

Departmental Disclosure Statement

Building and Construction Sector (Self-Certification by Plumbers and Drainlayers) Amendment Bill
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The departmental disclosure statement for a government Bill seeks to bring together in one place a range of information to support and enhance the Parliamentary and public scrutiny of that Bill.

It identifies:

- the general policy intent of the Bill and other background policy material;
- some of the key quality assurance products and processes used to develop and test the content of the Bill;
- the presence of certain significant powers or features in the Bill that might be of particular Parliamentary or public interest and warrant an explanation.

This disclosure statement was prepared by the Ministry of Business, Innovation, and Employment.

The Ministry of Business, Innovation, and Employment certifies that, to the best of its knowledge and understanding, the information provided is complete and accurate at the date of finalisation below.

29 October 2025.

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Part One: General Policy Statement

The Bill is an omnibus Bill introduced in accordance with Standing Order 267(1)(a). The Bill amends the Building Act 2004 and the Plumbers, Gasfitters, and Drainlayers Act 2006 to introduce an opt-in scheme to allow qualified plumbers and drainlayers to self-certify that their work complies with the terms of a building consent, removing the need for a building consent authority inspection.

The key purpose of this Bill is to speed up the consenting process for, and building of, houses in New Zealand by reducing the number of inspections that must be completed for plumbing and drainlaying work. To achieve this, the Bill introduces a new opt-in self-certification scheme by—

- providing the Plumbers, Gasfitters, and Drainlayers Board (the **Board**) with the power to endorse plumbers and drainlayers as approved self-certifying plumbers and drainlayers who may self-certify certain work and establishing the kinds of criteria and requirements the Board will need to set:
- establishing a certificate of compliance as the main assurance document for self-certification and setting out requirements on self-certifiers to file certificates on a register:
- restricting what work a plumber or drainlayer can self-certify to self-certifiable plumbing and drainlaying and stating this will be defined in regulations:
- establishing new monitoring and enforcement functions for the Board, including auditing powers, and creating new disciplinary offences and raising existing penalties:
- requiring a building consent authority to accept certificates of compliance as evidence of compliance with a building consent, and stating that a building consent authority is not liable for self-certified work.

Plumbers, Gasfitters and Drainlayers Board will have power to endorse and set entry criteria

Having minimum standards for self-certifiers means that only those qualified and competent to do so will be able to take part in the scheme, protecting the public from harm to property from defective plumbing and drainlaying work and the associated financial harm. As the body that regulates all other aspects of the plumbing and drainlaying profession, the Board is in the best position to determine what those standards should be, in line with expectations set in legislation. This approach gives a level of flexibility and future-proofing to the scheme.

Certificates of compliance will provide proof of assurance

As self-certified plumbing and drainlaying work will not be inspected, there will need to be an alternative form of assurance for building consent authorities and homeowners that the work complies with the terms of the consent and with the Building Code. The holding of certificates on a register by the Board supports its monitoring of the scheme and promotes accountability for self-certifiers.

Work that can be self-certified will be restricted to self-certifiable plumbing and drainlaying

Some plumbing and drainlaying work is inherently more complicated and carries much higher risk, so it is appropriate that this work is still inspected by a building consent authority to ensure it has been done properly and in accordance with the Building

Code. The work that can be self-certified will be defined in regulations which provides flexibility and future-proofing as building technologies and practices continue to evolve.

New monitoring and enforcement functions for Board will be established

Monitoring and auditing of self-certified work by the Board will ensure the work is up to standard and that faulty work, or incompetent or dishonest behaviour, can be identified and corrected, promoting accountability and responsibility in the scheme. New offences and penalties will mean the Board can take appropriate action against self-certifiers who fail to meet their responsibilities.

Building consent authorities will be required to accept certificate of compliance as proof of compliance and will not be liable for self-certified work

Requiring a building consent authority to accept a certificate of compliance will mean that they will not need to inspect that work, speeding up the building process and freeing them to focus on riskier work. Protecting building consent authorities from liability will mean that they will be able to rely on certificates of compliance in good faith, and will ensure that responsibility stays with practitioners who benefit from the scheme.

Part Two: Background Material and Policy Information

Published reviews or evaluations

2.1. Are there any publicly available inquiry, review or evaluation reports that have informed, or are relevant to, the policy to be given effect by this Bill?	YES
<p>Self-certification in construction industry trades (Report to the Ministry of Business, Innovation, and Employment), Sapere Research Group, May 2020. https://www.mbie.govt.nz/dmsdocument/13712-sapere-report-self-certification-in-construction-industry-trades</p> <p>Evaluation of the Building Consent System Ministry of Business, Innovation, and Employment, June 2022. https://www.mbie.govt.nz/dmsdocument/22839-evaluation-of-the-building-consent-system-pdf</p> <p>Review of the Building Consent System, Ministry of Business, Innovation, and Employment, September 2022. https://www.mbie.govt.nz/have-your-say/building-consent-system-review</p>	

Regulatory impact analysis

2.3. Were any regulatory impact statements provided to inform the policy decisions that led to this Bill?	YES
<p>Regulatory Impact Statement: Establishing self-certification schemes for simple residential building work, Ministry of Business, Innovation, and Employment, 11 May 2025. https://www.mbie.govt.nz/dmsdocument/30864-regulatory-impact-statement-establishing-self-certification-schemes-for-simple-residential-building-work-proactiverelease-pdf</p> <p>https://www.regulation.govt.nz/our-work/regulatory-impact-statements/regulatory-impact-statement-establishing-self-certification-schemes-for-simple-residential-building-work/</p>	

2.3.1. If so, did the Ministry for Regulation provide an independent opinion on the quality of any of these regulatory impact statements?	YES
<p>A quality assurance panel made up of representatives from MBIE and the Ministry for Regulation has reviewed the regulatory impact statement on Establishing self-certification schemes for simple residential building work. The panel considers it meets the quality assurance criteria, but notes that the impact assessment was limited by a constrained timeframe which only allowed for an interim Cost Benefit Analysis and limited consultation.</p>	

2.3.2. Are there aspects of the policy to be given effect by this Bill that were not addressed by, or that now vary materially from, the policy options analysed in these regulatory impact statements?	NO
<p>The features of Option Two in the March 2025 RIS correspond reasonably well with the key policy features of this Bill.</p>	

Extent of impact analysis available

2.4. Has further impact analysis become available for any aspects of the policy to be given effect by this Bill?	NO

2.5. For the policy to be given effect by this Bill, is there analysis available on:	
(a) the size of the potential costs and benefits?	YES
(b) the potential for any group of persons to suffer a substantial unavoidable loss of income or wealth?	NO
<p>Costs and benefits analysis: Page 35-37, Regulatory Impact Statement: Establishing self-certification schemes for simple residential building work, Ministry of Business, Innovation, and Employment, 11 May 2025. https://www.mbie.govt.nz/dmsdocument/30864-regulatory-impact-statement-establishing-self-certification-schemes-for-simple-residential-building-work-proactiverelease-pdf</p> <p>https://www.regulation.govt.nz/our-work/regulatory-impact-statements/regulatory-impact-statement-establishing-self-certification-schemes-for-simple-residential-building-work/</p>	

2.6. For the policy to be given effect by this Bill, are the potential costs or benefits likely to be impacted by:	
(a) the level of effective compliance or non-compliance with applicable obligations or standards?	YES
(b) the nature and level of regulator effort put into encouraging or securing compliance?	YES
<p>Risks of noncompliance are partially mitigated by the opt-in nature of the scheme. Practitioners are not required to self-certify and homeowners will have the choice between self-certification and a Building Consent Authority Inspection.</p> <p>For information on the risk of noncompliance, see the Cost/Benefit Analysis on page 26 of the April 2025 Regulatory Impact Statement.</p> <p>For information on encouraging or securing compliance, see the implementation and monitoring sections of the RIS.</p> <p>Regulatory Impact Statement: Establishing self-certification schemes for simple residential building work, Ministry of Business, Innovation, and Employment, 11 May 2025. https://www.mbie.govt.nz/dmsdocument/30864-regulatory-impact-statement-establishing-self-certification-schemes-for-simple-residential-building-work-proactiverelease-pdf</p> <p>https://www.regulation.govt.nz/our-work/regulatory-impact-statements/regulatory-impact-statement-establishing-self-certification-schemes-for-simple-residential-building-work/</p>	

Part Three: Testing of Legislative Content

Consistency with New Zealand's international obligations

3.1. What steps have been taken to determine whether the policy to be given effect by this Bill is consistent with New Zealand's international obligations?
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We consider that the Trans-Tasman Mutual Recognition Act will apply to the minimum standards to be set in Gazette notices by the Plumbers, Gasfitters, and Drainlayers Board, under the Plumbers, Gasfitters, and Drainlayers Act. We plan to engage with the relevant Australian state authorities on self-certification provisions alongside other assessments to ensure consistency with obligations.
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Consistency with the government's Treaty of Waitangi obligations

3.2. What steps have been taken to determine whether the policy to be given effect by this Bill is consistent with the principles of the Treaty of Waitangi?

A treaty impact assessment was completed which concluded that none of the proposed changes will impact directly on the Crown's obligations under the Treaty and there are no changes to the Building Act that relate to the treatment of Māori or Māori land.

Te Puni Kōkiri was consulted during the development of policy proposals and on the draft Bill and had no feedback on the proposals.

Consistency with the New Zealand Bill of Rights Act 1990

3.3. Has advice been provided to the Attorney-General on whether any provisions of this Bill appear to limit any of the rights and freedoms affirmed in the New Zealand Bill of Rights Act 1990?	YES
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MBIE considers that there are no BORA concerns.

Offences, penalties and court jurisdictions

3.4. Does this Bill create, amend, or remove:	
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(a) offences or penalties (including infringement offences or penalties and civil pecuniary penalty regimes)?	YES
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(b) the jurisdiction of a court or tribunal (including rights to judicial review or rights of appeal)?	NO
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Clause 31: Introduces a new disciplinary offence for failing to provide a Certificate of Compliance with the required parties within the required timeframe, with a maximum penalty of \$10,000.
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Clause 34: Increases the maximum penalty for making a false claim for the purpose of obtaining a registration, licence, or renewal of licence, or certificate from \$10,000 to \$20,000, and adds endorsements to the matters that fall into this offence.
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Clause 35: Increases the maximum penalty for falsely claiming to be licensed or registered from \$10,000 to \$20,000 and adds endorsements to the matters that fall into this offence.
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Clause 36: Makes it an offence to fail or refuse to surrender an endorsement when required to by the Registrar.

3.4.1. Was the Ministry of Justice consulted about these provisions?	YES
<p>The new offences and penalties were sent to the Ministry of Justice Offences and Penalties vetting team. They provided feedback that the increases in penalties were significant and might not have a clear rationale.</p> <p>The rationale is that the current penalties for misrepresentation of the status and work by plumbers/drainlayers are inadequate for self-certification due to the potential harm that could be caused as a result of this misrepresentation. Incompetent plumbing and drainage can undermine the safe disposal of foul water and poor internal plumbing can increase chances of leaky pipes.</p> <p>The harm caused in these scenarios can include illness and contamination of the main water source (foul water) and leaky pipes can undermine the entire structure causing significant economic damage. Internal water damage is one of the costliest defects that can occur in the home.</p>	

Privacy issues

3.5. Does this Bill create, amend or remove any provisions relating to the collection, storage, access to, correction of, use or disclosure of personal information?	YES
<p>Clause 17: Registered plumbers or drainlayers who apply to become endorsed to self-certify will need to file relevant documentation required by the Board, which is expected to include information on their competence, training, and qualifications. The Board is likely to already hold similar information, with the new information providing further detail.</p> <p>Clause 18: Register of registered plumbers and drainlayers will contain information on whether the person is endorsed to self-certify.</p> <p>Clause 18: Some information contained on the Certificates of Compliance will be contained on a public database. This will likely include whether an address had self-certified work done and the name of the practitioner, but not information on the homeowner.</p>	

3.5.1. Was the Privacy Commissioner consulted about these provisions?	YES
<p>No significant privacy concerns or impacts were raised.</p>	

External consultation

3.6. Has there been any external consultation on the policy to be given effect by this Bill, or on a draft of this Bill?	NO
<p>An external consultancy, Sapere completed limited consultation in 2020 in the development of a report on a self-certification scheme for plumbers and drainlayers. In 2023 MBIE consulted on the consenting system and potential reform, which included consideration of options for self-certification.</p> <p>In 2024 and early 2025, MBIE conducted targeted engagement with BCAs and industry stakeholders on options for the development of a self-certification scheme. Stakeholders included insurers, building consent authorities, HOBANZ, building companies and Master Plumbers, the sole peak industry body for plumbers and drainlayers in New Zealand.</p> <p>MBIE carried out some limited consultation with the Plumbers, Gasfitters and Drainlayers (PGD) Board in the development of the policy option for self-certification for plumbers and drainlayers and has continued to engage with them through the development of the Bill.</p> <p>There has not been consultation with the public or entire industry on any of the proposals. Targeted engagement with key stakeholders will inform the development of secondary legislation.</p>	

Other testing of proposals

3.7. Have the policy details to be given effect by this Bill been otherwise tested or assessed in any way to ensure the Bill's provisions are workable and complete?	NO

Part Four: Significant Legislative Features

Compulsory acquisition of private property

4.1. Does this Bill contain any provisions that could result in the compulsory acquisition of private property?	NO

Charges in the nature of a tax

4.2. Does this Bill create or amend a power to impose a fee, levy or charge in the nature of a tax?	NO
While the Bill does introduce the following new fees and levies, these are in the form of cost recovery.:	
<ul style="list-style-type: none">• Application fee to become endorsed to self-certify• Fee to renew endorsement• Levy relating to new Board functions	

Retrospective effect

4.3. Does this Bill affect rights, freedoms, or impose obligations, retrospectively?	NO

Strict liability or reversal of the usual burden of proof for offences

4.4. Does this Bill:	
(a) create or amend a strict or absolute liability offence?	YES
(b) reverse or modify the usual burden of proof for an offence or a civil pecuniary penalty proceeding?	NO
Clause 31 introduces a strict liability disciplinary offence for failing to file a Certificate of Compliance within the timeframe. The offence involves the protection of consumers from those who have joined the voluntary self-certification scheme, given:	
<ul style="list-style-type: none">• Lacking a certificate is grounds for a BCA to refuse to grant a Code Compliance Certificate, which could lead to loss for the consumer• Non-compliant plumbing and drainage work could lead to health and safety risks, and the certificate is the primary means of conveying that the work is compliant.• There is a need to provide an incentive for self-certifiers to provide the certificate in a timely manner for the above reasons.	

Civil or criminal immunity

4.5. Does this Bill create or amend a civil or criminal immunity for any person?	YES
Clause 12 states that a Building Consent Authority will be excluded from liability in relation to decisions made in reliance on a certificate of compliance. This protection is limited to anything done or omitted to be done in good faith.	

Significant decision-making powers

4.6. Does this Bill create or amend a decision-making power to make a determination about a person's rights, obligations, or interests protected or recognised by law, and that could have a significant impact on those rights, obligations, or interests?	YES
<p>Clause 23, The Plumbers, Gasfitters, and Drainlayers Board may order a person's endorsement be suspended or cancelled if they are found guilty of a disciplinary offence.</p> <p>The Plumbers, Gasfitters and Drainlayers Act 2006 sets out:</p> <ul style="list-style-type: none">• The disciplinary offences that may lead to the exercise of the decision-making power• Procedures for decision-making, including appointing an investigator, holding a hearing, serving a notice of disciplinary proceedings and observing the rules of natural justice.• The Board's composition, procedures of appointment, and reporting and auditing requirements.• Appeal procedures, including the right to appeal against a decision to suspend or cancel the person's endorsement. <p>Safeguards to ensure these powers are used appropriately include:</p> <ul style="list-style-type: none">• procedures for decision-making and application of the principles of natural justice;• criteria for exercise of decision-making power;• the expertise and independence of decision-makers; and• appeal and review procedures.	

Powers to make delegated legislation

4.7. Does this Bill create or amend a power to make delegated legislation that could amend an Act, define the meaning of a term in an Act, or grant an exemption from an Act or delegated legislation?	NO

4.8. Does this Bill create or amend any other powers to make delegated legislation?	YES
<p>Clause 44 provides for regulations to be made by the Governor-General by Order in Council. The regulations contemplated by the Bill are further referred to in clauses 4 and 18.</p> <p>The regulations will provide for the matters of detail necessary to support the implementation and operation of the Act. The regulations required in order to implement the Act include regulations prescribing:</p> <ul style="list-style-type: none"> • The definition of self-certifiable plumbing and drainlaying that will define what work can be self-certified. • The content and information that must be included in a Certificate of Compliance <p>These matters are appropriate for secondary legislation as they are matters of detail for which it is not appropriate to utilise Parliamentary time and require flexibility as they may need to be changed in the future. Regulations will be drafted by Parliamentary Counsel Office, subject to Cabinet scrutiny, and not come into force until at least 28 days after their making.</p> <p>There are matters that are delegated to the Plumbers, Gasfitters, and Drainlayers Board to determine through Gazette notices, which include:</p> <ul style="list-style-type: none"> • Clause 16: The Board may prescribe the minimum standards that persons must meet to obtain an endorsement to self-certify. • Clause 17: The Board may prescribe the content and form for the application for a self-certification endorsement and the application for endorsement renewal. • Clause 18: The Board may prescribe the form of the Certificate of Compliance and the information to be kept on the public database. <p>It is appropriate for these matters to be determined by the Board as they are purely operational and implementational in nature.</p> <p>Clause 5 states the declaration that plumbing or drainlaying work will be self-certified, which must be filed with a building consent, must be in the form prescribed by the Chief Executive of the Ministry of Business, Innovation, and Employment. The form will be published on the Ministry's website.</p>	

Any other unusual provisions or features

4.9. Does this Bill contain any provisions (other than those noted above) that are unusual or call for special comment?	NO