

Vote Building and Construction

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

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

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

Details of Appropriations and Capital Injections

Annual Appropriations and Forecast Permanent Appropriations

	2022/23		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Titles and Scopes of Appropriations by Appropriation Type			
Departmental Output Expenses			
Insurance Claims Resolution (M37) (A17) This appropriation is limited to the provision of residential insurance advisory, mediation, determination, and support services for homeowners affected by a natural disaster.	4,832	(2,515)	2,317
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.	11,682	3,986	15,668
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.	45,657	3,048	48,705
Weathertight Services (M9) (A17) This appropriation is limited to assessing the eligibility of weathertight homes claims; independent technical assessment of claims, including reports on actual and probable damage with estimated costs of repair; administration of the financial assistance package; claim management until repair or claim lodged with the Weathertight Tribunal; provision of mediation services; and advice, information and education to support more informed consumer decisions.	6,947	(760)	6,187
Total Departmental Output Expenses	69,118	3,759	72,877
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
Residential Earthquake-Prone Buildings Financial Assistance Scheme: Delivery and Administration of the Loan Scheme for Earthquake Prone Buildings (M9) (A17) This appropriation is limited to the delivery and administration of the loan scheme for Earthquake-Prone Buildings.	1,125	(964)	161
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
Total Non-Departmental Other Expenses	3,984	(964)	3,020

	2022/23		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Titles and Scopes of Appropriations by Appropriation Type			
Multi-Category Expenses and Capital Expenditure			
Building Policy, Regulation and Advice MCA (M9) (A17)	56,178	6,011	62,189
The single overarching purpose of this appropriation is effective stewardship and regulation of the building system.			
Departmental Output Expenses			
Building Regulation and Control	42,940	7,068	50,008
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	90	-	90
This category is limited to services (including research, evaluation, data analysis, dissemination, regulatory stewardship and enforcement) required to exercise executive functions, and to support the effective performance of statutory bodies under legislation assigned to the appropriation Minister (other than the Building Act 2004).			
Policy Advice and Related Services to Ministers - Building and Construction	13,138	(1,057)	12,081
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	10	-	10
This category is limited to services (including research, evaluation, data analysis, dissemination, regulatory stewardship and enforcement) required by statutory boards, under legislation assigned to the appropriation Minister (other than the Building Act 2004), to exercise their functions.			
Isolation and Quarantine Management MCA (M36) (A17)	282,471	(249,157)	33,314
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.			
Departmental Output Expenses			
Operational Support	235,002	(213,180)	21,822
This category is limited to supporting isolation and quarantine arrangements to respond to pandemics and other health emergencies.			
Non-Departmental Output Expenses			
Delivery of Services	40,469	(34,977)	5,492
This category is limited to the delivery of isolation and quarantine arrangements within New Zealand to respond to pandemics and other health emergencies.			
Non-Departmental Other Expenses			
Managed Isolation and Quarantine Loans - Fair Value Write-down	1,000	-	1,000
This category is limited to the fair value write-down of loans provided to persons undergoing isolation and quarantine arrangements to respond to pandemics and other health emergencies.			
Managed Isolation and Quarantine loans - Impairment of debt	5,000	-	5,000
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.			
Non-Departmental Capital Expenditure			
Managed Isolation and Quarantine Loans	1,000	(1,000)	-
This category is limited to loans provided to persons undergoing isolation and quarantine arrangements to respond to pandemics and other health emergencies.			

	2022/23		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Titles and Scopes of Appropriations by Appropriation Type			
Residential Earthquake-Prone Building Support Services MCA (M9) (A17) The single overarching purpose of this appropriation is to assist eligible owners of earthquake-prone buildings to meet their obligations under the Building Act 2004.	-	2,163	2,163
Departmental Output Expenses			
<i>Earthquake-Prone Building Remediation Support Service</i> This category is limited to the delivery of a remediation support service.	-	1,328	1,328
Non-Departmental Other Expenses			
<i>Delivery and Administration of the Residential Earthquake-Prone Building Financial Assistance Scheme</i> This category is limited to the delivery and administration of the loan scheme for Earthquake-Prone Buildings.	-	835	835
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.	6,126	162,317	168,443
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.	2,343	16,992	19,335
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.	1,775	130,083	131,858
Non-Departmental Other Expenses			
<i>Temporary Accommodation Housing Initiatives - Depreciation</i> This category is limited to depreciation expenses associated with temporary accommodation supply.	1,058	-	1,058
Non-Departmental Capital Expenditure			
<i>Temporary Accommodation Housing Initiatives - Capital</i> This category is limited to procuring and purchasing temporary accommodation.	950	15,242	16,192
Total Multi-Category Expenses and Capital Expenditure	344,775	(78,666)	266,109
Total Annual Appropriations and Forecast Permanent Appropriations	417,877	(75,871)	342,006

Multi-Year Appropriations

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Non-Departmental Other Expenses		
Residential Earthquake-Prone Buildings Financial Assistance Scheme: Fair value write down (M9) (A17) This appropriation is limited to any fair value write downs (including impairments, bad debts, write-offs and expected credit losses) or other expenses incurred in unwinding the discount rate used in the present value calculation of the loans within the Residential Earthquake-Prone Building Financial Assistance Scheme. Commences: 01 November 2020 Expires: 30 June 2025	Original Appropriation	4,800
	Adjustments to 2021/22	1,300
	Adjustments for 2022/23	-
	Adjusted Appropriation	6,100
	Actual to 2021/22 Year End	-
	Estimated Actual for 2022/23	3,700
	Estimate for 2023/24	2,400
	Estimated Appropriation Remaining	-
Non-Departmental Capital Expenditure		
Residential Earthquake-Prone Buildings Financial Assistance Scheme: Loan Scheme for Earthquake Prone Buildings (M9) (A17) This appropriation is limited to loans for Earthquake-Prone Buildings seismic retrofit. Commences: 01 March 2020 Expires: 30 June 2024	Original Appropriation	10,000
	Adjustments to 2021/22	-
	Adjustments for 2022/23	-
	Adjusted Appropriation	10,000
	Actual to 2021/22 Year End	-
	Estimated Actual for 2022/23	2,500
	Estimate for 2023/24	7,500
	Estimated Appropriation Remaining	-

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

	2022/23		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Total Annual Appropriations and Forecast Permanent Appropriations	417,877	(75,871)	342,006
Total Forecast MYA Non-Departmental Other Expenses	3,700	-	3,700
Total Forecast MYA Non-Departmental Capital Expenditure	2,500	-	2,500
Total Annual Appropriations and Forecast Permanent Appropriations and Multi-Year Appropriations	424,077	(75,871)	348,206

Supporting Information

Part 1 - Vote as a Whole

1.2 - Trends in the Vote

Summary of Financial Activity

	2022/23				
	Estimates \$000	Supplementary Estimates			Total \$000
		Departmental Transactions \$000	Non- Departmental Transactions \$000	Total Transactions \$000	
Appropriations					
Output Expenses	69,118	3,759	-	3,759	72,877
Benefits or Related Expenses	-	N/A	-	-	-
Borrowing Expenses	-	-	-	-	-
Other Expenses	7,684	-	(964)	(964)	6,720
Capital Expenditure	2,500	-	-	-	2,500
Intelligence and Security Department Expenses and Capital Expenditure	-	-	N/A	-	-
Multi-Category Expenses and Capital Expenditure (MCA)					
<i>Output Expenses</i>	335,767	(188,849)	95,106	(93,743)	242,024
<i>Other Expenses</i>	7,058	-	835	835	7,893
<i>Capital Expenditure</i>	1,950	N/A	14,242	14,242	16,192
Total Appropriations	424,077	(185,090)	109,219	(75,871)	348,206
Crown Revenue and Capital Receipts					
Tax Revenue	-	N/A	-	-	-
Non-Tax Revenue	-	N/A	-	-	-
Capital Receipts	-	N/A	-	-	-
Total Crown Revenue and Capital Receipts	-	N/A	-	-	-

Part 2 - Details of Departmental Appropriations

2.1 - Departmental Output Expenses

Insurance Claims Resolution (M37) (A17)

Scope of Appropriation

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

Reasons for Change in Appropriation

This appropriation decreased by \$2.515 million to \$2.317 million for 2022/23 due to:

- a fiscally neutral adjustment of \$3.485 million to transfer funding to the new Commerce and Consumer Affairs: Insurance Claims Resolution appropriation, and
- a technical adjustment of \$8,000 in relation to changes in the accounting treatment of Software as a Service (SaaS).

This decrease is partially offset by an expense transfer of \$978,000 from 2021/22 as a result of the roll out of the Earthquake Commission On Sold Programme and decisions on cases causing delays.

Occupational Licensing (M9) (A17)

Scope of Appropriation

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

Expenses and Revenue

	2022/23		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	11,682	3,986	15,668
Revenue from the Crown	769	(14)	755
Revenue from Others	10,491	-	10,491

Reasons for Change in Appropriation

This appropriation increased by \$3.986 million to \$15.668 million for 2022/23 due to a technical adjustment of \$4 million to fund the ongoing support of the recently implemented occupational licensing IT platform for the Electrical Workers and Licensed Building Practitioners regimes.

This increase was partially offset by a technical adjustment of \$14,000 in relation to changes in the accounting treatment of Software as a Service (SaaS).

Memorandum Account

	2022/23		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Occupational Licensing - Building Practitioners			
Opening Balance at 1 July	5,029	(891)	4,138
Revenue	6,365	-	6,365
Expenses	(5,758)	(1,800)	(7,558)
Transfers and Adjustments	-	-	-
Closing Balance at 30 June	5,636	(2,691)	2,945

	2022/23		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Occupational Licensing - Electrical Workers			
Opening Balance at 1 July	2,719	(1,557)	1,162
Revenue	4,126	-	4,126
Expenses	(5,155)	(2,200)	(7,355)
Transfers and Adjustments	-	-	-
Closing Balance at 30 June	1,690	(3,757)	(2,067)

Residential Tenancy and Unit Title Services (M37) (A17)*Scope of Appropriation*

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

Expenses and Revenue

	2022/23		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	45,657	3,048	48,705
Revenue from the Crown	35,209	3,048	38,257
Revenue from Others	10,448	-	10,448

Reasons for Change in Appropriation

This appropriation increased by \$3.048 million to \$48.705 million for 2022/23 due to:

- an expense transfer of \$1.500 million from 2021/22 as a result of delays in legislative changes to the Unit Titles Act 2010
- a fiscally neutral adjustment of \$750,000 from the Weathertight Services appropriation to meet the increased demand for Residential Tenancy & Unit Title Services
- an expense transfer of \$500,000 from 2021/22 due to delays in the development of the timing and profile for expected costs of the Tenancy Bond Transformation project, and
- an expense transfer of \$430,000 from 2021/22 due to delays in the completion of the Residential Tenancies (Healthy Homes Standards) Amendment Regulations 2022.

This increase is partially offset by a technical adjustment of \$132,000 in relation to changes in the accounting treatment of Software as a Service (SaaS).

Memorandum Account

	2022/23		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Unit Titles Act 2010			
Opening Balance at 1 July	(357)	(6)	(363)
Revenue	180	-	180
Expenses	(180)	(129)	(309)
Transfers and Adjustments	-	-	-
Closing Balance at 30 June	(357)	(135)	(492)

Weathertight Services (M9) (A17)

Scope of Appropriation

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

Expenses and Revenue

	2022/23		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	6,947	(760)	6,187
Revenue from the Crown	6,947	(760)	6,187
Revenue from Others	113	-	113

Reasons for Change in Appropriation

This appropriation decreased by \$760,000 to \$6.187 million for 2022/23 due to:

- a fiscally neutral adjustment of \$750,000 to the Residential Tenancy & Unit Title Services appropriation to meet increased cost pressures, and
- a technical adjustment of \$10,000 in relation to changes in the accounting treatment of Software as a Service (SaaS).

Part 3 - Details of Non-Departmental Appropriations

3.4 - Non-Departmental Other Expenses

Residential Earthquake-Prone Buildings Financial Assistance Scheme: Delivery and Administration of the Loan Scheme for Earthquake Prone Buildings (M9) (A17)

Scope of Appropriation

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

How Performance will be Assessed and End of Year Reporting Requirements

	2022/23		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Assessment of Performance			
Expressions of interest in the scheme are responded to within two working days of being received by Kāinga Ora (see Note 1)	Exempt	100%	100%

Note 1 - This performance indicator was revised for 2022/23 only to better reflect PBE FRS 48 principles for relevancy, timeliness and faithful representation.

End of Year Performance Reporting

Performance information for this appropriation will be reported by Kāinga Ora in its annual report.

Reasons for Change in Appropriation

This appropriation decreased by \$964,000 to \$161,000 for 2022/23 due to a fiscally neutral adjustment of \$2.163 million to the new Residential Earthquake-Prone Building Support Services multi-category appropriation.

This decrease is partially offset by an expense transfer of \$1.199 million from 2021/22 as a result of delays in unit owners being in a position to apply for a loan and finalising costing.

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

Scope of Appropriation and Expenses

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Residential Earthquake-Prone Buildings Financial Assistance Scheme: Fair value write down (M9) (A17)	Original Appropriation	4,800
	Adjustments to 2021/22	1,300
	Adjustments for 2022/23	-
	Adjusted Appropriation	6,100
Commences: 01 November 2020	Actual to 2021/22 Year End	-
	Estimated Actual for 2022/23	3,700
Expires: 30 June 2025	Estimate for 2023/24	2,400
	Estimated Appropriation Remaining	-

How Performance will be Assessed and End of Year Reporting Requirements

	2022/23		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Assessment of Performance			
Any reporting of impairments is recognised in accordance with GAAP principles (see Note 1)	-	Achieve	Achieve

Note 1 - This is a new performance indicator for 2022/23 and outyears and was selected as it reflects the PBE FRS 48 principles of relevancy and faithful representation.

End of Year Performance Reporting

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

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

4 - Multi-Category Expenses and Capital Expenditure

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

Overarching Purpose Statement

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

Scope of Appropriation

Departmental Output Expenses

Building Regulation and Control

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

Executive functions and building system support

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

Policy Advice and Related Services to Ministers - Building and Construction

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

Non-Departmental Output Expenses

Supporting the performance of statutory boards

This category is limited to services (including research, evaluation, data analysis, dissemination, regulatory stewardship and enforcement) required by statutory boards, under legislation assigned to the appropriation Minister (other than the Building Act 2004), to exercise their functions.

Expenses, Revenue and Capital Expenditure

	2022/23		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	56,178	6,011	62,189
Departmental Output Expenses			
Building Regulation and Control	42,940	7,068	50,008
Executive functions and building system support	90	-	90
Policy Advice and Related Services to Ministers - Building and Construction	13,138	(1,057)	12,081

	2022/23		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Non-Departmental Output Expenses			
Supporting the performance of statutory boards	10	-	10
Funding for Departmental Output Expenses			
Revenue from the Crown	13,228	(1,057)	12,171
Executive functions and building system support	90	-	90
Policy Advice and Related Services to Ministers - Building and Construction	13,138	(1,057)	12,081
Revenue from Others	41,369	7,068	48,437
Building Regulation and Control	41,369	7,068	48,437

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

	2022/23		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Assessment of Performance			
Departmental Output Expenses			
Executive functions and building system support			
This category is intended to achieve effective stewardship and regulation of the building system through the performance of executive functions, and provision of external support to statutory bodies where necessary to ensure they perform their functions effectively			
External support provided to ensure the effective performance of statutory bodies meets timeframes and standards agreed with the Minister for Building and Construction (see Note 1)	Achieved	-	-
Investigation and enforcement activities are undertaken and completed according to agreed timeframes and standards (see Note 1)	Achieved	-	-
Percentage of charges filed against individuals who are not appropriately registered or licensed in a relevant statutory regime that are upheld by the court (see Note 2)	-	100%	100%
Policy Advice and Related Services to Ministers - Building and Construction			
This category is intended to achieve the provision of high quality policy advice and support to Ministers			
Building and Construction sector data and research are undertaken to inform policy and regulatory work (see Note 3)	Achieved	-	-
Non-Departmental Output Expenses			
Supporting the performance of statutory boards			
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 amount of the annual appropriation is less than \$5 million	Exempt	-	-

Assessment of Performance	2022/23		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
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

Note 1 - This performance indicator was removed for 2022/23 and outyears as it does not meet the PBE FRS 48 principle of understandability.

Note 2 - This performance indicator was selected for 2022/23 and outyears as it better reflects the PBE FRS 48 principle of understandability.

Note 3 - This performance indicator was removed for 2022/23 and outyears in relation to sector data and research as it does not meet the PBE FRS 48 principle of comparability.

Reasons for Change in Appropriation

This appropriation increased by \$6.011 million to \$62.189 million for 2022/23 due to:

- a fiscally neutral adjustment of \$7.209 million to uplift the Building Regulation and Control category to account for the expectations for the Ministry of Business, Innovation and Employment (MBIE) to deliver additional outputs, and
- an expense transfer of \$1.469 million from 2021/22 as a result of delays in the publication of the Energy Reduction Plan which had flow on effects and delayed the climate change work programme.

This increase is partially offset by:

- a fiscally neutral adjustment of \$2.500 million to transfer funding to Vote Environment to procure updated climate modelling data from National Institute of Water and Atmospheric Research, and
- a technical adjustment of \$167,000 in relation to changes in the accounting treatment of Software as a Service (SaaS).

Memorandum Account

	2022/23		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Building Controls			
Opening Balance at 1 July	60,472	5,712	66,184
Revenue	41,369	7,068	48,437
Expenses	(42,940)	(7,068)	(50,008)
Transfers and Adjustments	-	-	-
Closing Balance at 30 June	58,901	5,712	64,613

	2022/23		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
National Multi Use Approvals			
Opening Balance at 1 July	(1,772)	(193)	(1,965)
Revenue	200	-	200
Expenses	(557)	-	(557)
Transfers and Adjustments	-	-	-
Closing Balance at 30 June	(2,129)	(193)	(2,322)

Isolation and Quarantine Management (M36) (A17)

Overarching Purpose Statement

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.

Scope of Appropriation

Departmental Output Expenses

Operational Support

This category is limited to supporting isolation and quarantine arrangements to respond to pandemics and other health emergencies.

Non-Departmental Output Expenses

Delivery of Services

This category is limited to the delivery of isolation and quarantine arrangements within New Zealand to respond to pandemics and other health emergencies.

Non-Departmental Other Expenses

Managed Isolation and Quarantine Loans - Fair Value Write-down

This category is limited to the fair value write-down of loans provided to persons undergoing isolation and quarantine arrangements to respond to pandemics and other health emergencies.

Managed Isolation and Quarantine loans - Impairment of debt

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.

Non-Departmental Capital Expenditure

Managed Isolation and Quarantine Loans

This category is limited to loans provided to persons undergoing isolation and quarantine arrangements to respond to pandemics and other health emergencies.

Expenses, Revenue and Capital Expenditure

	2022/23		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	282,471	(249,157)	33,314
Departmental Output Expenses			
Operational Support	235,002	(213,180)	21,822
Non-Departmental Output Expenses			
Delivery of Services	40,469	(34,977)	5,492
Non-Departmental Other Expenses			
Managed Isolation and Quarantine Loans - Fair Value Write-down	1,000	-	1,000
Managed Isolation and Quarantine loans - Impairment of debt	5,000	-	5,000
Non-Departmental Capital Expenditure			
Managed Isolation and Quarantine Loans	1,000	(1,000)	-
Funding for Departmental Output Expenses			
Revenue from the Crown	235,002	(213,180)	21,822
Operational Support	235,002	(213,180)	21,822

Reasons for Change in Appropriation

This appropriation decreased by \$249.157 million to \$33.314 million for 2022/23 due to:

- a return of \$241.756 million unspent funding due to the decommissioning of Managed Isolation and Quarantine
- a Cabinet decision of \$7.358 million to transfer funding to Vote Health for future quarantine and isolation capability, and
- a technical adjustment of \$43,000 in relation to changes in the accounting treatment of Software as a Service (SaaS).

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

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

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

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

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

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

Expenses, Revenue and Capital Expenditure

	2022/23		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	-	2,163	2,163
Departmental Output Expenses			
Earthquake-Prone Building Remediation Support Service	-	1,328	1,328
Non-Departmental Other Expenses			
Delivery and Administration of the Residential Earthquake-Prone Building Financial Assistance Scheme	-	835	835
Funding for Departmental Output Expenses			
Revenue from the Crown	-	1,328	1,328
Earthquake-Prone Building Remediation Support Service	-	1,328	1,328

What is Intended to be Achieved with this Appropriation

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

How Performance will be Assessed for this Appropriation

	2022/23		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Assessment of Performance			
Assistance is only provided to owners of earthquake-prone buildings who have met the stated criteria for the relevant scheme or service (see Note 1)	-	100%	100%

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

	2022/23		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Assessment of Performance			
Departmental Output Expenses			
Earthquake-Prone Building Remediation Support Service			
This category is intended to achieve the provision of support services to selected building owner groups to plan remediation of their earthquake-prone buildings			
Percentage of buildings with agreed remediation plans in place within 18 months of owners confirming agreement to take part in the pilot (see Note 1)	-	70%	70%
Non-Departmental Other Expenses			
Delivery and Administration of the Residential Earthquake-Prone Building Financial Assistance Scheme			
This category is intended to achieve the provision of support for eligible homeowners to access funding to strengthen their homes			
Expressions of interest in the scheme are responded to within 2 working days of being received by Kāinga Ora (see Note 2)	-	100%	100%

Note 1 - This is a new performance indicator for 2022/23 and outyears for the newly established appropriation and was selected to meet the PBE FRS 48 principles of relevance and for relevancy and faithful representation.

Note 2 - This is a new performance indicator for 2022/23 and outyears for the newly established appropriation and was selected to meet the PBE FRS 48 principles of for relevancy, timeliness and comparability.

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 new appropriation was established during 2022/23 for \$2.163 million to pilot a Remediation Support Service for a targeted group of residential earthquake-prone building owners to address identified barriers to seismic remediation.

Temporary Accommodation Services (M37) (A17)

Overarching Purpose Statement

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

Scope of Appropriation

Departmental Output Expenses

Readiness, Response and Recovery

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

Non-Departmental Output Expenses

Temporary Accommodation Housing Initiatives - Operations

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

Non-Departmental Other Expenses

Temporary Accommodation Housing Initiatives - Depreciation

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

Non-Departmental Capital Expenditure

Temporary Accommodation Housing Initiatives - Capital

This category is limited to procuring and purchasing temporary accommodation.

Expenses, Revenue and Capital Expenditure

	2022/23		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	6,126	162,317	168,443
Departmental Output Expenses			
Readiness, Response and Recovery	2,343	16,992	19,335
Non-Departmental Output Expenses			
Temporary Accommodation Housing Initiatives - Operations	1,775	130,083	131,858
Non-Departmental Other Expenses			
Temporary Accommodation Housing Initiatives - Depreciation	1,058	-	1,058
Non-Departmental Capital Expenditure			
Temporary Accommodation Housing Initiatives - Capital	950	15,242	16,192
Funding for Departmental Output Expenses			
Revenue from the Crown	2,343	16,992	19,335
Readiness, Response and Recovery	2,343	16,992	19,335

How Performance will be Assessed for this Appropriation

	2022/23		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Assessment of Performance			
Percentage of users of the service who are satisfied or very satisfied (see Note 1)	75%	-	-
Percentage of users who were satisfied with overall effectiveness of the service (from survey) (see Note 1)	-	75%	75%

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

	2022/23		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Assessment of Performance			
Departmental Output Expenses			
Readiness, Response and Recovery			
This category is intended to achieve fulfilment of MBIE's fundamental temporary accommodation responsibilities and roles			
Percentage of users of the service who are satisfied or very satisfied (see Note 1)	At least 75%	-	-
Percentage of users of the service contacted within 5 working days of registration (see Note 1)	-	75%	75%

Assessment of Performance	2022/23		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
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 (see Note 1)	Exempt	75%	75%
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 (see Note 2)	Exempt	75%	75%

Note 1 - These performance indicators were revised for 2022/23 and outyears to reflect the PBE FRS 48 principles of relevancy and faithful representation.

Note 2 - This performance indicator was selected for 2022/23 and outyears to reflect the PBE FRS 48 principles of faithful representation.

Reasons for Change in Appropriation

This appropriation increased by \$162.317 million to \$168.443 million for 2022/23 due to:

- a Cabinet decision of \$146.830 million as a response to the Auckland flooding and Cyclone Gabrielle
- an expense transfer of \$15.242 million of capital funding from 2021/22 as a result of delays to the Westport Village Project which continued into the 2022/23 financial year
- an expense transfer of \$223,000 from 2021/22 as a result of delays to the Westport Village Recovery programme which took longer than expected due to the region suffering from several subsequent flooding events since the initial impact, and
- an expense transfer of \$30,000 of operating funding from 2021/22 as a result of delays to the Westport Village Project which continued into the 2022/23 financial year.

This increase is partially offset by a technical adjustment of \$8,000 in relation to changes in the accounting treatment of Software as a Service (SaaS).