



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.

In Confidence

Office of the Minister for Building and Construction

Cabinet Economic Policy Committee

Making it easier to build

Proposal

- 1 This paper seeks agreement to my proposed work programme to liberalise the building regulatory system and make it easier to build affordable homes.
- 2 It also seeks agreement for three minor changes related to building consent data, adjusting the building levy threshold, and reducing the frequency of competency assessments for building consent officers.

Relation to government priorities

- 3 The proposal relates to the Government's commitment to increase housing supply by improving efficiency and competition in the building system, reducing barriers and driving down costs.
- 4 I will support this commitment by reducing the cost of building materials and streamlining the building consent system.

Executive Summary

- 5 Building costs are too high and have cumulatively risen 41.3 per cent since 2019; it is about 50 per cent more expensive per square meter to build a standalone house in New Zealand than in Australia.¹
- 6 As Minister for Building and Construction, my top priority is to reduce the cost of building. I intend to do this by liberalising the building regulatory system, with a focus on reducing unjustifiable regulatory burdens and increasing competition.
- 7 Key challenges that make building in New Zealand slower and less affordable than necessary include:
 - 7.1 the building consent system is fragmented, slow and inefficient;
 - 7.2 there are inconsistencies between building consent authorities, creating uncertainty and duplication for businesses;
 - 7.3 competition for key building supplies is limited at best; and
 - 7.4 a systemic desire to avoid risk entirely, rather than mitigate or otherwise manage it, reduces productivity.

¹ The average cost per square metre to build in New Zealand includes demolition costs and 15% GST, whereas the Australian figures exclude demolition costs and includes 10% GST.

- 8 I propose to deliver an ambitious work programme over the next three years, which will include major structural changes to the building regulatory system.
- 9 I intend to bring a series of proposals to Cabinet this year seeking approval to progress legislative and regulatory changes. This will begin in March with work to mandate overseas building products and reduce red tape when builders want to vary a building consent.
- 10 I propose to bring papers to Cabinet over quarters two and three this year to confirm policy direction on:
- 10.1 quicker and more efficient consent pathways for low-risk building activity (including self-certification and granny flats);
 - 10.2 improving consistency of building consent authority (BCA) functions; and
 - 10.3 leveraging the role of private insurance in the building regulatory system.
- 11 While the larger legislative reform work is underway, I am also proposing some small-scale amendments and non-regulatory measures in the meantime that will:
- 11.1 establish reliable data on the performance of the building consent system; and
 - 11.2 reduce red tape and ensure the current system is working as effectively as possible (for example, through amending accreditation regulations, reducing building levy payments and adjusting dam safety requirements).
- 12 To deliver on the Government's Going for Housing Growth commitments we need to remove barriers in three key areas: the resource management and planning systems, infrastructure, and the building regulatory system. I commit to working closely with ministerial colleagues in the Housing, Local Government and Environment portfolios to ensure that our work is well aligned.
- 13 Getting the risk settings right for the building consent system will also involve considering liability and approaches to self-certification and insurance.
- 14 There is also a need to improve risk management in the earthquake-prone building space. I will also be exploring opportunities in the building and construction sector to support the government meeting its climate change obligations in a way that does not place unreasonable costs on builders or homeowners.

Increasing competition and driving efficiency will reduce the cost to build

- 15 This Government is committed to making it easier and cheaper to build homes. New Zealand has a well-documented housing crisis and consistently higher building costs than other comparable countries.
- 16 There are barriers to high quality products entering the market, which can limit competition and keep prices higher.

- 17 Inefficiencies in the building consent system, and inconsistent approaches between different building consent authorities (BCAs), create uncertainty and delays for builders making building more expensive.

I propose to deliver work that makes it easier to build affordable homes

- 18 To support the Government’s priorities, I intend to deliver a work programme to:
- 18.1 reduce the cost of building materials;
 - 18.2 streamline the building consent system; and
 - 18.3 set the course for appropriate seismic risk management.

Reducing the cost of building materials

- 19 Competition for key building supplies is not working.² Removing barriers to high-quality products entering the market from overseas will help to strengthen competition and lower prices for consumers.
- 20 I am proposing a package of changes which I will bring to Cabinet in March:
- 20.1 a new power enabling regulations to be made specifying overseas certification schemes, or certification of products or classes of products within those schemes that are to be treated as product certifications under the Building Act;
 - 20.2 a new regulatory instrument, Building Product Equivalency Specifications, that will expedite the process of recognising more international standards in the Acceptable Solutions and Verification Methods.
- 21 These changes will help to increase the availability of high quality overseas building products and will put downward pressure on prices.

Streamlining processes and unlocking efficiencies in the building consent system

- 22 The Government has committed to streamlining the building consent system to make it more efficient and reduce cost. This will enhance competition and productivity in the building system. I will consider the following options to achieve these aims:

Simplify consent requirements for lower-risk activities

- 23 Currently the consent system provides a standard assessment of risk that applies to all types of buildings. This means that the process is unduly onerous and time consuming for lower-risk activities. This work will involve lighter touch options around:
- 23.1 building relatively small, low-risk buildings such as “granny flats” and other small structures, in line with the National and New Zealand First parties’ coalition agreement;

² Commerce Commission, residential building supplies market study, 2022.

- 23.2 streamlined risk-based consenting, which takes into account the degree of complexity and size of a proposed development;
- 23.3 allowing minor variations in consents and in MultiProof³ applications; and
- 23.4 ensuring greater use of photo and video evidence by BCAs.

Self-certification, liability and insurance

- 24 Current risk and liability settings mean builders and councils tend to take an extremely risk-averse approach to consenting. All participants in the building process are joint and severally liable for loss caused, so can bear up to 100 per cent of damages in the event of failure at any point in the system. I have asked MBIE to investigate options to support a more proportionate approach to liability. This includes:
 - 24.1 exploring options for private building insurance to enable homeowners to opt out of needing a building consent, in line with the National and ACT parties' coalition agreement to explore such options; and
 - 24.2 broadening the use of self-certification for some building occupations.

Improvements to building consent processing and services

- 25 Current building consent processing are not consistent across BCAs. This creates uncertainty for those wishing to build and leads to duplication. I am exploring opportunities to make improvements in this space, including:
 - 25.1 considering options for delivering a more streamlined and standard consenting process across BCAs; and

Confidential advice to Government

[Redacted]

Proposed approach to building consent reforms

- 26 Some of the proposed changes to the building consent system can be achieved through amendments to regulations and straightforward legislative amendments that will be progressed immediately.
- 27 I propose the substantial changes that require legislation be delivered as a package of Building Act 2004 amendments and Cabinet agreement to these policy decisions no later than the end of 2024.

³ MultiProof is a statement by MBIE that a set of plans and specifications for a building complies with the Building Code.

Setting the course for appropriate seismic risk management

- 28 The earthquake-prone building system intends to provide assurance for building users that high risk buildings would be remediated to ensure safety.
- 29 There are a large number of earthquake-prone buildings with remediation deadlines fast approaching. Building owners and territorial authorities face multiple barriers to achieving or enforcing remediation. The Government's own property portfolio is also affected (e.g. hospitals and fire stations are priority buildings, due to their importance in post-event recovery).
- 30 The cost to remediate for some of these building and apartment owners is financially unaffordable.
- 31 We need to deliver an improved approach to managing the seismic risk of existing buildings. New Zealanders need to trust that the buildings where they live, and work are safe and will not cause significant harm during an earthquake, however we also need to ensure we are getting the balance right.
- 32 I am proposing a review of earthquake-prone building regulation and an amendment to the Building Act to provide immediate relief for earthquake-prone building owners by extending remediation timelines while the review is underway.

Immediate actions to improve the current system

- 33 While the larger legislative reforms are underway, I am also proposing some small-scale amendments to reduce costs and set the foundations for wider reforms.
- 34 I am seeking Cabinet agreement to three specific changes within this paper in relation to building consent data, adjusting the building levy threshold and reducing the frequency of competency assessments for building consent officers.
- 35 I will be bringing proposals for additional adjustments through accompanying papers over the next month that will seek agreement to regulatory changes to:
- 35.1 clarify the definition of 'minor variation' and 'minor customisation' to remove impediments to product substitution and variations; and
 - 35.2 remove disproportionate compliance costs for small dam owners.

Improving the performance monitoring of the building consent system

- 36 MBIE currently does not regularly request building consent data from BCAs. This means there is limited data available on how the building consent system is performing and the real-world delays in the issuing of consents.
- 37 These delays create additional costs and limit the capacity of the sector to deliver more houses.
- 38 Establishing a more regular way of recording and publishing consenting data is an important first step in streamlining the building consent system.

39 Publishing this data will also ensure greater transparency and drive improvement and innovation.

40 Section 204 of the Building Act already gives the Chief Executive of MBIE the ability to require BCAs to provide information to assist with monitoring the performance of the system.

41 I intend to ask MBIE to:

41.1 instruct BCAs to report information that they already hold on building consent and Code Compliance Certificate timeframes for Q1 2024; and

41.2 improve the monitoring of the building consent system, including publishing data quarterly.

Building levy threshold adjustment

42 The building levy (the levy) is payable by building owners or developers on successful building consent applications for projects over a specified value. The levy can be used only for building regulatory functions performed by MBIE.

43 The levy rate is reviewed on a three-year cycle and was last reviewed in 2022/23. This review found that:

43.1 most stakeholders were supportive of an increase in the threshold at which the levy is payable (currently \$20,444); and

43.2 46 per cent of submitters expressed a preference that the levy rate remain at \$1.75 to fund improvement in the regulatory services offered by MBIE.

44 I propose to raise the threshold at which the levy is payable from \$20,444 to \$65,000 (including GST), so that projects costing less than \$65,000 are exempt from the levy. This will provide a meaningful cost reduction to building owners undertaking smaller projects, such as bathroom or kitchen renovations.

45 I am not proposing to implement a reduction in the levy rate at this time. Economic conditions have slowed since the 2022/23 review, and I wish to avoid the risk that a sudden large increase in the levy rate becomes needed when the levy is next reviewed in three years' time.

Building consent authority accreditation changes

46 Changes are needed to the Building (Accreditation of Building Consent Authorities) Regulations 2006, to ensure the system is efficient, free up time for building consent officers, and to ensure that accreditation fees are set at the correct level to ensure cost recovery. I propose:

46.1 reducing the frequency of competency assessments for building control officers under Regulation 10(2), from annually to every two years (with the ability to carry out assessments more frequently if needed);

- 46.2 adjusting the fees for accreditation of building consent authorities set out in Schedule 2 of the Regulations to ensure they reflect cost recovery (see Annex 1);
- 46.3 minor changes to Regulation 6A to add that the departure of a building consent authority's quality assurance manager must be notified to MBIE and IANZ; and
- 46.4 the drafting of Regulation 7(2)(f) to separate out the matters related to policies and procedures for performing building control functions into standalone provisions (i.e. issuing and refusing to issue code compliance certificates, compliance schedules and notices to fix) to improve clarity and workability.

Reducing frequency of Building Control Officer competency assessments

- 47 The current requirement for annual competency assessment annually is inefficient and out of line with other regulated occupations (e.g. Licenced Building Practitioners). Building Consent Authorities estimate that assessments require 8-24 hours and cost in the order of \$1,000-3,000 per employee per annum.⁴
- 48 Reducing the frequency from annually to every two years will reduce costs from a range of \$5,000 to \$70,000 for smaller building consent authorities, and between \$70,000 to approximately \$2 million for larger ones. It will also provide more time for building consent officers to process building consent applications, carry out inspections and issue code of compliance certificates.

Ensuring the Accreditation of Building Consent Authorities are cost recovering

- 49 Building Consent Authority accreditation fees have not been adjusted since 2017 and no longer ensure cost recovery. International Accreditation New Zealand (IANZ) has been operating at a loss on the provision of accreditation services Confidential information entrusted to the Government and have advised MBIE that it cannot continue to operate the scheme at these levels. I propose to amend the accreditation fees to allow for cost recovery.
- 50 These changes are significantly offset by changing the frequency of competency assessments. I intend to make it clear to building consent authorities that it is my expectation that fees will not be increased as a result of these changes.

Minor changes to Regulations 6A(1)(b) and 7(2)(f)

- 51 I am proposing minor changes to Regulation 6A to add that the departure of a building consent authority's quality assurance manager must be notified to MBIE and IANZ, and the drafting of Regulation 7(2)(f) to separate out the matters related to policies and procedures for performing building control functions into standalone provisions. These changes are necessary to improve the clarity and workability of the Accreditation Regulations.

⁴ These estimates reflect what the majority of building consent authorities submitted on these issues. Note that many building consent authorities use the National Building Consent Assessment Framework in carrying out competency assessments. Using the framework is not mandatory. MBIE is currently in the process of updating the framework.

- 52 The person responsible for a building consent authority’s quality assurance system is a critical and integral part of the accreditation scheme (it is a role specifically referred to in Regulation 17 of the Accreditation Regulations). The departure of a building consent authority’s quality assurance manager can have a significant effect on how well a building consent authority performs so it is important that MBIE and IANZ are aware of the departure.
- 53 The majority of building consent authorities supported the proposed minor changes to Regulation 6A and Regulation 7(2)(f).

Upcoming engagement with Cabinet

- 54 I intend to take a suite of papers to Cabinet over the next six months to deliver the proposed work programme. This table sets out proposed timeframes for engaging with Cabinet over the coming months:

Topic	This paper will seek Cabinet agreement to:	Indicative timing for ECO / LEG
Removing impediments to building product substitution and variations	Clarify the definition of ‘minor variation’ and ‘minor customisation’ for MultiProof in new regulations	20 March 2024
Removing disproportionate compliance costs for small dam owners	Amend the height and volume threshold to lower compliance costs for small dam owners, including farmers and growers	20 March 2024
Mandating overseas building products	Legislative changes to mandate the approval of overseas building materials	20 March 2024
Setting the course for appropriate seismic risk management	Provide immediate relief for earthquake-prone building owners by extending remediation timelines and to undertake a review of earthquake-prone building regulation	27 March 2024 – policy decisions to extend remediation deadlines <small>Confidential advice to Government</small>
Providing a meaningful cost reduction in the building levy for building owners undertaking smaller projects.	Increasing the specified value above which the building levy is payable from \$20,444 to \$65,000, including GST	28 March 2024 at Cabinet Legislation Committee
Confirm policy direction on quicker and more efficient pathways for low-risk building activities	Confirm policy direction on: <ul style="list-style-type: none"> • Self-certification • Granny flats 	Quarter 2/3 2024 (TBC)
Policy options for improving consistency of Building Consent Authority	Confirm policy direction on standardising consenting approaches, including through specialised consenting teams and technology options to improve consistency	Quarter 2/ 3 2024 (TBC)

Role of private insurance in the building regulatory system	Report back to Cabinet on findings from initial scoping and seek agree policy direction	Quarter 2/3 2024 (TBC)
Streamline consent processes	Final policy decisions on a package of Building Act amendments to liberalise the building regulatory system	Confidential advice to Government

Cost-of-living Implications

- 55 Reducing building costs is critical to reducing the cost of living.
- 56 The cost increases to building consent authorities from the proposed changes to the accreditation fees will be significantly offset by savings from proposed changes to the frequency of competency testing of building control officers. Therefore, an increase in building consent fees for building consent applicants is not anticipated.

Financial Implications

- 57 The only financial implications result from the work to improve the performance monitoring of the building consent system. The increase in performance monitoring will be managed within current baselines, funded by the building levy, but will require reallocation of resources from other work across both MBIE and building consent authorities.
- 58 Financial implications of other decisions related to this work programme will be considered in future Cabinet papers.

Legislative Implications

- 59 There are no legislative implications as a result of this Cabinet paper. Any legislative implications for decisions related to this work programme will be considered in future Cabinet papers.
- 60 Regulations will need to be made to give effect to proposals relating to Building (Accreditation of Building Consent Authorities) Regulations 2006.

Impact Analysis

Regulatory Impact Statement

- 61 With the exception of proposals relating to the Accreditation of Building Consent Authorities, there are no regulatory proposals in this paper, and therefore Cabinet’s impact analysis requirements do not apply.

Building (Accreditation of Building Consent Authorities) Regulations 2006

- 62 The Treasury's Regulatory Impact Analysis team has determined that the regulatory stewardship changes to the *Building (Accreditation of Building Consent Authorities) Regulations 2006* which include making some minor changes to Regulation 6A and

7(2)(f) to improve clarity and workability, are exempt from the requirement to provide a Regulatory Impact Statement on the grounds that it has no or only minor impacts on businesses, individuals, and not-for-profit entities.

- 63 A Regulatory Impact Statement on the remaining aspects of the Building (Accreditation of Building Consent Authorities) Regulations 2006 (Regulation 10(2)) has been completed and is attached in Annex 2. A Cost Recovery Impact Statement for increasing the fees for accreditation of building consent authorities is also attached.
- 64 MBIE's Regulatory Impact Analysis Review Panel has reviewed the attached Regulatory Impact Statement by MBIE. The panel considers that the information and analysis in the RIS meets the criteria necessary for Ministers to make informed decisions on the proposals in this paper.
- 65 MBIE's Regulatory Impact Analysis Review Panel has reviewed the attached Cost Recovery Impact Statement prepared by MBIE. The panel considers that the information and analysis in the CRIS meets the criteria necessary for Ministers to make informed decisions on the proposals in this paper.

Climate Implications of Policy Assessment

- 66 The Climate Implications of Policy Assessment (CIPA) team has been consulted on proposed changes to *Building (Accreditation of Building Consent Authorities) Regulations 2006* and confirms that the CIPA requirements do not apply to this proposal as the threshold for significance is not met.

Population Implications

- 67 There are no direct population impacts as a result of this paper. However, making it easier and less expensive to build will benefit housing affordability and supply. This will have flow on impacts for those most affected by unaffordable housing including one-parent families, recent migrants, Māori, Pacific peoples, low-income earners, non-owner-occupiers, unemployed people and disabled people.

Human Rights

- 68 There are no Human Rights implications arising from the proposals in this paper.

Use of external Resources

- 69 No external resources were used directly in the preparation of this paper.
- 70 Findings from a 2020 evaluation of the building consent authority accreditation scheme undertaken by Litmus have been used as part of the context for the development of the proposals in this paper.

Consultation

- 71 The Ministry of Housing and Urban Development was consulted on this paper.

- 72 The following agencies were consulted on proposals relating to *Building (Accreditation of Building Consent Authorities) Regulations 2006*: Department of Prime Minister and Cabinet, Ministry for the Environment, Ministry of Housing and Urban Development, Department of Internal Affairs, Kāinga Ora, Parliamentary Council Office, Treasury, Ministry of Transport, Ministry for Pacific Peoples, Ministry of Education, Ministry of Social Development, Ministry of Health, Department of Corrections, Commerce Commission, WorkSafe New Zealand, Department of Conservation, Ministry of Defence, Ministry for Primary Industries, Statistics New Zealand, and the Ministry for Culture and Heritage.

Communications

- 73 Following decisions in this paper, I intend to make a public announcement about the overall programme of work for building and construction.
- 74 MBIE will advise key affected stakeholders on changes to the *Building (Accreditation of Building Consent Authorities) Regulations 2006* once policy decisions have been made.

Proactive Release

- 75 This paper will be proactively released within 30 business days of decisions being confirmed by Cabinet, in accordance with the Cabinet Office Circular CO (18)4, with any appropriate redactions.

Recommendations

The Minister for Building and Construction recommends that the Cabinet Economic Policy Committee:

- 1 **note** that my priority for the Building and Construction portfolio is to reduce cost and make it easier to build houses;
- 2 **note** building regulation is a significant part of the system that delivers housing, and I will work closely Ministers in the Housing, Local Government and Environment portfolios to ensure that work is well-aligned given the close links to Government commitments to measures to support housing growth and fast-track the resource consenting process;
- 3 **agree** that the Minister for Building and Construction 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 **note** that over the next six months I intend to take a suite of papers to Cabinet to deliver on the proposed work programme;

Improving performance monitoring

- 5 **agree** that the Minister for Building and Construction will ask MBIE to improve the performance monitoring of the building consent system;

Building levy threshold adjustment

- 6 **note** that on April 2023, the Minister of Building and Construction was authorised to take Building (Levy) Amendment Regulations to Cabinet Legislation Committee, subject to successful consultation [DEV-MIN-0046 refers];
- 7 **note** that I intend to take a paper to 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 **agree** 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 **agree** to adjust the fees for accreditation of building consent authorities in Schedule 2 of the Accreditation Regulations as outlined in Annex 1 of this paper, to ensure they reflect cost recovery;
- 10 **agree** that the departure of a building consent authority's quality assurance manager must be notified to MBIE and International Accreditation New Zealand;
- 11 **note** 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 **agree** to separate out the matters listed together related to policies and procedures that a building consent authority must have, referred to in Recommendation 8 above, into standalone provisions for clarity and workability;
- 13 **authorise** the Minister for Building and Construction to issue drafting instructions to the Parliamentary Counsel Office to give effect to the policy proposals in this paper;
- 14 **authorise** the Minister for Building and Construction to make decisions consistent with the proposals in these recommendations on any issues which arise during the drafting process, including minor, technical and timing changes as required.

Authorised for lodgement

Hon Chris Penk

Minister for Building and Construction

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Current and proposed fees for building consent authority accreditation

Building (Accreditation of Building Consent Authorities) Regulations 2006	Current fees (effective from 1 July 2017 – present)	Proposed fees to ensure cost recovery (effective from early June 2024)
Schedule 2, Part 2, 3(1) Personnel Cost	<p>The personnel cost is calculated in accordance with the following formula:</p> $(a \times \$215) + (b \times \$105)$ <p>Where –</p> <p>a is the sum of the number of hours (including part-hours) spent by each building consent accreditation body staff member performing the accreditation assessment or the audit (as applicable)</p> <p>b is the sum of the number of hours (including part-hours) spent by each building consent accreditation body staff member travelling for the purpose of performing the accreditation assessment or the audit (as applicable).</p>	<p>The personnel cost is calculated in accordance with the following formula:</p> $(a \times \$283) + (b \times \$141)$ <p>Where –</p> <p>a is the sum of the number of hours (including part-hours) spent by each building consent accreditation body staff member performing the accreditation assessment or the audit (as applicable)</p> <p>b is the sum of the number of hours (including part-hours) spent by each building consent accreditation body staff member travelling for the purpose of performing the accreditation assessment or the audit (as applicable).</p>
Schedule 2, Part 2, 3(2) (Maximum daily cap – Personnel)	However, the maximum amount of the personnel cost in respect of anyone building consent accreditation body staff member for any one day is capped at \$1,720.	However, the maximum amount of the personnel cost in respect of anyone building consent accreditation body staff member for any one day is capped at \$2,264.
Schedule 2, Part 2, 4(1) Technical Expert Cost	<p>The technical expert cost is calculated in accordance with the following formula:</p> $(a \times \$156) + (b \times \$105)$ <p>Where –</p> <p>a is the sum of the number of hours (including part-hours) spent by each building consent accreditation body technical expert supporting the</p>	<p>The technical expert cost is calculated in accordance with the following formula:</p> $(a \times \$240) + (b \times \$141)$ <p>Where –</p> <p>a is the sum of the number of hours (including part-hours) spent by each building consent accreditation body technical expert supporting the</p>

	<p>accreditation assessment or the audit (as applicable)</p> <p>b is the sum of the number of hours (including part-hours) spent by each building consent accreditation body technical expert travelling for the purpose of supporting the accreditation assessment or the audit (as applicable).</p>	<p>accreditation assessment or the audit (as applicable)</p> <p>b is the sum of the number of hours (including part-hours) spent by each building consent accreditation body technical expert travelling for the purpose of supporting the accreditation assessment or the audit (as applicable).</p>
<p>Schedule 2, Part 2, 4(2) (Maximum daily cap – Technical Experts)</p>	<p>However, the maximum amount of the technical expert cost in respect of anyone building consent accreditation body technical expert for any one day is capped at \$1,248.</p>	<p>However, the maximum amount of the technical expert cost in respect of anyone building consent accreditation body technical expert for any one day is capped at \$1,920.</p>
<p>Schedule 2, Part 2, 6(1) Administrative Cost Overhead (for building consent authorities that have not been audited)</p>	<p>If the building consent authority has not had a previous audit, the administrative overhead cost is calculated in accordance with the following formula:</p> <p>$a \times \\$106.25$</p> <p>Where –</p> <p>a is the number of whole months since the date that the building consent authority was originally granted accreditation.</p>	<p>If the building consent authority has not had a previous audit, the administrative overhead cost is calculated in accordance with the following formula:</p> <p>$a \times \\$140$</p> <p>Where –</p> <p>a is the number of whole months since the date that the building consent authority was originally granted accreditation.</p>
<p>Schedule 2, Part 2, 6(2) Administrative Overhead Cost (for building consent authorities already audited)</p>	<p>If the building consent authority has had a previous audit, the administrative overhead cost is calculated in accordance with the following formula:</p> <p>$b \times \\$106.25$</p> <p>Where –</p> <p>b is the number of whole months since the date that the previous audit took place.</p>	<p>If the building consent authority has had a previous audit, the administrative overhead cost is calculated in accordance with the following formula:</p> <p>$b \times \\$140$</p> <p>Where –</p> <p>b is the number of whole months since the date that the previous audit took place.</p>