



## COVERSHEET

<b>Minister</b>	Hon Chris Penk	<b>Portfolio</b>	Building and Construction
<b>Minister</b>	Hon David Seymour	<b>Portfolio</b>	Regulation
<b>Title of Cabinet paper</b>	Easing conditions for exempt single-storey detached buildings	<b>Date to be published</b>	11 September 2025

### List of documents that have been proactively released

<b>Date</b>	<b>Title</b>	<b>Author</b>
July 2025	Easing conditions for exempt single-storey detached buildings	Office of the Minister for Building and Construction
23 July 2025	Easing conditions for exempt single-storey detached buildings ECO-25-MIN-0110 Minute	Cabinet Office

### Information redacted

**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 was requested under the 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.

## In Confidence

Office of the Minister for Regulation

Office of the Minister for Building and Construction

Chair, Cabinet Economic Policy Committee

## Easing conditions for exempt single-storey detached buildings

### Proposal

1. This paper seeks agreement to amend Schedule 1 of the Building Act 2004 to ease the setback distance conditions for consent exempt single-storey detached buildings.

### Relation to government priorities

2. The proposal will make it easier to build by allowing people to exercise their individual property rights without unduly affecting the rights of others.

### Background

3. The Building Act 2004 (the **Building Act**) requires that a person must not carry out any building work except in accordance with a building consent. Schedule 1, however, specifies building work that is exempt from requiring a building consent.
4. Under Schedule 1, property owners can build certain single-storey detached buildings with a floor area up to 30 square metres (such as a garden shed, sleepout or garage) without a building consent, provided certain conditions are met.
5. Exemption conditions relate to height, building features and the involvement of authorised professionals, with specific conditions in place if the building is used as sleeping accommodation (including for no cooking facilities to be included, and for smoke alarms to be installed for buildings 10-30 square metres in floor area).
6. Another condition requires that a detached building must not be “closer than the measure of its own height to any residential building or to any legal boundary.” Currently, this means a small backyard garden shed 2.5-metres in height needs to be at least 2.5 metres from boundaries and other buildings for consent exemption.
7. We have heard that councils find the current conditions challenging to enforce and only intervene when a formal complaint is made, such as in the context of a neighbour dispute. In these situations, the owner may be required to remove or relocate the building, or retrospectively apply for a building consent, at additional cost.
8. We consider the current setback condition to be impractical and an unnecessary restriction on property rights, especially for small sections in high density urban areas.
9. Property owners are often unaware of the Schedule 1 setback condition, and when complied with can result in a greater setback distance than the minimum required by the Building Code to manage the risk to other buildings from fire spread (ie one metre for residential buildings).

10. The setback distance condition has been the subject of two recent submissions to the Ministry for Regulation Red Tape Tipline. These submissions raised that property owners are currently unable to build a small garden shed at the edge of their property or along their fence line without first seeking a building consent, and that to comply with the setback condition, property owners are often required to build in the centre of their lawn or section, limiting their choice on how they can use their land.

### **Easing setback distances for consent exempt single-storey detached buildings**

11. I propose to amend clauses 3, 3A, 3B and 43 of Schedule 1 of the Building Act to:
  - remove the setback distance condition for single-storey detached buildings up to 10 square metres in floor area, and
  - require single-storey detached buildings between 10 and 30 square metres to be at least one metre from any legal boundary or residential building.
12. As buildings under 10 square metres have a lower ignition risk and are less likely to be used as sleeping accommodation, it is appropriate to remove the setback distance due to the reduced risk to people and property from the spread of fire.
13. For buildings 10-30 square metres, the risk of fire spreading to neighbouring properties will be managed by requiring a setback distance of at least one metre from any legal boundary or other building. This aligns with Building Code fire safety provisions and ensures firefighter access and escape routes can be maintained.
14. These changes will enable property owners to exercise their property rights, allowing them to make more productive use of their land without requiring a building consent and without the threat of removal or relocation.
15. Property owners will still need to ensure that any building work conducted under a Schedule 1 exemption is compliant with the Building Code and local district plans.
16. The proposed changes will make it easier and simpler for property owners to comply with Schedule 1 exemption conditions, particularly for those living in medium-to-high density urban environments where section sizes tend to be smaller, and ensures the setback distance conditions are more aligned with current building practices.
17. Based on feedback from targeted engagement, I anticipate the proposals will have strong support from property owners, shed retailers, and building consent authorities.

### **Cost-of-living Implications**

18. The proposal aims to make it easier to build simple residential buildings, reduce the cost of building, and support individual property rights by providing property owners greater choice in how they use their land.

### **Financial Implications**

19. There are no financial implications to this policy.

## Legislative Implications

20. The proposal will require amendments to clauses 3, 3A, 3B and 43 of Schedule 1 of the Building Act 2004 by Order in Council, using Section 41(2) of the Act.

## Impact Analysis

### Regulatory Impact Statement

21. The Ministry of Regulation has determined that this proposal is exempt from the requirement to provide a Regulatory Impact Statement on the grounds that the economic, social and environmental impacts are limited and easy to assess.

### Climate Implications of Policy Assessment

22. The Climate Implications of Policy Assessment (CIPA) team has been consulted and confirms that the CIPA requirements do not apply to this proposal as the threshold for significance is not met.

## Population Implications

23. There are no population implications relevant to this proposal.

## Human Rights

24. This paper has no implications under the *New Zealand Bill of Rights Act 1990* or the *Human Rights Act 1993*.

## Use of external resources

25. No external resources were used in the development of this policy.

## Consultation

26. The following agencies have been consulted on this paper: The Treasury, DPMC, Ministry for Regulation, Department of Internal Affairs, Ministry of Housing and Urban Development, Ministry for the Environment, Ministry for Primary Industries, Land Information NZ, Ministry of Health, Ministry of Education, Department of Corrections, and Te Puni Kōkiri.

## Communications

27. The policy proposals will be announced following Cabinet decisions. The approach to communicating decisions will be determined closer to the time.

## Proactive Release

28. We propose proactively releasing this Cabinet paper and associated Cabinet minute within 30 business days, subject to any appropriate redactions consistent with Cabinet Office guidance.

## Recommendations

The Minister for Regulation, and the Minister for Building and Construction recommends that the Committee:

- 1 **Note** that Schedule 1 of the Building Act 2004 (the **Building Act**) describes building work for which a building consent is not required, including single-story detached buildings not exceeding 10 metres, and exceeding 10 meters but not exceeding 30 metres, in floor area;
- 2 **Note** that it is a condition of the current Schedule 1 building consent exemptions that single-story detached buildings be no closer than the measure of their own height to any residential building or legal boundary;
- 3 **Agree** to amend Schedule 1 of the Building Act to remove the setback distance condition for the building work described in clause 3, “Single-storey detached buildings not exceeding 10 square metres in floor area”;
- 4 **Agree** to amend Schedule 1 of the Building Act to require a minimum setback distance of one metre from any legal boundary or other residential building for the building work described in clause 3A, “Single-storey detached buildings exceeding 10, but not exceeding 30, square metres in floor area and constructed of light weight building products”;
- 5 **Agree** to amend Schedule 1 of the Building Act to require a minimum setback distance of one metre from any legal boundary or other residential building for the building work described in clause 3B, “Single-storey detached buildings exceeding 10, but not exceeding 30, square metres in floor area if work carried out or supervised by a licensed building practitioner”;
- 6 **Agree** to amend Schedule 1 of the Building Act to require a minimum setback distance of one metre from any legal boundary or other residential building for the building work described in clause 43, “Single-storey detached buildings exceeding 10, but not exceeding 30, square metres in floor area (where kitset or prefabricated)”;
- 7 **Authorise** the Minister for Building and Construction to issue drafting instructions to the Parliamentary Counsel Office to give effect to Cabinet decisions in this paper;
- 8 **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;
- 9 **Note** that policy proposals will be announced in a press release by the Minister for Building and Construction following Cabinet decisions.

Authorised for lodgement

Hon David Seymour  
Minister for Regulation

Hon Chris Penk  
Minister for Building and Construction