



COVERSHEET

Minister	Hon Chris Penk	Portfolio	Building and Construction
Title of Cabinet paper	Making it easier to build	Date to be published	24 April 2024

List of documents that have been proactively released

Date	Title	Author
March 2024	Cabinet paper: <i>Making it easier to build</i>	Office of the Minister for Building and Construction
March 2024	Current and proposed fees	Ministry of Business, Innovation and Employment
6 March 2024	Making it Easier to Build ECO-24-MIN-0019 Minute	Cabinet Office

Information redacted

YES

Any information redacted in this document is redacted in accordance with MBIE's policy on Proactive Release and is labelled with the reason for redaction. This may include information that would be redacted if this information was requested under Official Information Act 1982. Where this is the case, the reasons for withholding information are listed below. Where information has been withheld, no public interest has been identified that would outweigh the reasons for withholding it.

Some information has been withheld for the reasons of Confidential advice to Government and Confidential information entrusted to the Government.



Cabinet Economic Policy Committee

Minute of Decision

This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.

Making it Easier to Build

Portfolio **Building and Construction**

On 6 March 2024, the Cabinet Economic Policy Committee:

Background

- 1 **noted** that the Minister for Building and Construction's (the Minister) priority for the portfolio is to reduce cost and make it easier to build houses;
- 2 **noted** that building regulation is a significant part of the system that delivers housing, and the Minister will work closely with Ministers in the Housing, Local Government, and Environment portfolios to ensure that work is well-aligned, given the close links to Government commitments and measures to support housing growth and fast-track the resource consenting process;
- 3 **agreed** that the Minister will deliver a work programme to create an efficient, competitive building regulatory system and reduce overall building costs by:
 - 3.1 increasing building materials competition to reduce cost;
 - 3.2 streamlining processes and unlocking efficiencies in the building consent system;
 - 3.3 setting the course for appropriate seismic risk management;
- 4 **noted** that over the next six months the Minister intends to take a suite of papers to Cabinet to deliver on the work programme;

Improving performance monitoring

- 5 **agreed** that the Minister will ask the Ministry of Building, Innovation and Employment (MBIE) to improve the performance monitoring of the building consent system;

Building levy threshold adjustment

- 6 **noted** that in April 2023, the previous government agreed to the release of the discussion paper *Building Levy Review* for consultation, and invited the Minister to issue drafting instructions to give effect to decisions, subject to the outcome of consultation [DEV-23-MIN-0046];

- 7 **noted** that the Minister intends to bring a paper to the Cabinet Legislation Committee in March 2024 to increase the specified value above which the building levy is payable from \$20,444 to \$65,000, including GST, to provide a meaningful cost reduction in the building levy to building owners undertaking smaller projects;

Building Consent Authority Accreditation Changes

- 8 **agreed** that a building consent authority must have a system for assessing every two years (or more frequently) the competence of its employees performing building control functions, instead of annually;
- 9 **agreed** to adjust the fees for accreditation of building consent authorities in Schedule 2 of the Accreditation Regulations as outlined in Annex 1 of the paper under ECO-24-SUB-0019, to ensure they reflect cost recovery;
- 10 **agreed** that the departure of a building consent authority's quality assurance manager must be notified to MBIE and International Accreditation New Zealand;
- 11 **noted** that there are several matters listed together as a single provision related to policies and procedures that a building consent authority must have for performing building control functions (i.e. issuing and refusing to issue code compliance certificates, compliance schedules, and notices to fix);
- 12 **agreed** to separate out the matters listed together related to policies and procedures that a building consent authority must have, referred to in paragraph 8 above, into standalone provisions for clarity and workability;
- 13 **invited** the Minister to issue drafting instructions to the Parliamentary Counsel Office to give effect to the policy decisions in the paper under ECO-24-SUB-0019;
- 14 **authorised** the Minister to make further decisions, consistent with those recorded under ECO-24-MIN-0019, on any minor and technical issues which arise during the drafting process.

Jenny Vickers
Committee Secretary

Present:

Hon David Seymour
Hon Nicola Willis (Chair)
Hon Brooke van Velden
Hon Chris Bishop
Hon Simeon Brown
Hon Erica Stanford
Hon Tama Potaka
Hon Matt Doocey
Hon Melissa Lee
Hon Simon Watts
Hon Chris Penk
Hon Andrew Bayly
Hon Andrew Hoggard
Hon Mark Patterson
Simon Court MP
Jenny Marcroft MP

Officials present from:

Office of the Prime Minister
Officials Committee for ECO
Office of Hon Chris Bishop
Office of Hon Judith Collins
Ministry of Business, Innovation and Employment