

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

Titles and Scopes of Appropriations by Appropriation Type	2025/26		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
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.	14,084	-	14,084
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.	50,530	1,800	52,330
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.	4,402	(2,000)	2,402
Total Departmental Output Expenses	69,016	(200)	68,816
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.	51,227	2,200	53,427
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.	50,396	-	50,396
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

	2025/26		
	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.	731	500	1,231
Non-Departmental Output Expenses			
<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	1,700	1,710
Isolation and Quarantine Management MCA (M36) (A17) 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.	-	185	185
Non-Departmental Other Expenses			
<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.	-	9	9
<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.	-	176	176
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.	11,283	5,700	16,983
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.	4,614	-	4,614
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.	5,901	5,700	11,601
Non-Departmental Other Expenses			
<i>Temporary Accommodation Housing Initiatives - Depreciation</i> This category is limited to depreciation expenses associated with temporary accommodation supply.	758	-	758
Non-Departmental Capital Expenditure			
<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	62,510	8,085	70,595
Total Annual Appropriations and Forecast Permanent Appropriations	134,385	7,885	142,270

Supporting Information

Part 1 - Vote as a Whole

1.2 - Trends in the Vote

Summary of Financial Activity

	2025/26				
	Estimates \$000	Supplementary Estimates			Total \$000
		Departmental Transactions \$000	Non- Departmental Transactions \$000	Total Transactions \$000	
Appropriations					
Output Expenses	69,016	(200)	-	(200)	68,816
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>	61,742	500	7,400	7,900	69,642
<i>Other Expenses</i>	758	-	185	185	943
<i>Capital Expenditure</i>	10	N/A	-	-	10
Total Appropriations	134,385	300	7,585	7,885	142,270
Crown Revenue and Capital Receipts					
Tax Revenue	-	N/A	-	-	-
Non-Tax Revenue	-	N/A	220	220	220
Capital Receipts	-	N/A	-	-	-
Total Crown Revenue and Capital Receipts	-	N/A	220	220	220

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

	2025/26		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	14,084	-	14,084
Revenue from the Crown	760	-	760
Revenue from Others	12,902	(700)	12,202

Memorandum Account

	2025/26		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Occupational Licensing - Building Practitioners			
Opening Balance at 1 July	1,433	333	1,766
Revenue	7,251	(700)	6,551
Expenses	(6,644)	-	(6,644)
Transfers and Adjustments	-	-	-
Closing Balance at 30 June	2,040	(367)	1,673

	2025/26		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Occupational Licensing - Electrical Workers			
Opening Balance at 1 July	(1,662)	188	(1,474)
Revenue	5,652	-	5,652
Expenses	(6,681)	-	(6,681)
Transfers and Adjustments	-	-	-
Closing Balance at 30 June	(2,691)	188	(2,503)

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

	2025/26		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	50,530	1,800	52,330
Revenue from the Crown	27,928	1,800	29,728
Revenue from Others	22,602	-	22,602

How Performance will be Assessed and End of Year Reporting Requirements

	2025/26		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Assessment of Performance			
Number of interventions undertaken dealing with potential breaches of the Residential Tenancies Act 1986 (see Note 1)	At least 3,000	Measure removed	Measure removed
Number of properties subject to compliance work under the Residential Tenancies Act 1986 (see Note 1)	New measure	At least 8,000	At least 8,000

Note 1 - This performance indicator and budget standard was revised for 2025/26 and outyears to better align to the work programme.

Reasons for Change in Appropriation

This appropriation increased by \$1.800 million to \$52.330 million for 2025/26 due to an expense transfer from 2024/25 to deliver a new tenancy bond system to Tenancy Bond Services and decommission the legacy bond system.

Memorandum Account

	2025/26		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Unit Titles Act			
Opening Balance at 1 July	(905)	21	(884)
Revenue	180	-	180
Expenses	(309)	-	(309)
Transfers and Adjustments	-	-	-
Closing Balance at 30 June	(1,034)	21	(1,013)

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

	2025/26		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	4,402	(2,000)	2,402
Revenue from the Crown	4,402	(2,000)	2,402
Revenue from Others	113	-	113

Reasons for Change in Appropriation

This appropriation decreased by \$2 million to \$2.402 million for 2025/26 due to:

- a Cabinet decision to transfer \$1.700 million to the Building Policy, Regulation and Advice - Supporting the performance of statutory boards and other providers category to support implementation of the plumbers & drainlayers self-certification scheme, and
- a fiscally neutral adjustment of \$300,000 to the Building Policy, Regulation and Advice - Policy Advice and Related Services to Ministers - Building and Construction category to support funding for Occupational Boards.

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

	2025/26		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	51,227	2,200	53,427
Departmental Output Expenses			
Building Regulation and Control	50,396	-	50,396
Executive functions and building system support	90	-	90
Policy Advice and Related Services to Ministers - Building and Construction	731	500	1,231
Non-Departmental Output Expenses			
Supporting the performance of statutory boards and other providers	10	1,700	1,710
Funding for Departmental Output Expenses			
Revenue from the Crown	821	500	1,321
Executive functions and building system support	90	-	90
Policy Advice and Related Services to Ministers - Building and Construction	731	500	1,231
Revenue from Others	39,350	-	39,350
Building Regulation and Control	39,350	-	39,350

Reasons for Change in Appropriation

This appropriation increased by \$2.200 million to \$53.427 million for 2025/26 due to:

- a Cabinet decision to transfer \$1.700 million from the Weathertight Services appropriation to support implementation of the plumbers & drainlayers self-certification scheme
- a fiscally neutral adjustment of \$300,000 from the Weathertight Services appropriation to support funding for Occupational Boards, and
- a fiscally neutral adjustment of \$200,000 from the Policy Advice and Related Services to Ministers MCA - Policy Advice and Related Services to Ministers - Small Business and Manufacturing category to support Mates in Construction small and medium-sized enterprise (SME) outreach events.

Memorandum Account

	2025/26		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Building Controls			
Opening Balance at 1 July	46,775	713	47,488
Revenue	39,350	(200)	39,150
Expenses	(49,216)	(623)	(49,839)
Transfers and Adjustments	-	-	-
Closing Balance at 30 June	36,909	(110)	36,799

	2025/26		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
National Multi Use Approvals			
Opening Balance at 1 July	(2,868)	15	(2,853)
Revenue	200	-	200
Expenses	(557)	-	(557)
Transfers and Adjustments	-	-	-
Closing Balance at 30 June	(3,225)	15	(3,210)

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.

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	2025/26		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Debt recovery: Percentage of debt recovered against invoices raised (see Note 1)	Re-introduced measure	90%	90%

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

Assessment of Performance	2025/26		
	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	Re-introduced exemption	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)	Re-introduced measure	90%	90%

Note 1 - This MCA was re-introduced for 2025/26.

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 \$185,000 to \$185,000 for 2025/26 due to an expense transfer from 2024/25 to continue to fund Managed Isolation and Quarantine (MIQ) debt collection, largely in relation to lower value repayment plans secured by debt collection agencies for 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.

Non-Departmental Capital Expenditure

Temporary Accommodation Housing Initiatives - Capital

This category is limited to procuring and purchasing temporary accommodation.

Reasons for Change in Appropriation

This appropriation increased by \$5.700 million to \$16.983 million for 2025/26 due to an expense transfer from 2024/25 for multiple divestments of temporary housing assets after the reduction in demand for Temporary Accommodation Services support.