



16 December 2019

Kia ora

Thank you to everyone who has contributed to, and shaped, the huge amount of change underway in the building regulatory system this year. As we get to the end of the year, it's also timely to acknowledge the hard work that's come out of Building System Performance.

Two significant initiatives stand out:

- 1. Government and industry leaders committing in April to lift sector performance through the Construction Sector Accord
- 2. the public consultation, policy work, Government decisions, and development of legislation on far-reaching building law reforms.

If you haven't already, take a moment to read the article <u>2019 – The year in review</u> in our last Codewords newsletter. When I reflected on what we achieved this year, there was quite a lot. We've pushed some complex work through quickly, and will continue to in 2020 as we support the sector through transformation.

The Construction Sector Transformation Plan has been finalised and endorsed by Accord Ministers, government agencies and industry leaders. It represents the culmination of solid work and a strong partnership between government and sector leaders, and the way forward for change.

In the plan are the initiatives that will drive the right sector behaviours and practices, taking us a step closer to delivering on the Accord's vision: A high performing construction sector for a better New Zealand.

However, due to the recent tragic event at Whakaari/White Island, we have decided to wait until the New Year to share the Transformation Plan and the actions for change. Thank you for your understanding at this time.

Progress has also been made on the building law reforms. Last week MBIE announced the <u>building</u> <u>levy rate will reduce from 1 July 2020</u>, saving homeowners around \$80 in consenting costs. Other changes are expected to take effect in mid-2020, and more later in 2021.

There's still a vast amount of work ahead to change law. The attached timeline illustrates the concurrent processes underway, and the opportunities you have to help us flesh out the changes and get this right. During 2020, we'll be reaching out to the sector for help to develop the detailed design of the law and its implementation.

In other work, the <u>Building Code was updated</u> at the end of November – for the second time this year. It brings the rest of New Zealand up to the same performance requirements for foundations on 'liquefaction-prone ground' as Canterbury, and offers more construction material options for higher density housing.

The bi-annual Building Code update programme has been going for one year now – I trust you're now into the rhythm of the update cycle. Check out the <u>biannual programme webpage</u> for all past and upcoming Building Code updates.

Take a look at attached project overview for more information about these initiatives, and others we expect will deliver improvements as we head into the final weeks of the year.

Lastly, this is my final update. I've accepted a new role as the Deputy Chief Executive of Policy and Sector Performance for the Ministry for Culture and Heritage. It was a difficult decision to make with still lots to do to support sector transformation. However, it was a great opportunity, and one I couldn't pass up. My last day as General Manager, Building System Performance will be on 31 January 2020.

Thank you again for your ongoing involvement, input and feedback. I trust you have a relaxing summer and holiday season and make welcome my replacement once appointed. If you need any further information, please get in touch.

Ngā mihi ki a koutou Nā Anna

Anna Butler

GM, Building System Performance (BSP) Building Performance Ministry for Business, Innovation and Employment