

COMMON STANDARDS FOR HOME INSPECTION IN B.C.

INDUSTRY NEEDS ANALYSIS

REPORT AND RECOMMENDATIONS

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Submitted by:

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Executive Summary

The B.C. government is committed to improving the licensing requirements for home inspectors by developing a common Provincial occupational standard. The government intends to standardize the qualification and licensing process for Home Inspector candidates. A Provincial occupational standard will also ensure homebuyers benefit from a more standardized approach to home inspections. New regulations are under development to strengthen the role of Consumer Protection BC in regulating the home inspection.

The purpose of this Report is to gather and present information in an Industry Needs Assessment (INA) that will assess the current standards of practice, training and examination / assessment for licensing home inspectors in B.C. and will recommend strategies for:

- conducting an occupational analysis to identify and describe competencies (knowledge and skills) required for licensing,
- developing a credentialing model to specify licensing levels, standards and pathways,
- defining a standard scope of practice for home inspectors and for home inspections,
- developing the assessment tools and protocols to measure competency, and
- defining continuing professional development requirements.

Based on information collected from existing documents and from interviews with industry representative stakeholders, the following Recommendations have been developed:

Recommendation #1: Maintain the level of collaboration with industry stakeholders that has characterized the planning process to date.

Recommendation #2: Begin the development process for new standards by establishing a common B.C. standard (a scope of practice) for a home inspection.

Recommendation #3: Based on the common scope of practice, identify and describe the competencies required for a qualified home inspector to conduct an inspection.

Recommendation #4: Use the home inspector competency profile as the foundation for specifying the training requirements and for accrediting training providers for the certification of home inspectors.

Recommendation #5: Use the home inspector competency profile as the basis for the development of the written examinations and practical assessments that will be required for certification as a home inspector.

Recommendation #6: Maximize opportunities to articulate with emerging or established national standards in the home inspector industry.

Recommendation #7: Follow a standards development process that runs parallel to the process steps established by the Industry Training Authority to develop and validate standards for trades and occupational qualifications in B.C.

Background

In 2009, British Columbia was the first Province to require licensing of home inspectors. Currently, Alberta also requires home inspectors to be licensed and Ontario has announced their intention to do the same. Consumer Protection B.C. (CPBC) is currently responsible for implementing government's home inspector licensing regulations, which fall under the B.C. Business Practices and Consumer Protection Act. CPBC delegates licensing standards to four designated professional associations. To be licensed, home inspectors in B.C. must meet the requirements set by their professional association.

Currently, to become licensed, a home inspector candidate in B.C. must meet specific theoretical and practical educational requirements, pass at least one written examination and pass at least one field-based practical assessment. To maintain their license as a home inspector, individuals must accumulate a required number of continuing education credits. The standards for each of the licensing requirements are set by the home inspector's association. The problem is that these standards vary widely across the four associations and no consensus has emerged regarding standards of practice, occupational certification standards, training requirements or assessments. The result is confusion in the industry, among home inspectors and consumers, and lack of cooperation among the associations who compete for membership.

In the fall of 2013, the Ministry Responsible for Housing engaged all four associations and other key stakeholders in a consultation process to identify opportunities for improvement to the home inspection industry. As a part of this process, surveys were sent to consumers and to licensed home inspectors to collect their inputs. The survey results strongly supported the need for higher standards to govern training, assessment and licensing for home inspectors.

In 2014, the B.C. government committed to improving the licensing requirements for home inspectors by developing a common Provincial occupational standard. The government intends to standardize the qualification and licensing process for Home Inspector candidates. A Provincial occupational standard will also ensure homebuyers benefit from a more standardized approach to home inspections.

Government's objective is to establish a single rigorous occupational standard for home inspectors in B.C. The ultimate goal is to ensure that B.C. homebuyers have access to home inspections that provide a consistent standard and quality of service provided by a well-qualified, licensed home inspector.

Regulatory amendments are under development to strengthen the role of CPBC in regulating the home inspection. These amendments, together with clear policies and effective public education will:

- Maintain CPBC as the regulator for home inspectors and expand its role in compliance and enforcement
- Establish a licensing model where CPBC becomes exclusively responsible for licensing of home inspectors
- Establish a provincial standard of practice for home inspection in B.C.
- Require that home inspectors provide a complete written (or electronic) report to the consumer detailing the results of a completed inspection
- Establish consistent education and training requirements for home inspector certification
- Standardize assessment (examinations and practical assessments) for certification of home inspectors
- Establish continuing occupational education requirements as a condition of license renewal
- Direct all consumer complaints to CPBC

INDUSTRY NEEDS ANALYSIS PROJECT

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- conducting an occupational analysis to identify and describe competencies (knowledge and skills) required for licensing,
- developing a credentialing model to specify licensing levels, standards and pathways,
- defining a standard scope of practice for home inspectors and for home inspections,
- developing the assessment tools and protocols to measure competency, and
- defining continuing professional development requirements.

CURRENT STANDARDS

CPBC is currently responsible for the licensing standards for home inspectors in B.C.. Since 2009, CPBC has essentially delegated the development of training and licensing standards to designated home inspector associations or authorities in B.C. CPBC ensures the associations or authorities maintain minimum levels of training requirements and certification / renewal licensing standards. Each association or authority maintains their own code of ethics and a complaints handling process.

Consultations with the home inspector associations and authorities have indicated broad support for raising and strengthening licensing standards for home inspectors and practice standards for the home inspection industry in general. Stronger licensing requirements are anticipated to improve the image of the industry and the perceived value of the services offered by licensed home inspectors. These will also improve the standards of consumer protection for home buyers.

The four currently designated associations or authorities in B.C. are:

- Canadian Association of Home and Property Inspectors – B.C.
- Applied Science Technologists and Technicians of B.C.
- Canadian National Association of Certified Home Inspectors, and
- National Home Inspector Certification Council

Canadian Association of Home and Property Inspectors – B.C. (CAHPI)

CAHPI was originally formed in 1982 as the Canadian Association of Home Inspectors. Until 1994, it operated as the Canadian arm of the American Society of Home Inspectors (ASHI). CAHPI characterizes itself as “the only national professional association for home inspectors in Canada”. CAHPI-BC has joined six other regional home inspector associations in a national federation and represents two hundred and eighty-three home inspectors¹ in B.C.

CAHPI requires a minimum of one hundred and fifty hours of relevant theory training from a post-secondary training institution, or from a registered or accredited private training provider. CAHPI recognizes and recommends the training programs provided by Carson Dunlop, on-line and through various training provider organizations contracted with Carson Dunlop. CAHPI also requires a minimum of fifty hours of field training with a qualified CAHPI Field Trainer.

¹ Licensed by CPBC as at November 20, 2015

CAHPI has developed a set of theory examinations covering seven separate topics related to home inspection. These examinations are based on the U.S. National Home Inspectors Examination and CAHPI has an agreement with UBC to review and maintain the psychometric reliability of the examination banks. Each examination is comprised of fifty multiple choice questions and candidates are allowed a maximum of one hour for each examination. The examinations are computer-based and are made available at invigilation sites around the Province. Candidates must complete the required 150 hours of training before writing the examinations. CAHPI also requires candidates to pass a practical assessment (peer review inspection) with a CAHPI designated examiner.

CAHPI provides a National Standards of Practice document for consumers and home inspectors as "...to provide guidelines for home and property inspectors regarding both the inspection itself and the drafting of the inspection report..."² CAHPI was instrumental in the development of the National Occupational Standards for Home Inspectors in 2001, and in the updates in 2008 and 2013, and continues to support the NOS as the competency standard for the occupation.

Applied Science Technologists and Technicians of B.C. (ASTTBC)

ASTTBC is a self-governing association, certifying a variety of scientific technicians and technologists in B.C. since 1958. They currently have approximately ten thousand members, of whom one hundred and fifteen³ are home inspectors.

ASTTBC recommends and recognizes a series of academic classroom-based courses offered by BCIT and Okanagan College, and an on-line / distance program offered by the Western Pacific Property Inspection Institute. In each case these programs represent approximately two hundred and fifty (plus) hours of study. Examinations are built into these courses and the results of these are accepted by ASTTBC for certification. ASTTBC also requires a 'field assessment' as a summative assessment of a candidate's competencies against a written set of standards.

ASTTBC has a generic Code of Ethics and Practice Guidelines that applies to all its members, and includes a scope of practice within their standard contract for a home inspection.

² 2012 National Standards of Practice, Canadian Association of Home and Property Inspectors

³ Licensed by CPBC as at November 20, 2015

ASTTBC has recently developed a drafted set of competencies for home inspectors. Courtesy of ASTTBC, we were able to review the most recent draft as part of our needs analysis research. The document was developed by a facilitator / consultant working with a small group of master home inspectors and is still in draft form. In general, it includes the same range of competencies as the National Occupational Standard but goes further in terms of knowledge of building codes, the building envelope, and hazardous materials.

Canadian National Association of Certified Home Inspectors (CanNACHI)

CanNACHI is the Canadian branch of the International Association of Certified Home Inspectors (InterNACHI), which is largely U.S. based. In B.C., CanNACHI has seventy-three⁴ members.

CanNACHI recognizes a wide variety of training providers and requires a minimum of two hundred hours of theory training for certification. Candidates must submit marks achieved on timed and proctored, training provider examinations before writing the CanNACHI entrance examination which consists of several topic modules. Candidates must achieve a mark of at least eighty percent on each module in order to be accepted as an Associate.

In addition, CanNACHI requires successful completion of fifty hours of field training / mentorship with an approved training provider. For licensing certification, candidates must submit four separate home inspection reports for adjudication by CanNACHI.

CanNACHI adheres to the InterNACHI code of ethics and scope of practice for home inspectors.

National Home Inspector Certification Council (NHICC)

In 2011, CPBC designated the NHICC as an association for licensing of home inspectors in B.C. No interview was conducted with a representative of NHICC due to unavailability. NHICC has only five⁵ licensed home inspectors in B.C.

NHICC requires a successful background check for candidates to be accepted for certification. NHICC recognizes a wide variety of training providers and requires a minimum of two hundred hours of theory training for certification. Candidates must achieve a minimum mark of eighty per cent on all course work to be credited. Candidates must also successfully complete a minimum of fifty hours of field mentored training.

⁴ and ⁵ Licensed by CPBC as at November 20, 2015

NHICC has a Standards of Practice document taken directly from the equivalent document of the American Society of Home Inspectors, with whom NHICC is affiliated.

NHICC candidates must pass the proctored National Exam for Home Inspectors, an eighty question multiple-choice examination that is mapped to the competency blocks of the National Occupational Standard for Home Inspectors. In addition, NHICC requires candidates to pass a Test Inspection with Peer Review – essentially a practical assessment of skills – based on the NHICC Standards of Practice. For certification, candidates are assessed on the basis of points acquired for various components including: education hours, field training hours, personal background, and the number of completed home inspections.

OBSERVATIONS AND RECOMMENDATIONS

The current B.C. home inspection licensing model is confusing for home inspectors and lacks credibility with consumers due to the variety and inconsistency of the standards currently in place. Our assessment of the current state of home inspection standards in B.C. supports the following recommendations:

Recommendation #1: Maintain the level of collaboration with industry stakeholders that has characterized the planning process to date.

Working in collaboration with the associations and other industry stakeholders (including home inspectors themselves) will improve the quality and the relevance of standards to be developed and will encourage adoption of and adherence to the standards within the industry.

Recommendation #2: Begin the development process for new standards by establishing a common B.C. standard (a scope of practice) for a home inspection.

A rigorous standard of practice will set guidelines and requirements for home inspections – what is inspected, how the inspection is done and what is reported to the consumer. The associations have each established standards of practice for a home inspection, but these are inconsistent in content. Consumers are not able to rely on receiving the same nature or quality of home inspection. Standards depend upon the association to which the inspector belongs.

Without a common standard of practice, it is difficult for CPBC to adjudicate certain consumer complaints or for the courts to determine negligence on the part of a home inspector.

Recommendation #3: Based on the common scope of practice, identify and describe the competencies required for a qualified home inspector to conduct an inspection.

Recommendation #4: Use the home inspector competency profile as the foundation for specifying the training requirements and for accrediting training providers for the certification of home inspectors.

Training requirements (for initial certification and for license renewal) are currently set by each association and vary widely. There is no requirement that compulsory training courses be accredited or reviewed as to their direct relevancy to the home inspection industry (other than via PCTIA licensing of training providers). Training for home inspectors is not grounded in validly determined competency requirements. This creates a confusing situation for both consumers and potential home inspectors. Consumers are unsure how to determine the training adequacy of potential home inspectors, and home inspector career entrants must choose from among the various standards based on their own (often self-interested) criteria.

In the 2013 survey, consumers expressed the opinion that many home inspectors do not have the necessary knowledge and skills to perform competently in their role, and that the variations in training requirements may be at the root of the problem. “Eighty-six percent of home inspectors agree a single standard for home inspector education / training and experience (common across the associations) would better serve the consumer. Seventy-five percent of home inspectors identified stronger educational requirements as the top means of improving licensing in the Province...”⁶

Recommendation #5: Use the home inspector competency profile as the basis for the development of the written examinations and practical assessments that will be required for certification as a home inspector.

⁶ Summary Report of Home Inspector Licensing Consultation, Office of Housing and Construction Standards, September 2014, p.7

The established best practice for the development of competency-based assessments in Canada is to start with the establishment and definition of the competencies to be required for certification and / or licensing. Competencies are specified based on an industry consensus, developed with the participation and representation of relevant stakeholder organizations. This step is then followed by the development of an assessment plan that identifies how competencies are to be assessed – whether by written examination, by practical assessment or by other means. The assessment plan also specifies the relative weighting for each assessed competency that will make up a candidate’s final result. This is the approach that has been adopted by the Industry Training Authority in B.C. for trade and occupational certifications. It is also used by the Canadian Council of Directors of Apprenticeship to develop national Red Seal trade qualification standards.

The assessments currently in use in the home inspection industry in B.C. include both examinations and practical assessments as a prerequisite to certification. However, there has been a lack of consensus among the various industry associations concerning the required competencies. Further, the associations have not been consistent in the development processes used to develop their assessment tools and certification standards. Each of the associations has used their own processes, based on differing assumptions. ASTTBC, for example, has only recently completed their drafted definitions of home inspector competencies.

Because there are differences in the definitions of competency, inconsistencies across their various standards of practice, and differences among the training content requirements for each of the associations, we assume there are significant differences across their examination and practical assessment standards. Although a comparative analysis of exam question content, practical assessment tasks and scoring validation was beyond the scope of this report, we have identified the following inconsistencies and variations across their assessment standards and processes:

- the theoretical knowledge to be tested,
- the number and length of the written examinations,
- who creates and marks the examinations,
- the standards for regular review and maintenance of examination question banks,
- the number and nature of practical assessments,
- acceptable performance standards for passing both examinations and practical assessments,
- the standards for invigilation of the assessments

Using a common definition of competency standards as the basis for assessment and licensing of home inspectors will help to alleviate confusion in the industry as to the qualifications of home inspectors and close an unproductive chapter of disagreement and competition among the associations.

In Alberta, the only other Canadian jurisdiction currently licensing home inspectors, licensing is standardized and licenses are issued directly by the Province under the Alberta Fair Trading Act. Ontario has declared its intention to regulate the home inspection industry and their regulations are still under development. The industry panel advising the Ontario Minister of Consumer Affairs strongly recommended a single set of standards to be governed by a single regulatory authority.⁷ Reviews of other North American jurisdictions regulating home inspections reveal the same approach.

Recommendation #6: Maximize opportunities to articulate with emerging or established national standards in the home inspector industry.

There are two national consensus documents (one established and one emerging) which may help inform the development of standards for licensing home inspectors in B.C. Recognition or adoption of national standards may be voluntary, but any standard for the home inspection industry that will apply across Canada (or at least in the jurisdictions where home inspections are regulated) would provide several advantages. In addition to promoting additional clarity and confidence for consumers, national standards could improve mobility for skilled home inspectors and potentially reduce the duplication of effort in each jurisdiction to develop standards for home inspectors.

National Occupational Standard for Home Inspectors

The first National Occupational Standard (NOS) for Professional Home and Property Inspectors was developed in 2001. Because the technologies and systems in evidence in residential properties are constantly changing, the standard was reviewed and updated in 2008, using the Canadian Vocational Association DACUM methodology. The validation process for the 2008 NOS included 147 participants – predominantly certified home inspectors (in a variety of Canadian jurisdictions) with an average of 10 years of experience as a home inspector. Since 2008, there have been no further updates to the NOS.

⁷ A Closer Look: Qualifying Ontario's Home Inspectors, Home Inspector Panel Report and Recommendations to the Minister of Consumer Services, December 10, 2013.

National Occupational Standards are structured in a consistent format, as follows:

- Block – a general area of competence, a major function or responsibility of a particular occupation
- Task – a specific and observable unit of work that has a definite starting and ending point, is performed in a specific time period, and produces an identifiable result (product, service, decision, etc.)
- Sub-Task – the procedural steps, units of work or competencies into which a Task may be divided
- Technical Knowledge and Skills – the elements of knowledge and skill required to perform the task adequately

Canadian Standards Association - Scope of Practice for Home Inspection

The Canadian Standards Association (CSA) has a current initiative underway to develop a scope of practice standard for home inspection (CSA A770). CSA uses a recognized, accredited system for the development of standards for industry and occupations in Canada. They employ a consensus-based approach, engaging a wide variety of industry and related discipline subject matter experts. The technical committee for development of the home inspection standard includes thirty individuals from across Canada.

The CSA Home Inspection standard will specify the minimum requirements for a home inspection on residential properties of four units or less. It will define what components and building systems are to be inspected as part of a home inspection. The standard will establish the minimum extent to which a home is required to be inspected, as well as the general methods to be used and the minimum reporting requirements. It will not specify detailed techniques to be used in performing a home inspection nor will it describe particular conditions to identify in evaluating the condition of a property.

The work of the CSA technical committee is currently underway but is expected to be completed by the end of 2015, according to Paul Gulletson who is the project lead for CSA. The completion of the CSA standard will be timely to inform the B.C. discussion toward establishing a standard scope of practice for home inspectors.

Recommendation #7: Follow a standards development process that runs parallel to the process steps established by the Industry Training Authority to develop and validate standards for trades and occupational qualifications in B.C.

The process and development steps outlined below are adapted to meet the needs of the home inspection industry.

To undertake the development work, a consultant / facilitator should work with two different groups of industry representatives. For Steps #1 and #3, a **senior advisory group** of industry stakeholder representatives should include CPBC, Ministry Responsible for Housing, Ministry of Justice, insurers, certified home inspectors, consumers, industry associations, etc.

For the remaining Steps (with the exception of #10) the consultant / facilitator should work with a **technical working group** of subject matter experts and experienced home inspectors.

Step # 10 entails the creation of the administrative and management systems and will likely be internal to CPBC with possible consultation inputs from both of the industry groups.

Recommended Development Steps

1. Develop the Scope of Practice for Home Inspections in B.C.
 - a. Establish what must be included in an inspection provided by a licensed Home Inspector
 - b. Identify the structure and content for a written report that must be provided to the consumer
2. Develop a Competency Profile for Home Inspectors
 - a. Create an Occupation Analysis Chart, grouping Competencies into Topic Areas
 - b. Develop definitions / specifications of Competencies, including for each Competency:
 - i. Performance objectives
 - ii. Assessment methods
 - iii. Performance standards
 - iv. Key performance tasks
 - v. Enabling knowledge and skills
3. Develop a Credential Model for Home Inspector Certification
 - a. Establish minimum requirements and pathways for Certification, including:
 - i. Training hours
 - ii. Practical experience
 - iii. Recognized training programs and providers

- iv. Assessment(s) required
 - 1. How many?
 - 2. What type / content?
- v. Levels of qualification (as appropriate)
- vi. Continuing education requirements

4. Develop a Table of Specifications for each Theory examination, identifying:
 - a. Number of items on each exam
 - b. Number of examination forms
 - c. Relative weighting of each theory topic (and sub-topics)
 - d. Relative weighting for each competency assessed within each examination
 - e. Type and level of items

5. Develop specifications for education requirements
 - a. Outline the certification program components
 - i. Theory and practical requirements for certification
 - b. Develop an overview of on-going continuing education requirements

6. Design Protocols and Tasks for Practical Assessment(s)
 - a. Identify the nature and type of challenge tasks
 - b. Develop performance standards and criteria
 - c. Develop an Assessor profile, including
 - i. Experience
 - ii. Qualifications
 - iii. Assessor training requirements (initial and on-going)

7. Develop Examination Items (Questions and Alternative Responses)
 - a. Draft items based on Competencies and TOS
 - b. Review and revise items with SME group
 - c. Validate examination forms
 - i. Peer validation with additional SMEs
 - ii. Field validation with sample candidate population
 - d. Finalize item bank and examination forms

8. Develop Practical Assessment(s)
 - a. Draft protocols and task descriptions with SME group
 - b. Develop performance criteria and marking sheets / tools
 - c. Develop Candidate and Assessor Information Packages
 - d. Validate practical assessment
 - i. Peer validation with additional SMEs
 - ii. Field validation with sample candidate population
 - e. Finalize practical assessment

9. Train and Certify Practical Assessors

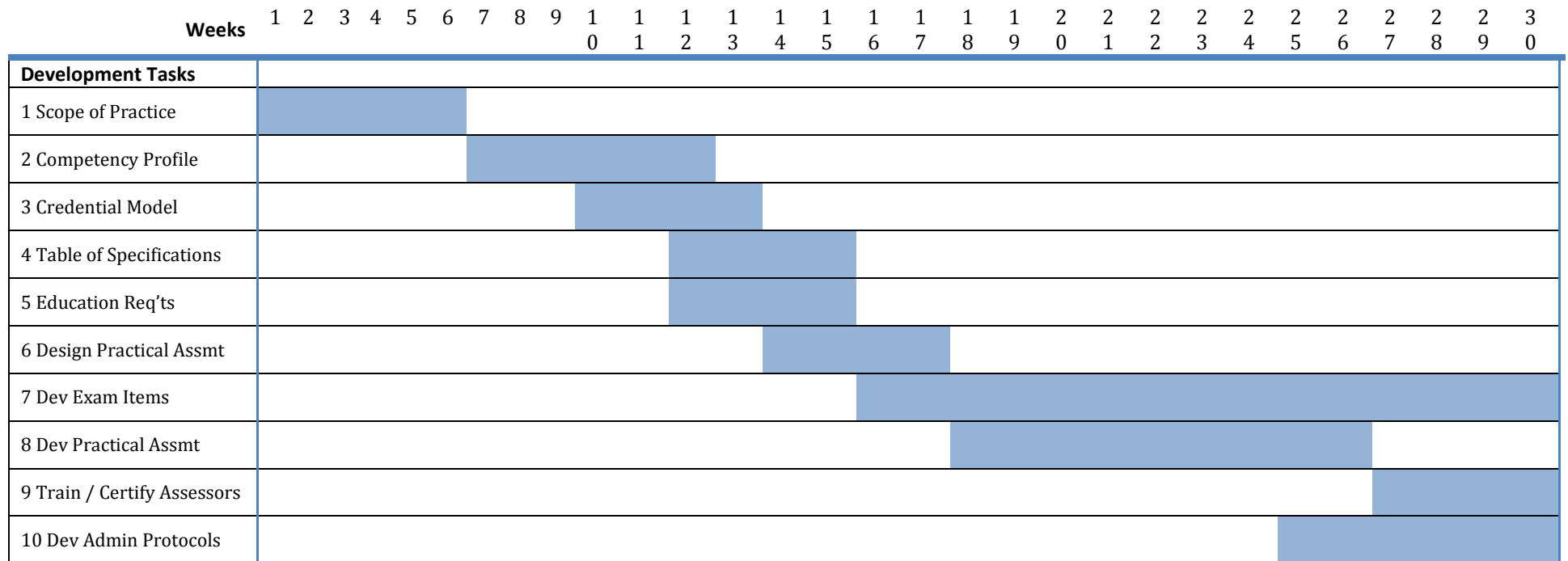
- a. Develop Assessor training materials / workshop
- b. Recruit Assessors to fit specified Assessor Profile
- c. Conduct Assessor training

10. Develop assessment administration protocols for:

- a. Application and acceptance for assessment (written or practical examinations)
- b. Scheduling of assessments (facilities, invigilation, assessors)
- c. Management processes for documents, marking and individual results
- d. Appeal processes
- e. Continuing education reporting and tracking systems

Development Process and Recommended Timelines

Overall development timelines are anticipated to be approximately thirty weeks, as illustrated in the chart below. Certain efficiencies may be gained to reduce these anticipated timelines. However, for projects of this nature, the development process is highly dependent on participation by industry stakeholders and subject matter experts whose time may be diverted by other priorities.



APPENDICES:**1. Industry Stakeholders Consulted****Paul Gulletson, P. Eng**

Project Manager, Built Environment

CSA Group

(working on the development of CSA Standard A770 – Home Inspection)

Paul Keeling, CMHI

B.C. Representative

Canadian National Association of Certified Home Inspectors

(member of the HIRA Committee)

Steve Whiteside, Owner / Manager

Ashton College

Commercial Drive Campus, Vancouver

(training program provider)

Toby Louie, Executive Director**Anita Nadziejko, Senior Policy Advisor**

Corporate Policy and Planning Office

Ministry of Justice

Tayt Winnitoy, VP Operations**Dustin Dunlop, Director of Government Relations**

B.C. Consumer Protection Authority

Doug Page, Manager**Bob Crane, Senior Policy Advisor**

Housing Policy Branch

Office of Housing and Construction Standards

Ministry Responsible for Housing

John Leech, CEO

Charles Joyner, Registrar

Barry Brooks, Manager, House and Property Inspector Registrations

Applied Science Technologists and Technicians of BC

Helen Barton, Executive Director

Craig Hostland, Past President

Canadian Association of Home and Property Inspectors (BC)

Vince Burnett, Vice-President

Canadian Association of Home and Property Inspectors

Mike Woodbridge, Instructor

Douglas College Home Inspector Program

2. Interview Schedule - Association Representatives:

How many members in each membership category?

How many new entrants / year?

Describe any Occupational Competencies and the process of development

How is your CE credit system working?

- Compliance to date
- Problems / Issues?

Describe the process of developing certifications assessments?

- Written examinations
- Practical assessments
- How many fail on first attempt?
- Protocols after first fail?

Nature of written exams

- Question types
- TOS?
- Item analysis process?

Describe considerations for setting guidelines for independent proctoring / marking of exams

Describe considerations regarding establishing a standardized exam (or set of exams)?

Describe considerations regarding establishing a standardized scope of practice for home inspection

3. Interview Schedule – Regulators:

The nature of the current problems experienced regarding regulation of the Home Inspection industry:

- number / types of issues and relative incidence
- impacts for consumers
- other problems / impacts

The role you anticipate for your organization in the development and on-going maintenance of:

- competency standards and a credentialing model for HIs
- guidelines / scope of practice for home inspections
- policy and processes for assessment / qualification of HIs

The responsibilities your organization has and / or will have with respect to:

- registration and licensing of HIs
- enforcement of licensing regulations

Other key considerations for your organization with respect to HI standards, assessment and registration