



## COVERSHEET

<b>Minister</b>	Hon Chris Penk	<b>Portfolio</b>	Building and Construction
<b>Title of Cabinet paper</b>	Expanding self-certification for plumbers and other matters	<b>Date to be published</b>	18 May 2026

<b>List of documents that have been proactively released</b>		
<b>Date</b>	<b>Title</b>	<b>Author</b>
April 2026	Expanding self-certification for plumbers and other matters	Office of the Minister for Building and Construction
1 April 2026	Expanding self-certification for plumbers and other matters ECO-26-MIN-0041 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 reason of Confidential advice to Government.

## In Confidence

Office of the Minister for Building and Construction

Cabinet Economic Policy Committee

### Expanding self-certification for plumbers and other matters.

#### Proposal

- 1 This paper seeks agreement to expand the scope of work that can be self-certified by plumbers and drainlayers, make improvements to the granny flats exemption, and give effect to policy changes introduced in the Building and Construction Sector (Strengthening Occupational Licensing Regimes) Amendment Bill.

#### Relation to government priorities

- 2 These proposals will make building easier and more affordable.

#### Executive Summary

- 3 Legislation to allow plumbers and drainlayers to sign off their own work has been reported back from select committee and as currently proposed, will remove the need for building inspections for straightforward residential work.
- 4 To simplify the scheme and encourage more plumbers and drainlayers to sign up I am proposing to expand the scope to allow all work to be self-certified if it is designed to an acceptable solution or verification method; it does not penetrate a firewall; it is not within an intertenancy wall; and is within or relates to a building up to three stories that does not contain apartments. The proposed scope is outlined in **Appendix One**.
- 5 This change responds to feedback from the select committee and the sector, and will bring more building typologies into the scheme, such as commercial, and help drive down the cost of building.
- 6 This paper also proposes improvements to the granny flats exemption by making it easier for prebuilt granny flats to use the exemption and allowing for the use of Structural Insulated Panel systems in exempt granny flats.
- 7 This paper also seeks approval to give effect to changes introduced by the Building and Construction Sector (Strengthening Occupational Licensing Regimes) Amendment Bill. This includes establishing codes of ethics for electrical workers, plumbers, gasfitters and drainlayers and consequential amendments to the Building (Forms) Regulations 2004.
- 8 Codes of ethics give more confidence to Kiwis that tradespeople will act professionally and can be held to account if they breach these standards.

## Background

- 9 The Government is introducing changes to the building control system that will transfer assurance, from building consent authorities (BCAs) to practitioners. These changes include building consent exemptions for small standalone dwellings (granny flats) and allowing licensed plumbers and drainlayers to self-certify that their work complies with a building consent.
- 10 To support this work, the Government is also progressing work that will strengthen complaints and disciplinary measures for practitioners in the sector, so they can be held accountable when things go wrong.

## Proposed changes to self-certification by plumbers and drainlayers scheme

- 11 The Building and Construction Sector (Self-certification by Plumbers and Drainlayers) Amendment Bill (self-certification Bill) includes an empowering provision to create regulations to define self-certifiable plumbing and self-certifiable drainlaying. These definitions provide the scope of work that can be self-certified. The self-certification Bill is currently awaiting second reading.
- 12 I have heard concerns from stakeholders that the scope of self-certifiable work that was previously agreed to by Cabinet was too narrow and would negatively impact the number of practitioners opting into the scheme.
- 13 I propose that the regulations defining what work can be self-certified are simplified and expanded so that any plumbing and drainlaying work can be self-certified if: it is designed to an acceptable solution or verification method; it does not penetrate a firewall; it is not within an intertenancy wall; and is within or relates to a building of up to three stories that does not contain apartments (outlined in full at **Appendix One**).
- 14 Expanding the scope will mean much more plumbing and drainlaying work can be self-certified, including more complex work. This will mean that a higher proportion of plumbing and drainlaying work done by an individual practitioner is likely to be in scope of the regime, and will make the regime more attractive. It will also convey greater benefits by avoiding delays incurred waiting for an inspection, for a greater proportion of work.
- 15 Analysis by MBIE shows that more complex plumbing and drainlaying work typically has a higher inspection failure rate and commercial plumbing and drainlaying has particular complexities.
- 16 The risk associated with an expanded scheme will be mitigated by the PGD Board setting appropriate minimum standards to become a self-certifying plumber or drainlayer. The self-certification Bill requires that the minimum standard must include standards relating to technical competency, experience, ability to meet potential civil liability, and business and administrative practices.

## **The change in scope means consequential amendments to the self-certification Bill are required**

- 17 The proposed changes will allow work of a greater complexity and risk to be self-certified than originally agreed by Cabinet. To enable this, I propose amending the self-certification Bill to remove the requirement in clause 45A that before recommending regulations to define self-certifiable plumbing or drainlaying the Minister for Building and Construction must be satisfied the work is routine, not complex, and of low risk to public health and safety.
- 18 I also propose amending the self-certification Bill to remove the requirement that, when building work includes self-certified plumbing or drainlaying, the application for consent must be accompanied with a declaration that the plumbing or drainlaying work is self-certifiable. It is intended that building owners will inform the BCA of what work they intend to have self-certified when applying for a building consent to provide the information BCAs need to be satisfied that the work meets the definition of self-certifiable work and to develop their inspection schedule.
- 19 This declaration gives BCAs reasonable grounds to satisfy itself that the work meets the definition of self-certifiable plumbing and drainlaying. The proposed new definition will allow BCAs to check this with greater ease so the declaration is no longer required.

### *Clarifying the functions of the Plumbers, Gasfitters and Drainlayers Board*

- 20 I propose amending the self-certification Bill to explicitly clarify that the Plumbers, Gasfitters, and Drainlayers Board's (the PGD Board) functions include establishing, implementing and operating the self-certification scheme.
- 21 The intent is that the PGD Board is empowered to spend its existing funds on establishing, implementing and operating the self-certification scheme, and recovering associated costs from practitioners in the scheme. This reflects the policy intent that ongoing expenses will be fully cost recovered from participating practitioners.

### *I seek authority to make the changes through an Amendment Paper introduced at committee of the whole House*

- 22 If Cabinet agrees to these changes, I seek delegated authority to release an Amendment Paper with these changes to the self-certification Bill at the committee of the whole House stage without further Cabinet consideration. This is necessary to expedite the process to avoid financial implications if the Bill is not passed in this financial year. Detail is provided in the financial implications section of this paper.

## **Improvements to the granny flats exemption**

- 23 On 15 January 2026, the building consent exemption for granny flats up to 70 square metres came into effect. Uptake has been in line with expectations,

indicating that the policy is working as intended. However, further changes to improve uptake and workability of the exemption for granny flats constructed off-site are required.

- 24 Currently the Building Act 2004 requires that a project information memorandum (PIM) be received before any building work takes place. This helps building owners ensure that building work is suitable for the land it is proposed to be built on, in addition to supporting management of natural hazards. However, this requirement has proven to not work for some off-site business models where homes are built as stock prior to purchase.
- 25 I am seeking approval to allow for off-site building work to take place prior to a PIM being received. This will improve the flexibility and workability of the exemption for granny flats constructed off-site. A PIM will still be required before any onsite building work takes place. This ensures that the risk profile of homes constructed under the exemption remain largely unchanged.
- 26 I am also seeking approval to amend Schedule 1A of the Building Act 2004 so that granny flats can include Structural Insulated Panel systems (SIPs) that hold a CodeMark certificate. SIPs are a modern building product that can integrate building frames, cladding and insulation. CodeMark is a voluntary product certification that certifies a building product or method meets the building code.

## **Strengthening professional accountability in the Building and Construction sector**

- 27 The Building and Construction Sector (Strengthening Occupational Licensing Regimes) Amendment Bill (SOLR Bill) includes empowering provisions to create Codes of Ethics for plumbers, gasfitters, drainlayers and electrical workers. The SOLR Bill is awaiting second reading.
- 28 The codes will prescribe minimum standards of ethical conduct for professionals in these regimes, so consumers can have the confidence that those who breach them can be held accountable for their behaviour.

### *Proposed codes of ethics and updating an existing code of ethics*

- 29 I propose to base the codes of ethics on the existing Licensed Building Practitioners (LBP) code of ethics, incorporating workability feedback from the Building Practitioners Board since the LBP code came into force in October 2022. This approach was proposed during a public consultation in 2023, which submitters strongly supported.
- 30 The proposed content for these codes is attached as **Appendix Two**. The content will be based around the following four principles: work safely; act within the law; take responsibility for your actions; and behave professionally.
- 31 I propose making amendments to the Building (Code of Ethics for Licensed Building Practitioners) Order 2021. This will include simplifying the LBP code

to make it more succinct and accessible, incorporating lessons from the Building Practitioners Board and aligning it with the new codes.

- 32 Officials will continue to engage with the respective boards during the drafting process to ensure the content for the codes are fit for purpose.

*Consequential changes to the building forms regulations are required*

- 33 The SOLR Bill clarifies responsibilities for people in other professions who are treated as being automatically licensed to carry out or supervise restricted building work. It amends the interpretation section of the Building Act to add a new definition of “automatically licensed person”. This definition is referenced throughout the Bill to make it clear which responsibilities apply to both LBPs and automatically licensed persons.
- 34 To give effect to this change, forms in Schedule 2 of the Building (Forms) Regulations 2004 that refer to licensed building practitioners will need amending to include reference to automatically licensed persons.

**Cost-of-living Implications**

- 35 There are no cost-of-living implications to the policy proposals in this paper.

**Financial Implications**

*Self-certification by plumbers and drainlayers*

- 36 These changes will delay the implementation of the scheme which was due to go live in June 2026 extending the implementation period more than previously anticipated. Due to this and the scheme changes, the PGD Board has advised MBIE it expects to incur additional costs Confidential advice to Government
- 37 The self-certification Bill will support MBIE using the building levy to meet these costs once it receives Royal assent, therefore the proposed changes are not anticipated to result in a cost pressure for the Crown. However, if the self-certification Bill is not in effect by 1 July 2026, additional Crown funding such as through reprioritisation in Vote Building and Construction may be required to implement the scheme before the General Election.

*Improvements to the granny flats exemption*

- 38 There are no financial implications of this policy to homeowners or businesses. BCAs may experience slightly higher administrative costs to monitor and enforce the exemption due to these changes.

*Codes of ethics and consequential amendments to building forms regulations*

- 39 There are no financial implications to these policies.

## Legislative Implications

### *Self-certification by plumbers and drainlayers*

- 40 The changes to the scope of self-certifiable work will be progressed through secondary legislation. The policy proposals relating to the self-certification Bill will require amendments. I propose that this is done through an Amendment Paper at the committee of the whole House stage.
- 41 To avoid the financial implication outlined in paragraph 33 above, I seek delegated authority to release the Amendment Paper at the committee of the whole House stage without further Cabinet consideration.

### *Improvements to the granny flats exemption*

- 42 I propose making changes to the granny flats building consent exemption through the Building Amendment Bill. This Bill is Confidential advice to Government and is currently being drafted.
- 43 Changes to amend Schedule 1A of the Building Act 2004 to include SIPs can be made by Order in Council. I intend on bringing this change to Cabinet as soon as is practicable.

### *Codes of ethics and consequential amendments to building forms regulations*

- 44 The proposals relating to codes of ethics and amendments to the Building Forms regulations are secondary legislation and will be made through Order in Council.

## Impact Analysis

### Regulatory Impact Statement

#### *Changes to the regulations for self-certification by plumbers and drainlayers*

- 45 Cabinet's impact analysis requirements apply to this proposal, but there is no accompanying Regulatory Impact Statement (RIS), and the Ministry for Regulation has not exempted the proposal from the impact analysis requirements. Therefore, it does not meet Cabinet's requirements for regulatory proposals.

#### *Improvements to the granny flats exemption*

- 46 The Ministry for Regulation has exempted these proposals from RIS requirements on the grounds that the changes have no or minor economic impacts on businesses, individuals, and not-for-profit entities.

*Codes of ethics and consequential amendments to building forms regulations*

- 47 The Ministry for Regulation has exempted these proposals from RIS requirements on the grounds that the changes have no or minor economic impacts on businesses, individuals, and not-for-profit entities.

**Climate Implications of Policy Assessment**

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

**Population Implications**

- 49 The proposals in this paper are not expected to have significant implications for population groups.

**Human Rights**

- 50 There are no human rights implications arising from this paper.

**Use of external Resources**

- 51 No external resources were used in the policy development for this paper.

**Consultation**

- 52 The following agencies have been consulted on the paper:

53 The Treasury; Department of the Prime Minister and Cabinet; Ministry for Regulation; Department of Internal Affairs; Department of Corrections; Department of Conservation; Ministry of Housing and Urban Development; Kāinga Ora/Consentium; Ministry of Education; Ministry for Culture and Heritage; Te Puni Kōkiri; WorkSafe New Zealand; Ministry for Pacific Peoples; Ministry of Health; Ministry for the Environment; Ministry of Transport; Ministry of Defence; Ministry for Primary Industries; Ministry of Social Development; Land Information NZ; Statistics NZ; NZ Infrastructure Commission; Taumata Arowai; Climate Change Interdepartmental Executive Board, Natural Hazards Commission; Ministry of Justice; Whaikaha Ministry of Disabled People; Office for Seniors.

- 54 The Plumbers, Gasfitters and Drainlayers Board were also consulted on the paper.

**Communications**

- 55 Subject to Cabinet approval, I intend to release press statements relating to these proposals.

## Proactive Release

- 56 I propose to proactively release this Cabinet paper and associated Cabinet minute within 30 business days, subject to any appropriate redactions.

## Recommendations

The Minister for Building and Construction recommends that the Committee:

### *Self-certification by plumbers and drainlayers*

- 1 **rescind** the agreement referred to in paragraph 4 of EXP-MIN-0124 that the regulations contain, for the purpose of defining self-certifiable plumbing and self-certifiable drainlaying, the criteria set out in Appendix One to the paper under EXP-25-SUB-0124;
- 2 **agree** that the regulations contain, for the purpose of defining self-certifiable plumbing and self-certifiable drainlaying, the criteria set out in Appendix One;
- 3 **agree** to introduce an Amendment Paper to make the following changes to the Building and Construction Sector (Self-Certification by Plumbers and Drainlayers) Amendment Bill (self-certification Bill):
  - 3.1 remove the requirement that the Minister must be satisfied that self-certifiable plumbing and drainlaying work is routine for an experienced plumber or drainlayer, not complex plumbing or drainlaying, and low risk to public health and safety;
  - 3.2 including that establishing, implementing and operating the self-certification scheme are part of the Plumbers, Gasfitters, and Drainlayers Board's function allow them to spend its existing funds on establishing, implementing and operating the self-certification scheme, and to recover the associated costs from practitioners participating in the scheme; and
  - 3.3 remove the requirement that when building work is going to include self-certified plumbing or drainlaying, the application for consent must be accompanied with a declaration that the plumbing or drainlaying work is self-certifiable;

### *Improvements to the granny flats exemption*

- 4 **agree** to amend the building consent exemption for non-consented small stand-alone dwellings through the Building Amendment Bill so that off-site construction can take place prior to a project information memorandum being received;
- 5 **agree** to amend Schedule 1A of the Building Act 2004 so that the use of structural insulated panel systems with a CodeMark certificate are permitted in non-consented small stand-alone dwellings;

*Codes of ethics and consequential amendments to building forms regulations*

- 6 **agree** that the codes of ethics for the regimes will be based on the structure outlined in Appendix One;
- 7 **agree** to amend the Building (Code of Ethics for Licensed Building Practitioners) Order 2021 to align the licensed building practitioners code of ethics with the proposed codes for licensed plumbers, gasfitters and drainlayers and licensed electrical workers.
- 8 **agree** to amend the Building (Forms) Regulations 2004 to include reference to 'automatically licensed persons' where applicable.
- 9 **authorise** the Minister to issue drafting instructions to the Parliamentary Counsel Office to draft legislation giving effect to the policy proposals in this paper.
- 10 **authorise** the Minister to release the Amendment Paper referred to in recommendation 3 ahead of the Committee of the whole House stage of the self-certification Bill, without further Cabinet consideration.
- 11 **agree** to delegate the Minister authority to make decisions consistent with the policy decisions in this paper that arise during drafting.

Authorised for lodgement.

Hon Chris Penk

Minister for Building and Construction

**Appendix One: Proposed definition of self-certifiable plumbing and self-certifiable drainlaying**

Requirement	Self-Certifiable Plumbing	Self-Certifiable Drainlaying
Work is in or relates to a building of up to three stories (including residential and commercial)	Yes	Yes
The building does not contain apartments	Yes	Yes
The work is designed to an acceptable solution or verification method.	Yes	Yes
If the work contains an on-site system it must be designed to an Acceptable Solution (AS) or VM. Where there is no AS or Verification Method (VM) that an on-site system can be designed to, the work can still be self-certified but its design must still comply with the building code.	Yes	Yes
Work is not within a shared tenancy wall including in a wall space between two shared tenancy walls	Yes	Yes
Does not penetrate a firewall	Yes	Yes

**Appendix Two: Draft outline for proposed codes of ethics**

<b>Principle</b>	<b>Explanation</b>
Work safely	Including, but not limited to: <ul style="list-style-type: none"> <li>• Take reasonable care of both their health and safety of themselves and others.</li> <li>• Report unsafe behaviour.</li> <li>• Avoid harming the environment.</li> </ul>
Act within the law	Including, but not limited to: <ul style="list-style-type: none"> <li>• Comply with all relevant laws.</li> <li>• Report breaches of the law.</li> </ul>
Take responsibility for your actions	Including, but not limited to: <ul style="list-style-type: none"> <li>• Explain risks to clients.</li> <li>• Inform clients as much as practicable.</li> <li>• Be accountable when things go wrong.</li> <li>• Advise clients of delays as soon as practicable.</li> <li>• Act in clients' interests.</li> <li>• Follow clients' instructions (unless doing so would be a breach of the law).</li> </ul>
Behave professionally	Including, but not limited to: <ul style="list-style-type: none"> <li>• Behave professionally and act in good faith.</li> <li>• Price work fairly.</li> <li>• Act in good faith during dispute resolution.</li> <li>• Manage conflicts of interest appropriately.</li> <li>• Maintain confidentiality of clients.</li> <li>• Treat colleagues and clients with respect; do not bully or harass them.</li> <li>• Conduct business methodically and responsibly.</li> </ul>