

Vote Building and Construction

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

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

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

Details of Appropriations and Capital Injections

Annual Appropriations and Forecast Permanent Appropriations

	2024/25		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Titles and Scopes of Appropriations by Appropriation Type			
Departmental Output Expenses			
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.	12,157	2,000	14,157
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.	48,729	1,105	49,834
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.	3,543	-	3,543
Total Departmental Output Expenses	64,429	3,105	67,534
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.	57,599	(5,510)	52,089
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.	48,655	1,500	50,155
Executive functions and building system support This category is limited to services (including research, evaluation, data analysis, dissemination, regulatory stewardship and enforcement) required to exercise executive functions, and to support the effective performance of statutory bodies under legislation assigned to the appropriation Minister (other than the Building Act 2004).	90	-	90

	2024/25		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Titles and Scopes of Appropriations by Appropriation Type			
<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.	8,844	(7,010)	1,834
<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	-	10
<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.	50	241	291
<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.	10	-	10
<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.	40	241	281
<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.	23,904	-	23,904
<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.	7,162	-	7,162
<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.	15,984	(511)	15,473
<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.	758	-	758
<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.	-	501	501
<i>Non-Departmental Capital Expenditure</i>			
<i>Temporary Accommodation Housing Initiatives - Capital</i> This category is limited to procuring and purchasing temporary accommodation.	-	10	10
Total Multi-Category Expenses and Capital Expenditure	81,553	(5,269)	76,284
Total Annual Appropriations and Forecast Permanent Appropriations	148,841	(2,164)	146,677

Supporting Information

Part 1 - Vote as a Whole

1.2 - Trends in the Vote

Summary of Financial Activity

	2024/25				
	Estimates \$000	Supplementary Estimates			Total \$000
		Departmental Transactions \$000	Non- Departmental Transactions \$000	Total Transactions \$000	
Appropriations					
Output Expenses	64,429	3,105	-	3,105	67,534
Benefits or Related Expenses	-	N/A	-	-	-
Borrowing Expenses	-	-	-	-	-
Other Expenses	2,859	-	-	-	2,859
Capital Expenditure	-	-	-	-	-
Intelligence and Security Department Expenses and Capital Expenditure	-	-	N/A	-	-
Multi-Category Expenses and Capital Expenditure (MCA)					
<i>Output Expenses</i>	80,745	(5,510)	(511)	(6,021)	74,724
<i>Other Expenses</i>	808	-	742	742	1,550
<i>Capital Expenditure</i>	-	N/A	10	10	10
Total Appropriations	148,841	(2,405)	241	(2,164)	146,677
Crown Revenue and Capital Receipts					
Tax Revenue	-	N/A	-	-	-
Non-Tax Revenue	-	N/A	1,300	1,300	1,300
Capital Receipts	-	N/A	-	-	-
Total Crown Revenue and Capital Receipts	-	N/A	1,300	1,300	1,300

Part 2 - Details of Departmental Appropriations

2.1 - Departmental Output Expenses

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

	2024/25		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	12,157	2,000	14,157
Revenue from the Crown	760	-	760
Revenue from Others	10,975	2,000	12,975

Reasons for Change in Appropriation

This appropriation increased by \$2 million to \$14.157 million for 2024/25 due to:

- an adjustment of \$1.200 million to fund the sustained increased volume for the Electrical Workers regime, and
- an adjustment of \$800,000 to utilise the memorandum account surplus to fund the additional depreciation and capital charge expenditure as a result of the investment in the occupational licensing IT platform.

Memorandum Account

	2024/25		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Occupational Licensing - Building Practitioners			
Opening Balance at 1 July	1,841	395	2,236
Revenue	6,825	512	7,337
Expenses	(6,218)	(512)	(6,730)
Transfers and Adjustments	-	-	-
Closing Balance at 30 June	2,448	395	2,843

	2024/25		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Occupational Licensing - Electrical Workers			
Opening Balance at 1 July	(1,398)	474	(924)
Revenue	4,726	912	5,638
Expenses	(5,755)	(912)	(6,667)
Transfers and Adjustments	-	-	-
Closing Balance at 30 June	(2,427)	474	(1,953)

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

	2024/25		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	48,729	1,105	49,834
Revenue from the Crown	40,297	-	40,297
Revenue from Others	8,432	1,105	9,537

Reasons for Change in Appropriation

This appropriation increased by \$1.105 million to \$49.834 million for 2024/25 due to an adjustment of \$2.105 million to reprioritise funding from Residential Tenancies Trust Account interest for Pet Bonds. This increase was partially offset by an adjustment of \$1 million to reprioritise funding from Residential Tenancies Trust Account interest to fund the capital portion of Pet Bonds.

Memorandum Account

	2024/25		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Unit Titles Act			
Opening Balance at 1 July	(798)	(7)	(805)
Revenue	180	-	180
Expenses	(309)	-	(309)
Transfers and Adjustments	-	-	-
Closing Balance at 30 June	(927)	(7)	(934)

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

	2024/25		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	57,599	(5,510)	52,089
Departmental Output Expenses			
Building Regulation and Control	48,655	1,500	50,155
Executive functions and building system support	90	-	90
Policy Advice and Related Services to Ministers - Building and Construction	8,844	(7,010)	1,834
Non-Departmental Output Expenses			
Supporting the performance of statutory boards and other providers	10	-	10
Funding for Departmental Output Expenses			
Revenue from the Crown	8,934	(7,010)	1,924
Executive functions and building system support	90	-	90
Policy Advice and Related Services to Ministers - Building and Construction	8,844	(7,010)	1,834
Revenue from Others	44,231	(6,161)	38,070
Building Regulation and Control	44,231	(6,161)	38,070

Reasons for Change in Appropriation

This appropriation decreased by \$5.510 million to \$52.089 million for 2024/25 due to:

- \$6.460 million to reprioritise funding for additional policy capability to advise on actions from the independent review of electricity market performance and achieve energy system objectives
- an adjustment of \$350,000 to fund the realignment of Communications, Infrastructure and Trade branch, and
- \$200,000 to transfer funding to the International Subscriptions and Memberships appropriation in Vote Business, Science and Innovation to account for foreign exchange movements.

This decrease was partially offset by \$1.500 million to fund better alignment of Australian and New Zealand standards.

Memorandum Account

	2024/25		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Building Controls			
Opening Balance at 1 July	58,449	646	59,095
Revenue	44,231	(6,161)	38,070
Expenses	(48,655)	(1,500)	(50,155)
Transfers and Adjustments	-	-	-
Closing Balance at 30 June	54,025	(7,015)	47,010

	2024/25		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
National Multi Use Approvals			
Opening Balance at 1 July	(2,483)	(70)	(2,553)
Revenue	200	-	200
Expenses	(557)	-	(557)
Transfers and Adjustments	-	-	-
Closing Balance at 30 June	(2,840)	(70)	(2,910)

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

	2024/25		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	50	241	291
Departmental Output Expenses			
Non-Departmental Other Expenses			
Managed Isolation and Quarantine loans - Impairment of debt	10	-	10
Residual Invoice and Debt-related Costs	40	241	281

Reasons for Change in Appropriation

This appropriation increased by \$241,000 to \$291,000 for 2024/25 due to an expense transfer of \$241,000 from 2023/24 to continue to fund the Managed Isolation and Quarantine (MIQ) debt collection over a longer period of time, due to lower value repayment plans secured by debt collection agencies for MIQ users, due to financial difficulties experienced by MIQ users.

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

	2024/25		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	23,904	-	23,904
Departmental Output Expenses			
Readiness, Response and Recovery	7,162	-	7,162
Non-Departmental Output Expenses			
Temporary Accommodation Housing Initiatives - Operations	15,984	(511)	15,473
Non-Departmental Other Expenses			
Temporary Accommodation Housing Initiatives - Depreciation	758	-	758
Transfer of Temporary Accommodation Service Assets	-	501	501
Non-Departmental Capital Expenditure			
Temporary Accommodation Housing Initiatives - Capital	-	10	10
Funding for Departmental Output Expenses			
Revenue from the Crown	7,162	-	7,162
Readiness, Response and Recovery	7,162	-	7,162

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

	2024/25		
	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	Reactivated	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	Reactivated	75%	75%