

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

Titles and Scopes of Appropriations by Appropriation Type	2023/24		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Departmental Output Expenses			
Insurance Claims Resolution (M37) (A17) This appropriation is limited to the provision of residential insurance advisory, mediation, determination, and support services for homeowners affected by a natural disaster.	826	(826)	-
Occupational Licensing (M9) (A17) This appropriation is limited to the development, implementation and maintenance of the registration and licensing regimes for building practitioners and electrical workers.	16,367	(22)	16,345
Residential Tenancy and Unit Title Services (M37) (A17) This appropriation is limited to residential tenancy and unit title dispute resolution services, information, education, advice and compliance and enforcement activities; administration and investment of residential tenancy bond monies.	48,062	(750)	47,312
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.	5,166	(2,177)	2,989
Total Departmental Output Expenses	70,421	(3,775)	66,646
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
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	2,859	-	2,859
Multi-Category Expenses and Capital Expenditure			
Building Policy, Regulation and Advice MCA (M9) (A17) The single overarching purpose of this appropriation is effective stewardship and regulation of the building system.	58,747	5,105	63,852
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.	49,800	448	50,248

	2023/24		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Titles and Scopes of Appropriations by Appropriation Type			
<i>Executive functions and building system support</i> This category is limited to services (including research, evaluation, data analysis, dissemination, regulatory stewardship and enforcement) required to exercise executive functions, and to support the effective performance of statutory bodies under legislation assigned to the appropriation Minister (other than the Building Act 2004).	90	-	90
<i>Policy Advice and Related Services to Ministers - 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) and services (including research, evaluation, data analysis and dissemination) to support decision-making by Ministers on government policy matters relating to building and construction.	8,847	4,057	12,904
<i>Non-Departmental Output Expenses</i>			
<i>Supporting the performance of statutory boards and other providers</i> This category is limited to services (including research, evaluation, data analysis, dissemination, regulatory stewardship assurance and enforcement) required by statutory boards or other providers of statutory functions, under legislation assigned to the appropriation Minister, to exercise their functions.	10	600	610
<i>Isolation and Quarantine Management MCA (M36) (A17)</i> 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.	-	450	450
<i>Non-Departmental Other Expenses</i>			
<i>Managed Isolation and Quarantine loans - Impairment of debt</i> This category is limited to expenses arising from the recognition of the impaired value of isolation and quarantine loans and debts including write downs and write offs.	-	30	30
<i>Residual Invoice and Debt-related Costs</i> This category is limited to expenses for debt collection, processing of repayments received, and other related costs incurred for the MIQ fees regime.	-	420	420
<i>Residential Earthquake-Prone Building Support Services MCA (M9) (A17)</i> 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.	3,269	1,791	5,060
<i>Departmental Output Expenses</i>			
<i>Earthquake-Prone Building Remediation Support Service</i> This category is limited to the delivery of a remediation support service.	1,769	1,228	2,997
<i>Non-Departmental Other Expenses</i>			
<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.	1,500	563	2,063
<i>Temporary Accommodation Services MCA (M37) (A17)</i> The single overarching purpose of this appropriation is to coordinate and provide temporary accommodation to people displaced by a civil emergency.	106,319	16,990	123,309
<i>Departmental Output Expenses</i>			
<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.	13,636	3,190	16,826

	2023/24		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Titles and Scopes of Appropriations by Appropriation Type			
<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.	74,125	13,800	87,925
<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.	1,058	-	1,058
<i>Transfer of Temporary Accommodation Service Assets</i> This category is limited to expenses incurred by the Ministry of Business, Innovation and Employment transferring Temporary Accommodation Service assets to local councils, community housing providers and other relevant third-party entities.	-	6,880	6,880
<i>Non-Departmental Capital Expenditure</i>			
<i>Temporary Accommodation Housing Initiatives - Capital</i> This category is limited to procuring and purchasing temporary accommodation.	17,500	(6,880)	10,620
Total Multi-Category Expenses and Capital Expenditure	168,335	24,336	192,671
Total Annual Appropriations and Forecast Permanent Appropriations	241,615	20,561	262,176

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 Adjustments to 2022/23 Adjustments for 2023/24 Adjusted Appropriation Actual to 2022/23 Year End Estimated Actual for 2023/24 Estimate for 2024/25 Estimated Appropriation Remaining	4,800 1,300 (6,100) - - - - -
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 Adjustments to 2022/23 Adjustments for 2023/24 Adjusted Appropriation Actual to 2022/23 Year End Estimated Actual for 2023/24 Estimate for 2024/25 Estimated Appropriation Remaining	10,000 - (10,000) - - - - -

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

	2023/24		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Total Annual Appropriations and Forecast Permanent Appropriations	241,615	20,561	262,176
Total Forecast MYA Non-Departmental Other Expenses	2,400	(2,400)	-
Total Forecast MYA Non-Departmental Capital Expenditure	7,500	(7,500)	-
Total Annual Appropriations and Forecast Permanent Appropriations and Multi-Year Appropriations	251,515	10,661	262,176

Supporting Information

Part 1 - Vote as a Whole

1.2 - Trends in the Vote

Summary of Financial Activity

	2023/24				
	Estimates \$000	Supplementary Estimates			Total \$000
		Departmental Transactions \$000	Non- Departmental Transactions \$000	Total Transactions \$000	
Appropriations					
Output Expenses	70,421	(3,775)	-	(3,775)	66,646
Benefits or Related Expenses	-	N/A	-	-	-
Borrowing Expenses	-	-	-	-	-
Other Expenses	5,259	-	(2,400)	(2,400)	2,859
Capital Expenditure	7,500	-	(7,500)	(7,500)	-
Intelligence and Security Department Expenses and Capital Expenditure	-	-	N/A	-	-
Multi-Category Expenses and Capital Expenditure (MCA)					
<i>Output Expenses</i>	148,277	8,923	14,400	23,323	171,600
<i>Other Expenses</i>	2,558	-	7,893	7,893	10,451
<i>Capital Expenditure</i>	17,500	N/A	(6,880)	(6,880)	10,620
Total Appropriations	251,515	5,148	5,513	10,661	262,176
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.

How Performance will be Assessed and End of Year Reporting Requirements

Assessment of Performance	2023/24		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Percentage of users of the Greater Christchurch Claims Resolution Service (GCCRS) that would recommend GCCRS to others (see Note 1)	At least 75%	-	-
Percentage of users of the New Zealand Claims Resolution Service (NZCRS) that would recommend NZCRS to others (see Note 1)	-	At least 75%	At least 75%

Note 1 - This performance indicator in relation to the New Zealand Claims Resolution Service (NZCRS) was revised for 2023/24 and outyears to reflect the new name New Zealand Claims Resolution Service (NZCRS) changing from Greater Christchurch Claims Resolution Service (GCCRS) for relevancy and faithful representation.

Reasons for Change in Appropriation

This appropriation decreased by \$826,000 to nil for 2023/24 due to a fiscally neutral adjustment of \$826,000 to transfer all funding from the Housing portfolio to the Insurance Claims Resolution appropriation in the Commerce & Consumer Affairs portfolio.

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

	2023/24		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	16,367	(22)	16,345
Revenue from the Crown	754	-	754
Revenue from Others	10,491	(22)	10,469

Reasons for Change in Appropriation

This appropriation decreased by \$22,000 to \$16.345 million for 2023/24 due to:

- \$16,000 in Engagement and Experience savings proposal, and
- \$6,000 in Strategy, Performance and Design Restructuring savings proposal.

Memorandum Account

	2023/24		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Occupational Licensing - Building Practitioners			
Opening Balance at 1 July	2,919	411	3,330
Revenue	6,365	-	6,365
Expenses	(7,858)	-	(7,858)
Transfers and Adjustments	-	-	-
Closing Balance at 30 June	1,426	411	1,837

	2023/24		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Occupational Licensing - Electrical Workers			
Opening Balance at 1 July	643	(227)	416
Revenue	4,126	-	4,126
Expenses	(7,755)	-	(7,755)
Transfers and Adjustments	-	-	-
Closing Balance at 30 June	(2,986)	(227)	(3,213)

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

	2023/24		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	48,062	(750)	47,312
Revenue from the Crown	39,478	(750)	38,728
Revenue from Others	8,584	-	8,584

How Performance will be Assessed and End of Year Reporting Requirements

	2023/24		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Assessment of Performance			
Number of interventions undertaken dealing with the breaches of the Residential Tenancies Act 1986 (see Note 1)	At least 3,000	-	-
Number of interventions undertaken dealing with potential breaches of the Residential Tenancies Act 1986 (see Note 1)	-	At least 3,000	At least 3,000

Note 1 - This performance indicator and standard were revised for 2023/24 and outyears for faithful representation and understandability.

Reasons for Change in Appropriation

This appropriation decreased by \$750,000 to \$47.312 million for 2023/24 due to the return of funding as part of the Budget 2024 baseline reduction exercise.

Memorandum Account

	2023/24		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Unit Titles Act 2010			
Opening Balance at 1 July	(492)	(59)	(551)
Revenue	180	-	180
Expenses	(309)	-	(309)
Transfers and Adjustments	-	-	-
Closing Balance at 30 June	(621)	(59)	(680)

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

	2023/24		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	5,166	(2,177)	2,989
Revenue from the Crown	5,166	(2,177)	2,989
Revenue from Others	113	-	113

Reasons for Change in Appropriation

This appropriation decreased by \$2.177 million to \$2.989 million for 2023/24 due to:

- a Cabinet decision to return funding of \$1.577 million as part of the Budget 2024 baseline reduction exercise, and
- a fiscally neutral adjustment of \$600,000 that was required to fund International Accreditation New Zealand funding shortfall.

Part 3 - Details of Non-Departmental Appropriations

3.4 - Non-Departmental Other Expenses

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

Scope of Appropriation and Expenses

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Residential Earthquake-Prone Buildings Financial Assistance Scheme: Fair value write down (M9) (A17) This appropriation is limited to any fair value write downs (including impairments, bad debts, write-offs and expected credit losses) or other expenses incurred in unwinding the discount rate used in the present value calculation of the loans within the Residential Earthquake-Prone Building Financial Assistance Scheme. Commences: 01 November 2020 Expires: 30 June 2025	Original Appropriation	4,800
	Adjustments to 2022/23	1,300
	Adjustments for 2023/24	(6,100)
	Adjusted Appropriation	-
	Actual to 2022/23 Year End	-
	Estimated Actual for 2023/24	-
	Estimate for 2024/25	-
	Estimated Appropriation Remaining	-

Reasons for Change in Appropriation

This appropriation decreased by \$6.100 million to nil for 2023/24 due to a Cabinet decision to return funding of \$6.100 million as part of the Budget 2024 baseline reduction exercise.

3.5 - Non-Departmental Capital Expenditure

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

Scope of Appropriation and Expenses

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Residential Earthquake-Prone Buildings Financial Assistance Scheme: Loan Scheme for Earthquake Prone Buildings (M9) (A17) This appropriation is limited to loans for Earthquake-Prone Buildings seismic retrofit. Commences: 01 March 2020 Expires: 30 June 2024	Original Appropriation	10,000
	Adjustments to 2022/23	-
	Adjustments for 2023/24	(10,000)
	Adjusted Appropriation	-
	Actual to 2022/23 Year End	-
	Estimated Actual for 2023/24	-
	Estimate for 2024/25	-
	Estimated Appropriation Remaining	-

Reasons for Change in Appropriation

This appropriation decreased by \$10 million to nil for 2023/24 due to a Cabinet decision to return funding of \$10 million as part of the Budget 2024 baseline reduction exercise.

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

4 - Multi-Category Expenses and Capital Expenditure

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

Overarching Purpose Statement

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

Scope of Appropriation

Departmental Output Expenses

Building Regulation and Control

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

Executive functions and building system support

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

Policy Advice and Related Services to Ministers - Building and Construction

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

Non-Departmental Output Expenses

Supporting the performance of statutory boards and other providers

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

Expenses, Revenue and Capital Expenditure

	2023/24		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	58,747	5,105	63,852
Departmental Output Expenses			
Building Regulation and Control	49,800	448	50,248
Executive functions and building system support	90	-	90
Policy Advice and Related Services to Ministers - Building and Construction	8,847	4,057	12,904

	2023/24		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Non-Departmental Output Expenses			
Supporting the performance of statutory boards and other providers	10	600	610
Funding for Departmental Output Expenses			
Revenue from the Crown	8,937	4,057	12,994
Executive functions and building system support	90	-	90
Policy Advice and Related Services to Ministers - Building and Construction	8,847	4,057	12,904
Revenue from Others	46,818	448	47,266
Building Regulation and Control	46,818	448	47,266

Reasons for Change in Appropriation

This appropriation increased by \$5.105 million to \$63.852 million for 2023/24 due to:

- an expense transfer of \$3.500 million from 2022/23 as a result of delays in the Construction Sector Accord work due to re-prioritisation of transformation initiatives
- a fiscally neutral adjustment of \$700,000 to fund the continuation of the New Zealand Geotechnical Database programme of work within MBIE
- a fiscally neutral adjustment of \$600,000 to fund International Accreditation New Zealand funding shortfall, and
- a fiscally neutral adjustment of \$557,000 to reprioritise for Building for Climate Change to deliver work to better understand existing knowledge and motivations around climate resilient, low emissions buildings, identify opportunities to address non-regulatory barriers, and provide guidance to communities.

This increase was partially offset by a Cabinet decision to return funding of \$252,000 as part of the Budget 2024 baseline reduction exercise.

Memorandum Account

	2023/24		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Building Controls			
Opening Balance at 1 July	68,328	3,262	71,590
Revenue	46,818	448	47,266
Expenses	(49,800)	(448)	(50,248)
Transfers and Adjustments	-	-	-
Closing Balance at 30 June	65,346	3,262	68,608

	2023/24		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
National Multi Use Approvals			
Opening Balance at 1 July	(2,322)	51	(2,271)
Revenue	200	-	200
Expenses	(557)	-	(557)
Transfers and Adjustments	-	-	-
Closing Balance at 30 June	(2,679)	51	(2,628)

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

Non-Departmental Other Expenses

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.

Residual Invoice and Debt-related Costs

This category is limited to expenses for debt collection, processing of repayments received, and other related costs incurred for the MIQ fees regime.

Expenses, Revenue and Capital Expenditure

	2023/24		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	-	450	450
Non-Departmental Other Expenses			
Managed Isolation and Quarantine loans - Impairment of debt	-	30	30
Residual Invoice and Debt-related Costs	-	420	420

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve the improvement in debt recoverability of Managed Isolation Quarantine debt as a result of stays in isolation and quarantine facilities.

How Performance will be Assessed for this Appropriation

Assessment of Performance	2023/24		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Debt recovery: Percentage of debt recovered against invoices raised. (see Note 1)	-	90%	90%

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

Assessment of Performance	2023/24		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Non-Departmental Other Expenses			
Managed Isolation and Quarantine loans - Impairment of debt			
This category is intended to achieve the recognition of write-off and impairment of debts owed to the Crown that are deemed uncollectable.			
An exemption was granted under s15D(2)(b)(ii) of the Public Finance Act 1989 as additional performance information is unlikely to be informative.	-	Exempt	Exempt
Residual Invoice and Debt-related Costs			
This category is intended to achieve the improvement in debt recoverability of Managed Isolation and Quarantine debt.			
Debt recovery: Percentage of debt recovered against invoices raised. (see Note 1)	-	90%	90%

Note 1 - These performance indicators in relation to debt recovery were selected for 2023/24 and outyears to reflect faithful representation on the remaining work within the Isolation and Quarantine Management appropriation.

End of Year Performance Reporting

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

Reasons for Change in Appropriation

This appropriation increased by \$450,000 to \$450,000 for 2023/24 due to:

- a fiscally neutral adjustment of \$300,000 to provide for MIQ debt collection activities, and
- a Cabinet decision of \$150,000 to provide for MIQ debt collection activities.

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

	2023/24		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	3,269	1,791	5,060
Departmental Output Expenses			
Earthquake-Prone Building Remediation Support Service	1,769	1,228	2,997
Non-Departmental Other Expenses			
Delivery and Administration of the Residential Earthquake-Prone Building Financial Assistance Scheme	1,500	563	2,063
Funding for Departmental Output Expenses			
Revenue from the Crown	1,769	1,228	2,997
Earthquake-Prone Building Remediation Support Service	1,769	1,228	2,997

Reasons for Change in Appropriation

This appropriation increased by \$1.791 million to \$5.060 million for 2023/24 due to:

- an expense transfer of \$1.255 million from 2022/23 as a result of a new Earthquake-Prone Building Remediation Support Service being piloted to support the remediation of earthquake-prone buildings by providing homeowners with technical and expert advice to progress their remediation. The provision of support services is dependent on homeowners identifying the specialist support they need, and the completion of majority of the work was delayed into 2023/24, and
- an expense transfer of \$563,000 from 2022/23 as a result of Earthquake-Prone Building Financial Assistance Scheme loan applicants not being ready to apply for loans and thus no new loans were being issued during 2022/23.

This increase was partially offset by a Cabinet decision to return funding of \$27,000 as part of the Budget 2024 baseline reduction exercise.

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.

Transfer of Temporary Accommodation Service Assets

This category is limited to expenses incurred by the Ministry of Business, Innovation and Employment transferring Temporary Accommodation Service assets to local councils, community housing providers and other relevant third-party entities.

Non-Departmental Capital Expenditure

Temporary Accommodation Housing Initiatives - Capital

This category is limited to procuring and purchasing temporary accommodation.

Expenses, Revenue and Capital Expenditure

	2023/24		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	106,319	16,990	123,309
Departmental Output Expenses			
Readiness, Response and Recovery	13,636	3,190	16,826
Non-Departmental Output Expenses			
Temporary Accommodation Housing Initiatives - Operations	74,125	13,800	87,925
Non-Departmental Other Expenses			
Temporary Accommodation Housing Initiatives - Depreciation	1,058	-	1,058
Transfer of Temporary Accommodation Service Assets	-	6,880	6,880

	2023/24		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Non-Departmental Capital Expenditure			
Temporary Accommodation Housing Initiatives - Capital	17,500	(6,880)	10,620
Funding for Departmental Output Expenses			
Revenue from the Crown	13,636	3,190	16,826
Readiness, Response and Recovery	13,636	3,190	16,826

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

	2023/24		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Assessment of Performance			
Non-Departmental Other Expenses			
Transfer of Temporary Accommodation Service Assets			
This category is intended to measure ongoing social benefit from asset transfers conducted by TAS when assets are no longer required for the provision of temporary accommodation under the Civil Defence Emergency Management legislation			
Percentage of asset transfers which have an ongoing social benefit to the community (see Notes 1 and 2)	-	75%	75%

Note 1 - This performance indicator and its performance standard in relation to asset transfer were selected for 2023/24 and outyears. The performance standard was selected because it tells us whether our asset transfers are furthering the return on the Crown's investment in the assets by delivering further social benefit in relation to relevancy and understandability.

Note 2 - Social benefit is measured by determining in advance which categories of transfers we determine to have ongoing social benefit, by having ongoing benefit to the community in its 'second life' after being used for temporary accommodation.

Reasons for Change in Appropriation

This appropriation increased by \$16.990 million to \$123.309 million for 2023/24 due to an in-principle expense transfer of \$27.200 million from 2022/23 as a result of North Island Weather Events, where July and August 2023 funding for Auckland Flooding and Cyclone Gabrielle were originally reflected in 2022/23 due to the impact and anticipated demand across the region still being determined at the time of Budget 2023.

This increase was partially offset by:

- a fiscally neutral adjustment of \$10 million to provide for the establishment of North Island Weather Events Temporary Accommodation Payment as an interim solution to provide financial assistance to a small cohort of homeowners displaced by the North Island Weather Events who are relying on temporary accommodation cover from their insurers, to cover the costs of temporary private rental accommodation where this cover has ended, and
- a Cabinet decision to return funding of \$210,000 as part of the Budget 2024 baseline reduction exercise.