

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 Growth

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 2026/27 financial year of:

- just over \$64 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 relating to the unwind of the discount rate used in Weathertight Homes Financial Assistance Package
- just over \$1 million for payment to banks under the Weathertight Services Financial Assistance Package, and
- just over \$1 million for policy advice relating to building and construction, and other support to Ministers relating to building and construction, and housing.

The Minister of Housing is responsible for appropriations in the 2026/27 financial year of:

- just over \$49 million for providing services relating to Residential Tenancies and Unit Titles Service
- just under \$4 million to coordinate and provide temporary accommodation to people displaced by a civil emergency, and
- \$375,000 for the regulation of persons and entities providing residential property management services.

The Minister of Housing is also responsible for an estimated \$75,000 of revenue in the 2026/27 financial year from Part-Payments received from displaced households occupying temporary accommodation.

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	2025/26		2026/27
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Departmental Output Expenses			
Administration of Residential Property Managers Authority (M37) (A17) This appropriation is limited to the regulation of persons and entities providing residential property management services.	-	-	375
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.	52,330	52,330	49,444
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.	2,402	2,402	2,181
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.	14,084	14,084	-
Total Departmental Output Expenses	68,816	68,816	52,000
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
Total Non-Departmental Other Expenses	2,859	2,859	2,859
Multi-Category Expenses and Capital Expenditure			
Building Regulatory System MCA (M9) (A17) The single overarching purpose of this appropriation is effective stewardship and regulation of the building system.	53,427	53,427	63,245
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.	50,396	50,396	48,834

Titles and Scopes of Appropriations by Appropriation Type	2025/26		2026/27
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Occupational Licensing This category is limited to the development, implementation and maintenance of the registrations and licensing regimes for building practitioners and electrical workers, and to support the effective performance of statutory bodies under legislation assigned to the appropriation Minister (other than the Building Act 2004).	-	-	13,381
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.	1,231	1,231	1,020
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).	90	90	-
Non-Departmental Output Expenses <i>Supporting the performance of statutory boards and other providers</i> 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.	1,710	1,710	10
Temporary Accommodation Services MCA (M37) (A17) The single overarching purpose of this appropriation is to coordinate and provide temporary accommodation to people displaced by a civil emergency.	16,983	16,983	3,662
Departmental Output Expenses <i>Readiness, Response and Recovery</i> This category is limited to temporary accommodation coordination, contingency planning, civil defence sector engagement and event-specific civil emergency temporary accommodation service operations.	4,614	4,614	1,979
Non-Departmental Output Expenses <i>Temporary Accommodation Housing Initiatives - Operations</i> This category is limited to the operating expenses incurred on temporary accommodation supply initiatives.	11,601	11,601	915
Non-Departmental Other Expenses <i>Temporary Accommodation Housing Initiatives - Depreciation</i> This category is limited to depreciation expenses associated with temporary accommodation supply.	758	758	758
Non-Departmental Capital Expenditure <i>Temporary Accommodation Housing Initiatives - Capital</i> This category is limited to procuring and purchasing temporary accommodation.	10	10	10

Titles and Scopes of Appropriations by Appropriation Type	2025/26		2026/27
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
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.	185	185	-
<i>Non-Departmental Other Expenses</i>			
<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.	9	9	-
<i>Residual Invoice and Debt-related Costs</i> This category is limited to expenses for debt collection, processing of repayments received, and other related costs incurred for the MIQ fees regime.	176	176	-
Total Multi-Category Expenses and Capital Expenditure	70,595	70,595	66,907
Total Annual Appropriations and Forecast Permanent Appropriations	142,270	142,270	121,766

Supporting Information

Part 1 - Vote as a Whole

1.1 - New Policy Initiatives

Policy Initiative	Appropriation	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
Baseline Savings - Ministry of Business, Innovation and Employment	Building Regulatory System MCA					
	Executive Functions and Building System Support	-	(53)	(53)	(53)	(53)
	Departmental Output Expenses					
	Policy Advice and Related Services to Ministers - Building and Construction	-	(1)	(1)	(1)	(1)
	Departmental Output Expenses					
	Occupational Licensing	-	(19)	(19)	(19)	(19)
	Departmental Output Expenses					
	Residential Tenancy and Unit Title Services	-	(1,004)	(1,130)	(1,130)	(1,130)
	Departmental Output Expenses					
	Temporary Accommodation Services MCA					
	Readiness, Response and Recovery	-	(6)	(46)	(46)	(24)
	Departmental Output Expenses					
Weathertight Services	-	(1,168)	(750)	(750)	(750)	
Departmental Output Expenses						
Total Initiatives		-	(2,251)	(1,999)	(1,999)	(1,977)

1.2 - Trends in the Vote

Summary of Financial Activity

	2021/22	2022/23	2023/24	2024/25	2025/26		2026/27			2027/28	2028/29	2029/30
	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	51,378	52,450	48,800	47,811	54,732	54,732	52,000	-	52,000	57,869	57,147	57,147
Benefits or Related Expenses	-	-	-	-	-	-	N/A	-	-	-	-	-
Borrowing Expenses	-	-	-	-	-	-	-	-	-	-	-	-
Other Expenses	448	1,733	1,268	823	2,859	2,859	-	2,859	2,859	2,859	2,859	2,859
Capital Expenditure	-	-	-	-	-	-	-	-	-	-	-	-
Intelligence and Security Department Expenses and Capital Expenditure	-	-	-	-	-	-	-	N/A	-	-	-	-
Multi-Category Expenses and Capital Expenditure (MCA)												
<i>Output Expenses</i>	832,173	147,890	138,693	79,602	83,726	83,726	65,214	925	66,139	66,467	66,467	66,489
<i>Other Expenses</i>	11,112	1,147	9,693	2,604	943	943	-	758	758	758	758	758
<i>Capital Expenditure</i>	18,922	7,151	62	-	10	10	N/A	10	10	10	10	10
Total Appropriations	914,033	210,371	198,516	130,840	142,270	142,270	117,214	4,552	121,766	127,963	127,241	127,263
Crown Revenue and Capital Receipts												
Tax Revenue	-	-	-	-	-	-	N/A	-	-	-	-	-
Non-Tax Revenue	73,137	820	5,072	344	220	220	N/A	75	75	75	75	75
Capital Receipts	-	-	-	-	-	-	N/A	-	-	-	-	-
Total Crown Revenue and Capital Receipts	73,137	820	5,072	344	220	220	N/A	75	75	75	75	75

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

	2021/22 Adjustments \$000	2022/23 Adjustments \$000	2023/24 Adjustments \$000	2024/25 Adjustments \$000	2025/26 Final Budgeted Adjustments \$000	2025/26 Estimated Actual Adjustments \$000
Appropriations						
Output Expenses	(14,225)	(15,316)	(16,138)	(13,916)	(14,084)	(14,084)
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>	14,225	15,316	16,138	13,916	14,084	14,084
<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	-	-	-	-	-	-

The prior year information in the Summary of Financial Activity table has been restated to reflect the current Vote structure.

1.3 - Analysis of Significant Trends

Output Expenses

Output Expenses have remained materially stable before decreasing in outyears due to:

- Insurance Claims Resolution reducing in 2022/23 and dropping to nil in 2023/24 as it was transferred to the Commerce and Consumer Affairs portfolio in Vote Business, Science and Innovation
- additional funding for Residential Tenancy and Unit Title Services from 2022/23, and
- additional funding for Occupational Licensing from 2021/22 which has subsequently reduced slightly 2026/27 onwards where the funding has subsequently moved to Multi-Category Output Expenses as part of appropriation realignment within the Vote.

Other Expenses

The fluctuating trend for Other Expenses is due to:

- decreased funding for Residential Earthquake-Prone Buildings Financial Assistance Scheme: Delivery and Administration of the Loan Scheme for Earthquake Prone Buildings from 2020/21 and ending in 2023/24
- increased funding for Unwind of Discount Rate Used in the Present Value Calculation of Direct Payments Under the Weathertight Homes Financial Assistance Package from 2022/23, and
- baselined funding for 2024/25 and onwards for Weathertight Services Loan Guarantees which has not incurred actual expenditure in prior years.

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 being phased out from 2023/24 with ceased operations of Isolation and Quarantine Management
- additional funding for Temporary Accommodation Services appropriation to help with the recovery from Auckland floods and Cyclone Gabrielle in 2022/23 and residual work in the following years
- additional funding for Building Policy, Regulation and Advice appropriation from 2021/22 onwards netting off with savings from 2024/25 onwards, and
- additional funding for Building Policy, Regulation and Advice MCA with Occupational Licensing moving to this MCA from 2026/27 onwards from Output Expenses as part of appropriation realignment.

1.4 - Reconciliation of Changes in Appropriation Structure

2025/26 Appropriations in the 2025/26 Structure	2025/26 (Current) \$000	Old Structure		New Structure		
		Appropriations to which Expenses (or Capital Expenditure) have been Moved from or to	Amount Moved \$000	2025/26 Appropriations in the 2026/27 Structure	2025/26 (Restated) \$000	2026/27 \$000
		Transferred to:				
Departmental Output Expenses		Departmental Output Expenses		Departmental Output Expenses		
Occupational Licensing	14,084	Building Policy, Regulation and Advice MCA - Occupational Licensing	14,084	Building Policy, Regulation and Advice MCA - Occupational Licensing	14,084	13,381
Total	14,084		14,084		14,084	13,381

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

Administration of Residential Property Managers Authority (M37) (A17)

Scope of Appropriation

This appropriation is limited to the regulation of persons and entities providing residential property management services.

Expenses and Revenue

	2025/26		2026/27
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	-	-	375
Revenue from the Crown	-	-	-
Revenue from Others	-	-	375

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 Residential Property Managers are competent and professional.

How Performance will be Assessed and End of Year Reporting Requirements

	2025/26		2026/27
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Complete implementation plan in relation to introduction of a Residential Property Managers regulatory regime	New measure	New measure	Completed 30 June 2027

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

This appropriation was established for 2026/27 for \$375,000 to fund the new Residential Property Managers Authority within MBIE for regulation of persons and entities providing residential property management services.

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

	2025/26		2026/27
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	52,330	52,330	49,444
Revenue from the Crown	29,728	29,728	26,842
Revenue from Others	22,602	22,602	22,602

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

	2025/26		2026/27
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Number of properties subject to compliance work under the Residential Tenancies Act 1986	At least 8,000	At least 8,000	At least 8,000
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	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
Current Government						
Baseline Savings - Ministry of Business, Innovation and Employment	2026/27	-	(1,004)	(1,130)	(1,130)	(1,130)
Return of Funding for Digital Data & Insights	2024/25	(199)	(199)	(199)	(199)	(199)
Return of Funding for Enablement Services	2024/25	(918)	(999)	(1,022)	(1,022)	(1,022)
Return of Funding for Strategy, Performance and Design	2023/24	(163)	(163)	(163)	(163)	(163)
Return of Funding for Engagement and Experience	2023/24	(888)	(888)	(350)	(350)	(350)
Previous Government						
Unit Titles Amendment and Education	2022/23	736	736	736	736	736

Memorandum Account

	2025/26		2026/27
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Unit Titles Act			
Opening Balance at 1 July	(884)	(884)	(1,366)
Revenue	180	125	180
Expenses	(309)	(607)	(309)
Transfers and Adjustments	-	-	-
Closing Balance at 30 June	(1,013)	(1,366)	(1,495)

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

	2025/26		2026/27
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	2,402	2,402	2,181
Revenue from the Crown	2,402	2,402	2,181
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

	2025/26		2026/27
	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 (see Note 1)	80%	80%	Measure removed
The percentage of total claims open at 1 July that are closed during the financial year (see Notes 2 and 3)	New measure	New measure	25%

Note 1 - This performance indicator and budget standard was removed for 2026/27 and outyears as Weathertight Services is nearing completion.

Note 2 - This performance indicator and budget standard was selected for 2026/27 and outyears as Weathertight Services is nearing completion.

Note 3 - This budget standard of 25% will be measured at 30 June.

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	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
Current Government						
Baseline Savings - Ministry of Business, Innovation and Employment	2026/27	-	(1,168)	(750)	(750)	(750)
Return of Funding for Digital Data & Insights	2024/25	(7)	(7)	(7)	(7)	(7)
Return of Funding for Enablement Services	2024/25	(34)	(37)	(38)	(38)	(38)
Return of Funding for Strategy, Performance and Design	2023/24	(22)	(22)	(22)	(22)	(22)
Return of Funding for Engagement and Experience	2023/24	(82)	(82)	(9)	(9)	(9)
Return of Funding for Weathertight Homes Resolution Service	2023/24	(200)	(200)	(200)	(200)	(200)
Previous Government						
Weathertight Homes Resolution Service - Return of Underspend	2024/25	(2,190)	(2,940)	(2,940)	(2,940)	(2,940)

Reasons for Change in Appropriation

The decrease in this appropriation for 2026/27 is mainly due to \$1.168 million in 2026/27 as baseline savings, partially offset by a one-off transfer of \$1.700 million in 2025/26 out of this appropriation to Building Regulatory System (MCA) Supporting the performance of statutory boards and other providers category to support implementation of the plumbers & drainlayers self-certification scheme.

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

	2025/26		2026/27
	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.

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

	2025/26		2026/27
	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.

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

4 - Multi-Category Expenses and Capital Expenditure

Building Regulatory System (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).

Occupational Licensing

This category is limited to the development, implementation and maintenance of the registrations and licensing regimes for building practitioners and electrical workers, 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

	2025/26		2026/27
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	53,427	53,427	63,245
Departmental Output Expenses			
Building Regulation and Control	50,396	50,396	48,834
Executive Functions and Building System Support	90	90	-
Occupational Licensing	-	-	13,381
Policy Advice and Related Services to Ministers - Building and Construction	1,231	1,231	1,020
Non-Departmental Output Expenses			
Supporting the performance of statutory boards and other providers	1,710	1,710	10
Funding for Departmental Output Expenses			
Revenue from the Crown	1,321	1,321	1,798
Executive Functions and Building System Support	90	90	-
Occupational Licensing	-	-	778
Policy Advice and Related Services to Ministers - Building and Construction	1,231	1,231	1,020
Revenue from Others	39,350	39,350	52,063
Building Regulation and Control	39,350	39,350	39,460
Occupational Licensing	-	-	12,603

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve the delivery of stewardship of the regulatory system and effective policy advice and support to ministers.

How Performance will be Assessed for this Appropriation

	2025/26		2026/27
	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

Assessment of Performance	2025/26		2026/27
	Final Budgeted Standard	Estimated Actual	Budget Standard
Departmental Output Expenses			
Building Regulation and Control			
This category is intended to achieve an efficient regulatory system that ensures safe and healthy buildings.			
Percentage of determinations subject to clarification due to inadequate coverage of issues (see Note 1)	Less than 3%	Less than 3%	Measure removed
Percentage of determinations successfully appealed (see Note 1)	Less than 2%	Less than 2%	Measure removed
Percentage of users satisfied that information provided on matters relating to Building Control has met their needs (see Note 1)	At least 72% of users surveyed	At least 72% of users surveyed	Measure removed
Number of Building Production Information Requirement compliance checks in the financial year (see Note 2)	New measure	New measure	5,000
Percentage of MultiProof applications processed within the statutory timeframe (see Note 3)	New measure	New measure	100%
Percentage of website users satisfied that information provided on matters relating to Building Control has met their needs (see Note 3)	New measure	New measure	72%
Occupational Licensing			
This category is intended to achieve certainty and confidence for the industry and the public by ensuring that licensing decisions are robust, practitioners are competent, and that any issues of practitioner conduct are effectively identified and addressed to support safe and healthy buildings.			
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	Measure removed
Percentage of all licensed practitioners in the financial year who have a complaint upheld against them (see Note 4)	New measure	New measure	Baseline to be established in 2026/27
Total percentage of application decisions that are overturned on appeal (see Note 4)	New measure	New measure	Baseline to be established in 2026/27
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
The average quality of policy advice papers, using an appropriately robust assessment process, meets a standard of 'acceptable' as defined by quality advice standards	At least 3.3/5.0	At least 3.3/5.0	At least 3.3/5.0

	2025/26		2026/27
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
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

Note 1 - These performance indicators and the budget standards were removed for 2026/27 and outyears and replaced with new measures that better align with MBIE's core role in setting building performance standards and operating regulatory schemes.

Note 2 - This performance indicator and the budget standard was selected for 2026/27 and out years to align towards MBIE's operational effectiveness and system assurance activity.

Note 3 - These performance indicators and the budget standard was selected for 2026/27 and out years to align towards MBIE's core role in setting building performance standards and operating regulatory schemes.

Note 4 - These performance indicators and the budget standards were selected for 2026/27 and out years to align towards MBIE's occupational licensing to strengthen alignment with the scope of the new appropriation category. The budget standard for these measures will be determined after the 2026/27 year, with volumes of upheld complaints and overturned applications expected to be below 5% respectively.

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	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
Current Government						
Building Regulation and Control						
Return of Funding for Digital Data & Insights	2024/25	(155)	(155)	(155)	(155)	(155)
Return of Funding for Enablement Services	2024/25	(735)	(797)	(816)	(816)	(816)
Return of Funding for Strategy, Performance and Design	2023/24	(70)	(70)	(70)	(70)	(70)
Return of Funding for Engagement and Experience	2023/24	(559)	(559)	(328)	(328)	(328)

Policy Initiative	Year of First Impact	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
Executive Functions and Building System Support						
Baseline Savings - Ministry of Business, Innovation and Employment	2026/27	-	(53)	(53)	(53)	(53)
Policy Advice and Related Services to Ministers - Building and Construction						
Baseline Savings - Ministry of Business, Innovation and Employment	2026/27	-	(1)	(1)	(1)	(1)
Return of Funding for Digital Data & Insights	2024/25	(22)	(22)	(22)	(22)	(22)
Return of Funding for Enablement Services	2024/25	(115)	(124)	(127)	(127)	(127)
Return of Funding for Policy Advice Building and Construction	2024/25	(100)	(100)	(100)	(100)	(100)

Reasons for Change in Appropriation

The increase in this appropriation for 2026/27 is mainly due to the inclusion of the Occupational Licensing category for \$13.381 million.

This is partially offset by the following decreases:

- a one-off increase of \$1.500 million in 2025/26 to better align Australian-New Zealand building standards, and
- a one-off transfer of \$1.700 million in 2025/26 to this appropriation from the Weathertight Services appropriation to support implementation of the plumbers & drainlayers self-certification scheme.

Please note that the "Building Policy, Regulation and Advice" MCA has been renamed to "Building Regulatory System".

Memorandum Account

It was expected for overall activity in the sector to continue decreasing in 2025, before a return to growth from 2026. Year to date, Building Levy revenue remains higher than forecast which speaks to the recovery of the sector.

	2025/26		2026/27
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Building Controls			
Opening Balance at 1 July	47,488	47,488	38,548
Revenue	39,150	41,257	39,260
Expenses	(48,839)	(50,197)	(48,277)
Transfers and Adjustments	-	-	-
Closing Balance at 30 June	36,799	38,548	29,531

	2025/26		2026/27
	Budgeted \$000	Estimated Actual \$000	Budget \$000
National Multi Use Approvals			
Opening Balance at 1 July	(2,853)	(2,853)	(2,999)
Revenue	200	53	200
Expenses	(557)	(199)	(557)
Transfers and Adjustments	-	-	-
Closing Balance at 30 June	(3,210)	(2,999)	(3,356)

	2025/26		2026/27
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Occupational Licensing - Building Practitioners			
Opening Balance at 1 July	1,766	1,766	1,130
Revenue	7,251	6,148	6,427
Expenses	(6,644)	(6,784)	(6,004)
Transfers and Adjustments	-	-	-
Closing Balance at 30 June	2,373	1,130	1,553

	2025/26		2026/27
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Occupational Licensing - Electrical Workers			
Opening Balance at 1 July	(1,474)	(1,474)	(1,871)
Revenue	5,652	6,144	6,175
Expenses	(6,681)	(6,541)	(6,599)
Transfers and Adjustments	-	-	-
Closing Balance at 30 June	(2,503)	(1,871)	(1,447)

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

	2025/26		2026/27
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	16,983	16,983	3,662
Departmental Output Expenses			
Readiness, Response and Recovery	4,614	4,614	1,979
Non-Departmental Output Expenses			
Temporary Accommodation Housing Initiatives - Operations	11,601	11,601	915
Non-Departmental Other Expenses			
Temporary Accommodation Housing Initiatives - Depreciation	758	758	758
Non-Departmental Capital Expenditure			
Temporary Accommodation Housing Initiatives - Capital	10	10	10
Funding for Departmental Output Expenses			
Revenue from the Crown	4,614	4,614	1,979
Readiness, Response and Recovery	4,614	4,614	1,979

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

Assessment of Performance	2025/26		2026/27
	Final Budgeted Standard	Estimated Actual	Budget Standard
Percentage of users who were satisfied with overall effectiveness of the service (from Survey)	75%	75%	Measure removed
Percentage of households who report being "satisfied" or "very satisfied" with their overall experience with the Temporary Accommodation Service (see Note 1)	New measure	New measure	75%

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

Assessment of Performance	2025/26		2026/27
	Final Budgeted Standard	Estimated Actual	Budget Standard
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%	Measure removed
Percentage of eligible registered households offered temporary accommodation options within target timeframes (see Note 2)	New measure	New measure	75%
Percentage of households successfully transitioned from Temporary Accommodation Services to more permanent solutions within target timeframes (see Note 3)	New measure	New measure	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%	Measure removed
Percentage of households who report being "satisfied" or "very satisfied" with the temporary accommodation options (see Note 4)	New measure	New measure	75%

	2025/26		2026/27
	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%	Measure removed
Percentage of assets that meet agreed impacted community need criteria (see Note 5)	New measure	New measure	75%

Note 1 - This performance indicator and budget standard was selected for 2026/27 and outyears to provide a simple, meaningful assessment of overall service effectiveness that is directly aligned with the Temporary Accommodation Service's intention to coordinate and provide temporary accommodation to those displaced by a civil defence emergency.

Note 2 - This performance indicator and budget standard was selected for 2026/27 and outyears to indicate how well the Temporary Accommodation Service performs by supporting displaced households following a civil defence emergency.

Note 3 - This performance indicator and budget standard was selected for 2026/27 and outyears to reflect the Temporary Accommodation Service's recovery objectives, focusing on transitioning households to more permanent solutions.

Note 4 - This performance indicator and budget standard was selected for 2026/27 and outyears to reflect how well the service understands and responds to the requirements of displaced households and presents them with options appropriate to these requirements.

Note 5 - This performance indicator and budget standard was selected for 2026/27 and outyears to reflect the purchasing of new accommodation assets to be managed and maintained by the Temporary Accommodation Service.

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	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
Current Government						
Readiness, Response and Recovery						
Baseline Savings - Ministry of Business, Innovation and Employment	2026/27	-	(6)	(46)	(46)	(24)
Temporary Accommodation Service - 2023 North Island Weather Events	2024/25	2,613	-	-	-	-
Return of Funding for Digital Data & Insights	2024/25	(47)	(47)	(47)	(47)	(47)
Return of Funding for Enablement Services	2024/25	(223)	(241)	(247)	(247)	(247)
Return of Funding for Strategy, Performance and Design	2023/24	(8)	(8)	(8)	(8)	(8)
Return of Funding for Engagement and Experience	2023/24	(58)	(58)	(31)	(31)	(31)
Temporary Accommodation Housing Initiatives - Operations						
Temporary Accommodation Service - 2023 North Island Weather Events	2024/25	4,986	-	-	-	-
Previous Government						
Temporary Accommodation Housing Initiatives - Operations						
Temporary Accommodation Service - meeting rising costs to house displaced people following Civil Defence emergencies	2022/23	430	430	430	430	430
Readiness, Response and Recovery						
Temporary Accommodation Service - meeting rising costs to house displaced people following Civil Defence emergencies	2022/23	600	600	600	600	600
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

Reasons for Change in Appropriation

The decrease in this appropriation for 2026/27 is mainly due to:

- a one-off transfer from 2024/25 to 2025/26 for \$5.700 million to reflect the divestment of 31 Temporary Accommodation Services (TAS) / Crown-owned temporary housing assets after the reduction in demand for TAS support, and
- a drop in the funding for \$4.986 million to support households who were still displaced by Cyclone Gabrielle and the January 2023 Auckland floods.