

Vote Building and Construction

APPROPRIATION MINISTER(S): Minister for Building and Construction (M9), Minister of Health (M36),
Minister of Housing (M37)

DEPARTMENT ADMINISTERING THE VOTE: Ministry of Business, Innovation and Employment (A17)

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

Overview of the Vote

Two Ministers are responsible for the appropriations in Vote Building and Construction, administered by the Ministry of Business, Innovation and Employment (MBIE).

The Minister for Building and Construction is responsible for appropriations in the 2023/24 financial year of:

- just over \$71 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 over \$13 million to make assistance available to eligible homeowners facing hardship that own units in multi-unit, multi-storey residential earthquake-prone buildings in high seismic risk areas
- just under \$9 million for policy advice relating to building and construction, and other support to Ministers relating to building and construction, and housing
- just under \$2 million relating to the unwind of the discount rate used in Weathertight Homes Financial Assistance Package, and
- just over \$1 million for payment to banks under the Weathertight Services Financial Assistance Package.

The Minister of Housing is responsible for appropriations in the 2023/24 financial year of:

- just under \$89 million to coordinate and provide temporary accommodation to people displaced by a civil emergency
- just over \$48 million for providing services relating to performance and monitoring, and Residential Tenancies and Unit Titles Service, and
- just over \$18 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	2022/23		2023/24
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Departmental Output Expenses			
Insurance Claims Resolution (M37) (A17) This appropriation is limited to the provision of residential insurance advisory, mediation, determination, and support services for homeowners affected by a natural disaster.	2,317	2,317	826
Occupational Licensing (M9) (A17) This appropriation is limited to the development, implementation and maintenance of the registration and licensing regimes for building practitioners and electrical workers.	15,668	15,003	16,367
Residential Tenancy and Unit Title Services (M37) (A17) 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.	48,705	48,705	48,062
Weathertight Services (M9) (A17) 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.	6,187	3,825	5,166
Total Departmental Output Expenses	72,877	69,850	70,421
Non-Departmental Other Expenses			
Payments in Respect of the Weathertight Services Loan Guarantees PLA (M9) (A17) 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.	1,200	1,200	1,200
Unwind of Discount Rate Used in the Present Value Calculation of Direct Payments Under the Weathertight Homes Financial Assistance Package (M9) (A17) 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
Residential Earthquake-Prone Buildings Financial Assistance Scheme: Delivery and Administration of the Loan Scheme for Earthquake Prone Buildings (M9) (A17) This appropriation is limited to the delivery and administration of the loan scheme for Earthquake-Prone Buildings.	161	161	-
Total Non-Departmental Other Expenses	3,020	3,020	2,859
Multi-Category Expenses and Capital Expenditure			
Building Policy, Regulation and Advice MCA (M9) (A17) The single overarching purpose of this appropriation is effective stewardship and regulation of the building system.	62,189	57,489	58,747

	2022/23		2023/24
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Titles and Scopes of Appropriations by Appropriation Type			
<i>Departmental Output Expenses</i>			
<i>Building Regulation and Control</i>	50,008	50,008	49,800
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.			
<i>Executive Functions and Building System Support</i>	90	90	90
This category is limited to services (including research, evaluation, data analysis, dissemination, regulatory stewardship and enforcement) required to exercise executive functions, and to support the effective performance of statutory bodies under legislation assigned to the appropriation Minister (other than the Building Act 2004).			
<i>Policy Advice and Related Services to Ministers - Building and Construction</i>	12,081	7,381	8,847
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.			
<i>Non-Departmental Output Expenses</i>			
<i>Supporting the performance of statutory boards and other providers</i>	10	10	10
This category is limited to services (including research, evaluation, data analysis, dissemination, regulatory stewardship assurance and enforcement) required by statutory boards or other providers of statutory functions, under legislation assigned to the appropriation Minister, to exercise their functions.			
Residential Earthquake-Prone Building Support Services MCA (M9) (A17)	2,163	2,163	3,269
The single overarching purpose of this appropriation is to assist eligible owners of earthquake-prone buildings to meet their obligations under the Building Act 2004.			
<i>Departmental Output Expenses</i>			
<i>Earthquake-Prone Building Remediation Support Service</i>	1,328	1,328	1,769
This category is limited to the delivery of a remediation support service.			
<i>Non-Departmental Other Expenses</i>			
<i>Delivery and Administration of the Residential Earthquake-Prone Building Financial Assistance Scheme</i>	835	835	1,500
This category is limited to the delivery and administration of the loan scheme for Earthquake-Prone Buildings.			
Temporary Accommodation Services MCA (M37) (A17)	168,443	168,443	106,319
The single overarching purpose of this appropriation is to coordinate and provide temporary accommodation to people displaced by a civil emergency.			
<i>Departmental Output Expenses</i>			
<i>Readiness, Response and Recovery</i>	19,335	19,335	13,636
This category is limited to temporary accommodation coordination, contingency planning, civil defence sector engagement and event-specific civil emergency temporary accommodation service operations.			
<i>Non-Departmental Output Expenses</i>			
<i>Temporary Accommodation Housing Initiatives - Operations</i>	131,858	131,858	74,125
This category is limited to the operating expenses incurred on temporary accommodation supply initiatives.			
<i>Non-Departmental Other Expenses</i>			
<i>Temporary Accommodation Housing Initiatives - Depreciation</i>	1,058	1,058	1,058
This category is limited to depreciation expenses associated with temporary accommodation supply.			

Titles and Scopes of Appropriations by Appropriation Type	2022/23		2023/24
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Non-Departmental Capital Expenditure			
<i>Temporary Accommodation Housing Initiatives - Capital</i> This category is limited to procuring and purchasing temporary accommodation.	16,192	16,192	17,500
Isolation and Quarantine Management MCA (M36) (A17) The single overarching purpose of this appropriation is to support and deliver isolation and quarantine arrangements within New Zealand to respond to pandemics and other health emergencies.	33,314	31,840	-
Departmental Output Expenses			
<i>Operational Support</i> This category is limited to supporting isolation and quarantine arrangements to respond to pandemics and other health emergencies.	21,822	21,822	-
Non-Departmental Output Expenses			
<i>Delivery of Services</i> This category is limited to the delivery of isolation and quarantine arrangements within New Zealand to respond to pandemics and other health emergencies.	5,492	5,018	-
Non-Departmental Other Expenses			
<i>Managed Isolation and Quarantine Loans - Fair Value Write-down</i> This category is limited to the fair value write-down of loans provided to persons undergoing isolation and quarantine arrangements to respond to pandemics and other health emergencies.	1,000	-	-
<i>Managed Isolation and Quarantine loans - Impairment of debt</i> This category is limited to expenses arising from the recognition of the impaired value of isolation and quarantine loans and debts including write downs and write offs.	5,000	5,000	-
Total Multi-Category Expenses and Capital Expenditure	266,109	259,935	168,335
Total Annual Appropriations and Forecast Permanent Appropriations	342,006	332,805	241,615

Multi-Year Appropriations

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Non-Departmental Other Expenses		
Residential Earthquake-Prone Buildings Financial Assistance Scheme: Fair value write down (M9) (A17) This appropriation is limited to any fair value write downs (including impairments, bad debts, write-offs and expected credit losses) or other expenses incurred in unwinding the discount rate used in the present value calculation of the loans within the Residential Earthquake-Prone Building Financial Assistance Scheme.	Original Appropriation	4,800
	Adjustments to 2021/22	1,300
	Adjustments for 2022/23	-
	Adjusted Appropriation	6,100
	Actual to 2021/22 Year End	-
Commences: 01 November 2020	Estimated Actual for 2022/23	3,700
Expires: 30 June 2025	Estimate for 2023/24	2,400
	Estimated Appropriation Remaining	-

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Non-Departmental Capital Expenditure		
Residential Earthquake-Prone Buildings Financial Assistance Scheme: Loan Scheme for Earthquake Prone Buildings (M9) (A17) 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 2021/22	-
	Adjustments for 2022/23	-
	Adjusted Appropriation	10,000
	Actual to 2021/22 Year End	-
	Estimated Actual for 2022/23	2,500
	Estimate for 2023/24	7,500
	Estimated Appropriation Remaining	-

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

	2022/23		2023/24
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Annual Appropriations and Forecast Permanent Appropriations	342,006	332,805	241,615
Total Forecast MYA Non-Departmental Other Expenses	3,700	3,700	2,400
Total Forecast MYA Non-Departmental Capital Expenditure	2,500	2,500	7,500
Total Annual Appropriations and Forecast Permanent Appropriations and Multi-Year Appropriations	348,206	339,005	251,515

Supporting Information

Part 1 - Vote as a Whole

1.1 - New Policy Initiatives

Policy Initiative	Appropriation	2022/23 Final Budgeted \$000	2023/24 Budget \$000	2024/25 Estimated \$000	2025/26 Estimated \$000	2026/27 Estimated \$000
Funding for the Temporary Accommodation Service response to the Auckland flooding and impacts of Cyclone Gabrielle	Temporary Accommodation Services MCA - Temporary Accommodation Housing Initiatives - Operations	129,830	-	-	-	-
	Non-Departmental Output Expense					
	Temporary Accommodation Services MCA - Readiness, Response and Recovery	17,000	-	-	-	-
	Departmental Output Expense					
MIQ Appropriation and the returning the MIQ underspend	Isolation and Quarantine Management MCA - Operational Support	(200,342)	-	-	-	-
	Departmental Output Expense					
	Isolation and Quarantine Management MCA - Delivery of Services	(28,816)	-	-	-	-
	Non-Departmental Output Expense					
	Departmental Capital Withdrawals	(10,601)	-	-	-	-
	Ministry of Business, Innovation and Employment - Departmental Net Assets					
Weathertight Homes Resolution Service - Return of Underspend	Weathertight Services (funded by revenue Crown)	-	-	(1,082)	(2,190)	(2,940)
	Departmental Output Expense					
Temporary Accommodation Response to the Auckland Flooding and Cyclone Gabrielle	Temporary Accommodation Services - Readiness, Response and Recovery (funded by revenue Crown)	-	11,300	-	-	-
	Departmental Output Expenses					
	Temporary Accommodation Housing Initiatives - Operations	-	73,200	-	-	-
	Non-Departmental Output Expenses:					
	Temporary Accommodation Housing Initiatives - Capital	-	17,500	-	-	-
	Non-Departmental Capital Expenditure					

Policy Initiative	Appropriation	2022/23 Final Budgeted \$000	2023/24 Budget \$000	2024/25 Estimated \$000	2025/26 Estimated \$000	2026/27 Estimated \$000
Managed Isolation and Quarantine (MIQ) - Return of Underspend	Isolation and Quarantine Management (MCA) - Operational Support (funded by revenue Crown)	(5,437)	-	-	-	-
	Departmental Output Expense					
	Isolation and Quarantine Management (MCA) - Delivery of Services	(6,161)	-	-	-	-
	Non-Departmental Output Expense					
	Isolation and Quarantine Management (MCA) - Managed Isolation and Quarantine Loans	(1,000)	-	-	-	-
	Non-Departmental Capital Expenditure:					
Total Initiatives		(105,527)	102,000	(1,082)	(2,190)	(2,940)

1.2 - Trends in the Vote

Summary of Financial Activity

	2018/19	2019/20	2020/21	2021/22	2022/23		2023/24			2024/25	2025/26	2026/27
	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	66,654	65,946	57,640	65,603	72,877	69,850	70,421	-	70,421	68,523	68,276	67,526
Benefits or Related Expenses	22,421	-	-	-	-	-	N/A	-	-	-	-	-
Borrowing Expenses	-	-	-	-	-	-	-	-	-	-	-	-
Other Expenses	156,802	992	645	448	6,720	6,720	-	5,259	5,259	2,859	2,859	2,859
Capital Expenditure	176	-	-	-	2,500	2,500	-	7,500	7,500	-	-	-
Intelligence and Security Department Expenses and Capital Expenditure	-	-	-	-	-	-	-	N/A	-	-	-	-
Multi-Category Expenses and Capital Expenditure (MCA)												
<i>Output Expenses</i>	39,355	44,695	671,459	817,948	242,024	236,850	74,142	74,135	148,277	62,101	53,578	53,578
<i>Other Expenses</i>	-	291	31,820	11,112	7,893	6,893	-	2,558	2,558	2,258	2,248	2,248
<i>Capital Expenditure</i>	-	671	125,692	18,922	16,192	16,192	N/A	17,500	17,500	-	-	-
Total Appropriations	285,408	112,595	887,256	914,033	348,206	339,005	144,563	106,952	251,515	135,741	126,961	126,211
Crown Revenue and Capital Receipts												
Tax Revenue	-	-	-	-	-	-	N/A	-	-	-	-	-
Non-Tax Revenue	3,280	28	124,229	73,137	-	-	N/A	-	-	-	-	-
Capital Receipts	3,928	-	-	-	-	-	N/A	-	-	-	-	-
Total Crown Revenue and Capital Receipts	7,208	28	124,229	73,137	-	-	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

There have been no restructuring adjustments to prior year information in the Summary of Financial Activity table.

1.3 - Analysis of Significant Trends

Output Expenses

The fluctuating trend for the Output Expense is due to:

- additional funding in 2018/19 related to the KiwiBuild programme and the establishment of the Ministry of Housing and Urban Development, this funding was subsequently transferred to the new Ministry from 2019/20
- additional funding for Insurance Claims Resolution from 2019/20 and then reducing again from 2021/22
- decreased funding due to the transfer of Building and Regulation funding to a multi-category appropriation in 2020/21, and
- additional funding for Residential Tenancy and Unit Title Services from 2021/22.

Benefits or Related Expenses

The decreasing trend in Benefit or Related Expenses is due to the KiwiSaver HomeStart grant scheme which was transferred to the Ministry of Housing and Urban Development from 2019/20.

Other Expenses

The fluctuating trend for Other Expenses is due to:

- a one-off concession expense recorded for Housing Infrastructure loans in 2018/19
- creation of the Weathertight Services Loan Guarantees PLA in 2020/21, and
- the establishment of the Residential Earthquake-Prone Buildings Financial Assistance Scheme: Fair value write down Multi-Year Appropriation in 2020/21.

Capital

The increasing trend for Capital Expenditure is due to the establishment of the Residential Earthquake-Prone Buildings Financial Assistance Scheme: Loan Scheme for Earthquake Prone Buildings Multi-Year Appropriation in 2021/22.

Multi-Category Output Expenses, Other Expenses and Capital Expenditure

The fluctuating trend for the Multi-Category Output Expenses, Other Expenses and Capital Expenditure is mainly due to:

- the establishment of the Isolation and Quarantine Management multi-category appropriation in 2020/21 as part of the Government's response to COVID-19. With the change in border regulations, there is a drop of funding in 2022/23 before completely being phased out from 2023/24 with ceased operations of Isolation and Quarantine Management, and
- additional funding for Temporary Accommodation Housing Initiatives appropriations to help with the recovery from Auckland floods and Cyclone Gabrielle in 2022/23.

Part 2 - Details of Departmental Appropriations

2.1 - Departmental Output Expenses

Insurance Claims Resolution (M37) (A17)

Scope of Appropriation

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

Expenses and Revenue

	2022/23		2023/24
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	2,317	2,317	826
Revenue from the Crown	2,317	2,317	826
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

	2022/23		2023/24
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Percentage of users of the Greater Christchurch Claims Resolution Service (GCCRS) that would recommend GCCRS to others	At least 75%	At least 75%	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	2022/23 Final Budgeted \$000	2023/24 Budget \$000	2024/25 Estimated \$000	2025/26 Estimated \$000	2026/27 Estimated \$000
Continuing support for Homeowners affected by Canterbury Earthquakes and other natural disasters	2022/23	4,000	-	-	-	-
Insurance Claims Resolution - Continuing to Help Resolve Homeowners' Insurance Claims following Disasters	2019/20	815	815	815	815	815

Reasons for Change in Appropriation

The decrease in this appropriation for 2023/24 is mainly due to one-off funding in 2022/23 for continued support for homeowners affected by Canterbury Earthquakes and other natural disasters.

Occupational Licensing (M9) (A17)

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

	2022/23		2023/24
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	15,668	15,003	16,367
Revenue from the Crown	755	755	754
Revenue from Others	10,491	12,510	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

	2022/23		2023/24
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
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	2022/23 Final Budgeted \$000	2023/24 Budget \$000	2024/25 Estimated \$000	2025/26 Estimated \$000	2026/27 Estimated \$000
Finance Management Information System Renewal	2020/21	3	-	-	-	-

Memorandum Account

	2022/23		2023/24
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Occupational Licensing - Building Practitioners			
Opening Balance at 1 July	4,138	4,138	2,919
Revenue	6,365	6,108	6,365
Expenses	(7,558)	(7,327)	(7,858)
Transfers and Adjustments	-	-	-
Closing Balance at 30 June	2,945	2,919	1,426

	2022/23		2023/24
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Occupational Licensing - Electrical Workers			
Opening Balance at 1 July	1,162	1,162	643
Revenue	4,126	6,402	4,126
Expenses	(7,355)	(6,921)	(7,755)
Transfers and Adjustments	-	-	-
Closing Balance at 30 June	(2,067)	643	(2,986)

Residential Tenancy and Unit Title Services (M37) (A17)*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

	2022/23		2023/24
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	48,705	48,705	48,062
Revenue from the Crown	38,257	38,257	39,478
Revenue from Others	10,448	10,448	8,584

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

	2022/23		2023/24
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Number of interventions undertaken dealing with the breaches of the Residential Tenancies Act 1986	3,000	3,000	3,000
Percentage of dispute resolution mediations settled	85%	85%	85%

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	2022/23 Final Budgeted \$000	2023/24 Budget \$000	2024/25 Estimated \$000	2025/26 Estimated \$000	2026/27 Estimated \$000
Unit Titles Amendment and Education	2022/23	316	736	736	736	736
Residential Tenancies and Unit Titles Services - Addressing a Revenue Shortfall and Continuing Service Levels	2021/22	10,454	12,318	12,470	12,470	12,470
Ensuring compliance with the Healthy Homes Standards	2021/22	4,216	4,260	4,340	4,340	4,340
Replacement of the Tenancy Bond ICT System	2021/22	2,975	5,042	7,866	7,866	7,886
Finance Management Information System Renewal	2020/21	16	-	-	-	-
Reprioritisation of funding - Housing and Tenancy Services	2019/20	(145)	(145)	(145)	(145)	(145)

Memorandum Account

	2022/23		2023/24
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Unit Titles Act 2010			
Opening Balance at 1 July	(363)	(363)	(492)
Revenue	180	180	180
Expenses	(309)	(309)	(309)
Transfers and Adjustments	-	-	-
Closing Balance at 30 June	(492)	(492)	(621)

Weathertight Services (M9) (A17)

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

	2022/23		2023/24
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	6,187	3,825	5,166
Revenue from the Crown	6,187	6,187	5,166
Revenue from Others	113	113	113

What is Intended to be Achieved with this Appropriation

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

How Performance will be Assessed and End of Year Reporting Requirements

	2022/23		2023/24
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
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	2022/23 Final Budgeted \$000	2023/24 Budget \$000	2024/25 Estimated \$000	2025/26 Estimated \$000	2026/27 Estimated \$000
Weathertight Homes Resolution Service - Return of Underspend	2024/25	-	-	(1,082)	(2,190)	(2,940)
Finance Management Information System Renewal	2020/21	3	-	-	-	-
Payroll System for the Ministry of Business, Innovation, and Employment	2019/20	7	7	7	7	7
Reprioritisation of funding - Weathertight Service	2019/20	(100)	(100)	(100)	(100)	(100)

Reasons for Change in Appropriation

The decrease in this appropriation for 2023/24 is mainly due to transfer of funding to help fund the outyears work programme of the Remediation Support Services within the Residential Earthquake-Prone Building Support Services MCA - Earthquake-Prone Building Remediation Support Service category.

Part 3 - Details of Non-Departmental Appropriations

3.4 - Non-Departmental Other Expenses

Payments in Respect of the Weathertight Services Loan Guarantees PLA (M9) (A17)

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

	2022/23		2023/24
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	1,200	1,200	1,200

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 appropriation is one from which resources will be provided to a person or an entity other than a department, a functional chief executive, an Office of Parliament, or a Crown entity; and the projected amount of this annual appropriation for a non-departmental other expenses is less than \$5 million.

Residential Earthquake-Prone Buildings Financial Assistance Scheme: Fair value write down (M9) (A17)

Scope of Appropriation and Expenses

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Residential Earthquake-Prone Buildings Financial Assistance Scheme: Fair value write down (M9) (A17) This appropriation is limited to any fair value write downs (including impairments, bad debts, write-offs and expected credit losses) or other expenses incurred in unwinding the discount rate used in the present value calculation of the loans within the Residential Earthquake-Prone Building Financial Assistance Scheme.	Original Appropriation	4,800
	Adjustments to 2021/22	1,300
	Adjustments for 2022/23	-
	Adjusted Appropriation	6,100
	Actual to 2021/22 Year End	-
Commences: 01 November 2020	Estimated Actual for 2022/23	3,700
Expires: 30 June 2025	Estimate for 2023/24	2,400
	Estimated Appropriation Remaining	-

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

	2022/23		2023/24
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Any reporting of impairments is recognised in accordance with GAAP principles	Achieved	Achieved	Achieved

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Minister for Building and Construction in the Vote Building and Construction Non-Departmental Appropriations Report.

Unwind of Discount Rate Used in the Present Value Calculation of Direct Payments Under the Weathertight Homes Financial Assistance Package (M9) (A17)

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

	2022/23		2023/24
	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)(iii) of the Public Finance Act 1989 as the appropriation is one from which resources will be provided to a person or an entity other than a department, a functional chief executive, an Office of Parliament, or a Crown entity; and the projected amount of this annual appropriation for a non-departmental other expenses is less than \$5 million.

3.5 - Non-Departmental Capital Expenditure

Residential Earthquake-Prone Buildings Financial Assistance Scheme: Loan Scheme for Earthquake Prone Buildings (M9) (A17)

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) (A17) 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 2021/22	-
	Adjustments for 2022/23	-
	Adjusted Appropriation	10,000
	Actual to 2021/22 Year End	-
	Estimated Actual for 2022/23	2,500
	Estimate for 2023/24	7,500
	Estimated Appropriation Remaining	-

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

Assessment of Performance	2022/23		2023/24
	Final Budgeted Standard	Estimated Actual	Budget Standard
Percentage of loan applications responded to within 10 working days of being received by Kāinga Ora	100%	100%	100%
Loans are only granted for the purposes of seismic remediation work to unit owners who cannot obtain finance covering the full seismic remediation costs from a registered bank	100%	100%	100%

End of Year Performance Reporting

Performance information for this appropriation will be reported by Kāinga Ora in its annual report and by the Minister for Building and Construction in the Vote Building and Construction Non-Departmental Appropriations Report.

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

4 - Multi-Category Expenses and Capital Expenditure

Building Policy, Regulation and Advice (M9) (A17)

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.

Executive Functions and Building System Support

This category is limited to services (including research, evaluation, data analysis, dissemination, regulatory stewardship and enforcement) required to exercise executive functions, and to support the effective performance of statutory bodies under legislation assigned to the appropriation Minister (other than the Building Act 2004).

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.

Non-Departmental Output Expenses

Supporting the performance of statutory boards and other providers

This category is limited to services (including research, evaluation, data analysis, dissemination, regulatory stewardship assurance and enforcement) required by statutory boards or other providers of statutory functions, under legislation assigned to the appropriation Minister, to exercise their functions.

Expenses, Revenue and Capital Expenditure

	2022/23		2023/24
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	62,189	57,489	58,747
Departmental Output Expenses			
Building Regulation and Control	50,008	50,008	49,800
Executive Functions and Building System Support	90	90	90
Policy Advice and Related Services to Ministers - Building and Construction	12,081	7,381	8,847

	2022/23		2023/24
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Non-Departmental Output Expenses			
Supporting the performance of statutory boards and other providers	10	10	10
Funding for Departmental Output Expenses			
Revenue from the Crown	12,171	7,471	8,937
Executive Functions and Building System Support	90	90	90
Policy Advice and Related Services to Ministers - Building and Construction	12,081	7,381	8,847
Revenue from Others	48,437	48,437	46,818
Building Regulation and Control	48,437	48,437	46,818

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

	2022/23		2023/24
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Average satisfaction of Ministers annually	Average score of 4 out of 5 or better	Average score of 4 out of 5 or better	Average score of 4 out of 5 or better

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

	2022/23		2023/24
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Departmental Output Expenses			
Building Regulation and Control			
This category is intended to achieve a regulatory system that ensures safe and healthy building practice in the construction sector.			
Percentage of determinations subject to clarification due to inadequate coverage of issues	Less than 3%	Less than 3%	Less than 3%
Percentage of determinations successfully appealed	Less than 2%	Less than 2%	Less than 2%
Percentage of users satisfied that information provided on matters relating to Building Control has met their needs	At least 72% of users surveyed	At least 72% of users surveyed	At least 72% of users surveyed

	2022/23		2023/24
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Executive Functions and Building System Support			
This category is intended to achieve effective stewardship and regulation of the building system through the performance of executive functions, and provision of external support to statutory bodies where necessary to ensure they perform their functions effectively.			
Percentage of charges filed against individuals who are not appropriately registered or licensed in a relevant statutory regime that are upheld by the court	100%	100%	100%
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.			
Percentage of requests completed within either specified or statutory timeframes:			
• Ministerial correspondence	95% or above	95% or above	95% or above
• Ministerial Official Information Act 1982 requests	95% or above	95% or above	95% or above
• Parliamentary Questions	95% or above	95% or above	95% or above
Technical quality of policy advice papers assessed by a survey with a methodological robustness of 80%	At least an average of 73%	At least an average of 73%	At least an average of 73%
Non-Departmental Output Expenses			
Supporting the performance of statutory boards and other providers			
This category is intended to achieve the provision of support for statutory boards where it is required to ensure they can exercise their functions.			
An exemption was granted under s15D(2)(b)(iii) of the Public Finance Act 1989 as the category is one from which resources will be provided to a person or an entity other than a department, a functional chief executive, an Office of Parliament, or a Crown entity; and the amount of the annual appropriation for non-departmental output expense is less than \$5 million	Exempt	Exempt	Exempt

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	2022/23 Final Budgeted \$000	2023/24 Budget \$000	2024/25 Estimated \$000	2025/26 Estimated \$000	2026/27 Estimated \$000
Industry Transformation Plans - Implementing Construction Sector ITP Actions	2022/23	8,650	7,890	7,680	-	-
Finance Management Information System Renewal	2020/21	10	-	-	-	-
Payroll System for the Ministry of Business, Innovation, and Employment	2019/20	59	59	59	59	59

Memorandum Account

	2022/23		2023/24
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Building Controls			
Opening Balance at 1 July	66,184	66,184	68,328
Revenue	48,437	49,152	46,818
Expenses	(50,008)	(47,008)	(49,800)
Transfers and Adjustments	-	-	-
Closing Balance at 30 June	64,613	68,328	65,346

The reduction in the levy rate took effect from 1 July 2020 and is the primary measure for reducing the memorandum account. The continued focus on expanded workstreams within the scope of the levy is also expected to reduce the balance going forward.

	2022/23		2023/24
	Budgeted \$000	Estimated Actual \$000	Budget \$000
National Multi Use Approvals			
Opening Balance at 1 July	(1,965)	(1,965)	(2,322)
Revenue	200	200	200
Expenses	(557)	(557)	(557)
Transfers and Adjustments	-	-	-
Closing Balance at 30 June	(2,322)	(2,322)	(2,679)

Residential Earthquake-Prone Building Support Services (M9) (A17)*Overarching Purpose Statement*

The single overarching purpose of this appropriation is to assist eligible owners of earthquake-prone buildings to meet their obligations under the Building Act 2004.

*Scope of Appropriation***Departmental Output Expenses***Earthquake-Prone Building Remediation Support Service*

This category is limited to the delivery of a remediation support service.

Non-Departmental Other Expenses*Delivery and Administration of the Residential Earthquake-Prone Building Financial Assistance Scheme*

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

Expenses, Revenue and Capital Expenditure

	2022/23		2023/24
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	2,163	2,163	3,269
Departmental Output Expenses			
Earthquake-Prone Building Remediation Support Service	1,328	1,328	1,769
Non-Departmental Other Expenses			
Delivery and Administration of the Residential Earthquake-Prone Building Financial Assistance Scheme	835	835	1,500
Funding for Departmental Output Expenses			
Revenue from the Crown	1,328	1,328	1,769
Earthquake-Prone Building Remediation Support Service	1,328	1,328	1,769

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve the delivery of targeted financial and non-financial support to eligible owners of earthquake-prone buildings, to meet their obligations under the Building Act 2004.

How Performance will be Assessed for this Appropriation

	2022/23		2023/24
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Assistance is only provided to owners of earthquake-prone buildings who have met the stated criteria for the relevant scheme or service	100%	100%	100%

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

	2022/23		2023/24
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Departmental Output Expenses			
Earthquake-Prone Building Remediation Support Service			
This category is intended to achieve the provision of support services to selected building owner groups to plan remediation of their earthquake-prone buildings.			
Percentage of buildings with agreed remediation plans in place within 18 months of owners confirming agreement to take part in the pilot	70%	70%	70%
Non-Departmental Other Expenses			
Delivery and Administration of the Residential Earthquake-Prone Building Financial Assistance Scheme			
This category is intended to achieve the provision of support for eligible homeowners to access funding to strengthen their homes.			
Expressions of interest in the scheme are responded to within 2 working days of being received by Kāinga Ora	100%	100%	100%

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.

Reasons for Change in Appropriation

The increase in this appropriation for 2023/24 is mainly due to transfer of funding from Weathertight Services appropriation to help fund the outyears work programme of the Remediation Support Services within the Residential Earthquake-Prone Building Support Services MCA - Earthquake-Prone Building Remediation Support Service category.

Temporary Accommodation Services (M37) (A17)

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

	2022/23		2023/24
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	168,443	168,443	106,319
Departmental Output Expenses			
Readiness, Response and Recovery	19,335	19,335	13,636
Non-Departmental Output Expenses			
Temporary Accommodation Housing Initiatives - Operations	131,858	131,858	74,125

	2022/23		2023/24
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Non-Departmental Other Expenses			
Temporary Accommodation Housing Initiatives - Depreciation	1,058	1,058	1,058
Non-Departmental Capital Expenditure			
Temporary Accommodation Housing Initiatives - Capital	16,192	16,192	17,500
Funding for Departmental Output Expenses			
Revenue from the Crown	19,335	19,335	13,636
Readiness, Response and Recovery	19,335	19,335	13,636

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

	2022/23		2023/24
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Percentage of users who were satisfied with overall effectiveness of the service (From Survey)	75%	75%	75%

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

	2022/23		2023/24
	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 contacted within 5 working days of registration	75%	75%	75%
Non-Departmental Output Expenses			
Temporary Accommodation Housing Initiatives - Operations			
This category is intended to provide a broad range of flexible temporary accommodation options.			
Percentage of users who were satisfied with effectiveness of the service to resolve temporary accommodation needs	75%	75%	75%

	2022/23		2023/24
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
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 appropriation is one from which resources will be provided to a person or an entity other than a department, a functional chief executive, an Office of Parliament, or a Crown entity; and the projected amount of this annual appropriation for a non-departmental other expenses is less than \$5 million	Exempt	Exempt	Exempt
Non-Departmental Capital Expenditure			
Temporary Accommodation Housing Initiatives - Capital			
This category is intended to increase housing supply levels in emergency affected areas.			
Percentage of users who were satisfied with effectiveness of the service to resolve temporary accommodation needs	75%	75%	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	2022/23 Final Budgeted \$000	2023/24 Budget \$000	2024/25 Estimated \$000	2025/26 Estimated \$000	2026/27 Estimated \$000
Temporary Accommodation Housing Initiatives - Operations						
Funding for the Temporary Accommodation Service response to the Auckland flooding and impacts of Cyclone Gabrielle	2023/24	-	73,200	-	-	-
Temporary Accommodation Service - meeting rising costs to house displaced people following Civil Defence emergencies	2022/23	430	430	430	430	430
Reprioritisation of funding - Temporary Accommodation Operations	2019/20	(5)	(5)	(5)	-	-
Readiness, Response and Recovery						
Funding for the Temporary Accommodation Service response to the Auckland flooding and impacts of Cyclone Gabrielle	2023/24	-	11,300	-	-	-
Temporary Accommodation Service - meeting rising costs to house displaced people following Civil Defence emergencies	2022/23	600	600	600	600	600
Reprioritisation of funding - Temporary Accommodation Services	2019/20	(10)	(10)	(10)	-	-

Policy Initiative	Year of First Impact	2022/23 Final Budgeted \$000	2023/24 Budget \$000	2024/25 Estimated \$000	2025/26 Estimated \$000	2026/27 Estimated \$000
Temporary Accommodation Housing Initiatives - Depreciation						
Temporary Accommodation Service - meeting rising costs to house displaced people following Civil Defence emergencies	2022/23	470	470	470	470	470
Temporary Accommodation Housing Initiatives - Capital						
Temporary Accommodation Response to the Auckland Flooding and Cyclone Gabrielle	2023/24	-	17,500	-	-	-
Temporary Accommodation Service - meeting rising costs to house displaced people following Civil Defence emergencies	2022/23	950	-	-	-	-

Reasons for Change in Appropriation

The decrease in this appropriation for 2023/24 is mainly due to one-off funding in 2022/23 for the Temporary Accommodation Service response to the Auckland flooding and impacts of Cyclone Gabrielle.