



COVERSHEET

Minister	Hon Jenny Salesa	Portfolio	Minister of Building and Construction
Title of Cabinet paper	Building (Building Products and Methods, Modular Components, and Other Matters) Amendment Bill: Approval for Introduction	Date to be published	12 June 2020

List of documents that have been proactively released

Date	Title	Author
17 March 2020	Building (Building Products and Methods, Modular Components, and Other Matters) Amendment Bill: Approval for Introduction	Office of the Minister of Building and Construction
17 March 2020	LEG-20-MIN-0040	Cabinet Office

Information redacted

NO

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Cabinet Legislation 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 (Building Products and Methods, Modular Components, and Other Matters) Amendment Bill: Approval for Introduction

Portfolio **Building and Construction**

On 17 March 2020, the Cabinet Legislation Committee, having been authorised by the Prime Minister to have Power to Act:

- 1 **noted** that the Building (Building Products and Methods, Modular Components, and Other Matters) Amendment Bill holds a category two priority on the 2020 Legislation Programme (to be passed in 2020);
- 2 **noted** that the Bill contributes to a programme of reforms to the building regulatory system that will lift the efficiency and quality of building work and provide fairer outcomes if things go wrong, including:
 - 2.1 strengthening the regulation of building products and building methods;
 - 2.2 introducing a specialist framework for modern methods of construction;
 - 2.3 strengthening the existing product certification scheme (CodeMark);
- 3 **noted** that:
 - 3.1 in September 2019, Cabinet authorised the Minister for Building and Construction to approve changes consistent with the policy intent [CAB-19-MIN-0508];
 - 3.2 the Minister has approved five drafting decisions to address practical issues highlighted during drafting:
 - 3.2.1 that the penalty level for failing to provide requested information to support a decision to issue a product warning or ban be set at a maximum of \$20,000 for an individual and \$60,000 for other persons;
 - 3.2.2 a reduction in the statutory timeframe for a Building Consent Authority processing a building consent application for a whole building comprising 100 per cent modern methods of construction (MMC) components from 20 to 10 working days, with a regulation making power to vary the consenting timeframe for buildings with some MMC components in the future, if required;
 - 3.2.3 including the ability for the chief executive of the to make operational rules for the MMC scheme;

- 3.2.4 extending the ability for the Chief Executive of the Ministry of Business, Innovation, and Employment (MBIE) to share with other regulatory bodies information and documents obtained in the course of an investigation, to include the sharing of information obtained while undertaking enforcement activities;
- 3.2.5 enabling the Chief Executive of MBIE to enter premises and inspect the manufacturing of building products, materials or MMC components to determine whether enforcement action needs to be taken, or for the purpose of taking enforcement action, as authorised under the Building Act 2004;
- 4 **approved** for introduction the Building (Building Products and Methods, Modular Components, and Other Matters) Amendment Bill [PCO 21914/6.0], subject to the approval of the government caucuses, and sufficient support in the House;
- 5 **agreed** that the Bill be introduced as soon as practicable;
- 6 **noted** that the Minister for Building and Construction will seek agreement to a three month select committee process, in order to have the Bill passed by early August 2020;
- 7 **noted** that in addition to the select committee process, the extensive consultation done across the sector during the policy development and drafting stages of the Bill has provided sufficient opportunities for the policy proposals and Bill to be tested and crafted with input from the sector;
- 8 **noted** that regulations and rules will be required to support the implementation of the Bill, and that policy decisions for associated regulations will be provided to the Minister for Building and Construction for approval in principle in July 2020;
- 9 **agreed** that the government propose that the Bill be:
- 9.1 referred to the Environment Committee for consideration;
- 9.2 enacted in August 2020;
- 10 **authorised** the Minister for Building and Construction to make minor and technical editorial changes to the Bill, and those required to ensure consistency with the rights and freedoms contained in the New Zealand Bill of Rights Act 1990 and the Human Rights Act 1993.

Gerrard Carter
Committee Secretary

Hard-copy distribution: (see over)

Present:

Rt Hon Winston Peters
Hon Chris Hipkins (Chair)
Hon Andrew Little
Hon Stuart Nash
Hon Iain Lees-Galloway
Hon Jenny Salesa
Hon Damien O'Connor
Hon Kris Faafoi
Hon Ron Mark
Hon Julie Ann Genter
Michael Wood MP (Senior Government Whip)

Officials present from:

Office of the Prime Minister
Officials Committee for LEG

Hard-copy distribution:

Minister for Building and Construction

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