



Minister for Building and Construction

Building and Construction Portfolio

Vote Building and Construction

Report in relation to selected non-departmental appropriations for the year ended 30 June 2024

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Foreword

Ministers are responsible for reporting the financial and non-financial performance of non-departmental appropriations to Parliament. This report provides information about the year-end performance results of non-departmental appropriations that have not been included in any other reports to Parliament.

This report provides the 1 July 2023–30 June 2024 results of the relevant non-departmental appropriation for the Building and Construction portfolio within Vote Building and Construction. The relevant appropriations are:

- Residential Earthquake-prone Buildings Financial Assistance Scheme: Loan Scheme for Earthquake-prone Buildings
- Residential Earthquake-Prone Buildings Financial Assistance Scheme: Fair value write down



Hon Chris Penk
Minister for Building and Construction

Statements of Performance

Non-Departmental Output Expenses

Building and Construction: Residential Earthquake-prone Buildings
Financial Assistance Scheme: Loan Scheme for Earthquake-prone
Buildings (M9) (A17)

Scope of Appropriation

This appropriation is limited to loans for Earthquake-Prone Buildings seismic retrofit.

Intention Statement

This appropriation is intended to achieve the provision of support for eligible homeowners to access funding to strengthen their homes.

Assessment of Performance

Non-Financial

Performance Measure	2022/23 Actual Result	2023/24 Total Standard	2023/24 Actual Result
Percentage of loan applications responded to within 10 working days of being received by Kāinga Ora	100%	100%	N/A = Not available
Loans are only granted for the purposes of seismic remediation work to unit owners who cannot obtain finance covering the full seismic remediation costs from a registered bank	100%	100%	N/A = Not available

Comment

The Residential Earthquake-Prone Building Financial Assistance Scheme was closed by 30 June 2024, following decisions from Cabinet in April 2024 to discontinue the scheme.

Financial

Expenses (\$000)	2022/23 Actual	2023/24 Estimates	2023/24 Supplementary Estimates	2023/24 Actual
Total Appropriation	-	7,500	-	-

Comment

This appropriation decreased by \$10 million to nil for 2023/24 due to a Cabinet decision to return funding of \$10 million as part of the Budget 2024 baseline reduction exercise.

Building and Construction: Residential Earthquake-Prone Buildings Financial Assistance Scheme: Fair value write down (M9) (A17)

Scope of Appropriation

This appropriation is limited to any fair value write downs (including impairments, bad debts, write-offs and expected credit losses) or other expenses incurred in unwinding the discount rate used in the present value calculation of the loans within the Residential Earthquake-Prone Building Financial Assistance Scheme.

Intention Statement

This appropriation is intended to achieve the provision of support for eligible homeowners to access funding to strengthen their homes.

Assessment of Performance

Non-Financial

Performance Measure	2022/23 Actual Result	2023/24 Total Standard	2023/24 Actual Result
Any reporting of impairments is recognised in accordance with GAAP principles	Achieved	Achieved	N/A = Not available

Comment

The Residential Earthquake-Prone Building Financial Assistance Scheme was closed by 30 June 2024, following decisions from Cabinet in April 2024 to discontinue the scheme.

Financial

Expenses (\$000)	2022/23 Actual	2023/24 Estimates	2023/24 Supplementary Estimates	2023/24 Actual
Total Appropriation	-	2,400	-	-

Comment

This appropriation decreased by \$6.100 million to nil for 2023/24 due to a Cabinet decision to return funding of \$6.100 million as part of the Budget 2024 baseline reduction exercise.