



COVERSHEET

Minister	Hon Chris Penk	Portfolio	Minister for Building and Construction
Title of Cabinet paper	Building Consent Authority Structural Reform	Date to be published	24 October 2024

List of documents that have been proactively released		
Date	Title	Author
September 2024	Building Consent Authority Structural Reform	Office of the Minister for Building and Construction
11 September 2024	Building Consent Authority Structural Reform ECO-24-MIN-0192 Minute	Cabinet Office

Information redacted

YES / NO

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 were 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 free and frank opinions.



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.

Building Consent Authority Structural Reform

Portfolio **Building and Construction**

On 11 September 2024, the Cabinet Economic Policy Committee (ECO):

- 1 **noted** that New Zealand's current fragmented building consent system is leading to inconsistency, uncertainty and inefficiency, which makes it harder to build;
- 2 **noted** that the Minister for Building and Construction (the Minister) considers structural reform is justified to address these longstanding issues;
- 3 **agreed** that the Minister investigate options to reform the building consent system, including:
 - 3.1 consolidation of New Zealand's 67 Building Consent Authorities, as outlined in the paper under ECO-24-SUB-0192;
 - 3.2 exempting additional categories of building activity from requiring Building Consent Authority involvement and the liability associated with such activity;
 - 3.3 providing for private insurance to play a greater role in allocating risk of unsatisfactory building outcomes, including as an alternative to the building consent system;
- 4 **agreed** that the Minister commence targeted engagement on how to deliver consistency, certainty and efficiency in the building consenting system through structural reform;
- 5 **noted** that proposed building system reforms will affect the way in which liability for building defects is apportioned and it will be appropriate to consider questions of liability as a related area of possible reform;
- 6 **invited** the Minister to report back to ECO in early 2025 to seek agreement to consult publicly on detailed policy proposals for building consent authority structural reform;
- 7 **noted** that transitioning to a new structure for the building consent system will involve at least some disruption and costs, and that further advice will be provided as part of the above report back.

Rachel Clarke
Committee Secretary

Present: (see over)

Present:

Rt Hon Winston Peters
Hon David Seymour
Hon Nicola Willis (Chair)
Hon Chris Bishop
Hon Shane Jones
Hon Simeon Brown
Hon Erica Stanford
Hon Paul Goldsmith
Hon Tama Potaka
Hon Matt Doocey
Hon Simon Watts
Hon Casey Costello
Hon Melissa Lee
Hon Penny Simmonds
Hon Chris Penk
Hon Nicola Grigg
Hon Andrew Bayly
Hon Andrew Hoggard
Hon Mark Patterson
Simon Court MP

Officials present from:

Office of the Prime Minister
Ministry of Business, Innovation and Employment
Officials Committee for ECO