

Vote Building and Construction

APPROPRIATION MINISTER(S): Minister for Building and Construction (M9), Minister of Housing (M37), Minister for Greater Christchurch Regeneration (M85)

APPROPRIATION ADMINISTRATOR: Ministry of Business, Innovation and Employment

RESPONSIBLE MINISTER FOR MINISTRY OF BUSINESS, INNOVATION AND EMPLOYMENT:
Minister for Economic Development

Overview of the Vote

Three Ministers are responsible for appropriations in Vote Building and Construction.

The Minister for Building and Construction is responsible for appropriations in the 2020/21 financial year of:

- just under \$58 million for delivering regulatory and control services for the building industry under the Building Act 2004, including related consumer information, maintaining registration and licensing regimes for building practitioners and electrical workers and administration of the Weathertight Financial Assistance Package
- just under \$2 million for payment to banks under the Weathertight Services Financial Assistance Package
- just over \$1 million for policy advice relating to building and construction, and other support to Ministers relating to building and construction, and housing, and
- \$8 million to make assistance available to owner-occupiers or investors in, or facing, hardship that own units in multi-unit, multi-storey residential earthquake-prone buildings in high seismic risk areas.

The Minister of Housing is responsible for appropriations in the 2020/21 financial year of:

- just under \$38 million for providing services relating to performance and monitoring and Residential Tenancies and Unit Titles Service, and
- just under \$2 million to coordinate and provide temporary accommodation to people displaced by a civil emergency.

The Minister for Greater Christchurch Regeneration is responsible for an appropriation in the 2020/21 financial year of just over \$9 million for Insurance Claims Resolution.

Details of these appropriations are set out in Parts 2-4.

Details of Appropriations and Capital Injections

Annual Appropriations and Forecast Permanent Appropriations

Titles and Scopes of Appropriations by Appropriation Type	2019/20		2020/21
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Departmental Output Expenses			
Insurance Claims Resolution (M85) This appropriation is limited to the provision of residential insurance advisory, mediation and support services for homeowners affected by a disaster, natural or otherwise.	8,522	8,522	9,202
Occupational Licensing (M9) This appropriation is limited to the development, implementation and maintenance of the registration and licensing regimes for building practitioners and electrical workers.	11,647	11,647	11,690
Residential Tenancy and Unit Title Services (M37) This appropriation is limited to residential tenancy and unit title dispute resolution services, information, education, advice and compliance and enforcement activities; administration and investment of residential tenancy bond monies.	40,787	40,787	37,878
Weathertight Services (M9) This appropriation is limited to assessing the eligibility of weathertight homes claims; independent technical assessment of claims, including reports on actual and probable damage with estimated costs of repair; administration of the financial assistance package; claim management until repair or claim lodged with the Weathertight Tribunal; provision of mediation services; and advice, information and education to support more informed consumer decisions.	7,741	7,741	9,139
Building Regulation and Control (M9) This appropriation is limited to activities associated with the setting of performance standards for buildings and the design and delivery of regulatory schemes and other initiatives to help ensure those standards are met.	41,904	41,904	-
Total Departmental Output Expenses	110,601	110,601	67,909
Non-Departmental Other Expenses			
Payments in Respect of the Weathertight Services Loan Guarantees PLA (M9) This appropriation is limited to the payments to banks under the Weathertight Services Financial Assistance Package: Loan Guarantee scheme as authorised under section 65ZG of the Public Finance Act 1989.	1,700	1,700	1,600
Residential Earthquake-Prone Buildings Financial Assistance Scheme: Delivery and Administration of the Loan Scheme for Earthquake Prone Buildings (M9) This appropriation is limited to the delivery and administration of the loan scheme for Earthquake-Prone Buildings.	750	-	3,000
Unwind of Discount Rate Used in the Present Value Calculation of Direct Payments Under the Weathertight Homes Financial Assistance Package (M9) This appropriation is limited to the expense incurred in unwinding the discount rate used in the present value calculation of the Weathertight Homes Financial Assistance Package liability as the liability nears settlement.	1,659	1,659	1,659
Total Non-Departmental Other Expenses	4,109	3,359	6,259

Titles and Scopes of Appropriations by Appropriation Type	2019/20		2020/21
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Multi-Category Expenses and Capital Expenditure			
Building Policy, Regulation and Advice MCA (M9)	-	-	36,522
The single overarching purpose of this appropriation is effective stewardship and regulation of the building system.			
Departmental Output Expenses			
Building Regulation and Control	-	-	35,404
This category is limited to activities associated with the setting of performance standards for buildings and the design and delivery of regulatory schemes and other initiatives to help ensure those standards are met.			
Policy Advice and Related Services to Ministers - Building and Construction	-	-	1,118
This category is limited to the provision of advice (including second opinion advice and contributions to policy advice led by other agencies) and services (including research, evaluation, data analysis and dissemination) to support decision-making by Ministers on government policy matters relating to building and construction.			
Temporary Accommodation Services MCA (M37)	10,798	10,798	1,963
The single overarching purpose of this appropriation is to coordinate and provide temporary accommodation to people displaced by a civil emergency.			
Departmental Output Expenses			
Readiness, Response and Recovery	991	991	993
This category is limited to temporary accommodation coordination, contingency planning, civil defence sector engagement and event-specific civil emergency temporary accommodation service operations.			
Non-Departmental Output Expenses			
Temporary Accommodation Housing Initiatives - Operations	8,532	8,532	495
This category is limited to the operating expenses incurred on temporary accommodation supply initiatives.			
Non-Departmental Other Expenses			
Temporary Accommodation Housing Initiatives - Depreciation	475	475	475
This category is limited to depreciation expenses associated with temporary accommodation supply.			
Non-Departmental Capital Expenditure			
Temporary Accommodation Housing Initiatives - Capital	800	800	-
This category is limited to procuring and purchasing temporary accommodation.			
Policy Advice and Related Outputs MCA (M9)	4,245	4,245	-
The single overarching purpose of this appropriation is to provide policy advice and other support to Ministers in discharging their policy decision-making and other portfolio responsibilities.			
Departmental Output Expenses			
Building and Construction Data Analysis	560	560	-
This category is limited to research, analysis and dissemination of data on building and construction.			
Policy Advice - Building and Construction	3,535	3,535	-
This category is limited to the provision of advice (including second opinion advice and contributions to policy advice led by other agencies) to support decision making by Ministers on government policy matters relating to building and construction.			
Related Services to Ministers - Building and Construction	150	150	-
This category is limited to the provision of support, information and services to Ministers to enable them to discharge their portfolio (other than policy decision-making) responsibilities on matters relating to building and construction, and housing.			
Total Multi-Category Expenses and Capital Expenditure	15,043	15,043	38,485
Total Annual Appropriations and Forecast Permanent Appropriations	129,753	129,003	112,653

Multi-Year Appropriations

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Departmental Output Expenses		
Tenant Health and Safety Information (M37) This appropriation is limited to providing information to increase tenant health and safety in residential rental properties. Commences: 01 July 2015 Expires: 30 June 2020	Original Appropriation Adjustments to 2018/19 Adjustments for 2019/20 Adjusted Appropriation Actual to 2018/19 Year End Estimated Actual for 2019/20 Estimate for 2020/21 Estimated Appropriation Remaining	2,740 - - 2,740 2,571 169 - -
Non-Departmental Capital Expenditure		
Residential Earthquake-Prone Buildings Financial Assistance Scheme: Loan Scheme for Earthquake Prone Buildings (M9) This appropriation is limited to loans for Earthquake-Prone Buildings seismic retrofit. Commences: 01 March 2020 Expires: 30 June 2024	Original Appropriation Adjustments to 2018/19 Adjustments for 2019/20 Adjusted Appropriation Actual to 2018/19 Year End Estimated Actual for 2019/20 Estimate for 2020/21 Estimated Appropriation Remaining	10,000 - - 10,000 - 1,000 5,000 4,000

Total Annual Appropriations and Forecast Permanent Appropriations and Multi-Year Appropriations

	2019/20		2020/21
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Annual Appropriations and Forecast Permanent Appropriations	129,753	129,003	112,653
Total Forecast MYA Departmental Output Expenses	169	169	-
Total Forecast MYA Non-Departmental Capital Expenditure	1,000	1,000	5,000
Total Annual Appropriations and Forecast Permanent Appropriations and Multi-Year Appropriations	130,922	130,172	117,653

Supporting Information

Part 1 - Vote as a Whole

1.1 - New Policy Initiatives

Policy Initiative	Appropriation	2019/20 Final Budgeted \$000	2020/21 Budget \$000	2021/22 Estimated \$000	2022/23 Estimated \$000	2023/24 Estimated \$000
Finance Management Information System Renewal	Occupational Licensing	-	11	8	3	-
	Departmental Output Expense					
	Residential Tenancy and Unit Title Services	-	62	48	16	-
	Departmental Output Expense					
	Weathertight Services	-	10	8	3	-
	Departmental Output Expense					
	Building Policy, Regulation and Advice MCA - Policy Advice and Related Services to Ministers - Building and Construction	-	40	31	10	-
	Departmental Output Expense					
Total Initiatives		-	123	95	32	-

1.2 - Trends in the Vote

Summary of Financial Activity

	2015/16	2016/17	2017/18	2018/19	2019/20		2020/21			2021/22	2022/23	2023/24
	Actual \$000	Actual \$000	Actual \$000	Actual \$000	Final Budgeted \$000	Estimated Actual \$000	Departmental Transactions Budget \$000	Non- Departmental Transactions Budget \$000	Total Budget \$000	Estimated \$000	Estimated \$000	Estimated \$000
Appropriations												
Output Expenses	54,791	61,504	60,966	66,654	68,866	68,866	67,909	-	67,909	59,588	59,028	59,006
Benefits or Related Expenses	65,949	74,919	80,574	22,421	-	-	N/A	-	-	-	-	-
Borrowing Expenses	-	-	-	-	-	-	-	-	-	-	-	-
Other Expenses	48,697	14,283	5,219	156,802	4,109	3,359	-	6,259	6,259	3,909	3,609	3,609
Capital Expenditure	30,096	3,950	162,800	176	1,000	1,000	-	5,000	5,000	4,000	-	-
Intelligence and Security Department Expenses and Capital Expenditure	-	-	-	-	-	-	-	N/A	-	-	-	-
Multi-Category Expenses and Capital Expenditure (MCA)												
<i>Output Expenses</i>	39,264	52,612	49,716	39,355	55,672	55,672	37,515	495	38,010	38,001	37,980	37,970
<i>Other Expenses</i>	-	4,104	-	-	475	475	-	475	475	338	288	288
<i>Capital Expenditure</i>	-	105,414	1,096	-	800	800	N/A	-	-	-	-	-
Total Appropriations	238,797	316,786	360,371	285,408	130,922	130,172	105,424	12,229	117,653	105,836	100,905	100,873
Crown Revenue and Capital Receipts												
Tax Revenue	-	-	-	-	-	-	N/A	-	-	-	-	-
Non-Tax Revenue	64,036	792	7,734	3,280	-	-	N/A	-	-	-	-	-
Capital Receipts	2,262	7,114	15,807	3,928	-	-	N/A	-	-	-	-	-
Total Crown Revenue and Capital Receipts	66,298	7,906	23,541	7,208	-	-	N/A	-	-	-	-	-

Note - where restructuring of the vote has occurred then, to the extent practicable, prior years information has been restated as if the restructuring had occurred before the beginning of the period covered. In this instance Total Appropriations for the Budgeted and Estimated Actual year may not equal Total Annual Appropriations and Forecast Permanent Appropriations and Multi-Year Appropriations in the Details of Appropriations and Capital Injections.

Adjustments to the Summary of Financial Activity Table Due to Vote Restructuring

	2015/16 Adjustments \$000	2016/17 Adjustments \$000	2017/18 Adjustments \$000	2018/19 Adjustments \$000	2019/20 Final Budgeted Adjustments \$000	2019/20 Estimated Actual Adjustments \$000
Appropriations						
Output Expenses	(27,388)	(28,574)	(28,954)	(28,954)	(41,904)	(41,904)
Benefits or Related Expenses	-	-	-	-	-	-
Borrowing Expenses	-	-	-	-	-	-
Other Expenses	-	-	-	-	-	-
Capital Expenditure	-	-	-	-	-	-
Intelligence and Security Department Expenses and Capital Expenditure	-	-	-	-	-	-
Multi-Category Expenses and Capital Expenditure (MCA)						
<i>Output Expenses</i>	27,388	28,574	28,954	28,954	41,904	41,904
<i>Other Expenses</i>	-	-	-	-	-	-
<i>Capital Expenditure</i>	-	-	-	-	-	-
Total Appropriations	-	-	-	-	-	-
Crown Revenue and Capital Receipts						
Tax Revenue	-	-	-	-	-	-
Non-Tax Revenue	-	-	-	-	-	-
Capital Receipts	-	-	-	-	-	-
Total Crown Revenue and Capital Receipts	-	-	-	-	-	-

1.3 - Analysis of Significant Trends

Output Expenses

The fluctuating trend for the Output Expense is due to:

- the implementation of the KiwiBuild Programme from 2017/18, and
- the transfer of functions to the newly established Ministry of Housing and Urban Development in 2018/19.

Benefits or Related Expenses

The trend for Benefit or Related Expenses is due to:

- the uptake of the KiwiSaver First Home Deposit Subsidy scheme
- funding was increased to put into effect the KiwiSaver HomeStart grant policy proposals, and
- the transfer of functions to the newly established Ministry of Housing and Urban Development in 2018/19.

Other Expenses

The fluctuating trend for Other Expenses is due to:

- the introduction of the Weathertight Direct Payment Unwind Discount Rate in 2011/12 at \$27 million decreasing to around \$2 million in out years
- the Social Housing Fund multi-year appropriation which expired in 2016/17
- a one off concession expense recorded for Housing Infrastructure loans for 2018/19, and
- the Remediation of Facades and Parapets of Unreinforced Masonry Buildings in at risk areas appropriation which expired in 2018/19.

Capital

The fluctuating trend for Capital Expenditure is due to:

- the implementation of the KiwiBuild Programme from 2017/18, and
- the transfer of functions to the newly established Ministry of Housing and Urban Development in 2018/19.

Multi-Category Output Expenses

The fluctuating trend for the Multi-Category Output Expenses is due to:

- the transfer of functions to the newly established Ministry of Housing and Urban Development in 2018/19, and
- the one-off funding only in 2019/20 for the Temporary Accommodation Services multi-category appropriation as part of the Government's response to COVID-19.

1.4 - Reconciliation of Changes in Appropriation Structure

2019/20 Appropriations in the 2019/20 Structure	2019/20 (Current) \$000	Old Structure		New Structure		
		Appropriations to which Expenses (or Capital Expenditure) have been Moved from or to	Amount Moved \$000	2019/20 Appropriations in the 2020/21 Structure	2019/20 (Restated) \$000	2020/21 \$000
Departmental Output Expenses						
Building Regulation and Control	41,904	Restructured to:	(41,904)			
Policy Advice and Related Outputs MCA		Building Policy, Regulation and Advice MCA				
Departmental Output Expense						
<ul style="list-style-type: none"> • Building and Construction Data Analysis 	560		(560)			
<ul style="list-style-type: none"> • Policy Advice - Building and Construction 	3,535		(3,535)			
<ul style="list-style-type: none"> • Related Services to Ministers - Building and Construction 	150		(150)			
		Restructured from:	41,904	Building Policy, Regulation and Advice MCA		
		Building Regulation and Control		Departmental Output Expense		
		Policy Advice and Related Outputs MCA		<ul style="list-style-type: none"> • Building Regulation and Control 	41,904	35,404
		Departmental Output Expense		<ul style="list-style-type: none"> • Policy Advice and Related Services to Ministers - Building and Construction 	4,245	1,118
		<ul style="list-style-type: none"> • Building and Construction Data Analysis 	560			
		<ul style="list-style-type: none"> • Policy Advice - Building and Construction 	3,535			
		<ul style="list-style-type: none"> • Related Services to Ministers - Building and Construction 	150			
Total Changes in Appropriations	46,149		-		46,149	36,522

From 2020/21 the provision of Building Regulation and Ministerial Servicing has been restructured from the Departmental Output Expense Appropriation Building Regulation and Control and the Policy Advice and Related Outputs MCA into a single MCA Building Policy, Regulation and Advice.

Explanations of the reasons for changing the appropriation structure are noted in the details of each appropriation in Parts 2-4.

Part 2 - Details of Departmental Appropriations

2.1 - Departmental Output Expenses

Insurance Claims Resolution (M85)

Scope of Appropriation

This appropriation is limited to the provision of residential insurance advisory, mediation and support services for homeowners affected by a disaster, natural or otherwise.

Expenses and Revenue

	2019/20		2020/21
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	8,522	8,522	9,202
Revenue from the Crown	8,522	8,522	9,202
Revenue from Others	-	-	-

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve faster and cheaper resolution of residential insurance claims resulting from disasters, natural or otherwise.

How Performance will be Assessed and End of Year Reporting Requirements

	2019/20		2020/21
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Percentage of users of the Canterbury Earthquake Insurance mediation service agree or strongly agree that they feel supported on their pathway to resolution	At least 75%	At least 75%	At least 75%
Percentage of users of the Greater Christchurch Claims Resolution Service (GCCRS) that would recommend GCCRS to others	-	New measure	At least 75%
Percentage of users of the Residential Advisory Services (RAS) that would recommend RAS to others	-	New measure	At least 75%

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Ministry of Business, Innovation and Employment in its annual report.

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2019/20 Final Budgeted \$000	2020/21 Budget \$000	2021/22 Estimated \$000	2022/23 Estimated \$000	2023/24 Estimated \$000
Current Government						
Insurance Claims Resolution - Continuing to Help Resolve Homeowners' Insurance Claims following Disasters	2019/20	9,263	9,185	1,383	815	815

Occupational Licensing (M9)

Scope of Appropriation

This appropriation is limited to the development, implementation and maintenance of the registration and licensing regimes for building practitioners and electrical workers.

Expenses and Revenue

	2019/20		2020/21
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	11,647	11,647	11,690
Revenue from the Crown	734	734	777
Revenue from Others	10,491	10,491	10,491

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve certainty and confidence for the industry and the public that licensed practitioners and workers in the building, construction and electrical sectors are competent and contribute to safe, healthy and affordable homes and buildings.

How Performance will be Assessed and End of Year Reporting Requirements

Assessment of Performance	2019/20		2020/21
	Final Budgeted Standard	Estimated Actual	Budget Standard
An internal audit and assurance rating received on the quality and timeliness of administration of licensed building practitioners and electrical workers regimes	Rating of acceptable or better	Rating of acceptable or better	Rating of acceptable or better

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Ministry of Business, Innovation and Employment in its annual report.

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2019/20 Final Budgeted \$000	2020/21 Budget \$000	2021/22 Estimated \$000	2022/23 Estimated \$000	2023/24 Estimated \$000
Current Government						
Finance Management Information System Renewal	2020/21	-	11	8	3	-
Payroll System for the Ministry of Business, Innovation, and Employment	2018/19	25	116	116	116	116
Funding for the Licensed Building Practitioners scheme	2018/19	1,235	1,235	1,235	1,235	1,235
Funding for the Electrical Workers scheme	2018/19	823	823	823	823	823

Memorandum Account

	2019/20		2020/21
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Occupational Licensing - Building Practitioners			
Opening Balance at 1 July	460	460	1,258
Revenue	6,365	6,207	6,365
Expenses	(5,758)	(5,409)	(5,738)
Transfers and Adjustments	-	-	-
Closing Balance at 30 June	1,067	1,258	1,885
Occupational Licensing - Electrical Workers			
Opening Balance at 1 July	1,210	1,210	1,270
Revenue	4,126	5,137	4,126
Expenses	(5,155)	(5,077)	(5,135)
Transfers and Adjustments	-	-	-
Closing Balance at 30 June	181	1,270	261

Residential Tenancy and Unit Title Services (M37)*Scope of Appropriation*

This appropriation is limited to residential tenancy and unit title dispute resolution services, information, education, advice and compliance and enforcement activities; administration and investment of residential tenancy bond monies.

Expenses and Revenue

	2019/20		2020/21
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	40,787	40,787	37,878
Revenue from the Crown	19,885	19,885	16,976
Revenue from Others	20,902	20,902	20,902

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve an environment in which residential tenancy and unit title consumers and businesses are well informed, understand their rights, and meet their regulatory obligations through the provision of information, education, advice, compliance, bond processing and mediation services.

How Performance will be Assessed and End of Year Reporting Requirements

Assessment of Performance	2019/20		2020/21
	Final Budgeted Standard	Estimated Actual	Budget Standard
Percentage of customers who are satisfied or very satisfied with overall quality of mediation services	75%	75%	75%
Percentage of customers who are satisfied or very satisfied with the timeliness of mediation services	70%	70%	70%
Number of interventions undertaken dealing with the breaches of the Residential Tenancies Act 1986	-	New measure	2,000

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Ministry of Business, Innovation and Employment in its annual report.

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2019/20 Final Budgeted \$000	2020/21 Budget \$000	2021/22 Estimated \$000	2022/23 Estimated \$000	2023/24 Estimated \$000
Current Government						
Finance Management Information System Renewal	2020/21	-	62	48	16	-
New Tenancy Bond System - Designing a More Resilient Bond System with Better Housing Outcomes for Landlords and Tenants	2019/20	1,000	500	-	-	-
Reprioritisation of funding - Housing and Tenancy Services	2019/20	(145)	(145)	(145)	(145)	(145)
Payroll System for the Ministry of Business, Innovation, and Employment	2018/19	16	71	71	71	71
Healthy Homes Guarantee Act Implementation	2018/19	3,697	4,147	4,147	4,147	4,147
Tenancy Services - Additional Support	2018/19	4,296	5,009	5,009	5,009	5,009
Previous Government						
Implementation Funding for Changes to the Residential Tenancies Act	2016/17	380	-	-	-	-
Funding profile for compliance and enforcement functions	2016/17	3,282	3,282	3,282	3,282	3,282

Reasons for Change in Appropriation

The decrease in this appropriation for 2020/21 is mainly due to one off cost pressures as a result of higher regulatory and service delivery costs in 2019/20 as well as delays from 2018/19 pushing funding into 2019/20.

Memorandum Account

	2019/20		2020/21
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Unit Titles Act			
Opening Balance at 1 July	(101)	(101)	(102)
Revenue	77	77	77
Expenses	(78)	(78)	(78)
Transfers and Adjustments	-	-	-
Closing Balance at 30 June	(102)	(102)	(103)

Weathertight Services (M9)

Scope of Appropriation

This appropriation is limited to assessing the eligibility of weathertight homes claims; independent technical assessment of claims, including reports on actual and probable damage with estimated costs of repair; administration of the financial assistance package; claim management until repair or claim lodged with the Weathertight Tribunal; provision of mediation services; and advice, information and education to support more informed consumer decisions.

Expenses and Revenue

	2019/20		2020/21
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	7,741	7,741	9,139
Revenue from the Crown	7,741	7,741	9,139
Revenue from Others	113	113	113

What is Intended to be Achieved with this Appropriation

This appropriation is intended to assist resolution of weathertight homes claims in New Zealand.

How Performance will be Assessed and End of Year Reporting Requirements

	2019/20		2020/21
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
The percentage of short assessments (Eligibility) completed within 60 working days of being allocated to an assessor	80%	80%	80%
The percentage of long assessments (full, follow-up full, addendum, concise, cost update and supplemental) completed within 120 working days of being allocated to an assessor	80%	80%	80%

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Ministry of Business, Innovation and Employment in its annual report.

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2019/20 Final Budgeted \$000	2020/21 Budget \$000	2021/22 Estimated \$000	2022/23 Estimated \$000	2023/24 Estimated \$000
Current Government						
Finance Management Information System Renewal	2020/21	-	10	8	3	-
Payroll System for the Ministry of Business, Innovation, and Employment	2019/20	1	7	7	7	7
Reprioritisation of funding - Weathertight Services	2019/20	(100)	(100)	(100)	(100)	(100)

Reasons for Change in Appropriation

The increase in this appropriation for 2020/21 is mainly due to a one-off transfer of funding in 2019/20 to support Residential Tenancy and Unit Title Services which had been experiencing higher regulatory and service delivery costs.

Part 3 - Details of Non-Departmental Appropriations

3.4 - Non-Departmental Other Expenses

Payments in Respect of the Weathertight Services Loan Guarantees PLA (M9)

Scope of Appropriation

This appropriation is limited to the payments to banks under the Weathertight Services Financial Assistance Package: Loan Guarantee scheme as authorised under section 65ZG of the Public Finance Act 1989.

Expenses

	2019/20		2020/21
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	1,700	1,700	1,600

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve certainty and confidence for banks; through the provision of a loss share contribution if a loan claimant defaults on a mortgage associated with the repair of a home under the Weathertight Financial Assistance Package.

How Performance will be Assessed and End of Year Reporting Requirements

An exemption was granted under s15D(2)(b)(iii) of the Public Finance Act 1989 as the amount of this annual appropriation for a non-departmental other expense is less than \$5 million.

Residential Earthquake-Prone Buildings Financial Assistance Scheme: Delivery and Administration of the Loan Scheme for Earthquake Prone Buildings (M9)

Scope of Appropriation

This appropriation is limited to the delivery and administration of the loan scheme for Earthquake-Prone Buildings.

Expenses

	2019/20		2020/21
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	750	-	3,000

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve the provision of support for eligible homeowners to access funding to strengthen their homes.

How Performance will be Assessed and End of Year Reporting Requirements

An exemption was granted under s15D(2)(b)(iii) of the Public Finance Act 1989 as the amount of the annual appropriation is less than \$5 million.

Unwind of Discount Rate Used in the Present Value Calculation of Direct Payments Under the Weathertight Homes Financial Assistance Package (M9)*Scope of Appropriation*

This appropriation is limited to the expense incurred in unwinding the discount rate used in the present value calculation of the Weathertight Homes Financial Assistance Package liability as the liability nears settlement.

Expenses

	2019/20		2020/21
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	1,659	1,659	1,659

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve the unwinding of the discount rate used in the present value calculation of the Weathertight Homes Financial Assistance Package liability.

How Performance will be Assessed and End of Year Reporting Requirements

An exemption was granted under s15D(2)(b)(ii) of the Public Finance Act 1989, as additional performance information is unlikely to be informative because this appropriation is solely for the unwinding of the discount rate used in the present value calculation of direct payments under the Weathertight Homes Financial Assistance Package.

3.5 - Non-Departmental Capital Expenditure

Residential Earthquake-Prone Buildings Financial Assistance Scheme: Loan Scheme for Earthquake Prone Buildings (M9)

Scope of Appropriation and Expenses

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Residential Earthquake-Prone Buildings Financial Assistance Scheme: Loan Scheme for Earthquake Prone Buildings (M9) This appropriation is limited to loans for Earthquake-Prone Buildings seismic retrofit. Commences: 01 March 2020 Expires: 30 June 2024	Original Appropriation	10,000
	Adjustments to 2018/19	-
	Adjustments for 2019/20	-
	Adjusted Appropriation	10,000
	Actual to 2018/19 Year End	-
	Estimated Actual for 2019/20	1,000
	Estimate for 2020/21	5,000
	Estimated Appropriation Remaining	4,000

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve the provision of support for eligible homeowners to access funding to strengthen their homes.

How Performance will be Assessed and End of Year Reporting Requirements

An exemption was granted under s15D(2)(b)(iii) of the Public Finance Act 1989 as the amount of the annual appropriation is less than \$15 million.

Part 4 - Details of Multi-Category Expenses and Capital Expenditure

4 - Multi-Category Expenses and Capital Expenditure

Building Policy, Regulation and Advice (M9)

Overarching Purpose Statement

The single overarching purpose of this appropriation is effective stewardship and regulation of the building system.

Scope of Appropriation

Departmental Output Expenses

Building Regulation and Control

This category is limited to activities associated with the setting of performance standards for buildings and the design and delivery of regulatory schemes and other initiatives to help ensure those standards are met.

Policy Advice and Related Services to Ministers - Building and Construction

This category is limited to the provision of advice (including second opinion advice and contributions to policy advice led by other agencies) and services (including research, evaluation, data analysis and dissemination) to support decision-making by Ministers on government policy matters relating to building and construction.

Expenses, Revenue and Capital Expenditure

	2019/20		2020/21
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	-	-	36,522
Departmental Output Expenses			
Building Regulation and Control	-	-	35,404
Policy Advice and Related Services to Ministers - Building and Construction	-	-	1,118
Funding for Departmental Output Expenses			
Revenue from the Crown	-	-	1,118
Policy Advice and Related Services to Ministers - Building and Construction	-	-	1,118
Revenue from Others	-	-	37,954
Building Regulation and Control	-	-	37,954

Comparators for Restructured Appropriation

Vote, Type and Title of Appropriation	2019/20		2020/21
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Vote Building and Construction, Departmental Output Expense, Building Regulation and Control	41,904	41,904	-
Vote Building and Construction, Departmental Output Expense, Policy Advice and Related Outputs MCA - Building and Construction Data Analysis	560	560	-
Vote Building and Construction, Departmental Output Expense, Policy Advice and Related Outputs MCA - Policy Advice - Building and Construction	3,535	3,535	-
Vote Building and Construction, Departmental Output Expense, Policy Advice and Related Outputs MCA - Related Services to Ministers - Building and Construction	150	150	-
Total	46,149	46,149	36,522

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve a regulatory system that ensures safe and healthy building practice in the construction sector, and effective policy advice and support to Ministers.

How Performance will be Assessed for this Appropriation

Assessment of Performance	2019/20		2020/21
	Final Budgeted Standard	Estimated Actual	Budget Standard
Average satisfaction of Ministers annually	-	New measure	Average score of 4 out of 5 or better

What is Intended to be Achieved with each Category and How Performance will be Assessed

Assessment of Performance	2019/20		2020/21
	Final Budgeted Standard	Estimated Actual	Budget Standard
Departmental Output Expenses			
Building Regulation and Control			
Percentage of determinations successfully appealed	-	New measure	Less than 2%
Percentage of determinations subject to clarification due to inadequate coverage of issues	-	New measure	Less than 3%
Percentage of users satisfied that information provided on matters relating to Building Control has met their needs	-	New measure	At least 72% of users surveyed
This appropriation is intended to achieve a regulatory system that ensures safe and healthy building practice in the construction sector.			

Assessment of Performance	2019/20		2020/21
	Final Budgeted Standard	Estimated Actual	Budget Standard
Policy Advice and Related Services to Ministers - Building and Construction			
This category is intended to achieve the provision of high quality policy advice and support to Ministers.			
Technical quality of policy advice papers assessed by a survey with a methodological robustness of 80%.	-	New measure	At least an average of 73%
Percentage of requests completed within either specified or statutory timeframes:			
<ul style="list-style-type: none"> Ministerial correspondence 	-	New measure	95% or above
<ul style="list-style-type: none"> Ministerial Official Information Act 1982 requests 	-	New measure	95% or above
<ul style="list-style-type: none"> Parliamentary Questions 	-	New measure	95% or above
Building and Construction sector data and research are undertaken to inform policy and regulatory work	-	New measure	Achieved

End of Year Performance Reporting

This performance information will be reported by the Ministry of Business, Innovation and Employment in its annual report.

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2019/20 Final Budgeted \$000	2020/21 Budget \$000	2021/22 Estimated \$000	2022/23 Estimated \$000	2023/24 Estimated \$000
Current Government						
Finance Management Information System Renewal	2020/21	-	40	31	10	-
Payroll System for the Ministry of Business, Innovation, and Employment	2019/20	13	59	59	59	59
Building and Construction Policy Advice Savings Initiative	2018/19	(250)	(250)	(250)	(250)	(250)
Previous Government						
Housing Infrastructure Fund	2017/18	1,000	500	500	500	500
Implementation of the National Policy Statement on Urban Development Capacity	2017/18	239	90	90	90	90

Reasons for Change in Appropriation

This appropriation was established to consolidate the Policy Advice and Related Outputs multi-category appropriation and the Building Regulation and Control appropriation in response to Cabinet's directive to consolidate appropriations as part of modernising the public finance system.

Memorandum Account

	2019/20		2020/21
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Building Controls			
Opening Balance at 1 July	55,548	55,548	55,217
Revenue	46,880	40,344	37,880
Expenses	(41,211)	(40,675)	(34,711)
Transfers and Adjustments	-	-	-
Closing Balance at 30 June	61,217	55,217	58,386
National Multi Use Approvals			
Opening Balance at 1 July	(1,556)	(1,556)	(1,853)
Revenue	74	148	74
Expenses	(693)	(445)	(693)
Transfers and Adjustments	-	-	-
Closing Balance at 30 June	(2,175)	(1,853)	(2,472)

Temporary Accommodation Services (M37)*Overarching Purpose Statement*

The single overarching purpose of this appropriation is to coordinate and provide temporary accommodation to people displaced by a civil emergency.

*Scope of Appropriation***Departmental Output Expenses***Readiness, Response and Recovery*

This category is limited to temporary accommodation coordination, contingency planning, civil defence sector engagement and event-specific civil emergency temporary accommodation service operations.

Non-Departmental Output Expenses*Temporary Accommodation Housing Initiatives - Operations*

This category is limited to the operating expenses incurred on temporary accommodation supply initiatives.

Non-Departmental Other Expenses*Temporary Accommodation Housing Initiatives - Depreciation*

This category is limited to depreciation expenses associated with temporary accommodation supply.

Non-Departmental Capital Expenditure*Temporary Accommodation Housing Initiatives - Capital*

This category is limited to procuring and purchasing temporary accommodation.

Expenses, Revenue and Capital Expenditure

	2019/20		2020/21
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	10,798	10,798	1,963
Departmental Output Expenses			
Readiness, Response and Recovery	991	991	993
Non-Departmental Output Expenses			
Temporary Accommodation Housing Initiatives - Operations	8,532	8,532	495
Non-Departmental Other Expenses			
Temporary Accommodation Housing Initiatives - Depreciation	475	475	475
Non-Departmental Capital Expenditure			
Temporary Accommodation Housing Initiatives - Capital	800	800	-
Funding for Departmental Output Expenses			
Revenue from the Crown	991	991	993
Readiness, Response and Recovery	991	991	993

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve coordination and provision of temporary accommodation to people displaced by a civil emergency.

How Performance will be Assessed for this Appropriation

	2019/20		2020/21
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Percentage of users of the service who are satisfied or very satisfied	At least 75%	75%	At least 75%

What is Intended to be Achieved with each Category and How Performance will be Assessed

	2019/20		2020/21
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Departmental Output Expenses			
Readiness, Response and Recovery			
This category is intended to achieve fulfilment of MBIE's fundamental temporary accommodation responsibilities and roles.			
Percentage of users of the service who are satisfied or very satisfied	At least 75%	At least 75%	At least 75%

Assessment of Performance	2019/20		2020/21
	Final Budgeted Standard	Estimated Actual	Budget Standard
Non-Departmental Output Expenses			
Temporary Accommodation Housing Initiatives - Operations			
This category is intended to provide a broad range of flexible temporary accommodation options.			
An exemption was granted under s15D(2)(b)(iii) of the Public Finance Act 1989 as the amount of this annual category for a non-departmental output expense is less than \$5 million	Exempt	Exempt	Exempt
Non-Departmental Other Expenses			
Temporary Accommodation Housing Initiatives - Depreciation			
This category is intended to provide a broad range of flexible temporary accommodation options.			
An exemption was granted under s15D(2)(b)(iii) of the Public Finance Act 1989 as the amount of this category for a non-departmental other expense is less than \$5 million	Exempt	Exempt	Exempt

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Ministry of Business, Innovation and Employment in its annual report.

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2019/20 Final Budgeted \$000	2020/21 Budget \$000	2021/22 Estimated \$000	2022/23 Estimated \$000	2023/24 Estimated \$000
Current Government						
Temporary Accommodation Housing Initiatives - Operations						
Reprioritisation of funding - Temporary Accommodation Operations	2019/20	(5)	(5)	(5)	(5)	(5)
Readiness, Response and Recovery						
Reprioritisation of funding - Temporary Accommodation Services	2019/20	(10)	(10)	(10)	(10)	(10)

Reasons for Change in Appropriation

The decrease in this appropriation for 2020/21 is mainly due to one off funding for the Government's response in dealing with the impacts of Covid-19 as well as a delay in the execution of a contract to procure portacabins, transferring funding from 2018/19.