

Review of the Building Consent System

The Ministry of Business, Innovation and Employment (MBIE) is undertaking a review of the building consent system.

The aim of the review is to modernise the building consent system to provide assurance to building owners and users that building work will be done right the first time and that buildings are healthy, safe and durable.

In order to ensure buildings are healthy, safe and durable, the building consent system should primarily seek to achieve the four following outcomes.

Buildings are healthy, safe and durable

Roles and responsibilities are clear, appropriate and understood

System is efficient

System is responsive to change and continuously improves

Regulatory requirements and decisions are robust, predictable, transparent and understood

MBIE released an issues paper in July 2022 alongside a policy position statement on risk, liability and insurance. We received 264 submissions from a range of stakeholders. Feedback from stakeholders confirmed that the building consent system is delivering on its purpose by ensuring buildings are healthy, safe and durable, but there are opportunities to improve the system.

Key issues impeding achievement of desirable building consent system outcomes:

Roles and responsibilities across the building system are not well-understood. Building consent authorities hold too much responsibility for providing assurance of compliance with the Building Code and there are weak incentives on other system participants to get it right first time.

Capacity and capability constraints within the sector and building consent authorities are affecting the performance of the consent system and building outcomes.

The consent process is **not sufficiently agile** for the way we design, procure and build. Rigidity in the building consent system is stifling innovation. The system is not sufficiently responsive to **Māori needs and aspirations**.

Differences in application requirements, processes, systems and interpretation, both between and within building consent authorities, creates confusion, frustration and uncertainty for owners, designers and builders.

System monitoring is too focused on detailed auditing of building consent authorities rather than monitoring the performance of system outcomes.

The purpose of this consultation is to test potential options and how they could improve the building consent system. This will inform advice to Ministers on a package of preferred options for system change and the detailed design of options the Government chooses to progress.

Some options or packages of options in this paper are identified as **'preferred'**. Preferred options have been identified where policy work is sufficiently advanced and there has been previous discussion of these options. In other areas, the issues are more complex and further consultation, policy and design work is required before preferred options can be identified.

The potential reform options also address some of the recommendations made by the Commerce Commission in its market study on competition for residential building supplies.

We welcome your feedback on the potential options explored in this options paper. Submissions are due by 5pm on 7 August 2023. You can find out more about how to submit on our **Have Your Say page**.

Potential reform options				
Promoting competition in the building regulatory system	Include competition as a purpose in the Building Act	Include competition as a principle under the Building Act (Preferred)	Include competition as a procedural requirement	Non-regulatory options, such as issuing guidance and incorporating into regulatory stewardship framework (Preferred)
Removing impediments to product substitution and variations	Recent MBIE guidance on product substitution (Preferred)	Modify the building consent forms (Preferred)	Modify the definition of a minor variation under regulations (Preferred)	
Multiproof scheme	Issue guidance on the MultiProof scheme (Preferred)	Make new regulations to define 'minor customisation' for MultiProof (Preferred)		
Strengthening roles and responsibilities	Publish further guidance to address identified gaps in participants' understanding (Preferred)	Require all designers to provide a design declaration of compliance with the application for a building consent (Preferred)	On-site coordination and sequencing of building work	Clarify the purpose, status and use of producer statements (Preferred)
New pathways for providing assurance	Take a more risk-based approach under current regulatory settings (Preferred)	Certification by accredited companies and approved professionals (Preferred)	A new commercial building consent (Preferred)	Repeal the Building Amendment Act 2012 risk-based consenting regime (Preferred)
Better delivery of building consent services	Provide greater national direction and consistency within the current structure	Boost capacity and capability for building consent authorities	Achieve greater economies of scale using existing legislative provisions	
Better system stewardship and performance monitoring	Better understand sector issues and performance	Be more responsive to problems, risks and vulnerabilities	Provide greater central direction, education and guidance	
Better responding to the needs and aspirations of Māori	Establish a new navigator role	Create a new centre of excellence	Publish MBIE guidance	