

What next for Building and Construction?

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The Building and Construction sector and regulatory system is key to housing growth, economic prosperity and wellbeing.

6.3% - RGDP - \$17.6b – 300k

Key focus areas for MBIE:

- Improving seismic risk management in existing buildings
- Removing Barriers & Strengthening Competition
- Streamlining the building consent system
- Fire safety review
- Making it easier to build granny flats

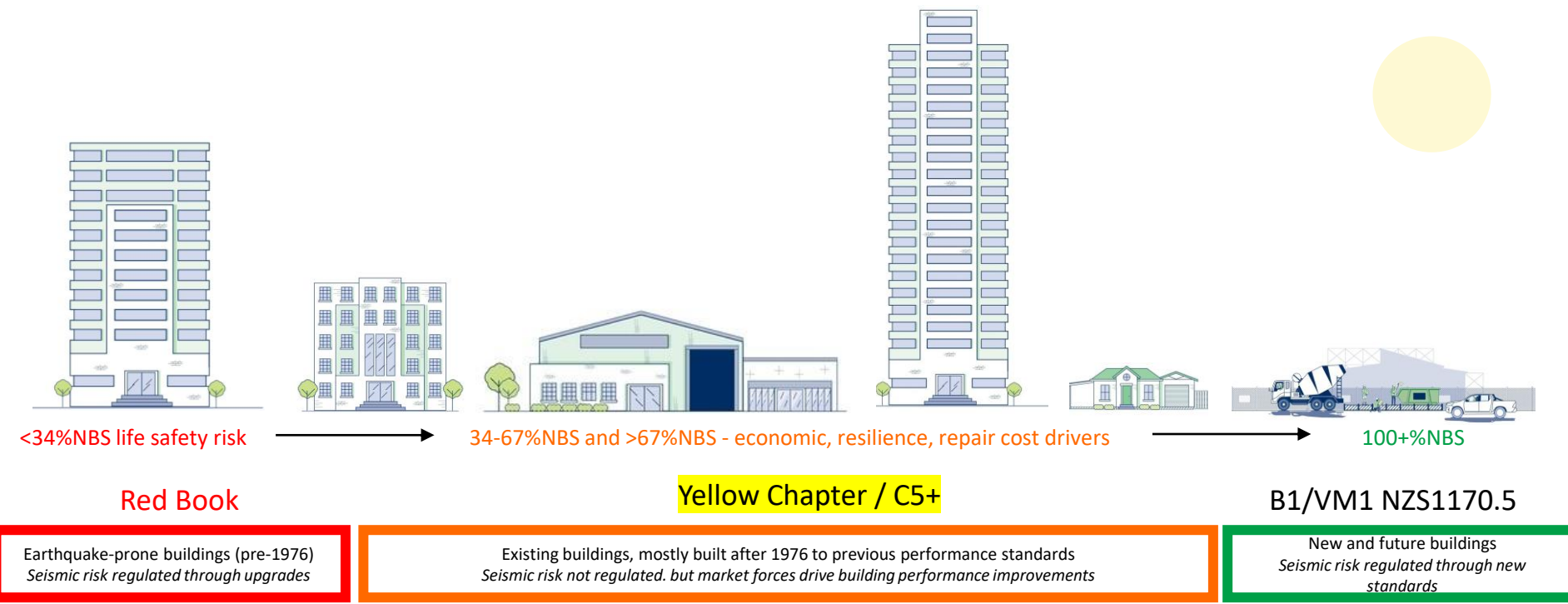


Seismic

- Goals is effective stewardship of the system to manage seismic risk to buildings.
- Review of Earthquake Prone Building System
 - Ensure settings are workable, effective, proportionate
 - Extend remediation deadlines while Review underway
- National Seismic Hazard Model (NSHM)
 - Review released by GNS Science in October 2022.
 - Helped to inform a Standards New Zealand draft Technical Specification for Structural Design document for voluntary use by engineers and designers.
- MBIE recently published the *Seismic Risk Resource for Commercial Building Tenants*



Seismic risk and the building regulatory system



TS1170.5 - VOLUNTARY

Extension for remediation deadlines

- Extends all non-lapsed deadlines (as of 2 April 2024) by four years
- Requires changes to Building Act 2004 – bill anticipated to be introduced and passed by the end of 2024
- Extension applies automatically – territorial authorities will re-issue EPB notices
- Allows time for review and any subsequent legislative changes
- Option to further extend by up to two years if unforeseen circumstances delay legislation

Independently
-chaired
steering group

Findings and high-level
recommendations delivered
in first half of 2025

Detailed options developed and
public consulted on, with
decisions anticipated by mid-
2026

Product Barriers

Strengthening competition

Removing barriers to using building products from overseas and making it easier to substitute building products

1 Entire standard systems

Recognise international standard organisations and certification schemes from certain countries



Reduce uncertainty and make it easier for overseas standards from certain countries to be accepted



Increase competition for building products

Amount of products
Most

Certainty of acceptance
Possible

2 Key individual standards

streamlining the citation of international standards through building product equivalency specifications



Make design and consenting more efficient



Shift liabilities away from councils



Cut red tape by streamlining processes in the Building Act



Make the regulatory system more agile for new products

Amount of products
Less

Certainty of acceptance
Probable

3 Products and certification schemes

Specifying certain Product Certification Schemes appropriately certified products



Increase the number of certified building products



Lower costs of building products and construction

Amount of products
Least

Certainty of acceptance
Almost Certain

4 Remove barriers for making minor changes to an existing building consent and approved 'MultiProof'



Reduce delays and speed up construction



Allow for innovation and changes

1) Recognising overseas product standards and certification organisations

- Remove the need to verify the robustness of an organisation
- Minister of Building and Construction responsible for making decision
- Criteria set in regulation
- Supports alternative solutions and other means of compliance



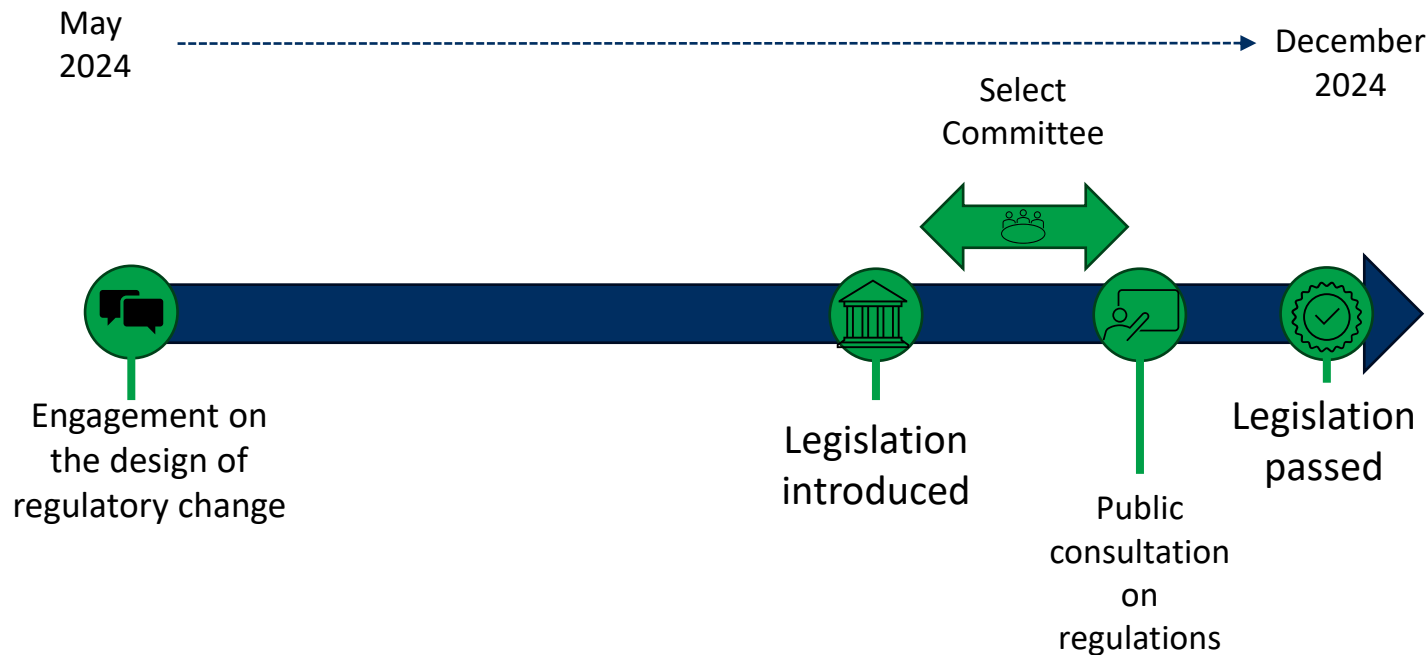
2) Streamlining the citation of international standards

- Establish Building Product Specifications (BPS) to contain the performance criteria for building products
- Aims to identify building product standards that are as good or better than the ones used in New Zealand
- Reduce the burden for designers, product manufacturers and building consent authorities.
- MBIE Processes for publishing the building product specification will be streamlined
- Supports the use of acceptable solutions and verification methods

3) Mandating acceptance of products certified overseas

- Under the Building Act MBIE can specify certifications of building products or building methods provided by persons outside Aotearoa/New Zealand that are to be treated as product certifications under the Act (CodeMark)
- To enable effective implementation, amendments to the Act are proposed to:
 - enable MBIE to be able to specify entire schemes, or classes or groups of products
 - require Building Consent Authorities to accept the certified overseas products as establishing compliance with the Building Code.
- There will be decision making criteria set in regulation

Timeline and opportunities for consultation



Streamline consenting

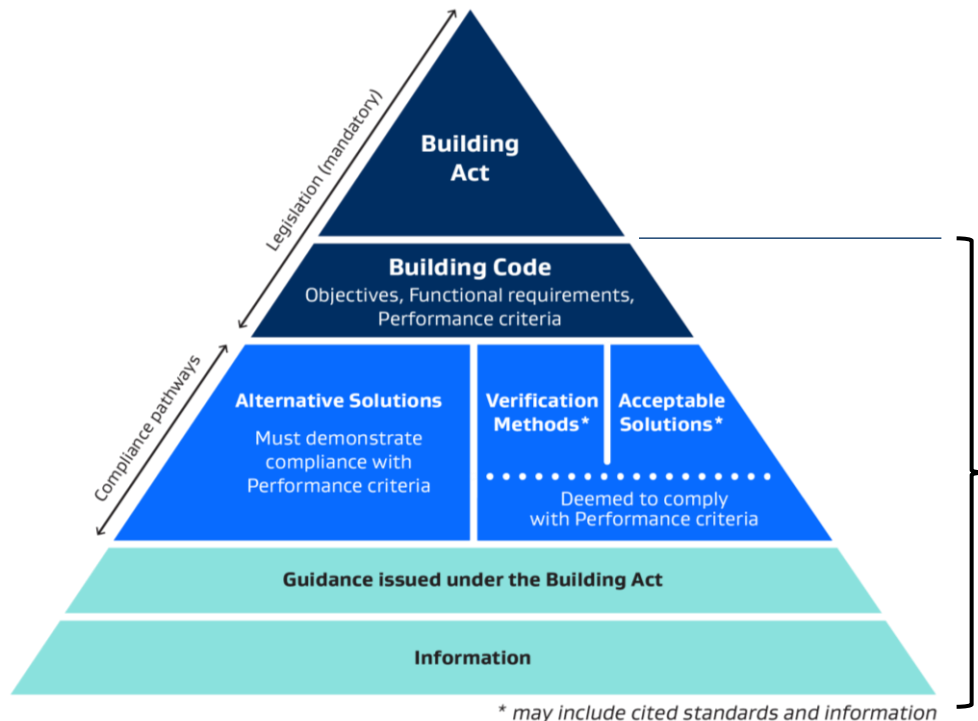
- Options for consenting :
 - Video and photo evidence
 - More standardised approach to deliver a seamless experience across councils
 - Explore self-certification for accredited firms and trades
 - Code Compliance Certificates to be issued within five working days
 - consenting pathways for trusted builders for low-risk housing
 - Recognising producer statements
- Increasing transparency of information to
 - Quarterly reporting by BCAs on consenting times
 - Identify good practice and areas to improve
- Occupational regulation and consumer protection sit alongside changes

Building consent authority (BCA) institutional form

- There are more than 67 Building Consent Authorities (BCAs) in New Zealand.
- The large number of BCAs:
 - can result in variable and unpredictable outcomes, with different processes, tools and functions adding to costs and duplication
 - poses challenges for MBIE to monitor the frontline regulators, provide oversight, and drive consistency.
- MBIE is exploring opportunities to address the challenges posed by the current institutional form, including considering opportunities to consolidate the number of BCAs.

Fire Safety

Fire regulation review - Scope



Changes to the Building Act are currently out of scope.

In scope:

- Building Code Protection from Fire clauses (C1-C6)
- Other code clauses consequential impacted (B1 for structural fire, D1 for evacuation, F6-F8 systems, G9-G10 ignition sources, etc)
- Acceptable solutions, verification methods, guidance documents
- Consequential impacts to other regulation (ie. specified systems or change of use)

Fire safety – broader review underway

- All fire safety systems in buildings should properly manage risks from fire.
- Acknowledging the 2023 Loafers Lodge fire and Operation Magazine findings.
- Review of fire safety provisions in the Building Code – first full review for more than a decade.
 - MBIE are developing a public discussion document.
 - Aiming for public consultation later this year.

Scale of issues being considered

- Gaps in requirements not meeting societal expectations
 - Significant gaps and omissions in the levels of safety and protection provided
 - Advances in building innovation, and new knowledge on the behaviour of fire in buildings
 - The appropriateness of the performance requirements relevant to fire safety
- Prescription and quantification of the fire safety provisions
 - Lessons from past reviews and issues related to how the provisions flow from clauses, to AS/VMs, to guidance.
- Inconsistencies and incompatibilities in fire safety requirements
 - Issues causing uncertainty for designers and BCAs leading to disputes about the level of fire safety
 - Inconsistencies between fire requirements and other parts of the Code
- Minor errors causing confusion and uncertainty
 - Typos, drafting errors

More complex



Less complex

Timeline



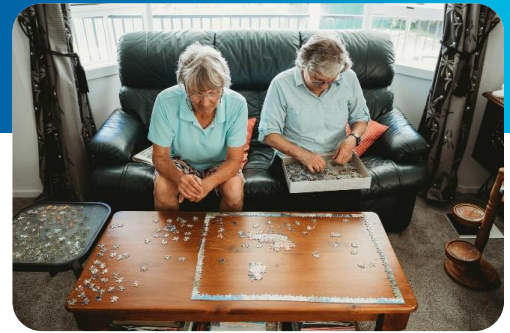
Now

Next

*Timeframes are subject to review

Granny flats

‘Granny Flats’



- As part of the Government’s focus on increasing the supply of affordable homes, they are proposing to make it easier to build small, self-contained and detached homes, commonly known as “granny flats”.
- On Monday 17 June, MBIE and MfE released a discussion document seeking feedback on options **to enable granny flats to be built without needing a building or resource consent**, so long as they meet certain criteria.
- The criteria is what will form the checks and balances required to ensure granny flats meet building performance and quality, and appropriately manage environmental effects.
- Following this consultation Officials will work to prepare a Bill to give effect to these changes. It is the aim that this will be introduced and passed by mid-2025.

Ngā mihi
Thank you

Visit the Building for Climate website at:
Building.govt.nz

Reach out to us at:
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