

# *Vote Building and Construction*

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APPROPRIATION MINISTER(S): Minister for Building and Construction (M9), Minister for Greater Christchurch Regeneration (M85), Minister of Housing and Urban Development (M96)

APPROPRIATION ADMINISTRATOR: Ministry of Business, Innovation and Employment

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

## *Overview of the Vote*

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

The Minister for Building and Construction is responsible for appropriations of:

- just over \$50 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, remediation of facades and administration of the Weathertight Financial Assistance Package
- just under \$2 million for payment to banks under the Weathertight Services Financial Assistance Package
- just under \$1 million for policy advice relating to building and construction, and other support to Ministers relating to building and construction, and housing, and
- just over \$10 million to make assistance available to owner-occupiers or investors in, or facing, hardship that own units in multi-unit multi-storey residential earthquake-prone buildings in high seismic risk areas.

The Minister for Greater Christchurch Regeneration is responsible for appropriations of just over \$9 million for Insurance Claims Resolution.

The Minister of Housing and Urban Development is responsible for appropriations of:

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

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

Many of the appropriations previously in Vote Building and Housing are now in Vote Housing and Urban Development (see Part 1.4).

# Details of Appropriations and Capital Injections

## Annual Appropriations and Forecast Permanent Appropriations

Titles and Scopes of Appropriations by Appropriation Type	2018/19		2019/20
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
<b>Departmental Output Expenses</b>			
<b>Building Regulation and Control (M9)</b> This appropriation is limited to activities associated with the setting of performance standards for buildings and the design and delivery of regulatory schemes and other initiatives to help ensure those standards are met.	28,954	28,954	<b>27,804</b>
<b>Insurance Claims Resolution (M85)</b> This appropriation is limited to the provision of residential insurance advisory, mediation and support services for homeowners affected by a disaster, natural or otherwise.	-	-	<b>9,263</b>
<b>Occupational Licensing (M9)</b> This appropriation is limited to the development, implementation and maintenance of the registration and licensing regimes for building practitioners and electrical workers.	11,612	10,149	<b>11,629</b>
<b>Residential Advisory Services (M85)</b> This appropriation is limited to the provision of insurance-related broker and advisory services to homeowners affected by a civil emergency to support their residential rebuild.	504	504	<b>14</b>
<b>Residential Tenancy and Unit Title Services (M96)</b> 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; provision of administrative support to the State Housing Appeals Authority.	34,498	34,498	<b>38,135</b>
<b>Weathertight Services (M9)</b> 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.	9,200	7,358	<b>9,051</b>
<b>Administering the Legacy Social Housing Fund (M96)</b> This appropriation is limited to the administration costs of the Legacy Social Housing Fund.	77	77	-
<b>Community Housing Regulatory Authority (M96)</b> This appropriation is limited to the administration of the Community Housing Regulatory Authority.	321	321	-
<b>Establishment of the Ministry of Housing and Urban Development (M96)</b> This appropriation is limited to the establishment of the Ministry of Housing and Urban Development.	400	400	-
<b>Greater Christchurch Recovery (M85)</b> This appropriation is limited to the provision of services to residents of the greater Christchurch area affected by the Canterbury earthquakes to support the residential rebuild.	9,540	7,053	-
<b>KiwiBuild Unit (M96)</b> This appropriation is limited to activities associated with the facilitation and implementation of the KiwiBuild Programme.	5,781	5,781	-
<b>Redevelopment of Surplus Crown Land (M96)</b> This appropriation is limited to activities associated with the facilitation of Crown land redevelopment.	1,424	1,424	-
<b>Total Departmental Output Expenses</b>	102,311	96,519	95,896

	2018/19		2019/20
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Titles and Scopes of Appropriations by Appropriation Type			
<b>Non-Departmental Output Expenses</b>			
<b>HNZC Housing Support Services (M96)</b> This appropriation is limited to housing related services from Housing New Zealand Corporation including home ownership initiatives and Healthy Housing.	2,348	2,348	-
<b>Management of Crown Properties Held Under the Housing Act 1955 (M96)</b> This appropriation is limited to the administration and management of Crown owned properties held under the Housing Act 1955.	3	3	-
<b>Total Non-Departmental Output Expenses</b>	2,351	2,351	-
<b>Benefits or Related Expenses</b>			
<b>KiwiSaver HomeStart grant (M96)</b> This appropriation is limited to KiwiSaver HomeStart grants for people who meet the required eligibility criteria.	22,421	22,421	-
<b>Total Benefits or Related Expenses</b>	22,421	22,421	-
<b>Non-Departmental Other Expenses</b>			
<b>Payments in Respect of the Weathertight Services Loan Guarantees PLA (M9)</b> This appropriation is limited to the payments to banks under the Weathertight Services Financial Assistance Package: Loan Guarantee scheme as authorised under section 65ZG of the Public Finance Act 1989.	1,700	1,700	1,700
<b>Unwind of Discount Rate Used in the Present Value Calculation of Direct Payments Under the Weathertight Homes Financial Assistance Package (M9)</b> 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	<b>1,659</b>
<b>Housing Assistance (M96)</b> This appropriation is limited to payments made to Housing New Zealand Corporation and other mortgage providers to compensate for the difference between the cost of funds and the rate at which funds are lent, and provide write-offs for loans.	290	290	-
<b>Remediation of Facades and Parapets of Unreinforced Masonry Buildings in at risk areas (M9)</b> This appropriation is limited to the partial remediation of street-facing facades and parapets of unreinforced masonry buildings in at risk areas.	2,838	2,838	-
<b>Social Housing Provider Development (M96)</b> This appropriation is limited to providing support to third party providers of social and/or affordable housing services.	1,800	1,800	-
<b>Total Non-Departmental Other Expenses</b>	8,287	8,287	3,359
<b>Multi-Category Expenses and Capital Expenditure</b>			
<b>Policy Advice and Related Outputs MCA (M9)</b> The single overarching purpose of this appropriation is to provide policy advice and other support to Ministers in discharging their policy decision-making and other portfolio responsibilities.	9,238	9,238	<b>823</b>
<b>Departmental Output Expenses</b>			
<b>Building and Construction Data Analysis</b> This category is limited to research, analysis and dissemination of data on building and construction.	-	-	560
<b>Policy Advice - Building and Construction</b> This category is limited to the provision of advice (including second opinion advice and contributions to policy advice led by other agencies) to support decision making by Ministers on government policy matters relating to building and construction.	9,164	9,164	113

	2018/19		2019/20
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
<b>Titles and Scopes of Appropriations by Appropriation Type</b>			
<i>Related Services to Ministers - Building and Construction</i> This category is limited to the provision of support, information and services to Ministers to enable them to discharge their portfolio (other than policy decision-making) responsibilities on matters relating to building and construction, and housing.	74	74	150
<b>Residential Earthquake-Prone Building Financial Assistance Scheme MCA (M9)</b> The single overarching purpose of this appropriation is to provide financial assistance to enable certain owners of eligible earthquake-prone buildings to remediate their building.	-	-	<b>10,400</b>
<b>Departmental Output Expenses</b>			
<i>Residential Earthquake Prone-Building Financial Assistance Scheme Set Up and Administration Costs</i> This category is limited to the set-up costs and ongoing administration costs of the Residential Earthquake-Prone Building Financial Assistance Scheme.	-	-	3,000
<b>Non-Departmental Other Expenses</b>			
<i>Residential Earthquake-Prone Building Financial Assistance Scheme Loan Concessions</i> This category is limited to the expense incurred in unwinding the discount rate used in the present value calculation of the loans within the Residential Earthquake-Prone Building Financial Assistance Scheme.	-	-	2,400
<b>Non-Departmental Capital Expenditure</b>			
<i>Residential Earthquake-Prone Building Financial Assistance Scheme Loan Capital</i> This category is limited to providing loans approved within the Residential Earthquake-Prone Building Financial Assistance Scheme.	-	-	5,000
<b>Temporary Accommodation Services MCA (M96)</b> The single overarching purpose of this appropriation is to coordinate and provide temporary accommodation to people displaced by a civil emergency.	2,625	2,625	<b>1,960</b>
<b>Departmental Output Expenses</b>			
<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.	1,000	1,000	990
<b>Non-Departmental Output Expenses</b>			
<i>Temporary Accommodation Housing Initiatives - Operations</i> This category is limited to the operating expenses incurred on temporary accommodation supply initiatives.	500	500	495
<b>Non-Departmental Other Expenses</b>			
<i>Temporary Accommodation Housing Initiatives - Depreciation</i> This category is limited to depreciation expenses associated with temporary accommodation supply.	325	325	475
<b>Non-Departmental Capital Expenditure</b>			
<i>Temporary Accommodation Housing Initiatives - Capital</i> This category is limited to procuring and purchasing temporary accommodation.	800	800	-
<b>Total Multi-Category Expenses and Capital Expenditure</b>	11,863	11,863	13,183
<b>Total Annual Appropriations and Forecast Permanent Appropriations</b>	147,233	141,441	112,438

## Multi-Year Appropriations

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
<b>Departmental Output Expenses</b>		
<b>Tenant Health and Safety Information (M96)</b> This appropriation is limited to providing information to increase tenant health and safety in residential rental properties.  Commences: 01 July 2015  Expires: 30 June 2020	Original Appropriation Adjustments to 2017/18 Adjustments for 2018/19 Adjusted Appropriation Actual to 2017/18 Year End Estimated Actual for 2018/19 Estimate for 2019/20 Estimated Appropriation Remaining	2,740 - - 2,740 2,099 641 - -
<b>Non-Departmental Output Expenses</b>		
<b>KiwiBuild Housing (M96)</b> This appropriation is limited to the acquisition, construction and provision of KiwiBuild housing.  Commences: 01 April 2018  Expires: 30 June 2022	Original Appropriation Adjustments to 2017/18 Adjustments for 2018/19 Adjusted Appropriation Actual to 2017/18 Year End Estimated Actual for 2018/19 Estimate for 2019/20 Estimated Appropriation Remaining	210,000 - (209,919) 81 - 81 - -
<b>Non-Departmental Capital Expenditure</b>		
<b>Housing Infrastructure Fund Loans (M96)</b> This appropriation is limited to interest-free loans from the Housing Infrastructure Fund of a duration of ten years or under to Territorial Local Authorities to finance the infrastructure needed to unlock residential development.  Commences: 01 July 2018  Expires: 30 June 2023	Original Appropriation Adjustments to 2017/18 Adjustments for 2018/19 Adjusted Appropriation Actual to 2017/18 Year End Estimated Actual for 2018/19 Estimate for 2019/20 Estimated Appropriation Remaining	176 - - 176 - 176 - -
<b>KiwiBuild Capital (M96)</b> This appropriation is limited to capital for KiwiBuild housing.  Commences: 30 June 2018  Expires: 30 June 2022	Original Appropriation Adjustments to 2017/18 Adjustments for 2018/19 Adjusted Appropriation Actual to 2017/18 Year End Estimated Actual for 2018/19 Estimate for 2019/20 Estimated Appropriation Remaining	1,865,755 - (1,865,755) - - - - -
<b>Vacant or Underutilised Crown Land Programme (M96)</b> This appropriation is limited to the Crown's contribution to the development of housing in selected locations.  Commences: 01 July 2017  Expires: 30 June 2022	Original Appropriation Adjustments to 2017/18 Adjustments for 2018/19 Adjusted Appropriation Actual to 2017/18 Year End Estimated Actual for 2018/19 Estimate for 2019/20 Estimated Appropriation Remaining	167,104 51,050 (55,354) 162,800 162,800 - - -

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

	2018/19		2019/20
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Annual Appropriations and Forecast Permanent Appropriations	147,233	141,441	112,438
Total Forecast MYA Departmental Output Expenses	641	641	-
Total Forecast MYA Non-Departmental Output Expenses	81	81	-
Total Forecast MYA Non-Departmental Capital Expenditure	176	176	-
<b>Total Annual Appropriations and Forecast Permanent Appropriations and Multi-Year Appropriations</b>	<b>148,131</b>	<b>142,339</b>	<b>112,438</b>

# Supporting Information

## Part 1 - Vote as a Whole

### 1.1 - New Policy Initiatives

Policy Initiative	Appropriation	2018/19 Final Budgeted \$000	2019/20 Budget \$000	2020/21 Estimated \$000	2021/22 Estimated \$000	2022/23 Estimated \$000
New Tenancy Bond System - Designing a More Resilient Bond System with Better Housing Outcomes for Landlords and Tenants	<b>Residential Tenancy and Unit Title Services (MYA)</b> Departmental Output Expense	-	1,000	500	-	-
Insurance Claims Resolution - Continuing to Help Resolve Homeowners' Insurance Claims following Disasters	<b>Insurance claims resolution</b> Departmental Output Expense	-	9,263	9,185	1,383	815
Reprioritisation of funding - Housing and Tenancy Services	<b>Residential Tenancy and Unit Title Services (MYA)</b> Departmental Output Expense	-	(145)	(145)	(145)	(145)
Residential earthquake-prone building financial assistance scheme	<b>Residential Earthquake-Prone Building Financial Assistance Scheme MCA - Residential Earthquake Prone-Building Financial Assistance Scheme Set Up and Administration Costs</b> Departmental Output Expense	-	3,000	2,500	1,500	1,500
	<b>Residential Earthquake-Prone Building Financial Assistance Scheme MCA - Residential Earthquake Prone-Building Financial Assistance Scheme Loan Concessions</b> Non-Departmental Other Expense	-	2,400	2,400	-	-
	<b>Residential Earthquake-Prone Building Financial Assistance Scheme MCA - Residential Earthquake Prone-Building Financial Assistance Scheme Loan Capital</b> Non-Departmental Capital Expenditure	-	5,000	5,000	-	-
Reprioritisation of funding - Temporary Accommodation Services	<b>Temporary Accommodation Services MCA - Readiness, Response and Recovery</b> Departmental Output Expense	-	(10)	(10)	(10)	(10)
Reprioritisation of funding - Temporary Accommodation Operations	<b>Temporary Accommodation Services MCA - Temporary Accommodation Housing Initiatives - Operations</b> Non-Departmental Output Expense	-	(5)	(5)	(5)	(5)



Policy Initiative	Appropriation	2018/19 Final Budgeted \$000	2019/20 Budget \$000	2020/21 Estimated \$000	2021/22 Estimated \$000	2022/23 Estimated \$000
Reprioritisation of funding - Weathertight Services	<b>Weathertight Services</b> Departmental Output Expense	-	(100)	(100)	(100)	(100)
Ministry of Business, Innovation and Employment's Payroll System	<b>Community Housing Regulatory Authority</b> Departmental Output Expense	2	-	-	-	-
	<b>Occupational Licensing (MYA)</b> Departmental Output Expense	8	25	116	116	116
	<b>Residential Advisory Services</b> Departmental Output Expense	4	14	66	66	66
	<b>Residential Tenancy and Unit Title Services (MYA)</b> Departmental Output Expense	3	16	71	71	71
	<b>Weathertight Services</b> Departmental Output Expense	-	1	7	7	7
	<b>Policy Advice and Related Outputs MCA - Policy Advice - Building and Construction</b> Departmental Output Expense	-	13	59	59	59
	<b>Policy Advice and Related Outputs MCA - Policy Advice - Building and Housing</b> Departmental Output Expense	4	-	-	-	-
<b>Total Initiatives</b>		21	20,472	19,644	2,942	2,374

## 1.2 - Trends in the Vote

### Summary of Financial Activity

	2014/15	2015/16	2016/17	2017/18	2018/19		2019/20			2020/21	2021/22	2022/23
	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
<b>Appropriations</b>												
Output Expenses	71,943	82,159	90,078	89,920	105,384	99,592	95,896	-	95,896	95,305	87,003	86,485
Benefits or Related Expenses	31,904	65,949	74,919	80,574	22,421	22,421	N/A	-	-	-	-	-
Borrowing Expenses	-	-	-	-	-	-	-	-	-	-	-	-
Other Expenses	73,774	48,697	14,283	5,219	8,287	8,287	-	3,359	3,359	3,259	3,159	2,859
Capital Expenditure	13,880	30,096	3,950	162,800	176	176	-	-	-	-	-	-
Intelligence and Security Department Expenses and Capital Expenditure	-	-	-	-	-	-	-	N/A	-	-	-	-
Multi-Category Expenses and Capital Expenditure (MCA)												
<i>Output Expenses</i>	10,112	11,896	24,038	20,762	11,063	11,063	4,813	495	5,308	4,854	3,854	3,854
<i>Other Expenses</i>	-	-	4,104	-	-	-	-	2,875	2,875	2,875	338	288
<i>Capital Expenditure</i>	-	-	105,414	1,096	800	800	N/A	5,000	5,000	5,000	-	-
<b>Total Appropriations</b>	201,613	238,797	316,786	360,371	148,131	142,339	100,709	11,729	112,438	111,293	94,354	93,486
<b>Crown Revenue and Capital Receipts</b>												
Tax Revenue	-	-	-	-	-	-	N/A	-	-	-	-	-
Non-Tax Revenue	111,042	64,036	792	7,734	4,300	4,300	N/A	3,500	3,500	3,000	3,000	3,000
Capital Receipts	59,886	2,262	7,114	15,807	-	-	N/A	-	-	-	-	8,700
<b>Total Crown Revenue and Capital Receipts</b>	170,928	66,298	7,906	23,541	4,300	4,300	N/A	3,500	3,500	3,000	3,000	11,700

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

	2014/15 Adjustments \$000	2015/16 Adjustments \$000	2016/17 Adjustments \$000	2017/18 Adjustments \$000	2018/19 Final Budgeted Adjustments \$000	2018/19 Estimated Actual Adjustments \$000
<b>Appropriations</b>						
Output Expenses	(15,047)	(6,887)	(8,826)	(11,522)	(8,213)	(8,213)
Benefits or Related Expenses	(31,904)	(65,949)	(74,919)	(80,574)	(22,421)	(22,421)
Borrowing Expenses	-	(2,157)	(1,437)	(987)	(2,090)	(2,090)
Other Expenses	-	-	-	-	-	-
Capital Expenditure	-	-	-	(162,800)	(176)	(176)
Intelligence and Security Department Expenses and Capital Expenditure	-	-	-	-	-	-
Multi-Category Expenses and Capital Expenditure (MCA)						
<i>Output Expenses</i>	-	(9,434)	(9,764)	-	-	-
<i>Other Expenses</i>	-	-	-	-	-	-
<i>Capital Expenditure</i>	-	-	-	-	-	-
<b>Total Appropriations</b>	<b>(46,951)</b>	<b>(84,427)</b>	<b>(94,946)</b>	<b>(255,883)</b>	<b>(32,900)</b>	<b>(32,900)</b>
<b>Crown Revenue and Capital Receipts</b>						
Tax Revenue	-	-	-	-	-	-
Non-Tax Revenue	-	-	-	-	-	-
Capital Receipts	-	-	-	-	-	-
<b>Total Crown Revenue and Capital Receipts</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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*

The fluctuating trend for the Output Expense is due to:

- the impact of the Canterbury earthquake costs, and
- the implementation of the KiwiBuild Programme from 2017/18.

### *Benefits or Related Expenses*

The increasing trend for Benefit or Related Expenses is due to:

- the uptake of the KiwiSaver First Home Deposit Subsidy scheme, and
- from 2014/15 funding was increased to take effect of the KiwiSaver HomeStart grant policy proposals.

### *Other Expenses*

The decreasing trend for Other Expenses is due to:

- the introduction of the Weathertight Direct Payment Unwind Discount Rate in 2011/12 at \$27 million decreasing to around \$2 million in out years
- the funding profile for the Wellington City Council Housing Package from 2008/09 to 2015/16
- the transfer of unspent funds in the Social Housing Fund multi-year appropriation in 2013/14 and 2014/15, and
- the Social Housing Fund multi-year appropriation expires in 2016/17.

### *Capital*

The fluctuating trend for Capital Expenditure is due to:

- the purchase of New Zealand Defence Force land by the Hobsonville Land Company in 2013/14
- funding to facilitate housing development in Christchurch and Auckland from 2014/15, and
- the implementation of the KiwiBuild Programme from 2017/18.

### *Multi-Category Output Expenses*

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

- funding being reprioritised in 2015/16 from Weathertight Services to provide primary and secondary advice in the fields of building and housing policy.

## 1.4 - Reconciliation of Changes in Appropriation Structure

2018/19 Appropriations in the 2018/19 Structure	2018/19 (Current) \$000	Old Structure		New Structure		
		Appropriations to which Expenses (or Capital Expenditure) have been Moved from or to	Amount Moved \$000	2018/19 Appropriations in the 2019/20 Structure	2018/19 (Restated) \$000	2019/20 \$000
<b>Departmental Output Expenses</b> KiwiBuild Unit	5,781	Transferred to Vote Housing and Urban Development	5,781	See Vote Housing and Urban Development		
<b>Non-Departmental Output Expenses</b> HNZC Housing Support Services	2,348	Transferred to Vote Housing and Urban Development HNZC Housing Support Services	2,348	See Vote Housing and Urban Development		
KiwiBuild Housing (MYA Expense)	81	Transferred to Vote Housing and Urban Development KiwiBuild Housing (MYA Expense)	81	See Vote Housing and Urban Development		
Management of Crown Properties held under the Housing Act 1955	3	Transferred to Vote Housing and Urban Development Management of Crown Properties held under the Housing Act 1955	3	See Vote Housing and Urban Development		
<b>Benefits or Related Expenses</b> KiwiSaver HomeStart grant	22,421	Transferred to Vote Housing and Urban Development KiwiSaver HomeStart grant	22,421	See Vote Housing and Urban Development		
<b>Non-Departmental Other Expenses</b> Housing Assistance	290	Transferred to Vote Housing and Urban Development Housing Assistance	290	See Vote Housing and Urban Development		
Social Housing Provider Development	1,800	Transferred to Vote Housing and Urban Development Social Housing Provider Development	1,800	See Vote Housing and Urban Development		
<b>Non-Departmental Capital Expenditure</b> Housing Infrastructure Fund Loans (MYA Expense)	176	Transferred to Vote Housing and Urban Development Housing Infrastructure Fund Loans (MYA Expense)	176	See Vote Housing and Urban Development		
<b>Multi-Category Expenses and Capital Expenditure</b> <b>Community Group Housing MCA</b> <b>Non-Departmental Output Expenses</b> • Community Group Housing Market Rent Top-Up	371	Transferred to Vote Housing and Urban Development	371	See Vote Housing and Urban Development		

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

#### Building Regulation and Control (M9)

##### *Scope of Appropriation*

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

##### *Expenses and Revenue*

	2018/19		2019/20
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	28,954	28,954	27,804
Revenue from the Crown	150	150	-
Revenue from Others	32,654	32,654	30,354

##### *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.

##### *How Performance will be Assessed and End of Year Reporting Requirements*

	2018/19		2019/20
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
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
Percentage of determinations successfully appealed	Less than 2%	Less than 2%	Less than 2%
Percentage of determinations subject to clarification due to inadequate coverage of issues	Less than 3%	Less than 3%	Less than 3%

##### *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.

*Memorandum Account*

	2018/19		2019/20
	Budgeted \$000	Estimated Actual \$000	Budget \$000
<b>Building Controls</b>			
Opening Balance at 1 July	43,015	43,015	52,631
Revenue	32,580	36,405	30,460
Expenses	(28,251)	(26,789)	(27,250)
Transfers and Adjustments	-	-	-
<b>Closing Balance at 30 June</b>	<b>47,344</b>	<b>52,631</b>	<b>55,841</b>
<b>National Multi Use Approvals</b>			
Opening Balance at 1 July	(1,437)	(1,437)	(1,769)
Revenue	74	79	74
Expenses	(554)	(411)	(554)
Transfers and Adjustments	-	-	-
<b>Closing Balance at 30 June</b>	<b>(1,917)</b>	<b>(1,769)</b>	<b>(2,249)</b>

**Insurance Claims Resolution (M85)***Scope of Appropriation*

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

*Expenses and Revenue*

	2018/19		2019/20
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	-	-	9,263
Revenue from the Crown	-	-	9,263
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*

	2018/19		2019/20
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Percentage of users of the service agree or strongly agree that they feel supported on their pathway to resolution	New measure	New measure	At least 75%

### *End of Year Performance Reporting*

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

### *Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2018/19 Final Budgeted \$000	2019/20 Budget \$000	2020/21 Estimated \$000	2021/22 Estimated \$000	2022/23 Estimated \$000
<b>Current Government</b>						
Insurance Claims Resolution - Continuing to Help Resolve Homeowners' Insurance Claims following Disasters	2019/20	-	9,263	9,185	1,383	815

### *Reasons for Change in Appropriation*

This new appropriation was established during 2018/19 to start on 1 July 2019 to achieve faster and cheaper resolution of residential insurance claims resulting from disasters, natural or otherwise.

## **Occupational Licensing (M9)**

### *Scope of Appropriation*

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

### *Expenses and Revenue*

	2018/19		2019/20
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	11,612	10,149	11,629
Revenue from the Crown	699	699	716
Revenue from Others	10,491	10,491	10,491

### *What is Intended to be Achieved with this Appropriation*

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



### How Performance will be Assessed and End of Year Reporting Requirements

	2018/19		2019/20
	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	2018/19 Final Budgeted \$000	2019/20 Budget \$000	2020/21 Estimated \$000	2021/22 Estimated \$000	2022/23 Estimated \$000
<b>Current Government</b>						
Payroll System for the Ministry of Business, Innovation, and Employment	2018/19	8	25	116	116	116
Funding for the Licensed Building Practitioners scheme	2018/19	1,235	1,235	1,235	1,235	1,235
Funding for the Electrical Workers scheme	2018/19	823	823	823	823	823

### Memorandum Account

	2018/19		2019/20
	Budgeted \$000	Estimated Actual \$000	Budget \$000
<b>Occupational Licensing - Building Practitioners</b>			
Opening Balance at 1 July	7,799	7,799	8,199
Revenue	4,858	5,399	4,858
Expenses	(6,310)	(4,999)	(6,310)
Transfers and Adjustments	-	-	-
<b>Closing Balance at 30 June</b>	<b>6,347</b>	<b>8,199</b>	<b>6,747</b>
<b>Occupational Licensing - Electrical Workers</b>			
Opening Balance at 1 July	1,133	1,133	4,073
Revenue	5,633	7,584	5,633
Expenses	(5,294)	(4,644)	(5,294)
Transfers and Adjustments	-	-	-
<b>Closing Balance at 30 June</b>	<b>1,472</b>	<b>4,073</b>	<b>4,412</b>

## Residential Advisory Services (M85)

### *Scope of Appropriation*

This appropriation is limited to the provision of insurance-related broker and advisory services to homeowners affected by a civil emergency to support their residential rebuild.

### *Expenses and Revenue*

	2018/19		2019/20
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	504	504	14
Revenue from the Crown	504	504	14
Revenue from Others	-	-	-

### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve access to insurance-related broker and advisory services to help progress residential rebuild following a civil emergency.

### *How Performance will be Assessed and End of Year Reporting Requirements*

	2018/19		2019/20
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Users satisfied or very satisfied with the residential advisory service	-	-	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	2018/19 Final Budgeted \$000	2019/20 Budget \$000	2020/21 Estimated \$000	2021/22 Estimated \$000	2022/23 Estimated \$000
<b>Current Government</b>						
Payroll System for the Ministry of Business, Innovation, and Employment	2018/19	4	14	66	66	66

### *Reasons for Change in Appropriation*

This appropriation was due to end on 30 June 2019, the remaining \$14,000 is to assist with the investment in 2019/20 and outyears.

## Residential Tenancy and Unit Title Services (M96)

### *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; provision of administrative support to the State Housing Appeals Authority.

### *Expenses and Revenue*

	2018/19		2019/20
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	34,498	34,498	38,135
Revenue from the Crown	13,496	13,496	17,233
Revenue from Others	21,002	21,002	20,902

### *What is Intended to be Achieved with this Appropriation*

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

### *How Performance will be Assessed and End of Year Reporting Requirements*

	2018/19		2019/20
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Percentage of customers who are satisfied or very satisfied with overall quality and timeliness of mediation services	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	2018/19 Final Budgeted \$000	2019/20 Budget \$000	2020/21 Estimated \$000	2021/22 Estimated \$000	2022/23 Estimated \$000
<b>Current Government</b>						
Payroll System for the Ministry of Business, Innovation, and Employment	2018/19	3	16	71	71	71
New Tenancy Bond System - Designing a More Resilient Bond System with Better Housing Outcomes for Landlords and Tenants	2019/20	-	1,000	500	-	-
Reprioritisation of funding - Housing and Tenancy Services	2019/20	-	(145)	(145)	(145)	(145)
Healthy Homes Guarantee Act Implementation	2018/19	2,650	3,697	4,147	4,147	4,147
Tenancy Services - Additional Support	2018/19	4,434	4,296	5,009	5,009	5,009
<b>Previous Government</b>						
Implementation Funding for Changes to the Residential Tenancies Act	2016/17	420	380	-	-	-
Funding profile for compliance and enforcement functions	2016/17	3,282	3,282	3,282	3,282	3,282

*Reasons for Change in Appropriation*

The increase in this appropriation for 2019/20 is mainly due to a \$1 million transfer from 2018/19 to 2019/20 to reflect delays in the regulations to enforce the Health Homes Guarantee Act 2017 that could not be finalised at that time, and \$1 million in 2019/20 for a project team to complete the second phase of a project to replace the tenancy bond system.

*Memorandum Account*

	2018/19		2019/20
	Budgeted \$000	Estimated Actual \$000	Budget \$000
<b>Unit Titles Act</b>			
Opening Balance at 1 July	4	4	(56)
Revenue	180	165	180
Expenses	(180)	(225)	(180)
Transfers and Adjustments	-	-	-
<b>Closing Balance at 30 June</b>	4	(56)	(56)

## Weathertight Services (M9)

### Scope of Appropriation

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

### Expenses and Revenue

	2018/19		2019/20
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	9,200	7,358	9,051
Revenue from the Crown	9,200	7,358	9,051
Revenue from Others	113	113	113

### What is Intended to be Achieved with this Appropriation

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

### How Performance will be Assessed and End of Year Reporting Requirements

	2018/19		2019/20
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
The number of short assessments (Eligibility) completed within 60 working days of being allocated to an assessor	80%	80%	80%
The number 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	2018/19 Final Budgeted \$000	2019/20 Budget \$000	2020/21 Estimated \$000	2021/22 Estimated \$000	2022/23 Estimated \$000
<b>Current Government</b>						
Payroll System for the Ministry of Business, Innovation, and Employment	2019/20	-	1	7	7	7
Reprioritisation of funding - Weathertight Services	2019/20	-	(100)	(100)	(100)	(100)
<b>Previous Government</b>						
Building and Housing Priorities	2015/16	(2,270)	(2,270)	(2,270)	(2,270)	(2,270)
Increase in Resources to Support the new HomeStart Policy Programme	2015/16	(916)	(916)	(916)	(916)	(916)

## Part 3 - Details of Non-Departmental Appropriations

### 3.4 - Non-Departmental Other Expenses

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

##### *Scope of Appropriation*

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

##### *Expenses*

	2018/19		2019/20
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	1,700	1,700	1,700

##### *What is Intended to be Achieved with this Appropriation*

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

##### *How Performance will be Assessed and End of Year Reporting Requirements*

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

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

##### *Scope of Appropriation*

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

##### *Expenses*

	2018/19		2019/20
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	1,659	1,659	1,659

*What is Intended to be Achieved with this Appropriation*

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

*How Performance will be Assessed and End of Year Reporting Requirements*

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

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

## 4 - Multi-Category Expenses and Capital Expenditure

### Policy Advice and Related Outputs (M9)

#### *Overarching Purpose Statement*

The single overarching purpose of this appropriation is to provide policy advice and other support to Ministers in discharging their policy decision-making and other portfolio responsibilities.

#### *Scope of Appropriation*

##### **Departmental Output Expenses**

###### *Building and Construction Data Analysis*

This category is limited to research, analysis and dissemination of data on building and construction.

###### *Policy Advice - 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) to support decision making by Ministers on government policy matters relating to building and construction.

###### *Related Services to Ministers - Building and Construction*

This category is limited to the provision of support, information and services to Ministers to enable them to discharge their portfolio (other than policy decision-making) responsibilities on matters relating to building and construction, and housing.

#### *Expenses, Revenue and Capital Expenditure*

	2018/19		2019/20
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
<b>Total Appropriation</b>	<b>9,238</b>	<b>9,238</b>	<b>823</b>
<b>Departmental Output Expenses</b>			
Building and Construction Data Analysis	-	-	560
Policy Advice - Building and Construction	9,164	9,164	113
Related Services to Ministers - Building and Construction	74	74	150
<b>Funding for Departmental Output Expenses</b>			
<b>Revenue from the Crown</b>	<b>9,210</b>	<b>9,210</b>	<b>823</b>
Building and Construction Data Analysis	-	-	560
Policy Advice - Building and Construction	9,136	9,136	113
Related Services to Ministers - Building and Construction	74	74	150
<b>Revenue from Others</b>	<b>28</b>	<b>28</b>	<b>-</b>
Policy Advice - Building and Construction	28	28	-



### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve effective policy advice and support to Ministers.

### *How Performance will be Assessed for this Appropriation*

Assessment of Performance	2018/19		2019/20
	Final Budgeted Standard	Estimated Actual	Budget Standard
Average satisfaction of Ministers annually	Reaching, or exceeding 70 per cent	Reaching, or exceeding 70 per cent	Reaching, or exceeding 70 per cent

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

Assessment of Performance	2018/19		2019/20
	Final Budgeted Standard	Estimated Actual	Budget Standard
<b>Departmental Output Expenses</b>			
<b>Building and Construction Data Analysis</b>			
This category is intended to achieve the provision of data and research to help inform the Building and Construction sector in terms of monitoring and input into policy and regulatory advice and evaluation.			
Building and Construction sector data and research are undertaken to inform policy and regulatory work	-	New measure	Achieved
<b>Policy Advice - Building and Construction</b>			
This category is intended to achieve the provision of high quality policy advice to support Ministerial decision-making on government policy matters relating to building and construction.			
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%
<b>Related Services to Ministers - Building and Construction</b>			
This category is intended to achieve the provision of effective and efficient ministerial services to enable Ministers to discharge their building and construction, and housing portfolio responsibilities.			
Percentage of requests completed within either specified or statutory timeframes:			
<ul style="list-style-type: none"> <li>Ministerial correspondence</li> </ul>	95% or above	95% or above	95% or above
<ul style="list-style-type: none"> <li>Ministerial Official Information Act 1982 requests</li> </ul>	95% or above	95% or above	95% or above
<ul style="list-style-type: none"> <li>Parliamentary Questions</li> </ul>	95% or above	95% or above	95% or above

### *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	2018/19 Final Budgeted \$000	2019/20 Budget \$000	2020/21 Estimated \$000	2021/22 Estimated \$000	2022/23 Estimated \$000
<b>Current Government</b>						
Policy Advice - Building and Construction						
Payroll System for the Ministry of Business, Innovation, and Employment	2019/20	-	13	59	59	59
Policy Advice - Building and Housing						
Payroll System for the Ministry of Business, Innovation, and Employment	2018/19	4	-	-	-	-
Building and Construction Policy Advice Savings Initiative	2018/19	(250)	(250)	(250)	(250)	(250)
KiwiBuild Programme	2017/18	2,399	-	-	-	-
<b>Previous Government</b>						
Housing Infrastructure Fund	2017/18	1,000	1,000	500	500	500
National Policy Statement on Urban Development Capacity - <i>Implementation</i>	2017/18	356	239	90	90	90
Building and Housing Priorities	2015/16	2,270	2,270	2,270	2,270	2,270
Social Housing Reform Programme	2015/16	1,143	1,143	1,143	1,143	1,143
Redevelopment of Surplus Crown Land	2015/16	2,003	2,003	2,003	2,003	2,003

### Reasons for Change in Appropriation

This appropriation decreased in 2019/20 due to the transfer of this funding to the new Ministry of Housing and Urban Development. The remaining balance reflects the activity administered by the Ministry of Business, Innovation and Employment after the transfer.

### Residential Earthquake-Prone Building Financial Assistance Scheme (M9)

#### Overarching Purpose Statement

The single overarching purpose of this appropriation is to provide financial assistance to enable certain owners of eligible earthquake-prone buildings to remediate their building.

#### Scope of Appropriation

##### Departmental Output Expenses

###### *Residential Earthquake Prone-Building Financial Assistance Scheme Set Up and Administration Costs*

This category is limited to the set-up costs and ongoing administration costs of the Residential Earthquake-Prone Building Financial Assistance Scheme.

##### Non-Departmental Other Expenses

###### *Residential Earthquake-Prone Building Financial Assistance Scheme Loan Concessions*

This category is limited to the expense incurred in unwinding the discount rate used in the present value calculation of the loans within the Residential Earthquake-Prone Building Financial Assistance Scheme.

##### Non-Departmental Capital Expenditure

###### *Residential Earthquake-Prone Building Financial Assistance Scheme Loan Capital*

This category is limited to providing loans approved within the Residential Earthquake-Prone Building Financial Assistance Scheme.

*Expenses, Revenue and Capital Expenditure*

	2018/19		2019/20
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
<b>Total Appropriation</b>	-	-	<b>10,400</b>
<b>Departmental Output Expenses</b>			
Residential Earthquake Prone-Building Financial Assistance Scheme Set Up and Administration Costs	-	-	3,000
<b>Non-Departmental Other Expenses</b>			
Residential Earthquake-Prone Building Financial Assistance Scheme Loan Concessions	-	-	2,400
<b>Non-Departmental Capital Expenditure</b>			
Residential Earthquake-Prone Building Financial Assistance Scheme Loan Capital	-	-	5,000
<b>Revenue from Others</b>	-	-	<b>3,000</b>
Residential Earthquake Prone-Building Financial Assistance Scheme Set Up and Administration Costs	-	-	3,000

*What is Intended to be Achieved with this Appropriation*

This appropriation is intended to make assistance available to owner-occupiers or investors in, or facing, hardship that own units in multi-unit multi-storey residential earthquake-prone buildings in high seismic risk areas.

*How Performance will be Assessed for this Appropriation*

	2018/19		2019/20
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Applications for loans assessed within 120 working days of being allocated to an assessor	New measure	New measure	90%

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

	2018/19		2019/20
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
<b>Departmental Output Expenses</b>			
<b>Residential Earthquake Prone-Building Financial Assistance Scheme Set Up and Administration Costs</b>			
This category is intended to provide administration resources to provide set up and ongoing administration of the Residential Earthquake Prone Building Financial Assistance Scheme.			
Applications for loans assessed within 120 working days of being allocated to an assessor	New measure	New measure	90%

Assessment of Performance	2018/19		2019/20
	Final Budgeted Standard	Estimated Actual	Budget Standard
<b>Non-Departmental Other Expenses</b>			
<b>Residential Earthquake-Prone Building Financial Assistance Scheme Loan Concessions</b>			
This category is intended to achieve 'fair value' adjustments to the recorded values under the Residential Earthquake Prone Building Financial Assistance Scheme.			
An exemption was granted under s15D(2)(b)(ii) of the Public Finance Act 1989 as additional performance information is unlikely to be informative because this appropriation is solely for the unwinding of the discount rate used in the present value calculation of the loans under the Residential Earthquake Prone Building Financial Assistance Scheme	Exempt	Exempt	Exempt
<b>Non-Departmental Capital Expenditure</b>			
<b>Residential Earthquake-Prone Building Financial Assistance Scheme Loan Capital</b>			
This category is intended to provide loans under the Residential Earthquake Prone Building Financial Assistance Scheme.			
Applications for loans assessed within 120 working days of being allocated to an assessor	New measure	New measure	90%

### *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	2018/19 Final Budgeted \$000	2019/20 Budget \$000	2020/21 Estimated \$000	2021/22 Estimated \$000	2022/23 Estimated \$000
<b>Current Government</b>						
<b>Residential Earthquake Prone Building Financial Assistance Scheme Set Up And Administration Costs</b>						
Residential earthquake-prone building financial assistance scheme	2019/20	-	3,100	2,500	1,500	1,500
<b>Residential Earthquake Prone Building Financial Assistance Scheme Loan Concessions</b>						
Residential earthquake-prone building financial assistance scheme	2019/20	-	2,300	2,400	-	-
<b>Residential Earthquake Prone Building Financial Assistance Scheme Loan Capital</b>						
Residential earthquake-prone building financial assistance scheme	2019/20	-	5,000	5,000	-	-

### *Reasons for Change in Appropriation*

This appropriation was established as a result of the policy initiative to make assistance available to owner-occupiers or investors in, or facing, hardship that own units in multi-unit multi-storey residential earthquake-prone buildings in high seismic risk areas.

### **Temporary Accommodation Services (M96)**

#### *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*

	2018/19		2019/20
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
<b>Total Appropriation</b>	<b>2,625</b>	<b>2,625</b>	<b>1,960</b>
<b>Departmental Output Expenses</b>			
Readiness, Response and Recovery	1,000	1,000	990
<b>Non-Departmental Output Expenses</b>			
Temporary Accommodation Housing Initiatives - Operations	500	500	495
<b>Non-Departmental Other Expenses</b>			
Temporary Accommodation Housing Initiatives - Depreciation	325	325	475
<b>Non-Departmental Capital Expenditure</b>			
Temporary Accommodation Housing Initiatives - Capital	800	800	-
<b>Funding for Departmental Output Expenses</b>			
Revenue from the Crown	<b>1,000</b>	<b>1,000</b>	<b>990</b>
Readiness, Response and Recovery	1,000	1,000	990

### *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	2018/19		2019/20
	Final Budgeted Standard	Estimated Actual	Budget Standard
Percentage of users of the service who are satisfied or very satisfied	75%	75%	At least 75%

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

Assessment of Performance	2018/19		2019/20
	Final Budgeted Standard	Estimated Actual	Budget Standard
<b>Departmental Output Expenses</b>			
<b>Readiness, Response and Recovery</b>			
This category is intended to achieve fulfilment of MBIE's fundamental temporary accommodation responsibilities and roles.			
Percentage of users of the service who are satisfied or very satisfied	75%	75%	75%
<b>Non-Departmental Output Expenses</b>			
<b>Temporary Accommodation Housing Initiatives - Operations</b>			
This category is intended to provide a broad range of flexible temporary accommodation options.			
An exemption was granted under s15D(2)(b)(iii) of the Public Finance Act 1989 as the amount of this annual category for a non-departmental output expense is less than \$5 million	Exempt	Exempt	Exempt
<b>Non-Departmental Other Expenses</b>			
<b>Temporary Accommodation Housing Initiatives - Depreciation</b>			
This category is intended to provide a broad range of flexible temporary accommodation options.			
An exemption was granted under s15D(2)(b)(iii) of the Public Finance Act 1989 as the amount of this category for a non-departmental other expense is less than \$5 million	Exempt	Exempt	Exempt
<b>Non-Departmental Capital Expenditure</b>			
<b>Temporary Accommodation Housing Initiatives - Capital</b>			
This category is intended to increase housing supply levels in emergency affected areas.			
An exemption was granted under s15D(2)(b)(iii) of the Public Finance Act 1989 as the amount of this annual category for a non-departmental capital expenditure is less than \$15 million	Exempt	Exempt	Exempt

### *End of Year Performance Reporting*

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

### *Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2018/19 Final Budgeted \$000	2019/20 Budget \$000	2020/21 Estimated \$000	2021/22 Estimated \$000	2022/23 Estimated \$000
<b>Current Government</b>						
Temporary Accommodation Housing Initiatives - Operations						
Reprioritisation of funding - Temporary Accommodation Operations	2019/20	-	(5)	(5)	(5)	(5)
Readiness, Response and Recovery						
Reprioritisation of funding - Temporary Accommodation Services	2019/20	-	(10)	(10)	(10)	(10)

### *Reasons for Change in Appropriation*

The decrease in this appropriation for 2019/20 is due to one-off funding in 2018/19 for the establishment of a temporary accommodation service in Westport to support displaced people following ex-tropical cyclone Fehi and Gita.

