

Vote Building and Construction

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

APPROPRIATION ADMINISTRATOR: Ministry of Business, Innovation and Employment

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

Details of Appropriations and Capital Injections

Annual Appropriations and Forecast Permanent Appropriations

Titles and Scopes of Appropriations by Appropriation Type	2019/20				Total Budget \$000
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Addition to the Supplementary Estimates Budget \$000	Cumulative Supplementary Estimates Budget \$000	
Departmental Output Expenses					
Building Regulation and Control (M9) This appropriation is limited to activities associated with the setting of performance standards for buildings and the design and delivery of regulatory schemes and other initiatives to help ensure those standards are met.	27,804	14,100	-	14,100	41,904
Insurance Claims Resolution (M85) This appropriation is limited to the provision of residential insurance advisory, mediation and support services for homeowners affected by a disaster, natural or otherwise.	9,263	(741)	-	(741)	8,522
Occupational Licensing (M9) This appropriation is limited to the development, implementation and maintenance of the registration and licensing regimes for building practitioners and electrical workers.	11,629	18	-	18	11,647
Residential Advisory Services (M85) 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.	14	(14)	-	(14)	-
Residential Tenancy and Unit Title Services (M37) This appropriation is limited to residential tenancy and unit title dispute resolution services, information, education, advice and compliance and enforcement activities; administration and investment of residential tenancy bond monies; provision of administrative support to the State Housing Appeals Authority.	38,135	2,652	615	3,267	41,402
Weathertight Services (M9) This appropriation is limited to assessing the eligibility of weathertight homes claims; independent technical assessment of claims, including reports on actual and probable damage with estimated costs of repair; administration of the financial assistance package; claim management until repair or claim lodged with the Weathertight Tribunal; provision of mediation services; and advice, information and education to support more informed consumer decisions.	9,051	(1,310)	-	(1,310)	7,741
Total Departmental Output Expenses	95,896	14,705	615	15,320	111,216

Titles and Scopes of Appropriations by Appropriation Type	2019/20				
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Addition to the Supplementary Estimates Budget \$000	Cumulative Supplementary Estimates Budget \$000	Total Budget \$000
Non-Departmental Other Expenses					
Payments in respect of the Weathertight Services Loan Guarantees PLA (M9) This appropriation is limited to the payments to banks under the Weathertight Services Financial Assistance Package: Loan Guarantee scheme as authorised under section 65ZG of the Public Finance Act 1989.	1,700	-	-	-	1,700
Residential Earthquake-Prone Buildings Financial Assistance Scheme: Delivery and Administration of the Loan Scheme for Earthquake Prone Buildings (M9) This appropriation is limited to the delivery and administration of the loan scheme for Earthquake-Prone Buildings.	-	750	-	750	750
Unwind of Discount Rate Used in the Present Value Calculation of Direct Payments Under the Weathertight Homes Financial Assistance Package (M9) This appropriation is limited to the expense incurred in unwinding the discount rate used in the present value calculation of the Weathertight Homes Financial Assistance Package liability as the liability nears settlement.	1,659	-	-	-	1,659
Total Non-Departmental Other Expenses	3,359	750	-	750	4,109
Multi-Category Expenses and Capital Expenditure					
Policy Advice and Related Outputs MCA (M9) 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.	823	3,422	-	3,422	4,245
Departmental Output Expenses					
<i>Building and Construction Data Analysis</i> This category is limited to research, analysis and dissemination of data on building and construction.	560	-	-	-	560
<i>Policy Advice - Building and Construction</i> 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.	113	3,422	-	3,422	3,535
<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.	150	-	-	-	150
Temporary Accommodation Services MCA (M37) The single overarching purpose of this appropriation is to coordinate and provide temporary accommodation to people displaced by a civil emergency.	1,960	8,838	-	8,838	10,798
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.	990	1	-	1	991

Titles and Scopes of Appropriations by Appropriation Type	2019/20				
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Addition to the Supplementary Estimates Budget \$000	Cumulative Supplementary Estimates Budget \$000	Total Budget \$000
<i>Non-Departmental Output Expenses</i>					
<i>Temporary Accommodation Housing Initiatives - Operations</i> This category is limited to the operating expenses incurred on temporary accommodation supply initiatives.	495	8,037	-	8,037	8,532
<i>Non-Departmental Other Expenses</i>					
<i>Temporary Accommodation Housing Initiatives - Depreciation</i> This category is limited to depreciation expenses associated with temporary accommodation supply.	475	-	-	-	475
<i>Non-Departmental Capital Expenditure</i>					
<i>Temporary Accommodation Housing Initiatives - Capital</i> This category is limited to procuring and purchasing temporary accommodation.	-	800	-	800	800
Residential Earthquake-Prone Building Financial Assistance Scheme MCA (M9) 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.	10,400	(10,400)	-	(10,400)	-
<i>Departmental Output Expenses</i>					
<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	(3,000)	-	(3,000)	-
<i>Non-Departmental Other Expenses</i>					
<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	(2,400)	-	(2,400)	-
<i>Non-Departmental Capital Expenditure</i>					
<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	(5,000)	-	(5,000)	-
Total Multi-Category Expenses and Capital Expenditure	13,183	1,860	-	1,860	15,043
Total Annual Appropriations and Forecast Permanent Appropriations	112,438	17,315	615	17,930	130,368

Multi-Year Appropriations

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

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

	2019/20				
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Addition to the Supplementary Estimates Budget \$000	Cumulative Supplementary Estimates Budget \$000	Total Budget \$000
Total Annual Appropriations and Forecast Permanent Appropriations	112,438	17,315	615	17,930	130,368
Total Forecast MYA Departmental Output Expenses	-	169	-	169	169
Total Forecast MYA Non-Departmental Capital Expenditure	-	1,000	-	1,000	1,000
Total Annual Appropriations and Forecast Permanent Appropriations and Multi-Year Appropriations	112,438	18,484	615	19,099	131,537

Supporting Information

Part 1 - Vote as a Whole

1.2 - Trends in the Vote

Summary of Financial Activity

	2019/20				
	Estimates \$000	Cumulative Supplementary Estimates			Total \$000
		Departmental Transactions \$000	Non- Departmental Transactions \$000	Total Transactions \$000	
Appropriations					
Output Expenses	95,896	15,489	-	15,489	111,385
Benefits or Related Expenses	-	N/A	-	-	-
Borrowing Expenses	-	-	-	-	-
Other Expenses	3,359	-	750	750	4,109
Capital Expenditure	-	-	1,000	1,000	1,000
Intelligence and Security Department Expenses and Capital Expenditure	-	-	N/A	-	-
Multi-Category Expenses and Capital Expenditure (MCA)					
<i>Output Expenses</i>	5,308	423	8,037	8,460	13,768
<i>Other Expenses</i>	2,875	-	(2,400)	(2,400)	475
<i>Capital Expenditure</i>	5,000	N/A	(4,200)	(4,200)	800
Total Appropriations	112,438	15,912	3,187	19,099	131,537
Crown Revenue and Capital Receipts					
Tax Revenue	-	N/A	-	-	-
Non-Tax Revenue	3,500	N/A	(3,500)	(3,500)	-
Capital Receipts	-	N/A	-	-	-
Total Crown Revenue and Capital Receipts	3,500	N/A	(3,500)	(3,500)	-

Part 2 - Details of Departmental Appropriations

2.1 - Departmental Output Expenses

Residential Tenancy and Unit Title Services (M37)

Scope of Appropriation

This appropriation is limited to residential tenancy and unit title dispute resolution services, information, education, advice and compliance and enforcement activities; administration and investment of residential tenancy bond monies; provision of administrative support to the State Housing Appeals Authority.

Expenses and Revenue

	2019/20			Total \$000
	Estimates \$000	Supplementary Estimates \$000	Addition to the Supplementary Estimates \$000	
Total Appropriation	38,135	2,652	615	41,402
Revenue from the Crown	17,233	2,652	615	20,500
Revenue from Others	20,902	-	-	20,902

Reasons for Change in Appropriation

This appropriation increased by a further \$615,000 to \$41.402 million for 2019/20 to provide funding to the Tenancy Tribunal for expected costs related to COVID-19.