond the completion of accreditation is totally dependent on it becoming self funding. Its activities extend well beyond the coverage of the PECPR regulations. What programme and process is proposed by the Department of Labour to provide legislation or regulation to enable a self funding model covering current and new inspection disciplines to be achieved?

He explained that CBIP did not want it to appear that it was laying down conditions but unless it had some practical assurances that a satisfactory and sustaining self funding state was achievable the accreditation issues would not in themselves provide solutions. He then asked Andrew Kear if he was able to respond.

Andrew Kear in reply explained that first it needed to be understood that in the view of the Department of Labour CBIP had an important part to play and that it was in their interests to somehow ensure that CBIP had a continuing future that included a sound and enforceable funding base. The provision of this agreement and the one that preceded it were given in good faith that a solution acceptable to all would be found.

The Department was not able to change legislation overnight and was still looking at other possible ways of providing for the self funding state to be generated and was now also looking at legislation. Legislation could not be introduced with haste and the extent and importance of CBIP's activities was now recognised. The completion of the accreditation process was seen as being a milestone achievement for CBIP and would greatly add to its value and international recognition.

Work is continuing on finding a practical method of achieving a legal funding method and the relationship between CBIP and the Department should continue on the expectation that self funding would be achieved.

Questions were asked about progress being made concerning the extensive range of services that CBIP provided that was completely outside the range of activities covered by the PECRP Regulations. The responses were that possibly CBIP needed to increase its scope and see what other certification sectors it could become involved in. Since the meeting a tender for the Electricity Commission has been completed and submitted.

Other Issues.

Concerns that have developed in the application of different criteria between CBIP, DoL and IANZ were discussed. The problem was in relation to signatory status being issued to persons by IANZ who did not hold the correct or current CBIP certifications, or, where their previous recognition had been "Grandfathered" and they had chosen not to be re-examined therefore they did not currently hold any certifications and some of those persons have never held any CBIP certificates. Also the issue of training assessment and the quality of the reports that are evaluated during IANZ audits was discussed in some detail.

The Department of Labour Agreement with CBIP.

The agreement had been examined by all the CBIP Governance Board members present and after some discussion the Chairman asked whether all members present were in favour of it being signed. There was agreement and he then asked whether any Board member present had objections to it being signed. There were no objections at which the Chairman proposed that the agreement be signed.

Agreed.

The document was signed at 12.15 and after that was completed Andrew Kear asked to be excused from the afternoon meeting as he had other commitments. The Chairman thanked him for his input and help during the morning and said that it was pleasing to have received assurances that indicated that CBIP would continue into the longer term even although the form that it would eventually have still needed to be determined. The Board members joined with their Chairman in expressing their thanks to Andrew.

The meeting was adjourned for lunch at 12.30 resuming again at 1:30 pm.

There was further discussion about the purchase of additional verified UT test pieces that would ensure those candidates being examined could accurately determine the height of cracks and furthermore that nozzles and T type junctions were included in the practical assessments. Rob Penney was asked to check the situation through the NDT TAC to determine what is needed and to report back to the Board with an indication of expected costs as soon as is possible. **Agreed.**

Steve Mabbett left the meeting at 1.45 pm.

The AGM.

The Chairman reminded members that May was the time for the CBIP AGM and asked for suggestions as to the time and venue. Several suggestions were made then Wolfgang Scholz offered the use of the HERA facilities at Manukau City. The Chairman accepted that offer on behalf of the Board and thanked him for the use of these facilities.

The date for that meeting is Tuesday 27 May 2008. The question was asked as to the numbers expected and whether the large conference room would be needed. An approximation was provided with some rough numbers of attendees at past AGMs.

The Chairman explained that the Board yesterday had decided that it was best to complete the accreditation process prior to the holding of elections for positions on the Board.

The AGM meeting would commence at 10.00 am and the CBIP Board meeting would follow that afternoon.

The Chairman asked each Board member in turn whether they had any further items to bring forward.

Jan Westra questioned the cost of NDT examinations in NZ as it was cheaper to undertake those examinations in Australia. The position was clarified in that the schedule of charges for both countries is exactly the same and therefore no advantage would be gained in going to Australia in fact a surcharge applied to certificates issued in Australia.

As no other issues were presented the Chairman thanked all members for their presence and contributions and closed the meeting at 2.10 pm.

--End --