



Annual Report

2025/2026

For the year ended 30 June 2026



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Chief Executive's foreword

This year reinforced a key insight from our work: New Zealanders experience regulation as a connected landscape, not as a series of separate rules and processes.

A consent process, reporting requirement, licence, permit or inspection may each appear discrete. In practice, people encounter them together as they build homes, run businesses, employ staff, access services, invest, innovate and contribute to their communities. The cumulative effect matters.

Regulation is one of the ways governments translate public expectations into practical outcomes. It helps keep people safe, protect the environment, support fair markets, and enable services and infrastructure that individuals and businesses cannot provide alone. When regulation is well designed, it can achieve these outcomes while remaining proportionate, predictable and easy to navigate.

The quality of people's experience with regulatory systems also shapes trust in public institutions. When regulation is clear, responsive and well-coordinated, it contributes to confidence in government. When it is fragmented, inconsistent or unnecessarily complex, it can impose costs, create frustration and undermine confidence.

A significant milestone this year was publishing New Zealand's first comprehensive picture of the country's regulatory systems. Bringing together information from across government allowed us to better understand who regulates what, how responsibilities are distributed, and where systems intersect. For the first time, we have a clearer view of the regulatory landscape as New Zealanders experience it, rather than as individual agencies see it. This provides a stronger foundation for identifying where complexity arises and where lasting improvements can be made.

Alongside this work, we focused on making practical improvements to regulatory performance. This included supporting agencies to improve how they regulate, reducing unnecessary burden where possible, and helping ensure regulatory systems continue to deliver the protections and outcomes that New Zealanders expect. We also continued to undertake regulatory reviews, build capability across the public sector and engage with people and organisations throughout New Zealand.

The lived experience of those who interact with regulation remains central to our work. Submissions to the Red Tape Tipline, conversations with regulated sectors, collaboration with agencies and feedback from communities helped ensure our work remained grounded in the realities people face every day.

Evidence is equally important. Cost-benefit analysis helps decision-makers better understand the likely impacts of regulatory proposals, including who bears the costs and who receives the benefits. Combined with our mapping of the regulatory landscape and our focus on user experience, it supports more informed decisions and better regulatory outcomes. More detail on this work is provided later in this report.

I am encouraged by the growing recognition across government that good regulation matters. It supports a productive economy, effective public services, environmental stewardship, stronger communities and greater opportunities for New Zealanders. Achieving these outcomes requires long-term thinking, strong partnerships and a willingness to understand problems before seeking solutions.

Over the past year, we strengthened the foundations for better regulation in New Zealand. We now have a clearer picture of the regulatory landscape, deeper insight into where improvement is needed and a stronger evidence base to support future reform. These foundations will help us identify where change is most needed and ensure that reform is informed by both evidence and the experiences of New Zealanders.

I would like to thank the people, businesses, community groups, regulatory practitioners, agencies and public sector organisations that contributed to our work over the past year. Their perspectives, expertise and willingness to engage are essential to improving regulation.

I also acknowledge the people of the Ministry for Regulation. Their professionalism, expertise and commitment continue to strengthen regulatory practice across government and support better outcomes for New Zealanders.

Together, we are helping to create regulation that is easier to navigate, more effective in achieving its intended outcomes and better able to meet New Zealand's future needs.



Gráinne M Moss

Gráinne Moss

Secretary for Regulation
and Chief Executive
Ministry for Regulation

Statement of Responsibility

About this annual report

This 2025/26 annual report is the primary accountability document for the Ministry for Regulation. It describes the work we have carried out to achieve better regulation and better outcomes for all New Zealanders.

The annual report informs our stakeholders — Parliament, New Zealanders and public organisations — about our strategic intentions, priorities, service performance and financial performance.

This annual report covers the 12-month period from 1 July 2025 to 30 June 2026. It has been prepared in keeping with the requirements of the Public Audit Act 2001 and the Public Finance Act 1989.

Statement of Responsibility

I am responsible, as Chief Executive of the Ministry for Regulation (the Ministry), for:

- the preparation of the Ministry's financial statements, and statements of expenses and capital expenditure, and for the judgements expressed in them
- having in place a system of internal controls designed to provide reasonable assurance as to the integrity and reliability of financial reporting
- ensuring that end-of-period performance information on our appropriation administered by the Ministry is provided in accordance with sections 19A to 19C of the Public Finance Act 1989, whether or not that information is included in this annual report, and
- the accuracy of any end-of-period performance information prepared by the Ministry, whether or not that information is included in this annual report.

In my opinion:

- the financial statements fairly reflect the financial position of the Ministry as at 30 June 2026 and its operations for the year ended on that date, and
- the forecast financial statements fairly reflect the forecast financial position of the Ministry as at 30 June 2027 and its operations for the year ending on that date.



Gráinne Moss

Secretary for Regulation and Chief Executive
Ministry for Regulation
28 September 2026

Glossary of terms

Term	Description
What is regulation?	The Ministry for Regulation takes a broad view of regulation. We consider that it encompasses any government intervention that is intended to order or influence people's behaviour, or how they interact with each other, including by restricting the use and exchange of private property, resources or capital to pursue a desired policy objective.
Regulatory systems	Regulatory systems consist of formal and informal rules, norms, and sanctions, given effect through the actions and practices of designated actors that work together to shape people's behaviour or interactions in pursuit of a broad goal or outcome. New Zealand has over 100 regulatory systems. Examples are the: • housing regulatory system • food safety regulatory system • resource management regulatory system.
Regulatory stewardship	Regulatory stewardship is the proactive governance, monitoring and care of regulatory systems. The concept recognises that we cannot take a 'set and forget' approach to regulatory systems but instead need to proactively steward regulatory systems to identify where they are no longer fit-for-purpose and ensure they are delivering best value for New Zealanders.
The Regulatory Management System	The Regulatory Management System is a set of policies, institutions, tools, and processes employed by central government to help it develop, deliver, and maintain high-quality regulation that provides value for money, and does not impose unnecessary costs. New Zealand has one Regulatory Management System. It is the overarching system and includes: • primary legislation such as the Regulatory Standards Act 2025 • systems, processes, policies and tools, such as Cabinet circulars for regulatory analysis, consistency accountability statements and capability development • agencies and bodies such as the Ministry for Regulation, the Parliamentary Counsel Office and the Regulatory Standards Board.
Responsible regulation	Responsible regulation requires those responsible for proposed or existing legislation to carefully consider its impact on the rights and freedoms of New Zealanders, and to follow good law-making processes to ensure legislation is necessary and proportionate, and that its benefits outweigh its costs.



Our operating environment

Regulation comes at a cost. Every requirement, approval, and compliance obligation requires time, resources and effort from individuals, businesses, and government. When the benefits outweigh those costs, regulation serves an important purpose. When they do not, regulation creates friction throughout the economy, slowing decision-making, reducing productivity, and making it harder for New Zealanders to get things done.

Regulation affects New Zealanders every day

Good regulation often goes unnoticed. It supports safe products, reliable services, fair markets and public confidence. When regulation is well designed, it protects what matters while supporting innovation, investment and economic growth. When it is unnecessarily complex or poorly maintained, it can create delays, increase costs, and divert resources away from more productive activities. The challenge for government is to ensure the benefits of regulation outweigh the costs it imposes.

New Zealand's regulatory performance has declined

Regulation is a vital tool for delivering public benefits and managing risks. But international benchmarking suggests New Zealand has not kept pace with improvements made by many of our peers. Organisation for Economic Co-operation and Development (OECD) Product Market Regulation Indicators show that New Zealand's relative performance declined from a world-leading position in 1998 to below the OECD average by 2023.¹

Without ongoing review and stewardship, unnecessary complexity can accumulate over time, imposing costs on businesses, reducing productivity, and creating unnecessary friction in people's lives.

New Zealand's regulatory landscape is large and complex

Over time, New Zealand's regulatory landscape has expanded. In 2026 we have a regulatory system with over 1,200 primary Acts and a resulting cascade of thousands of pieces of secondary legislation spread across a confusing framework of ministerial portfolios and responsible agencies.

This is a complex system for businesses and people to navigate. The administration cost of regulation compliance is estimated to be over \$5 billion per annum, and that amount is growing.²

Many regulatory systems rely on multiple organisations working together, often without a single organisation holding a complete view of how the system operates from end to end. This creates challenges for coordination, accountability, and stewardship.

In May 2026, the Ministry for Regulation (the Ministry) completed the first comprehensive review of New Zealand's regulatory landscape. The review found that more than 260 organisations carry out all or part of a regulatory function across New Zealand.

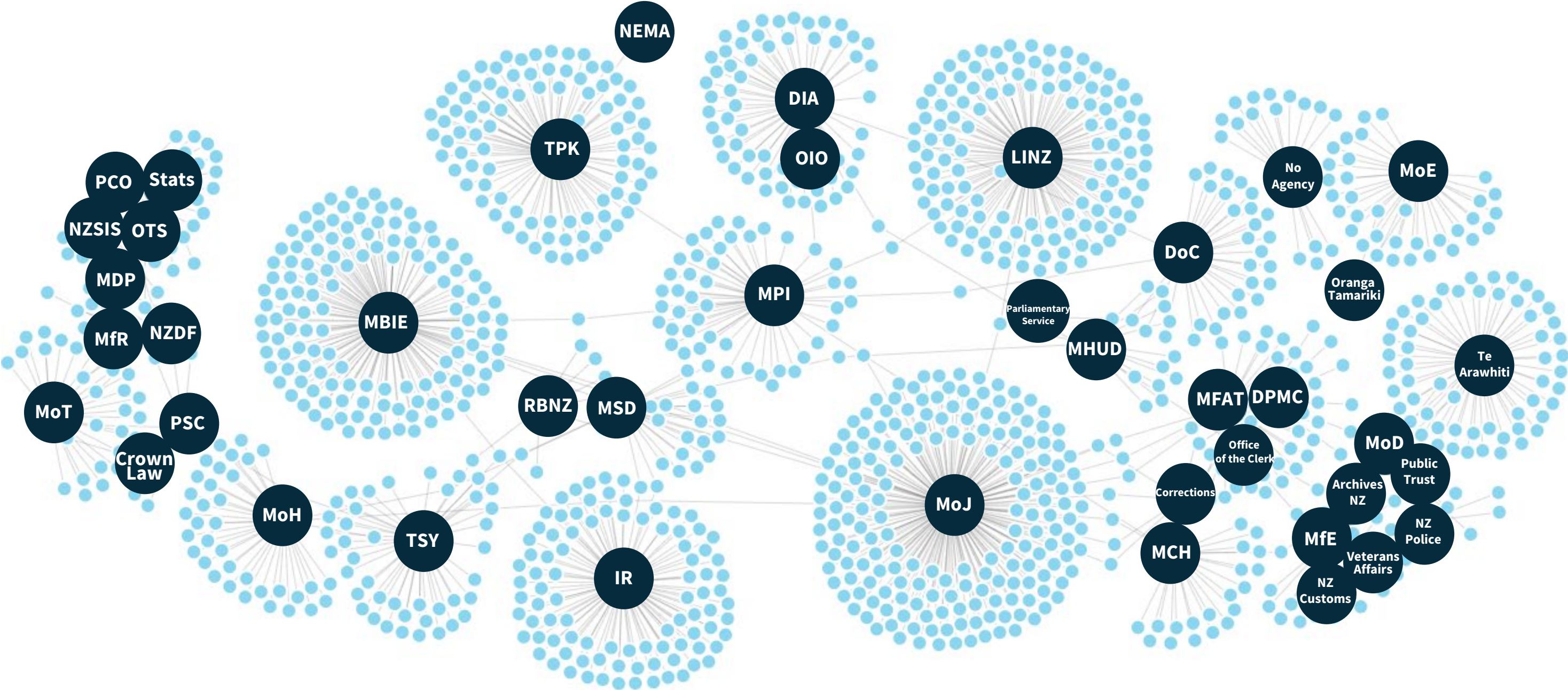
Regulatory responsibilities are widely distributed across government departments, Crown entities, local government, statutory bodies, and other organisations.

The diagrams on the following two pages represent a complex system of regulation clustered around administering agencies.

1. Product Market Regulation | OECD: oecd.org/en/topics/product-market-regulation

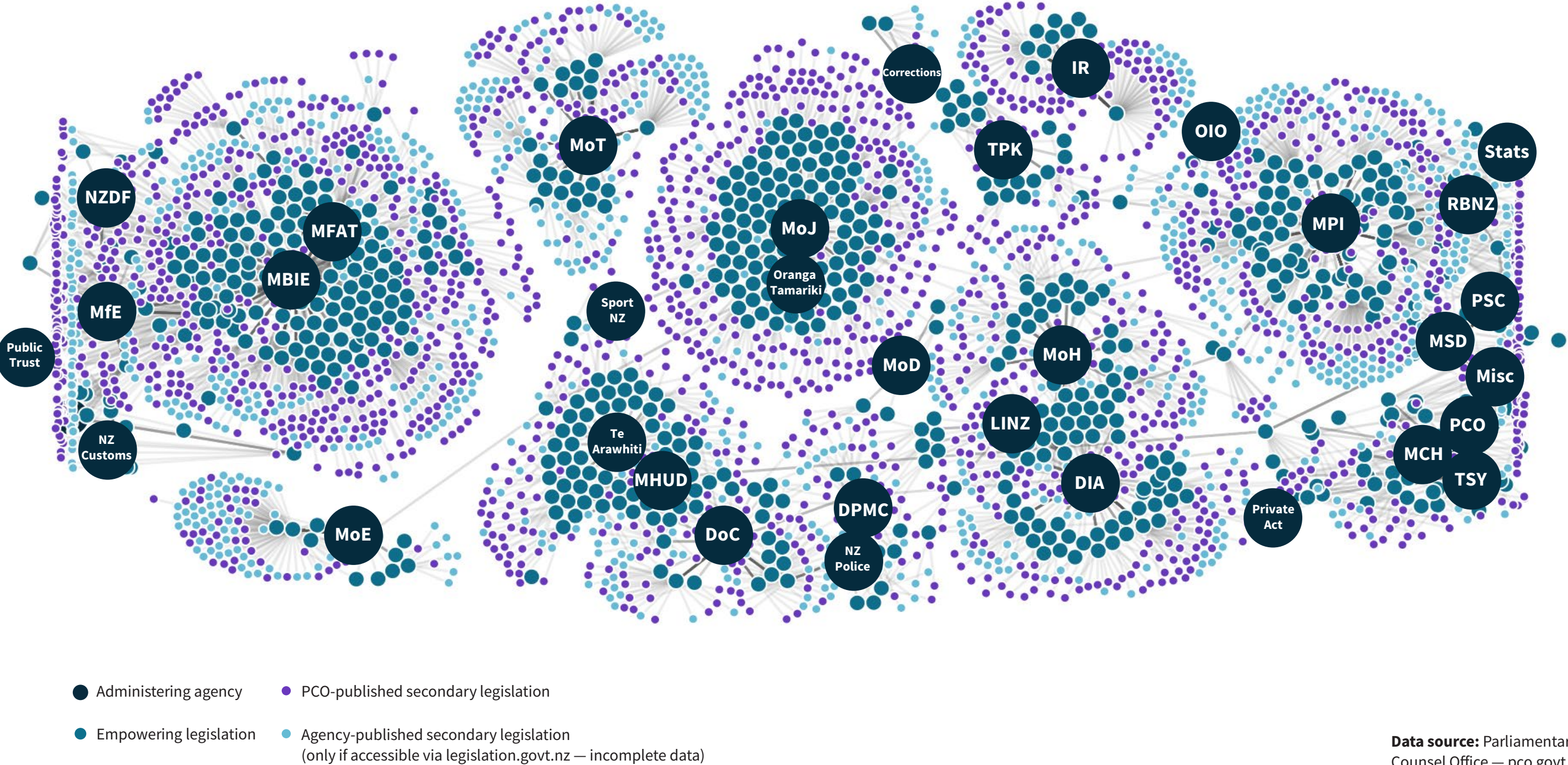
2. The estimate is as reported by the New Zealand Institute of Economic Research on the cost of compliance on business in 2016

New Zealand principal public Acts



Data source: Parliamentary
Counsel Office — pco.govt.nz
December 2025

New Zealand secondary legislation
by empowering legislation and
administering agency



Data source: Parliamentary
Counsel Office — pco.govt.nz
December 2025



Responding to the challenge

The Ministry for Regulation exists to improve the quality of regulation in New Zealand and strengthen the performance of the Regulatory Management System.

As regulatory systems become larger and more complex, it becomes increasingly important to ensure regulation remains necessary, proportionate, and focused on delivering benefits that outweigh the costs imposed on people, communities, and businesses.

As the steward of New Zealand's Regulatory Management System, we work across government to improve the quality of new regulation, reduce unnecessary regulatory burden, strengthen regulatory stewardship, and build capability across the regulatory system.

We undertake reviews of existing regulation, provide independent advice on new regulatory proposals, support regulators to improve their practices, and help ensure the impacts of regulation are visible in decision-making. This work supports a regulatory environment that is more transparent, accountable, and easier for New Zealanders to navigate.

Our core functions

Our work spans the lifecycle of regulation, from design to implementation and review. In particular, we do this by:

- making sure new regulatory proposals are well designed before decisions are made
- reviewing existing regulation and recommending improvements
- building capability across regulatory systems
- supporting agencies to steward their regulatory systems
- implementing the Regulatory Standards Act 2025 and supporting agencies to meet its requirements.



Connecting New Zealand to international regulatory practice

Achieving good regulation is a global challenge. This is why all advanced economies have processes in place to improve regulatory quality and practice. Some of New Zealand's international trade agreements also include expectations or obligations that promote good regulatory practice.

This year, we engaged with international organisations and regulatory oversight agencies to stay connected to emerging good regulatory practice and learn from reforms being implemented overseas. Our engagement included participating in OECD regulatory policy forums, international benchmarking exercises, and regulatory networks in Australia.

As a small country, by monitoring developments overseas, sharing knowledge with international counterparts and participating in benchmarking exercises, we can learn from the successes and failures of others. It also helps us to meet international expectations and to support areas where regulatory cooperation across borders is important to New Zealand.

From foundations to delivery

The Ministry for Regulation exists to improve how regulation works for New Zealanders. During 2025/26, we continued building on the foundations established in our first year and delivered significant regulatory reforms, system improvements and capability initiatives designed to reduce unnecessary regulatory burden, improve the quality of regulation and strengthen the performance of regulatory systems across government.

This year we exceeded the commitment that we made to the Government by initiating five regulatory reviews and continued to support implementation of recommendations from previous reviews. Collectively, this work identified opportunities to reduce unnecessary costs, improve access to products and services, strengthen competition and innovation, and improve how regulation is designed and administered.

A major highlight of this year was publishing *The State of New Zealand's Regulatory Systems*³ — the first comprehensive review of New Zealand's regulatory landscape. This publication provides government with a stronger evidence base for improving stewardship, strengthening accountability and ensuring regulatory systems remain fit for purpose.

The Ministry also played a central role in the policy development and implementation of the Regulatory Standards Act 2025. Together, these changes are improving transparency, strengthening accountability, and helping ensure regulatory decisions are informed by evidence and a clear understanding of their impacts.

New Zealanders have continued to use the Red Tape Tipline to tell us where regulation is creating unnecessary costs, delays or complexity. This direct line between New Zealanders and the Ministry helped us to identify opportunities for improvement and contributed to practical

changes that reduced regulatory burden and improved how regulation works in practice.

Alongside regulatory reform, we continued building capability across the regulatory system. We published practical guidance to help regulators respond to emerging technologies, including artificial intelligence (AI), and continued supporting regulators, boards and chief executives to strengthen regulatory stewardship and governance. We also launched our first People Strategy and graduate programme, and invested in leadership and digital capability.

The Ministry continued to perform strongly against its formal service commitments — meeting or exceeding all of our primary performance targets. Cabinet accepted 86% of the Ministry's recommendations arising from our reviews, demonstrating that our work is identifying practical opportunities for reform that the Government considers worthwhile pursuing.

Economic analysis⁴ indicates that the Ministry's work is expected to generate a net benefit of between \$227 million and \$424 million over 10 years through lower compliance costs, improved productivity, reduced delays, increased investment and better-functioning regulatory systems. Based on the Ministry's operating costs, this is equivalent to an estimated return of between \$6 and \$11 in public benefit for every dollar invested in the Ministry.

These findings provide confidence that targeted regulatory reform can deliver substantial value for New Zealanders and the wider economy.

During 2025/26, we continued to make progress towards creating a stronger foundation for better regulation and, therefore, better outcomes for all New Zealanders. Ultimately, our success is measured by whether New Zealand's regulatory systems work better for the people, communities and businesses they serve, making it easier to get things done.

3. See the review: regulation.govt.nz/regulatory-landscape

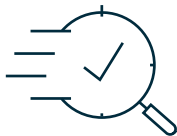
4. The Ministry's economic analysis has been independently reviewed by Motu Research.

Our highlights



Regulatory reviews

5 initiated against
our target of 4



\$1,600 / 15 hours

Average consent fee /
application time households
may avoid under new
garden shed rules



1st

comprehensive map of
New Zealand's regulatory
landscape developed



Supported the passage
and implementation of the
Regulatory Standards Act
2025



1,223

new signups to RegRoom,
our online collaboration
and learning portal



535

responses to Official
Information Act requests
and written parliamentary
questions



5,300+

downloads of our Quick
Guides to Good
Regulatory Practice

100%

of staff surveyed by the
Ombudsman viewed the
Ministry as strongly
committed to openness



FINALIST

Talent Acquisition Award
2026 NZ HR Awards



Regulatory reviews

8 completed
2 in progress

200+

low complexity
reviews completed



\$227-\$424m

in net benefit from all our
regulatory reviews

☐ In 2025/2026 financial year

☒ Ministry establishment
to 30 June 2026

Our impact

The Ministry for Regulation is focused on reducing unnecessary regulatory burden and improving the quality of regulation. By doing so, we help create a regulatory environment that supports innovation, investment, productivity, and the ability of New Zealanders to get on with the things that matter to them.

Regulation should not create more burden than benefit

At the centre of our work is a simple principle: the cost of regulation should not exceed the benefit it creates. When regulation is well designed, it supports innovation, investment, competition and public confidence without overwhelming the regulated party with burden or distorting beneficial market outcomes.

The change we are seeking over time requires a system-wide shift across government in how regulation is designed, assessed, implemented and reviewed. We are focused on the following key shifts:

- regulatory settings that make it easier for businesses and New Zealanders to invest, innovate and grow, supporting higher productivity, stronger economic performance and improved living standards
- a reduction in unnecessary regulation and regulatory burden
- higher-quality regulatory proposals that are supported by robust evidence and analysis
- greater capability across the public sector to strengthen the performance of regulatory systems, including to support improved regulatory decision-making.

Together, these shifts help ensure regulatory systems continue to deliver value over time and that the impacts on regulated New Zealanders remain visible and central to decision-making.

Evidence-based decision-making

A regulatory proposal founded in robust evidence supports better analysis and enables decision-makers to make better-informed decisions.

Economics is one framework for understanding how regulation changes behaviour and whether the benefits of regulation outweigh the costs imposed on people, communities and businesses.

Cost-benefit analysis is an important part of the Ministry's approach to assessing regulation. It helps us to identify and quantify the benefits and costs of regulatory proposals, which in turn provides decision-makers with a clearer understanding of the likely impacts. By applying a consistent economic framework across our reviews and reform work, we can better assess where regulatory change is likely to deliver the greatest benefit for New Zealanders.

The Ministry maintains an economic research programme and contributes to lifting economic capability across the public sector. Our research examines the impacts of regulation and explores ways to improve New Zealand's regulatory system. We also provide guidance, case studies and tools that help agencies apply economic analysis and cost-benefit analysis more effectively.

We are making a difference

The benefits of our work are already emerging. We estimate that the Ministry's work is likely to deliver a net benefit of between \$227 million and \$424 million over 10 years.⁵ This is a significant increase on the estimate of economic benefit

we published last year and reflects the growing impact of regulatory improvements already underway. These benefits are expected to arise through lower compliance costs, reduced delays, improved productivity, increased investment and better-functioning regulatory systems.

However, the value of better regulation is evident beyond the numbers. For New Zealanders, it is often experienced through reduced delays, less paperwork, fewer unnecessary barriers, and having more time to spend on the things that matter. Our regulatory reviews have contributed to reforms that reduce unnecessary compliance costs, improve access to products and services, support innovation and simplify regulatory requirements.

These benefits reflect tangible impacts on New Zealanders. Whether it is making it easier to build a shed, access childcare, adopt new technology, run a small business, manage a loved

one's estate, or access products and services more quickly, our work focuses on reducing unnecessary friction in people's lives.

Ultimately, our success is measured by whether New Zealand's regulatory systems work better for the people, communities and businesses they serve. By putting the experiences of regulated New Zealanders at the centre of regulatory design, implementation and review, we can create a system that is easier to navigate, more transparent, and better able to support economic and social outcomes.

Put simply, better regulation leads to better outcomes for New Zealanders.

Weighing the costs and benefits of change

What is cost-benefit analysis?

Cost-benefit analysis (CBA) is a method of evaluating the wellbeing impacts of policy. It involves identifying the main costs and benefits, estimating their dollar value where possible and assessing whether the overall benefits justify the costs.

Some costs and benefits are easy to put a dollar value on. Examples include the cost of a new information technology system and the benefit of reducing red tape for businesses. Others are harder to measure — such as the cost of litter in public spaces or the cultural value of a public holiday.

Of course, not every impact can be expressed as a dollar value. Where this is the case, the cost or benefit should be described separately, so readers understand what is missing in the final net benefit figure.

Making informed decisions about regulatory change

We use CBA to assess whether regulatory changes are likely to benefit New Zealanders, and to identify any unintended costs that may arise.

We apply CBA to our regulatory reviews and the issues we assess through our Red Tape Tipline. The level of analysis depends on the scale and complexity of the issue: it can range from detailed modelling for major reviews to lighter-touch assessments for smaller proposals or where impacts are harder to quantify.

5. The Ministry's estimates of net benefit have been independently reviewed by Motu Research.
For more detail on the benefits: regulation.govt.nz/delivering-value

Where analysis shows that costs are likely to exceed benefits, CBA provides evidence to refine or reprioritise a proposal or, in some cases, not proceed with it at all.

A headline net-benefit figure does not show who receives the benefits or bears the costs. For example, a proposal might reduce costs for businesses while increasing costs for consumers or taxpayers. A good CBA considers these impacts alongside the overall net benefit.

Leading good practice in cost-benefit analysis

We have completed 16 externally peer-reviewed CBAs and published a selection of these on our website as examples of good practice.

We also publish guidance and deliver training to help agencies build capability in CBA and strengthen the evidence base for regulatory decision-making.

Every regulatory proposal should consider costs and benefits, and the level of analysis should match the proposal's potential impact.

CBAs help decision-makers assess whether regulatory changes will improve the wellbeing of New Zealanders. They encourage discipline and make clear the trade-offs of proposals, including who benefits and who bears the costs.

For more information see: **regulation.govt.nz/CBA**

Our strategic direction

The Ministry's Strategic Intentions 2024/25–2028/29 set the direction for our work throughout the reporting period. Building on the foundations established during our first year, they focused our efforts on improving the quality and performance of regulation and reducing unnecessary regulatory burden where it exists. Our work was guided by four long-term outcomes: higher-quality regulation, greater transparency, increased public trust and confidence, and increased regulatory capability across government.

Our objectives

During the year we continued to focus on leading the Regulatory Management System to reduce unnecessary regulatory burden and deliver higher-quality regulation that works. We focused our work on four strategic objectives:

- providing leadership across government to strengthen the Regulatory Management System
- improving the quality of new regulatory proposals and advice, so decisions are based on sound evidence and analysis
- enhancing the performance of regulatory systems, ensuring they are efficient, resilient and responsive
- building capability across the regulatory workforce, equipping leaders and practitioners with the tools and knowledge they need to apply good regulatory practice.

These objectives are closely connected. Improving the quality of regulatory advice helps government make better decisions. Stronger regulatory systems can reduce unnecessary costs and improve services. Building regulatory capability supports more consistent and effective decision-making. Together, these activities contribute to a regulatory environment that supports productivity, encourages innovation and helps people, communities and businesses get things done.

The following sections describe the progress we have made against these objectives during 2025/26 and how this work is contributing to better regulatory outcomes for New Zealanders.

Responding to a changing regulatory environment

In June 2026, the Ministry refreshed its Strategic Intentions for the four financial years beginning 1 July 2026 to reflect significant developments in New Zealand's regulatory environment, including the implementation of the Regulatory Standards Act 2025 and the Ministry's expanding stewardship role.

The Ministry's role is to bring discipline, evidence and balance to regulation decision-making, and to ensure that the impact on those who are regulated is visible and taken seriously. The framework explains how the Ministry's activities contribute to change over time and how those changes benefit New Zealanders. It provides a clear line of sight from the Ministry's work to the improvements we seek across the regulatory system and the longer-term outcomes we aim to achieve.

See our 2026/27–2029/30 Strategic Intentions: regulation.govt.nz/strategic-intentions-2030

Reporting on our progress

This section sets out the progress we made against our Strategic Intentions and highlights the work we delivered in 2025/26. Consistent with last year's annual report, we present our progress under four themes:

1. Open regulation, trusted decisions

3. Regulation that works for people

2. Better regulation, better outcomes

4. Stronger regulators, smarter systems

Throughout this report we have included case studies to illustrate how our work is contributing to better outcomes for people, communities and businesses.

This year the Ministry continued its strong delivery. We initiated five new regulatory reviews and provided almost 40 potential regulatory changes for consideration. We supported the passage and implementation of the Regulatory Standards Act 2025 and more than 1,200 regulatory staff have engaged with Ministry

guidance and tools to support their capability growth.

The benefits of our work can be evidenced through lower compliance costs, reduced delays, improved access to products and services, and better-functioning regulatory systems.

Economic analysis shows that for every dollar that New Zealand spends on the Ministry, it receives a benefit of \$6 to \$11.

We are making it easier for people, communities and businesses to get things done.

Open regulation, trusted decisions

New Zealanders expect regulation to be necessary, proportionate, and transparent. During the year, the Ministry continued its work to improve the quality of regulation across government. Better regulatory decision-making helps ensure regulations are well designed, their impacts are understood, and they deliver value for New Zealanders.



Key achievements

1. Enacting the Regulatory Standards Act
2. Implementing the Regulatory Standards Act

Strategic objectives

- Improving the quality of new regulatory proposals and advice
- Providing leadership across government to strengthen the Regulatory Management System



Government priority

Enacting the Regulatory Standards Act 2025

At the centre of these improvements is the new Regulatory Standards Act 2025. The Act is designed to improve transparency and accountability by requiring government agencies to be clear about where legislation is inconsistent with the principles of responsible regulation set out in the Act. This will help bring greater transparency to decision-makers about the impacts of regulation and make it easier for Parliament and the public to understand why regulation is being proposed and what impacts it may have.

What we did

The Ministry supported the passage of the Regulatory Standards Bill and was appointed as advisor on the Bill to Parliament's Finance and Expenditure Committee. The Bill attracted significant public interest and engagement throughout the select committee process, with the committee receiving approximately 166,300 submissions — the second-highest number of submissions ever received on a Bill in New Zealand. The Ministry ensured that all submissions accepted by the select committee were reviewed, summarised, and reflected in the advice provided to the committee.

The Act was enacted on 18 November 2025 and came into force on 1 January 2026 — with the exception of Part 2 of the Act, which came into force on 1 July 2026.

This phased approach allowed the Ministry to work closely with agencies to support them to understand the requirements of the Act, and build the necessary capability and systems to meet the new requirements.



Government priority

Implementing the Regulatory Standards Act 2025

The passage of the Act was a significant milestone, but it was only the first step in improving the quality and transparency of

regulation in New Zealand. Delivering the benefits of the Act required extensive implementation work across government to ensure agencies understood the new requirements, had the tools and guidance they needed, and were ready to meet their new obligations when the legislation came into force.

What we did

During the year, the Ministry worked closely with departments, regulators, central agencies, the Crown Law Office, and the Parliamentary Counsel Office to support implementation of the Act. This included developing guidance, reforming regulatory analysis requirements, strengthening stewardship expectations, and establishing the systems needed to support the new framework. By helping agencies prepare early, we sought to ensure a smooth transition and create a more consistent approach to how regulation is developed, assessed, and maintained across government.

Our work in implementing the Act has fallen broadly into five areas:

- issuing statutory guidance and other support for consistency accountability statements
- strengthening and streamlining regulatory impact analysis requirements
- excluding legislation from the requirements of the Act
- strengthening and clarifying regulatory stewardship obligations
- establishing the Regulatory Standards Board.

Together, these changes are intended to strengthen how regulation is developed, assessed, and maintained across government. Over time, this will help improve transparency and ensure regulatory impacts are better understood.

Issuing statutory guidance and other support for consistency accountability statements

To support a common approach to consistency assessments across government, the Ministry worked with the Crown Law Office and Parliamentary Counsel Office to develop statutory guidance on the requirements of the Act. Issued jointly by the Minister for Regulation and Attorney-General in May 2026, the guidance

explains how the principles should be applied and how legislation should be assessed for consistency, and includes standard templates for consistency accountability statements.

The Ministry also supported the development of a new Cabinet Circular on good law-making and published guidance on exemptions from consistency assessment requirements. Together, these resources promote a more consistent approach across government and make it easier for Parliament and the public to understand how regulatory proposals have been assessed.

Strengthening and streamlining regulatory impact analysis requirements

Implementing the Act has provided an opportunity to sharpen and simplify regulatory impact analysis requirements. Changes have aimed to ensure that ministers receive robust and concise impact analysis at the right time, costs for government agencies are minimised, and regulatory impact analysis requirements are well-aligned with requirements under the Act.

Changes have included a new, streamlined Regulatory Analysis Summary template to replace the existing Regulatory Impact Statement, removal of supplementary analysis, and removal of quality assurance for regulatory discussion documents.

To support agencies to understand the new requirements, the Ministry has also refreshed supporting guidance documents and has run a series of webinars.

Excluding legislation from the requirements of the Act

The Act is intended to apply broadly across legislation, with only a limited number of exclusions. While the Act does not allow one-off exemptions, it provides a mechanism for legislation to be excluded where applying the requirements would not be appropriate or practicable. Under section 7, the Minister for Regulation may recommend exclusions, subject to approval by the House of Representatives.

Following the enactment of the Act, the Ministry consulted with agencies to identify legislation that met the exclusion criteria and worked with the Parliamentary Counsel Office to draft the

Regulatory Standards (Excluded Legislation) Notice 2026. The Notice was approved by the House and came into force on 1 July 2026.

Strengthening and clarifying regulatory stewardship obligations

The Act strengthened regulatory stewardship by requiring public service chief executives to actively oversee the regulatory systems they administer. The Ministry supports agencies to meet these responsibilities by developing guidance and tools, monitoring progress, and working with major regulatory agencies to strengthen governance, monitoring and collaboration across regulatory systems.

Regulatory stewardship recognises that legislation should not be left unchanged indefinitely. Government agencies are expected to regularly assess whether legislation remains effective, efficient, and consistent with the principles of responsible regulation. These assessments help identify outdated or unnecessarily complex rules before they create unnecessary costs or burden for New Zealanders.

To support implementation of the Act, the Ministry issued guidance to help agencies develop the legislative review plans required under section 17 of the Act and prepare for ongoing stewardship responsibilities.

Establishing the Regulatory Standards Board

The Act provides for an independent Regulatory Standards Board, which plays an important assurance role within the Regulatory Management System by considering consistency accountability statements for Bills that are before select committee and inquiring into the consistency of existing legislation. This helps ensure government agencies are meeting their obligations under the Act.

The Board also provides an independent channel for New Zealanders to raise concerns about legislation they believe is no longer working as intended.

The Ministry supported the establishment of the Board, including by managing appointments, inducting members, and putting in place the systems and processes required to support its work. The Board formally commenced operations on 1 July 2026, when Part 2 of the Act came into force.

Better regulation, better outcomes

When regulation works well, it protects what matters while supporting innovation, investment, productivity, and economic growth.



Key achievements

1. Five regulatory reviews initiated, against a target of four
2. 300+ Cabinet papers considered

Strategic objectives

- Enhancing the performance of regulatory systems, ensuring they are efficient, resilient and responsive
- Improving the quality of new regulatory proposals and advice, so decisions are based on sound evidence and analysis



Government priority

Enhancing the performance of regulatory systems

One of the Ministry’s key mandates is to undertake regulatory reviews of regulatory systems or sectors.

This year we exceeded our commitment to the Government by initiating five regulatory reviews (see Table 1).

Table 1: Reviews initiated in 2025/26

Review	Initiated	Report published	Status	Impact (\$million net benefit over 10 years)
Hospitality sector	Jul 2025	Delivered to ministers	Cabinet decisions pending	Not available at 30 June 2026 (Final report published Sept 2026)
Product labelling	Jul 2025	Delivered to ministers	Cabinet decisions pending	Not available at 30 June 2026 (Final report published Sept 2026)
Regulatory landscape ⁶	Dec 2025	May 2026	The evidence base is now integrated into business as usual	n/a
Residential solar	May 2026	Jul 2026	Implementation started	\$28m–\$50m
Offensive trades	Jun 2026	Aug 2026	Implementation started	\$0.1m–\$2.26m

6. Our review examined New Zealand’s regulatory landscape as a whole. It identified issues and opportunities for improvement and generated new evidence to support regulatory stewardship and future reform. On that basis, it has contributed towards the Ministry’s regulatory review target.

Our reviews look for opportunities to reduce unnecessary costs, remove barriers to innovation, improve access to new products and services, and strengthen the performance of regulatory systems. In many cases, the benefits extend beyond those directly affected by regulation as more efficient regulation can support lower costs for consumers, increased business investment, greater competition, and higher productivity across the economy.

We also continued to monitor progress on earlier reviews, supporting implementation and tracking how recommendations are contributing to regulatory improvement over time (see Table 2).

Table 2: Reviews initiated in previous reporting years

Review	Initiated	Report published	Status	Impact (\$million net benefit over 10 years)
Early childhood education sector	Jun 2024	Dec 2024	Partially implemented and further legislative changes are before the House	\$49m–\$120m
Agricultural and horticultural products	Aug 2024	Feb 2025	Operational improvements have been made, and further legislative changes are before the house	Up to \$93m
Hairdressing and barbering	Dec 2024	May 2025	Implemented in full	Up to \$6.5m
Telecommunications	Apr 2025	Mar 2026	Ministers have begun work to implement the recommendations	\$15m–\$57m

On the following pages, we share more detail about each review initiated this year and provide an update on past reviews.

What is a regulatory review?

A regulatory review is an independent review of existing regulatory systems and regulatory practice that provides an opportunity to hear from regulated parties and others to identify how regulation or practice could be improved and to evaluate its impact on a sector.

A review can be informed by engagement with people and organisations who experience regulation first-hand. Their insights help us understand how regulatory systems operate in practice, identify where change is needed, and focus our recommendations on what could deliver the greatest impact.

For further detail, see the Ministry’s Regulatory Review Framework on page 32.

Hospitality sector review

The issue	What we found	Expected impact	Status
We had some evidence that hospitality sector regulation was becoming increasingly complex, costly and time-consuming to navigate.	The review identified 16 problems across food safety, alcohol licensing, fees and levies, information flows, and other regulatory systems affecting hospitality businesses.	The review's 24 recommendations are expected to simplify processes, lower compliance costs, reduce duplication and give businesses more time to invest in staff, customers and growth.	We have delivered the final report to ministers, who are considering a phased approach to implementing the review's recommendations.

The hospitality sector is a significant part of New Zealand's economy and communities, employing approximately 193,000 people and generating around \$21.4 billion in annual revenue.

The hospitality review was the Ministry's largest and most complex review to date. Hospitality businesses sit at the centre of multiple regulatory systems, government agencies and ministerial portfolios, and interact with regulators across central and local government. The review examined how requirements for food safety, alcohol licensing, fees and levies, information flows, transport, building and planning work together in practice, and the cumulative impact they have on restaurants, cafés, bars, hotels, food trucks, clubs and catering businesses.

Reflecting this complexity, the review was informed by 247 submissions and included extensive engagement with 21 hospitality businesses, 13 industry groups, 12 territorial authorities, members of 27 district licensing committees, and community organisations from across New Zealand.

The review found that regulation is generally effective at protecting public health and reducing harm, but there are areas where requirements are inefficient and difficult to navigate, as well as being disproportionate to risk or creating barriers to innovation and growth. Many businesses told us they spend significant time and effort dealing with multiple regulators, duplicated information requests, inconsistent processes, and compliance costs that do not always

reflect risk. The review identified 16 problems and made 24 recommendations designed to simplify requirements, improve consistency, and strengthen the performance of the regulatory systems affecting the sector.

If implemented, the recommendations would make it easier and less expensive to open and operate hospitality businesses, improve access to regulatory information, streamline regulatory processes, and help businesses spend less time dealing with regulatory complexity and more time serving customers, employing staff and investing in their communities. For New Zealanders, this impact would mean a stronger hospitality sector, greater consumer choice, more employment opportunities and more vibrant towns and cities.

For more information:
regulation.govt.nz/hospitality

Product labelling review

The issue	What we found	Expected impact	Status
Product labelling requirements have not kept pace with digital technology, international trade and changing consumer expectations.	The review found that product labels play an important role in keeping consumers safe, but the system can be overly complex and too prescriptive, and is outdated.	The review's 16 recommendations are expected to lead to lower compliance costs, greater use of digital labelling, improved access to products, stronger competition, and support for exporters.	The report was provided to ministers for consideration. Cabinet subsequently considered a subset of the recommendations and made decisions on their implementation, with responsible agencies progressing approved actions.

Product labels play an important role in helping consumers make informed choices and use products safely. The Ministry reviewed New Zealand's product labelling system after hearing concerns that some requirements were creating unnecessary costs and barriers for businesses.

The review looked at whether rules are fit for purpose and support competition, innovation, trade and consumer access to information. It focused on areas including supermarket competition, food and beverage labelling, over-the-counter medicines, dietary supplements and digital labelling technologies.

We listened to businesses who told us that unclear and fragmented labelling requirements can make it harder for them to compete, particularly where New Zealand requirements differ from key trading partners.

The final report made 16 recommendations across four areas:

- enabling digital labelling
- improving food and beverage labelling
- supporting competition in the retail grocery sector
- modernising over-the-counter medicines and dietary supplement regulation.

For New Zealanders, implementing these changes could mean greater consumer choice, increased competition, improved access to products, and

lower costs where businesses no longer need to meet duplicative labelling requirements. It could also help ensure New Zealand's product labelling system remains fit for purpose in a digital economy.

We estimated that the review's digital labelling recommendations would deliver approximately \$111 million in net benefits over 10 years, while the recommendations relating to grocery competition would deliver approximately \$166 million in net benefits over the same period.

For more information:
regulation.govt.nz/product-labelling

Case study: Reviewing regulation to support solar energy uptake

In 2025/26, we undertook a review of the regulatory settings affecting residential and small to medium scale solar installations in New Zealand.

The problem

The review was initiated after concerns were raised through our Red Tape Tipline and stakeholder engagement about the cost, complexity and delays involved in installing solar. Households, businesses and industry participants described a system involving multiple approvals, overlapping requirements and lengthy wait times across different parts of the installation process.

With demand for solar continuing to grow, we set out to understand whether the regulatory system was operating as intended and where opportunities existed to improve how the system worked in practice.

Who we spoke to

The review examined the full installation pathway, from planning and building requirements through to electricity network approvals, metering arrangements and inspection processes. International approaches were also reviewed to identify examples of regulatory best practice.

We completed the review within just 2.5 months. During this time, we received 200 submissions and engaged with more than 25 organisations covering consumers, installers, industry bodies, electricity sector participants, regulators and government agencies.

What we found

Analysis completed during 2025/26 identified significant opportunities to reduce unnecessary cost and delay. Our cost-benefit analysis estimated that regulatory improvements could deliver net benefits of between \$28 million and \$50 million over 10 years through lower compliance costs, reduced delays, a more efficient solar installation process and legalising plug-in solar.

The review was completed at the end of the financial year, with findings and recommendations published shortly afterwards.

“From our first discussion with the Ministry, there was open and meaningful engagement, alongside constructive challenge. The officials we dealt with were curious, evidence-led and committed to cutting through vested interests and decades of regulatory inertia wherever doing so is in line with better outcomes for New Zealanders.”

- Dave Karl, Director of Policy, Rewiring Aotearoa

What happened next

The recommendations were subsequently considered by Cabinet, which agreed a package of decisions to progress them. This included making changes to building consent exemption settings, progressing nationally consistent planning settings, exploring a more risk-based inspection model, progressing work to enable plug-in solar, and referring a number of recommendations to the Electricity Authority for consideration.

For more information, including the review report, cost-benefit analysis and stakeholder engagement summary: regulation.govt.nz/solar

Removing outdated and duplicated regulation for offensive trades

The issue	What we found	Expected impact	Status
Businesses in 19 activities classified as offensive trades were still required to pay annual registration fees and comply with duplicate requirements, despite being regulated through more modern regimes.	The framework no longer reflected modern risk-based regulation and imposed costs without delivering clear public health benefits.	This change is expected to lower compliance costs, reduce administrative burden, and lead to up to \$2.3 million in net benefits over 10 years.	The Government agreed to remove all 19 offensive trades from Schedule 3 of the Health Act 1956.

A submission through the Red Tape Tipline highlighted that businesses involved in activities such as fish curing, tanning, rendering and waste-related services were still subject to registration requirements developed decades ago to manage public health risks. Our review found these requirements duplicated controls already provided through modern regulatory frameworks and existing powers under the Health Act 1956.

Working with the Ministry of Health, local authorities and industry representatives, we found strong support for removing the outdated

requirements. The Government subsequently agreed to remove all 19 offensive trades from Schedule 3 of the Health Act 1956.

For businesses, this change reduces unnecessary fees, paperwork and administration. For New Zealanders, it is a practical example of modernising regulation by removing requirements that no longer add value while retaining protections that continue to safeguard public health.

For more information:
regulation.govt.nz/offensive-trades

Industrial hemp review

The issue	What we found	Expected impact	Status
Industrial hemp regulations were designed nearly 20 years ago and imposed significant compliance costs on a low-risk industry with growth potential.	The licensing regime was disproportionate to risk and was discouraging participation, innovation and investment.	The changes are expected to lead to lower compliance costs, increased investment and innovation, and new opportunities for growers, manufacturers and regional communities, generating up to \$7.8 million in net benefits over 10 years.	Cabinet agreed in November 2025 to replace the existing licensing regime with a more proportionate framework.

Industrial hemp is a low-risk crop with applications ranging from food and fibre to building materials and medicinal products. The review was informed by 28 submissions and engagement with industry groups, testing laboratories, downstream users and nine government agencies. It examined how industrial hemp regulation interacted with multiple regulatory systems, including misuse of drugs, medicines, food safety, medicinal cannabis and import/export controls.

The review found that regulations developed nearly 20 years ago were imposing restrictions and compliance costs that were disproportionate to the low risk created by the industry. It also found that the industry was performing poorly, despite strong growth potential, and that

regulation was almost certainly a contributing factor. Cabinet agreed to replace the licensing regime with a more proportionate framework that would reduce unnecessary barriers while still retaining safeguards to manage risk.

The changes are expected to reduce compliance costs and make it easier to cultivate, process and use industrial hemp. This could support investment in new products and markets, create opportunities for growers and manufacturers, and contribute to economic activity in regional communities. The reforms are expected to deliver between \$7.2 million and \$7.8 million in net benefits over 10 years.

For more information:
regulation.govt.nz/hemp

Erratum: A review into industrial hemp was announced in February 2025. It was not included in our statement of service performance or Annual Report for 2024/25. We have corrected our service performance information for the previous year and included details of the review in this Annual Report.

Case study: Mapping New Zealand’s regulatory landscape

In May 2026, we published the first comprehensive picture of New Zealand’s regulatory landscape. We can now see — for the first time and in one place — who regulates what, how responsibilities are organised, and how regulation is experienced by New Zealand citizens, businesses and communities.

What we did

Previous efforts to map New Zealand’s regulatory landscape focused on government departments and Crown entities. Our review took a different approach. We started from the point of view of citizens and businesses, asking not only “How is regulation designed to work?” but also “How is it actually experienced?”, regardless of an organisation’s formal legal power to require action, grant permissions, enforce rules or influence behaviour.

We found that New Zealanders experience a regulatory landscape that is broader and more nuanced than what central government directly administers or expects.

Underpinning this work is the Ministry’s new data platform, which holds our data in one place and lets us query across it to identify connections between regulatory systems, emerging issues and trends.

The platform now houses our database of regulatory organisations, the first comprehensive live record of the organisations responsible for one or more aspects of making, administering or delivering regulation in New Zealand. Bringing it together with our wider dataset means we can interrogate the landscape rather than simply describe it.

As a result, we identified more than 260 organisations carrying out regulatory functions across New Zealand. Of that total, around 36% are central government organisations and 30% are local government agencies. The rest are organisations that sit outside government but still exercise regulatory influence, such as statutory bodies, companies and charitable trusts.

Our work shows how complex the system is for people, businesses and communities to navigate and how important organisations outside of central government are to New Zealand’s regulatory landscape.

To help convey what this means in practice, we developed two personas to illustrate the range of interactions a person or business can have across the system. They showed that people rarely deal with just one agency. Instead, they face demands from multiple regulatory organisations, which are often for the same or overlapping information.

What happens next

The regulatory landscape review gives us a practical starting point for better regulatory stewardship. It creates a shared view of the system and a benchmark for future improvement.

We are now working to make the data more widely available to help agencies, researchers and other jurisdictions compare approaches and identify shared challenges.

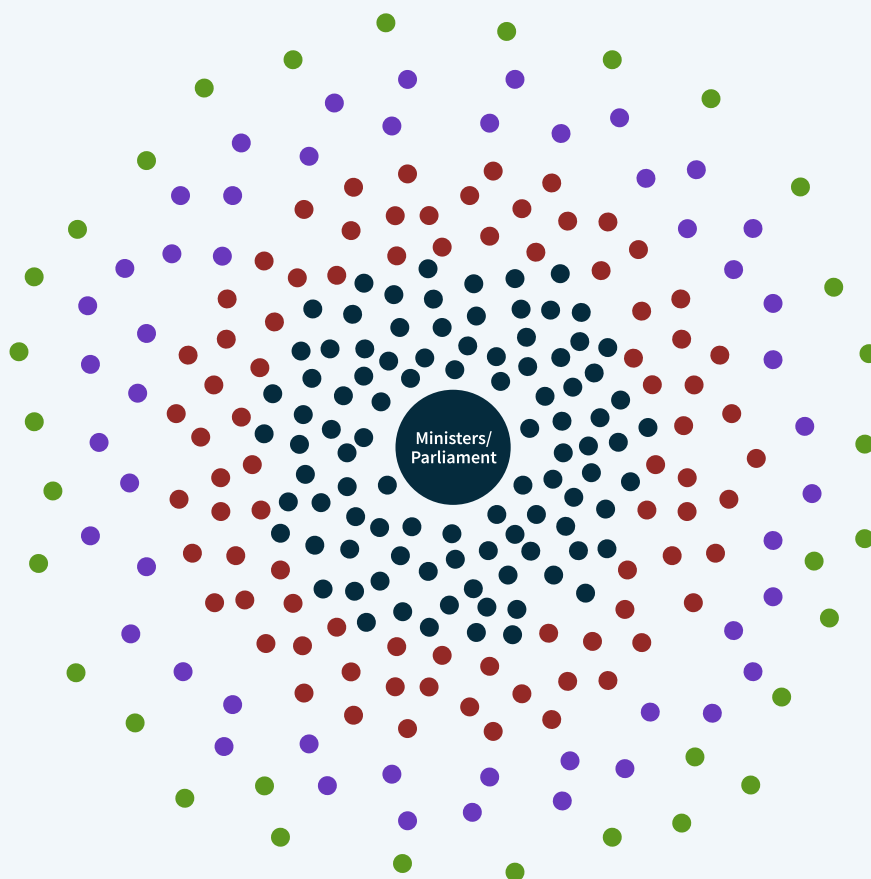
We will help regulatory system owners develop their own detailed regulatory system maps, showing how the organisations within them interact and where their responsibilities overlap.

This work will help government see what is working, where the system is most complex and where efforts for improvement could be made.

What it means for New Zealand

Good regulatory stewardship depends on understanding the regulatory systems as people experience them. By creating a clear picture of New Zealand's regulatory landscape, we have provided a stronger evidence base for decision-making and reform. Over time, this will help identify where improvement efforts can have the greatest impact for people and businesses.

Regulatory organisations and their proximity to ministers



There are

267

regulatory organisations

- **Departments, Crown entities** (96/36%)
 - Department (50)
 - Crown Entity (36)
 - Departmental agency (3)
 - Other (4)
 - Non-Public service department (2)
 - Statutory corporation (1)
- **Local government** (79/30%)
 - Territorial authority (61)
 - Regional council (11)
 - Territorial authority – unitary (5)
 - Chatham Islands Council (1)
 - Outlying islands (x3) DIA/Min LG (1)
- **Statutory bodies, committees, and tribunals** (60/22.0%)
 - Statutory body (56)
 - Independent tribunal (4)
- **Charities, companies including crown-owned** (32/12%)
 - Incorporated society or company (29)
 - State-owned enterprise (2)
 - Statutory monopoly (1)

For more information:
regulation.govt.nz/regulatory-landscape

Update on previous years' regulatory reviews

We continue to monitor progress on past regulatory reviews as their recommendations are implemented and to assess whether the intended benefits are being achieved. This helps ensure that regulatory improvements translate into real-world outcomes, such as lower costs, greater choice, improved services, stronger economic performance and better experiences for New Zealanders.

Early childhood education sector review

The first stage of reform has now been implemented through the Education and Training (Early Childhood Education Reform) Amendment Act 2025, including by establishing a statutory purpose for early childhood education (ECE) regulation and a dedicated Director of Regulation. Additional reforms remain before Parliament through the Education and Training (System Reform) Amendment Bill. Together, these changes are expected to improve access to high-quality ECE services while supporting a more effective and proportionate regulatory system.

For more information:
regulation.govt.nz/ECE

Agricultural and horticultural products regulatory review

The Government accepted all 16 recommendations of this review and is progressing legislative reforms through amendments to the Agricultural Compounds and Veterinary Medicines (ACVM), and Hazardous Substances and New Organisms frameworks. In July 2026, the Ministry for Primary Industries published a progress report outlining the steps taken to implement the review recommendations and modernise the approvals system.⁷ Early improvements are already emerging, with the queue for ACVM product applications reducing from 113 to 95 in the last quarter of 2025/26. Over time, the reforms are expected to help farmers and growers access new products and

technologies more quickly, improve productivity and competitiveness, and maintain strong protections for human health, animal welfare, trade, biosecurity, and the environment.

For more information:
regulation.govt.nz/agriculture

Hairdressing and barbering regulatory review

Since the review was completed, the Health (Hairdressers) Regulations 1980 were revoked in July 2025 and replaced with targeted guidance for the sector. The changes remove unnecessary compliance costs, including annual registration fees, while maintaining appropriate health and safety standards. The new approach provides hairdressers and barbers with greater flexibility in how they operate and ensures regulation is better aligned with the risks faced by the industry.

For more information:
regulation.govt.nz/hairdressing

Telecommunications sector regulatory review

The Government has begun work to progress the recommendations from this review, including reforms to simplify Telecommunications Development Levy calculations. This change alone is expected to save providers between \$1.7 million and \$7 million over 10 years — and if all other recommendations are implemented, they're estimated to deliver between \$13 million and \$50 million in net benefits over the next decade. Together, the recommendations are intended to support investment, competition and reliable telecommunications services while ensuring regulation keeps pace with emerging technologies and consumer needs.

For more information:
regulation.govt.nz/telco

7. Ministry for Primary Industries, *Implementation of Ministry for Regulation Review Recommendations: ACVM End of Year Progress Report*, July 2026

Regulatory Review Framework

The Ministry for Regulation's regulatory review framework articulates the purpose, objectives, scope and approach to the Ministry's review function.

Overarching purpose and objectives for regulatory reviews

The purpose of our regulatory reviews is to review the design and delivery of regulation in New Zealand, to influence and/or lead change to regulation that is not fit for purpose. This includes:

- reducing unnecessary regulatory barriers to market entry, market expansion, investment and/or innovation
- ensuring regulations are effective (achieve their intended objectives), efficient (do not pose unnecessary costs on regulated parties, regulators or others, which exceed any public benefit), and proportionate to the risks the regulation seeks to manage
- ensuring regulations are easily complied with and/or the regulator has the appropriate enforcement tools required
- ensuring the practice of regulators is aligned to the Ministry's definition of good practice.

Sources of reviews

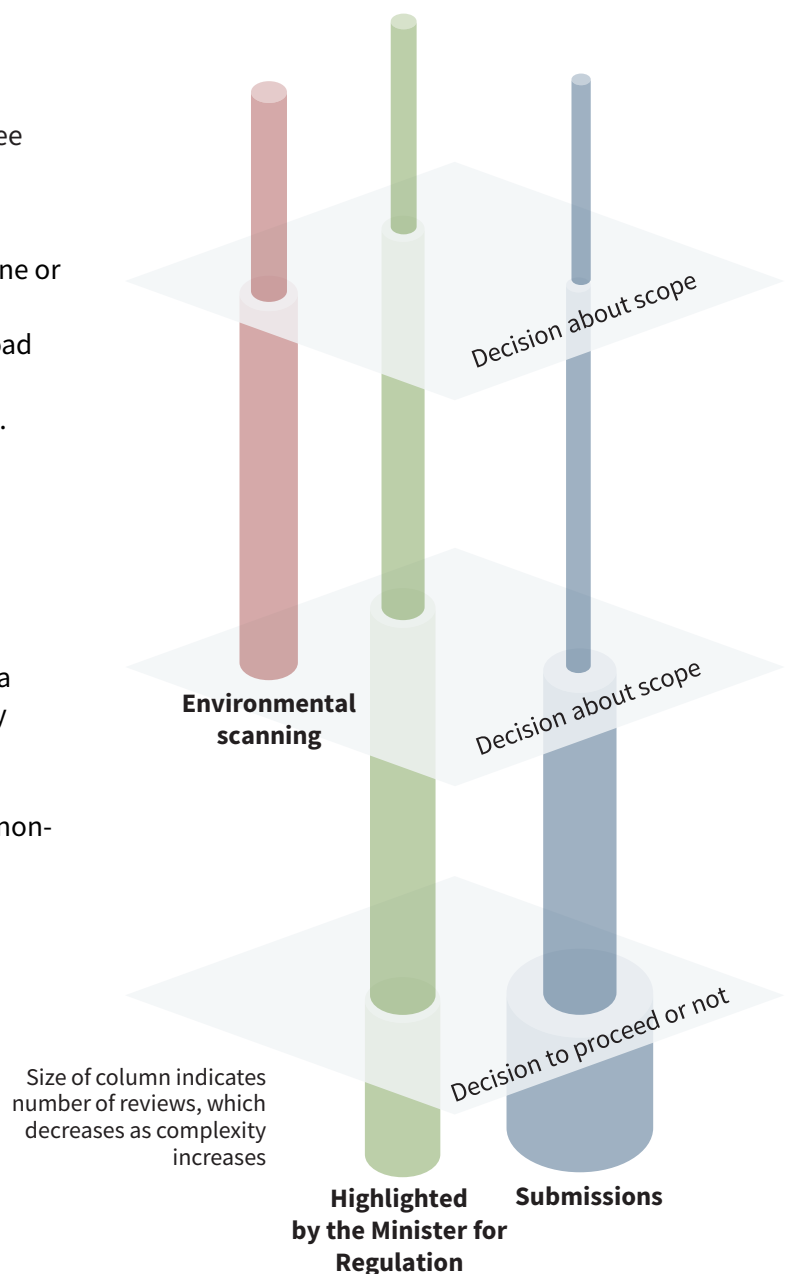
The Ministry identifies issues to review in three ways:

1. Via a submission from an individual or organisation, either via the Red Tape Tipline or a letter to the Minister for Regulation.
2. Through environmental scanning and broad engagement with sectors and industries.
3. Highlighted by the Minister for Regulation.

Out of scope

Issues that:

- relate to a Standard that has not become a requirement through bylaws or secondary legislation
- relate to local government bylaws
- relate to an individual complaint about a non-regulatory issue
- relate to funding levels
- are likely to be addressed through active policy changes being progressed by the responsible agency
- are highly technical in nature e.g., tax or resource management reform.



High complexity reviews

We regularly advise the Minister on potential new reviews and start dates. Ongoing high complexity reviews will also brief the Minister (and other relevant ministers) as required and deliver a final report.

Scope	Approach	Levers for change
• There is significant political and public interest, with contested views about the rationale for government intervention. • Multiple regulatory systems are likely involved. • The industries involved make a strong contribution to annual GDP (> \$3 billion).	• Initiated by the Minister and authorised by Cabinet. • Terms of Reference are agreed by relevant Ministers. • Involves substantial stakeholder engagement, including public consultation. • A team of 5–7 people, led by a Manager, work on this issue for 6–9 months, depending on scope.	• Final report with recommended changes presented to Cabinet for endorsement and/or policy decisions. • Annual legislation bids to capture legislative changes to or use a responsible agency's existing legislative vehicle.

Medium complexity reviews

We regularly advise the Minister on potential new reviews and start dates. Ongoing medium complexity reviews will also brief the Minister (and other relevant ministers) as required and deliver a final report.

Scope	Approach	Levers for change
• The issue may not be clearly defined, or there are multiple, intertwined issues. • Regulations are likely necessary, but need to be simplified or regulatory practice needs to improve. • 1–3 regulatory systems are involved, administered by multiple government agencies. • The industries involved make a moderate contribution to annual GDP (between \$1 billion and \$3 billion).	• Initiated by the Minister • Scope agreed by relevant Ministers (Terms of Reference not required). • Involves tightly targeted stakeholder engagement. • A team of 2–3 people, led by a Manager, work on this issue for 2–3 months, depending on scope.	• Legislative changes will depend on Cabinet (and therefore policy responsible Ministers) agreeing to the relevant policy decisions. • An annual legislation bid for an Omnibus Bill or Regulatory Systems Amendment Bill to capture any changes agreed to by Ministers.

Low complexity reviews

The Minister is regularly advised on deregulatory options arising during low complexity reviews including which ones we recommend, which ones we do not, and why.

Scope	Approach	Levers for change
• The issue is clearly defined and is causing unnecessary or disproportionate costs to a business or sector without delivering sufficient public benefit. • The issue is limited to one regulatory system. • The industry involved makes a low contribution to annual GDP (< \$1 billion).	• Initiated by the Ministry for Regulation. • Scope agreed internally at the Ministry for Regulation • Low-level stakeholder engagement. • 1 person, supported by a senior person, works on this issue for 4–6 weeks.	• Reviews are completed without Ministerial agreement, so levers are constrained to providing advice to the relevant Ministers about the issue and potential solution. • An annual legislation bid for an Omnibus Bill or Regulatory Systems Amendment Bill to capture any changes agreed to by Ministers.

Providing advice on new regulatory proposals

As the Government's lead advisor on regulatory management, we work across all ministerial portfolios to support the development of effective regulation before decisions are made.

Early engagement helps identify potential risks, unintended consequences, implementation challenges, and opportunities to improve regulatory design. This supports better-informed decision-making and helps ensure regulation is proportionate, practical, and focused on achieving desired outcomes for New Zealanders.

The revised Cabinet requirements for impact analysis, which came into effect on 1 January 2025, require agencies to engage with the Ministry early when developing regulatory proposals. This enables us to provide independent advice and challenge at key stages of the policy process, particularly where proposals may have significant regulatory, economic, or property rights impacts. We focus our efforts on proposals with the greatest potential to affect people, communities, businesses, or the wider economy.

Our work with policy agencies primarily involves:

- providing early advice on regulatory proposals as they are developed
- reviewing draft Cabinet papers before decisions are taken
- providing feedback on legislative bids and planned regulatory changes.

During 2025/26, we received almost 100 requests for early engagement on regulatory proposals and reviewed more than 300 Cabinet papers. We also reported to the Minister for Regulation on significant regulatory proposals progressing across government.

By engaging early, we help ensure ministers receive advice that clearly identifies regulatory impacts, alternative options, and implementation considerations, and that surfaces key trade-offs. This engagement supports more transparent and evidence-based decision-making and provides greater assurance that the benefits, costs, and potential consequences of new regulation have been fully considered before it is added to New Zealand's regulatory system.

Find out more:

regulation.govt.nz/early-engagement

Regulation that works for people

The Ministry's Red Tape Tipline gives people and businesses a direct way to tell us about regulations that are making everyday activities more difficult, costly or time-consuming than they need to be.



Key achievements

1. More than 850 submissions received
2. 22 deregulatory actions proposed

Strategic objective

Enhancing the performance of regulatory systems, ensuring they are efficient, resilient, and responsive.

Through the Tipline, New Zealanders can highlight problems they encounter and identify where regulatory requirements are no longer working as intended. The insights we receive help us understand how regulation operates in practice and where improvements could make the greatest difference.

Many of the issues raised through the Tipline would otherwise not have come to the attention of government. Almost 80% of submitters told us they had not previously raised their concerns with a regulator or government agency.

While not every matter raised through the Tipline can be resolved, each submission contributes to a more comprehensive understanding of New Zealand's regulatory pressures and areas of potential improvement.

These insights help us:

- remove or reduce unnecessary requirements
- work with regulators to improve how rules are enforced
- suggest clearer guidance or support
- feed into ongoing or upcoming reforms.

Some issues lead to quick fixes, like the changes to building consent rules for single-storey buildings under 10 m².

Others may require formal review or legislative change, which can take longer.

Listening to New Zealanders

A key benefit of the Tipline is that it gives New Zealanders a direct voice in identifying regulatory problems and highlighting opportunities for improvement.

Medical conference tip has left a lasting impression

Last year, a matter raised through the Tipline led to our targeted review of medical conference restrictions. We heard from industry bodies, including BusinessNZ and Business Events Industry Aotearoa, which estimated that these restrictions could be costing New Zealand up to \$90 million in lost revenue.

Following changes that removed these restrictions, the Australian and New Zealand College of Anaesthetists held its Annual Scientific Meeting in Auckland in May 2026, attracting 1,873 delegates. The Royal Australian and New Zealand College of Ophthalmologists has also selected Auckland to host its Annual Scientific Congress in November 2026, with around 1,800 delegates expected to attend, generating over \$5 million in economic activity.

These events are expected to deliver benefits across the medical, tourism, hospitality and events sectors. They demonstrate how targeted regulatory improvements can help unlock economic opportunities, support local businesses and make it easier for New Zealand to attract international conferences and visitors.

Since its launch in November 2024, the Red Tape Tipline has received over 1,600 submissions from individuals, businesses and organisations, including more than 850 new submissions in 2025/26.

Approximately three-quarters of submissions have come from individual New Zealanders, highlighting the direct impact regulation can have on everyday life. Around 40% of submissions relate to building, resource management, and transport regulations. Other common themes include health and safety, health, food safety, and education.

We've turned insights into action

The Tipline has evolved from a case-by-case response service into a source of insights that helps us to identify opportunities for regulatory improvement across the system. The Ministry's new data platform is strengthening this capability and will bring Tipline data together with other regulatory information, which we can use to identify patterns, emerging issues and opportunities for improvement across the

regulatory system. Over time, this will support stronger evidence-based decision-making, richer insights and a more proactive approach to ongoing stewardship responsibilities.

Since the launch of the Tipline, the Ministry has completed more than 200 targeted reviews and provided ministers with close to 40 potential regulatory changes for consideration. These have included proposals to remove some requirements for lower-risk activities, align standards with international practice, update older rules to more modern practice and simplify rules to reduce unnecessary burden.

Our reviews into issues raised through the Red Tape Tipline have led to positive change. Highlights are included on the following pages.

Find out more:
regulation.govt.nz/red-tape-tipline

Case study: Cutting red tape for small detached buildings

The problem

When Auckland homeowner Alex Clarke wanted to build a small garden shed to store household items in, he discovered that existing setback requirements made it difficult to use the available space on his property.

With housing intensification leading to smaller section sizes, Alex found the rules would have required the shed to be located in the middle of his backyard.

He believed the issue affected many other homeowners living on modern urban sections and submitted the idea to our Red Tape Tipline.

What we did

Following Alex's submission and similar feedback from others, we worked with the Ministry of Business, Innovation and Employment to review the exemption settings applying to small detached buildings such as sheds and garages.

Our review found some setback requirements were no longer fit for purpose. Rules requiring some detached buildings to be set back from boundaries by a distance equal to their height did not reflect the reality of modern section sizes and created unnecessary costs and compliance burdens for homeowners.

“ This seemed unreasonable and removed the ability to have a trampoline for my daughter. ”

- Homeowner Alex Clarke

What was changed

Cabinet agreed to amend the Building Act 2004 to relax setback requirements for small detached buildings.

As of October 2025, structures between 10 m² and 30 m² can be built with a minimum setback of 1 m from a boundary or another building. For structures under 10 m², the setback requirement was removed entirely.

What it means for New Zealand

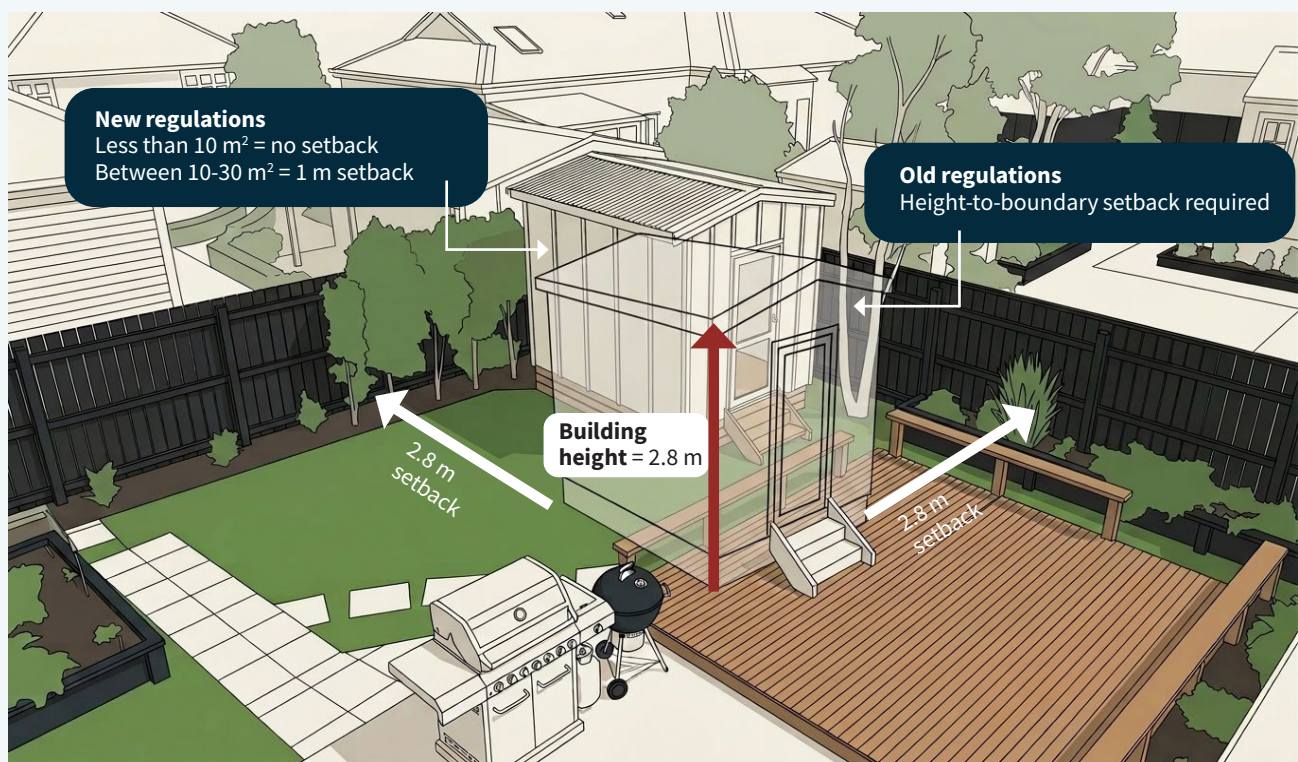
Our cost-benefit analysis estimated the changes will deliver between \$0.13 million and \$1.62 million in net benefits over 10 years, reducing costs and delays for homeowners while making it easier for them to use available space on their properties.

For Alex, the changes represented a practical, common-sense solution.

“I saw a problem that I knew affected more people than myself and wanted to make a small difference for everyone.” - Homeowner Alex Clarke

Concerns raised directly by New Zealanders can help identify practical improvements to regulation. What began as a Tipline submission from one homeowner contributed to a change that benefits people across the country.

Illustrative example of a residential property setback



This image was generated using AI

The previous setback requirements meant a shed often needed to be positioned much further from a boundary than many homeowners expected, reducing the usable space available on smaller sections.

Table 3: Turning regulatory issues into practical change

What we heard, what changed, and why it matters

Initiative	The issue	What we found	What changed	Why it matters
Safer toys, lower costs	New Zealand's toy safety regulations had fallen behind international standards, creating unnecessary costs for businesses and limiting the range of products available to consumers.	Products already approved in Australia, Europe and the United States often needed additional testing before they could be sold in New Zealand.	The Government updated regulations to better align with Australia and recognise a wider range of international standards.	The changes are expected to deliver between \$0.5 million and \$6.8 million in net benefits over 10 years while providing families with greater access to safe products and more consumer choice.
Simpler rules for scaffolding	The construction sector told us that scaffolding regulations were no longer aligned with modern industry practices.	Outdated certification requirements were increasing costs, causing delays and requiring training that was not always relevant to the work being undertaken.	Changes to the certification framework came into force in October 2025, with further work underway to establish a more risk-based approach.	These changes will help reduce unnecessary costs and delays while maintaining strong safety standards for workers, businesses and homeowners.
Exploring opportunities for commercial trout farming	New Zealand's prohibition on commercial trout farming limited opportunities for aquaculture development.	Environmental and commercial risks could potentially be managed through existing regulatory systems.	Advice was provided to ministers on options for removing the prohibition while retaining existing environmental, fisheries and conservation protections.	The review estimated potential net benefits of up to \$7.3 million over 10 years through increased investment, business activity and employment opportunities, particularly in regional New Zealand.
Sweet outcome for home-based cake makers	Home-based cake makers who contacted the Tipline told us that food safety requirements designed for larger businesses were creating unnecessary compliance costs for them.	The requirements made it harder for people to earn additional income, operate small businesses and support community fundraising activities.	The Government reduced compliance requirements by removing ongoing verification requirements and revising registration settings under the Food Act 2014.	The change makes it easier and cheaper to operate a small-scale baking business, creating new income opportunities and increasing consumer choice.

Initiative	The issue	What we found	What changed	Why it matters
Better access to medicines	Nurse practitioners and other authorised prescribers could not access some unapproved medicines that were available to medical practitioners.	The restrictions reflected older regulatory settings and had not kept pace with changes in professional scopes of practice.	Legislative changes were recommended to allow authorised prescribers to access the same medicines when treating patients under their care.	The change would improve access to timely treatment and help make better use of the healthcare professionals New Zealanders already rely on.
Reducing compliance costs in property transactions	Property owners, commercial lessors and real estate professionals raised concerns about the cost and complexity of some requirements related to anti-money laundering and countering terrorism financing.	Identity verification requirements, audit obligations and compliance costs were not always proportionate to the level of risk involved.	Recommendations were made to improve identity verification processes, expand the use of digital identity tools and simplify compliance requirements.	If implemented, these recommendations would reduce unnecessary compliance costs and make property transactions easier to navigate while maintaining confidence in the integrity of the financial system.

Stronger regulators, smarter systems

Building capability across the regulatory workforce, equipping leaders and practitioners with the tools and knowledge to apply good regulatory practice



Key achievements

1. AI guidance for regulators issued
2. 1,200+ users signed up to RegRoom

Strategic objective

Building capability across the regulatory workforce, equipping leaders and practitioners with the tools and knowledge to apply good regulatory practice

Better regulation depends on capable people. From developing new rules and administering regulatory systems to monitoring performance and responding to emerging risks, regulators make decisions every day that affect New Zealanders. Building capability across the regulatory workforce helps ensure those decisions are informed, proportionate and focused on achieving the outcomes regulation is intended to deliver.

Strengthening capability is a core role of the Ministry. This includes providing practical

guidance and tools for those who design, operate and govern regulatory systems, and supporting agencies to meet new legislative requirements.

Strengthening regulatory capability

Launched in September 2025, RegRoom is the Ministry's cross-government platform where regulators can learn and connect with each other, and it is home to our flagship learning programme, Regulatory Practice Essentials. We continued to expand our series of regulatory quick guides, drawing on the expertise of more

than 60 subject-matter experts from over 20 government agencies.

More than 1,200 users signed up to RegRoom and over 5,300 regulatory quick guides were downloaded from our website during the year, demonstrating strong demand for guidance that helps regulators develop a shared understanding of good regulatory practice.

Strong regulatory outcomes depend not only on frontline regulatory practice but also on effective leadership and governance. Boards, chief executives and senior leaders play an important role in setting organisational culture, managing risk and ensuring regulatory systems remain effective over time. During the year, our capability work increasingly focused on strengthening regulatory leadership across the public sector.

We provided advice to chief executives, boards and senior leaders across central and local government on leadership recruitment, organisational structure, regulatory strategy and posture. We extended our regulatory leader video interview series, giving practitioners direct access to the experience of senior regulators, and worked with Iti Kōpara — Public Governance Aotearoa to strengthen our regulatory governance capability. This support is demand-driven. Agencies approach us, which we take as evidence that the Ministry is becoming a trusted and credible source of advice on regulatory practice.

New practical guidance

This year we developed two significant pieces of practical guidance to help regulators respond to emerging technologies and new ways of working.

In early 2026, we published regulatory sandbox guidance, which helps agencies test new technologies and approaches in controlled environments before wider implementation.

We also published *Responsible AI in Action* (regulation.govt.nz/ai-guidance) to help regulators realise the benefits of AI while managing risks and maintaining public trust.

Together, these guides were downloaded more than 1,700 times from our website, demonstrating strong interest in practical tools to support regulatory decision-making.

Preparing agencies for change

From 1 July 2026, new requirements for developing regulatory policy proposals and legislation came into effect under the Regulatory Standards Act 2025. The Act places greater emphasis on the stewardship of regulatory systems and on ensuring regulation remains fit for purpose over time.

To support the transition, we provided agencies with guidance, training and communications material to help them understand and implement new requirements under the Act.

We delivered four webinars that generated strong engagement from agencies. The first, held in May 2026, attracted over 300 attendees. The other three webinars on changes to regulatory impact assessment requirements drew around 150 attendees each.

To support the implementation of the Act, we delivered another two webinars tailored to organisations that make secondary legislation, with around 30 organisations represented at each session. We also delivered a webinar to the Bylaws Special Interest Group, which more than 100 participants attended.

Our guidance documents were downloaded more than 2,500 times from our website, suggesting strong demand for information on the new requirements.

Our focus is now on helping agencies strengthen stewardship of the regulatory systems they are responsible for. This includes developing a New Zealand regulatory maturity framework so regulators can assess and improve their own performance, building practical tools for new regulators and regulatory leaders, and expanding communities of practice across government. These investments will help create more capable regulators, more effective regulatory systems and better outcomes for New Zealanders.

Stronger capability, better regulatory outcomes

These initiatives share a common goal: helping agencies and regulators put good regulatory practice into action. By building capability, providing practical guidance and supporting agencies through change, we are helping lift regulatory performance and deliver better outcomes for New Zealanders.



Organisational health and capability

The quality of the Ministry’s work depends on the capability of its people and the strength of the systems that support them.

During the year, we continued to build on the organisational foundations needed to deliver our work programme, investing in leadership, our people, governance and organisational capability to ensure we remain well placed to provide high-quality advice, undertake effective reviews and strengthen New Zealand’s regulatory system. We launched our first People Strategy in March 2026, setting our long-term direction for developing the skills, leadership and culture needed to support the Ministry’s ongoing success.

Transparency, accountability and governance

This year, independent assurance activities confirmed the strength of the Ministry’s control and assurance environment, with effective systems and oversight in place to support accountability and good management. Our auditors also reported positively on the Ministry’s control environment. The Chief Ombudsman did not identify any conduct by the Ministry that is wrong, unreasonable or contrary to law under the Ombudsmen Act 1975 and did not make any formal recommendations during its proactive investigations into Official Information Act 1982 (OIA) compliance and practice. See page 43 for more information.

All of these results provide assurance that the

Ministry’s systems, controls and governance arrangements are effective and fit for purpose, helping to build a resilient organisation capable of delivering lasting value for New Zealanders.

Supporting transparency

This year, we responded to more than 500 requests for information from Parliament and the public, and proactively released more than 100 documents.

Between 1 July 2025 and 30 June 2026, we completed 135 OIA requests and provided answers to support responses to 400 written parliamentary questions.

Governance

During the year, we continued to strengthen the organisational systems that support effective governance, building on the solid foundations put in place since the Ministry was formed.

We modernised our conflicts of interest processes by developing a digital register and improving monitoring arrangements. We also reviewed key organisational policies, procedures and practices to ensure they continue to support our responsibilities as a public service agency and remain consistent with the Public Service Act 2020, including its good employer requirements and commitment to equal employment

Table 4: Official Information Act request performance

Year ended	Total OIA requests completed	Requests completed within legislated timeframe	Requests not completed within legislated timeframe
30 June 2026	135	124	11
30 June 2025	732	724	8
30 June 2024	2	2	–

opportunities. This work improves transparency, strengthens oversight and provides greater assurance that the Ministry's control environment remains effective.

In addition, we strengthened the Ministry's governance framework to support effective leadership and decision-making. This helps our Senior Leadership Team set the Ministry's strategic direction, monitor performance and ensure the organisation operates in line with the expectations of the Government and our stakeholders.

The framework is supported by our Tier 3 leaders, who translate the Senior Leadership Team's

strategic direction into action and embed its decisions across the organisation. During the year, we further strengthened the framework by establishing two advisory groups with external members:

- The Risk and Assurance Committee provides insight to the Chief Executive on critical issues that underpin organisational capability and delivery. It has a specific focus on strategic, financial, operational and reputational risks.
- The Expert Advisory Group provides an external perspective on issues of strategic importance, helping to test and strengthen the Ministry's thinking.

Ombudsman final opinion on the Ministry's OIA leadership, culture and practices

In September 2025, the Chief Ombudsman commenced a self-initiated investigation into the Ministry for Regulation's compliance with the OIA. The Ministry was one of five agencies selected for the Ombudsman's regular programme of reviews into OIA practices across the public service. The agencies varied in their function and size, representing a cross-section of the public sector.

The investigation was held over six months and focused on the Ministry's OIA leadership and culture, performance monitoring and learning.

The Ombudsman's Final Opinion was issued in June 2026. The Ministry was considered as having a very open and transparent culture. Staff survey results showed 100% of staff interviewed viewed the Ministry as an organisation strongly committed to openness and agreed that senior leaders actively supported the principles of the OIA.

"The rating from surveyed staff at the Ministry is significantly higher than average and was the highest of the five investigated agencies ... These staff survey results are commendable and may be due to the consistent positive messaging about the OIA and openness from the Chief Executive and the Senior Leadership Team. The results indicate that the positive messages from senior leaders have filtered across the organisation" (Final opinion of the Chief Ombudsman, page 6).

The ratings from staff placed the Ministry as the highest-performing agency in the area of senior leadership support for disclosure and openness. The survey results reflect that consistent and positive messaging from the Ministry's Chief Executive and senior leaders created a culture of openness and transparency.

"It is clear from the staff survey, agency questionnaire, and interviews with staff and the Chief Executive that there has been strong and deliberate messaging about openness and transparency ... This is reflected in the highly positive response to this survey question, which is the highest percentage observed in this cohort of investigations, and is commendable" (Final opinion of the Chief Ombudsman, page 6).

The Chief Ombudsman suggested seven action points to further strengthen the Ministry's OIA processes and practices. The Ministry is committed to continuous improvement and will provide a progress report to the Ombudsman on implementing the action points, with the first update due by 30 October 2026.

We are proud to see the culture that we have worked hard to build acknowledged and recognised through an independent review, confirming our commitment to being an open, transparent and accountable public service organisation.

See the Ombudsman's Final Opinion on our website: regulation.govt.nz/OIA-final-opinion

People and capability

This year marked an important stage in the Ministry's growth and maturity as an organisation. We strengthened the foundations established in previous years and sharpened our focus on the areas that will support our long-term success.

This included continuing to develop and support our people, while investing in the skills, leadership and organisational capability needed for the future. Together, these initiatives help ensure the Ministry remains a place where people can do their best work, build meaningful careers and contribute to a high-performing public service now and into the future.

Great people, Bold ideas, Shared success

This year the Ministry launched its first People Strategy: Great people, Bold ideas, Shared success.

The strategy sets a long-term direction for how we attract, develop and support our people as the Ministry continues to mature and grow. The strategy is shaped around the following five pillars:

1. Creating a welcoming and supportive workplace for everyone
2. Growing our people
3. Attracting great talent and building our pipeline
4. Building great leaders
5. Enabling our workforce to innovate and adapt.

Launched in March 2026, the strategy provides a framework for future workforce initiatives and investment in our people.

The strategy also reflects the Ministry's ongoing commitment to being a fair, inclusive and supportive employer, consistent with our obligations and our commitment to creating a great place to work.

Building capability

Supporting our people to develop in their roles and careers is essential to the Ministry's success.

This year we identified priority areas for capability development and have integrated these into our recruitment, workforce planning, learning and development activities.

We are investing in policy capability to support high-quality regulatory advice and regulatory reviews. Our digital capability programme is focused on helping people work smarter through improved use of technology, including AI and process automation. We also continued to strengthen leadership capability across the Ministry and invested in developing the economic and analytical skills that underpin evidence-based decision-making.

We focused on cultural capability as a pilot agency for Te Tautuhi ō Rongo, a Cabinet-endorsed public policy framework that helps the public service apply a consistent, structured approach when preparing public policy and advice affecting Māori. Over 30% of our workforce participated in facilitated workshops designed to build understanding of different perspectives and support more effective engagement with all people and communities affected by regulation. Employees were also able to undertake voluntary te reo Māori training through courses and online modules.

We support our people to build and strengthen their skills through targeted training delivered by

NZ HR Awards finalist

In 2026, the Ministry was named a finalist in the Talent Acquisition Award category at the New Zealand HR Awards.

The nomination recognised the work involved in establishing a new ministry and building a high-performing workforce from the ground up. It reflects the significant effort invested in attracting talent, creating workplace systems and processes, and building a strong organisational culture in the Ministry's first years.

Our people



92 people work
at our ministry
(as of 30 June 2026)

96% permanent

4% fixed term

Gender

59%

Female



31%

Male

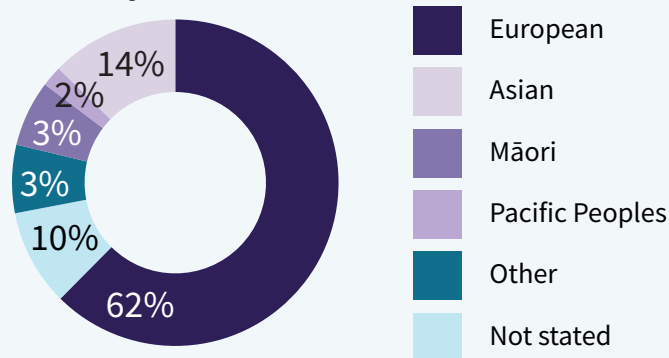


9%

Not stated



Ethnicity



★ People may identify with more than one ethnicity

Age

15-24

5%

25-34

32%

35-44

22%

45-54

22%

55+

20%

Our values



We make a difference | Ka whakaaweawe tātou

We strive to make a positive impact on the communities we serve



We empower | Ka whakamana tātou

We ensure our actions, words and engagements empower the people we are working with and for



We are courageous | Ka whakamānawanui tātou

We aren't afraid to take risks to get results



We put people in the centre | Ka manaaki tātou

We are considerate and treat everyone with respect

partners such as The Policy Project, Parliament and other specialist providers.

We also foster a culture of continuous learning through our regular Lunch and Learn programme. During the year, we held 13 sessions covering a range of topics including economic frameworks, the role of the Ombudsman, AI and regulatory practice.

Progressing our census action plan

Following the Public Service Census in early 2025, the Ministry created an action plan. Launched in September 2025, the plan focused on three areas for improvement. Significant progress has been made against all three areas.

Learning and development

We have continued adding to our Learning Management System (LMS), including with several new modules this year. Our popular Lunch and Learn programme sessions are recorded and added into the LMS to ensure ongoing access. In total, 38 people attended writing workshops, 21 people attended courses through Parliament, and we continued to offer courses through The Policy Project. We created an internal community of practice to support our people to use AI.

Māori Crown capability

The Ministry was a pilot agency for Te Tautuhi ō Rongo, a framework developed by Te Puni Kōkiri. Around 30% of our workforce participated in facilitated workshops to learn about the framework and how to apply this in our day-to-day work.

This year, we offered optional lunchtime classes in te reo Māori, with 30 staff completing the level 1 course. In addition, 42 staff participated in The Wall Walk, an interactive workshop designed to raise awareness and build understanding of the Crown-Māori relationship.

Access to information and evidence

The economics team has developed a research programme. It is sharing papers both internally and externally, including by publishing its research in peer-reviewed journals.

We have put arrangements in place to access academic material, including JSTOR, and maintain academic connections with university faculties, external consultancies and professional organisations to further our research and insights gathering.

We have a programme of regular engagements with officials from comparable international jurisdictions, as well as ad hoc engagements to meet requests with officials from other jurisdictions. We also engage with international organisations, particularly the OECD and World Bank, for the purposes of data and insights gathering.

Investing in the future public service

Over the summer of 2025/26, we welcomed four interns across our Policy, Regulatory Reviews, and Digital and Insights teams through the Analytics and Research in Government and Tupu Tai programmes.

Our interns gained practical experience in contributing to key areas of the Ministry's work. One project created an opportunity for an intern to present their work to another public sector agency, providing them with valuable exposure to the wider public sector and demonstrating how fresh perspectives can contribute to improvements across government.

In February 2026, we welcomed the first cohort of the Ministry's graduate programme, with four graduates joining teams across Digital and Insights, Policy, and Ministerial and Strategic Services. These graduates will undertake a structured two-year development programme, providing a strong foundation for their entry into the public service.

These programmes help develop future emerging talent and build capability while bringing fresh perspectives, strong digital capability and innovation into the Ministry.

Health, safety and wellbeing

The Ministry is committed to creating a healthy, safe and inclusive workplace that helps our people perform at their best.

We support our people to have a meaningful work-life balance, to proactively look after their

Case study: Putting people at the centre of our digital approach

As a newly established and small Ministry, we recognised from the outset that embracing digital tools and new ways of working would be essential to our success.

Our challenge was not whether we would adopt new technologies, but how to do it in a way that empowers people, strengthens decision-making and maintains the trust and accountability expected of a public service agency.

Guided by our People Strategy, **Great people, Bold ideas, Shared success**, we have focused on building the capability, confidence and conditions our people need to thrive in an increasingly digital world.

We started by asking: What do we want to achieve? What work processes do we want to improve? And what would 'better outcomes' look like?

Starting with a defined purpose has helped us avoid automating the status quo

Once we understood our 'why', and before AI tools were made available internally, we established clear and permissive guidelines designed to help staff explore new ways of working responsibly. The intent was not simply to manage risk, but to create an authorising environment where people had the confidence to innovate while maintaining high standards of integrity, privacy and accountability.

With those guidelines in place, we began building capability. We held specific leadership workshops to ensure our AI use was modelled from the top. We also established communities of practice and encouraged peer learning. Our staff understand that these are tools that support their work, rather than replacing human expertise. It is their responsibility to ask the right questions, review responses and make judgements on how to use the insights provided.

Staff are now confidently using digital tools to support business functions, including:

- submissions analysis and thematic coding
- research and literature review
- drafting and refining briefings
- supporting Red Tape Tipline analysis and reporting
- summarising large volumes of information
- streamlining internal administration processes such as ministerial services processes and conflicts of interest management
- preparing meeting notes and reports.

By putting people first and creating space to learn and innovate, we are building a confident and capable digital workforce while giving staff more time to focus on priority work.

physical and mental wellbeing, to increase their sense of belonging through employee-led networks, and to seek professional support through our employee assistance programme.

We invest in our health and safety representatives as we know the important role they play in supporting a safe and healthy workplace. They act as a point of contact for staff on health and safety matters, investigate concerns, identify risks, monitor workplace health and safety measures, and make recommendations for improvement.

During the year, we supported their capability growth through opportunities for them to undertake dedicated training and participate in government-wide health and safety events. Health, safety and wellbeing reporting is presented to the Senior Leadership Team quarterly, and health and safety representatives attend these meetings to contribute to the discussion about data, insights and opportunities.

Looking ahead

The achievements of this reporting period reflect the dedication and capability of our people. We remain focused on creating an environment where people feel supported to develop their skills, realise their potential, and contribute to our shared success in delivering better regulatory outcomes for New Zealanders.

Our focus over the coming year will be to:

- develop plans for each of our five priority capabilities
- continue to invest in leadership development
- refresh our suite of people policies to ensure they remain fit for purpose
- welcome our next cohort of interns and graduates
- mature our approach to health and safety.

Neurodiversity network

This new employee-led network was launched this year to support our neurodivergent staff and allies. The network provides opportunities for connection, shared learning and greater awareness of neurodiversity in the workplace. It complements wider capability-building efforts, including training and learning resources that help foster a more inclusive and supportive workplace for everyone.

Service performance information

The service performance information for the year ended 30 June 2026 — including our context, performance framework and judgements, reporting against appropriations and related notes, and the Appropriation statement — can be found on pages 50 to 55. They have been prepared in accordance with PBE FRS 48 Service Performance Reporting Standard. To gain a full understanding of the Ministry's service performance, please read this information together with the information about the Ministry's role and mandate, its strategic direction and its achievements for the year, as reported in previous sections.

Disclosure of judgements

The service performance information has been prepared in accordance with the requirements of the Public Finance Act 1989, which includes the requirement to comply with New Zealand generally accepted accounting practice (NZ GAAP) and Treasury Instructions.

In preparing the service performance information, the Ministry has made a number of judgements about what information to present and how to measure its performance.

Judgement was also applied to how the information in this report was structured to support readers' understanding of performance and to ensure compliance with statutory requirements for presenting information relevant to the financial year.

Performance framework

The first step in developing the Ministry's performance framework was publishing our first Strategic Intentions in September 2024.

Those Strategic Intentions 2024/25–2028/29 remained in effect throughout the reporting period and set out the outcomes we sought to achieve and our priorities for delivering them.

During 2025/26, we reviewed and refreshed our Strategic Intentions and published a new

framework in June 2026 covering the period from 1 July 2026 to 30 June 2030. The refreshed framework builds on the Ministry's early achievements and places greater emphasis on our roles in regulatory stewardship, implementing the Regulatory Standards Act 2025 and strengthening New Zealand's regulatory management system, as well as demonstrating the impact of our work on businesses, communities and New Zealanders.

As the Ministry continues to mature, we expect our approach to measuring performance and impact will also evolve.

Selecting our performance measures

Our performance measures are designed to show how effectively we are delivering our responsibilities under Vote Regulation and contributing to a well-functioning regulatory management system.

When selecting measures, we considered what information would provide the most meaningful assessment of our performance and would help readers understand the difference our work is making. As the Ministry has matured, our measures have evolved to reflect both our stage of development and the areas where we can have the greatest influence, including by improving regulatory quality, strengthening stewardship, increasing transparency and reducing unnecessary regulatory burden. Together, these measures help demonstrate how our work contributes to lasting improvements across the regulatory system and to better outcomes for businesses, communities and New Zealanders.

We also consulted with the Minister for Regulation and the Treasury to help ensure our measures were appropriate for the Ministry's role and stage of development.

Reporting against appropriations 2025-2026

Report for the year ended 30 June 2026

Leadership of the Regulatory Quality System

Purpose

The single overarching purpose of this appropriation is to provide the Government with high-quality policy advice to ensure focused leadership of the regulatory quality system so that regulations are well designed and implemented.

Why this is important

The Ministry serves as a central agency responsible for leading and coordinating regulatory quality and reform with those agencies who create and use rules and regulations, thereby enhancing the overall regulatory management system. Our work plays a vital role in ensuring that New Zealand’s regulatory environment is effective, efficient, and responsive to changing societal needs.

Financial information

Forecast spend	Actual spend
\$18.319 million	\$18.295 million

Performance information

Measure	Budget Standard	Actual 2023/24 (4 months)	Actual 2024/25 (12 months)	Actual 2025/26 (12 months)
Ministerial satisfaction – the satisfaction of the Minister for Regulation with the policy advice service, as per the common satisfaction survey. (Note 1)	Average score 4 out of 5 or better	3.4 out of 5	3.7 out of 5	4.2 out of 5
Policy quality – the average quality of policy advice papers, using an appropriately robust assessment process, meets a standard of 'acceptable' as defined by quality advice standards. (Note 2)	At least 3.3 out of 5	3.4 out of 5	3.4 out of 5	3.5 out of 5
Papers assessed with a score of 3 out of 5 or above	80%	-	New measure in 2025/26	79%
Papers assessed with a score of 4 out of 5 or above	20%	-	New measure in 2025/26	8%
Regulatory reviews – the Ministry initiates four regulatory reviews. (Note 3)	Achieved	Achieved	Achieved	Achieved
Regulatory reviews result in change – Cabinet accepts regulatory review recommendations. (Note 4)	80%	-	New measure in 2025/26	86%
Transparency of regulatory impact analysis compliance – the Ministry for Regulation publishes a report on compliance with regulatory impact analysis requirements. (Note 5)	2 reports published	-	New measure in 2025/26	Achieved

Notes to the service performance information 2025/2026

Note 1: Ministerial satisfaction measure

This measure assesses the Minister for Regulation's satisfaction with the quality, timeliness and usefulness of the advice he receives from the Ministry.

This measure uses the common satisfaction survey to assess the satisfaction of ministers with the advice received from government agencies. The Department of the Prime Minister and Cabinet (DPMC) prepares Ministerial Policy Satisfaction Survey questions, and the Ministry sends those questions to the minister for him to complete.

The Ministry calculates the ministerial satisfaction score according to DPMC guidance, which is used across public service agencies.

Satisfaction is measured on a scale from 1 to 5, where 1 means never met expectations and 5 means always exceeded expectations.

The survey contains a common set of questions that agencies use to assess their minister's satisfaction with the services provided. The Policy Quality Framework (PQF) sets out a public service-wide methodology for assessing ministerial and stakeholder satisfaction. However, the PQF does not set a public-service-wide standard for this measure. The satisfaction measure has a target of 4 out of 5, reflecting our high level of ambition for supporting our Minister with timely, robust advice.

The overall score is calculated using the methodology developed by DPMC and applied consistently across the public service. This weighted average from the Minister for Regulation is the ministerial policy satisfaction score.

Year ended 30 June 2026

In this reporting period feedback was collected from the Minister for Regulation on a quarterly

basis and equally weighted to determine the annual result.

The Minister's satisfaction score increased steadily across the quarters throughout the year:

- Quarter 1 (July–September) score 3.7
- Quarter 2 (October–December) score 4.2
- Quarter 3 (January–March) score 4.3
- Quarter 4 (April–June) score 4.7

Together the Minister's responses gave an average score of 4.2 out of 5 and this result has been used for the 2025/26 financial year.

The Ministry exceeded its target score of 4 out of 5 in three quarters and also for the overall annual result. This result indicates growing confidence in the quality and timeliness of the advice the Ministry provides to the Minister for Regulation.

Note 2: Policy quality measure

The Minister for Regulation relies on the advice he receives from the Ministry, and we must ensure that as a minimum the advice is of an acceptable standard.

Year ended 30 June 2026

In the 2024/25 financial year the Ministry established its own assessment panel, aligned with the practice of other agencies. We included an external member on the Ministry panel to provide challenge and moderation in our assessment. This is consistent with the approach of other agencies.

During the year, the panel met quarterly and considered a random sample of the Ministry's policy advice papers. These were assessed against the PQF used by all government agencies to assess the quality of policy advice. The panel assessed the average quality score for each quarter as follows:

- Quarter 1 (July–September) score 3.5

- Quarter 2 (October–December) score 3.4
- Quarter 3 (January–March) score 3.5
- Quarter 4 (April–June) score 3.4

The PQF sets a standard that papers scoring 3 out of 5 are acceptable.

The panel assessed almost 20% of the Ministry’s policy papers across the year, which produced an overall average score of 3.5 out of 5. This result has been used for the 2025/26 financial year. It exceeds the Ministry’s target — demonstrating that the Ministry is consistently producing policy advice above the acceptable standard defined by the PQF and reflecting an improvement on previous years.

We introduced the following two new targets for the policy quality measure from the 2025/26 financial year so that the Ministry is closely aligned with the PQF, and being transparent and accountable.

80% of papers assessed scored 3 out of 5 or above

This target sets a minimum standard for the majority of the Ministry’s policy advice. By publicly reporting, we hold ourselves to account for this minimum standard. Across the four panel assessments, the Ministry achieved 79% of papers scoring 3 or above. This was marginally below the target of 80% and represents 19 of the 24 papers assessed.

20% of papers assessed scored 4 out of 5 or above

This target is a stretch to keep the Ministry focused on continual improvement and striving to produce the highest-quality advice. Across the four panel assessments, the Ministry achieved 8% of papers scoring 4 or above, below the target of 20%.

The panel noted an increase in the overall quality of the Ministry’s papers with a median score over the year of 3.7 and a mode of 3.8. Over 40% of

papers scored 3.8 or above.

This result has informed a policy quality improvement programme focused on lifting the proportion of advice assessed at the highest-quality levels.

Note 3: Regulatory reviews

A priority of the Minister for Regulation is for the Ministry to undertake a number of regulatory reviews every year to drive regulatory reform that delivers positive outcomes for New Zealanders.

A review is considered to have been ‘initiated’ when the terms of reference for the review have been agreed or it is publicly announced. A target of initiating four reviews was set for the 2025/26 financial year.

Year ended 30 June 2026

In this period, the Ministry has met its target by initiating five regulatory reviews including:

- Hospitality sector
- Product labelling
- Residential and small to medium scale solar
- Mapping the regulatory landscape
- Offensive trades.

These reviews examined regulatory issues affecting households, businesses, communities and the wider economy, helping identify opportunities to improve regulatory performance and reduce unnecessary costs.

Initiating a review is just one step in the lifecycle of a regulatory review, which does not end when a final report is published. The Ministry remains involved in reviews at various levels to provide advice and support to those responsible agencies leading the delivery of review recommendations through to their outcomes.

In addition to the reviews initiated during 2025/26, the Ministry was involved in supporting implementation and follow-up activities relating to reviews completed in previous years.

Note: A review into industrial hemp (iHemp) was announced in February 2025. It was not included in our statement of service performance or Annual Report for 2024/25. The iHemp review increases the reviews initiated in 2024/25 from

three to four against our target of three reviews initiated. We have included details of the iHemp review in the Annual Report for 2025/26.

Note 4: Regulatory reviews result in change

This measure was introduced for the first time in 2025/26 to assess whether our reviews are leading to meaningful change.

The Ministry is responsible for undertaking reviews and providing recommendations to ministers and Cabinet. Once decisions have been made, responsibility for implementation usually rests with the agencies responsible for the relevant regulatory systems. Depending on the nature of the recommendation, implementation may occur relatively quickly through operational or regulatory changes, or over a longer period where legislative change is required.

Cabinet acceptance of our recommendations provides evidence that our reviews are identifying practical and evidence-based opportunities for regulatory improvement. We set a target of 80% to encourage recommendations that are both ambitious and achievable.

During 2025/26, Cabinet considered recommendations arising from our reviews and accepted 25 of 29 recommendations — or 86% of them, exceeding our target. This result provides confidence that our reviews are identifying opportunities for reform that Government considers it is worthwhile to pursue and that can contribute to better outcomes for people, communities and businesses.

Note 5: Transparency of regulatory impact analysis compliance

This measure was introduced for the first time in 2025/26 to ensure transparency of regulatory impact analysis.

High-quality regulation depends on decision-makers and the public having access to clear information about why regulatory change is proposed, what alternatives were considered, and the costs, benefits and trade-offs involved. Public reporting on compliance with Cabinet's impact analysis requirements supports a more transparent and accountable regulatory process and helps build public confidence that regulatory decisions are informed by evidence.

The Ministry committed to publishing regular reports on how well ministerial portfolios meet Cabinet's impact analysis requirements. These reports assess compliance with requirements to prepare Regulatory Impact Statements and report on the outcomes of formal quality assurance assessments undertaken as part of the regulatory impact analysis process.

During 2025/26, we published two reports, on 18 September 2025 and 12 March 2026. By making this information publicly available, we are helping to strengthen transparency, improve accountability for regulatory decision-making, and support public confidence that the impacts of new regulation are being properly considered before decisions are made.

We met our target of publishing two reports during the year.

For more information see:
regulation.govt.nz/compliance

Appropriation statements

The following statements report information about the expenses and capital expenditure incurred against the appropriation administered by the Ministry for the year ended 30 June 2026. They are prepared on a GST exclusive basis.

Statement of cost accounting policies

Vote Regulation is comprised of one Departmental Output Expense, Leadership of the Regulatory Quality System. All costs have been directly attributed to this output.

Statement of budgeted and actual expenses and capital expenditure incurred against appropriation for the year ended 30 June 2026

30 June 25 (16 months)			30 June 26 (12 months)	30 June 27 (12 months) forecast
Actual \$000	Vote Regulation	Actual \$000	Supp. estimates Unaudited \$000	Main estimates Unaudited \$000
	<i>Departmental output expenses</i>			
18,737	Leadership of the Regulatory Quality System	18,295	18,319	19,800
18,737	Total departmental output expenses	18,295	18,319	19,800
	<i>Departmental capital expenditure</i>			
213	Ministry for Regulation – cap expenditure PLA	555	200	100
213	Total departmental capital expenditure	555	200	100
18,950	Total annual appropriations and permanent appropriations	18,850	18,519	19,900

Statement of expenses and capital expenditure incurred without, or in excess of, appropriation or other authority for the year ended 30 June 2026

The Ministry has not incurred any departmental expenses or capital expenditure without, or in excess of, appropriation, or other authority.

Statement of capital injections for the year ended 30 June 2026

30 June 25 (16 months)		30 June 26 (12 months)	30 June 27 (12 months) Forecast
Actual \$000	Vote Regulation	Actual \$000	Supp. estimates Unaudited \$000
			Main estimates Unaudited \$000
2,145	<i>Capital injections</i>	-	-

Statement of capital injections without, or in excess of, authority for the year ended 30 June 2026

The Ministry has not received any capital injections during the year without, or in excess of, authority.

Departmental appropriations

Leadership of the Regulatory Quality System.

What is intended to be achieved with this appropriation

This appropriation is intended to achieve the work of the Ministry for Regulation to support regulatory system reform; to ensure the quality of new regulation, to improve the functioning of the existing regulatory systems, to raise capability of design and operation of regulatory systems, and enduring improvement of the regulatory system.

Financial information

30 June 25 (16 months)		30 June 26 (12 months)	30 June 27 (12 months) forecast
Actual \$000	Vote Regulation	Actual \$000	Supp. estimates Unaudited \$000
			Main estimates Unaudited \$000
18,737	<i>Expenses</i>	18,295	18,319
			19,800



Ministry for Regulation 2025/26 financial statements

This section sets out the Ministry's financial statements, notes to the financial statements and other explanatory information.

Statement of comprehensive revenue and expense

For the year ended 30 June 2026

				2026 Unaudited Budget (12 months) \$000	2027 Unaudited Forecast (12 months) \$000
2025 Actual (16 months) \$000		Note	2026 Actual (12 months) \$000		
Revenue					
19,270	Revenue Crown	2	18,319	18,000	19,800
142	Revenue other	2	-	-	-
19,412	Total revenue		18,319	18,000	19,800
Expenses					
13,342	Personnel costs	3	14,701	14,404	15,136
5,245	Other operating expenses	5	3,407	3,274	4,312
42	Depreciation and Amortisation expense	8,9	80	215	245
107	Capital charge	4	107	107	107
18,737	Total expenses		18,295	18,000	19,800
675	Surplus/(deficit) for period		24	-	-
	Other comprehensive revenue and expense		-	-	-
675	Total comprehensive revenue and expense		24	-	-

The accompanying notes form part of these financial statements. Explanations of major variances against budget are provided in Note 18.

Statement of financial position

For the year ended 30 June 2026

2025 Actual \$000		Note	2026 Actual \$000	2026 Unaudited Budget \$000	2027 Unaudited Forecast \$000
Assets					
Current assets					
2,455	Cash and Cash equivalents	6	384	2,000	2,000
1,257	Debtors and other receivables	7	2,282	1,447	1,543
51	Prepayments		229	6	6
3,763	Total current assets		2,895	3,453	3,549
Non-current assets					
54	Property, plant and equipment	8	40	116	20
117	Intangible assets	9	606	235	235
171	Total non-current assets		646	351	255
3,934	Total assets		3,541	3,804	3,804
Liabilities					
Current liabilities					
1,232	Creditors and other payables	10	793	1,525	1,525
303	Employee entitlements	12	563	134	134
1,535	Total current liabilities		1,356	1,659	1,659
Non-current liabilities					
15	Employee entitlements	12	16	-	-
239	Provision for repayment of Surplus	11	24	-	-
254	Total non-current liabilities		40	-	-
1,789	Total liabilities		1,396	1,659	1,659
2,145	Net assets		2,145	2,145	2,145
Equity					
2,145	Total Equity		2,145	2,145	2,145

The accompanying notes form part of these financial statements. Explanations of major variances against budget are provided in Note 18

Statement of changes in equity

For the year ended 30 June 2026

2025 Actual (16 months) \$000	Note	2026 Actual (12 months) \$000	2026 Unaudited Budget (12 months) \$000	2027 Unaudited Forecast (12 months) \$000
i Opening balance		2,145	2,145	2,145
675 Total comprehensive revenue and expense		24	-	-
2.145 Capital injection	14	-	-	-
(675) Return of operating surplus to the Crown	11	(24)	-	-
2,145 Balance as at 30 June		2,145	2,145	2,145

The accompanying notes form part of these financial statements. Explanations of major variances against budget are provided in Note 18

Statement of cash flows

For the year ended 30 June 2026

2025 Actual (16 months) \$000		2026 Actual (12 months) \$000	2026 Unaudited Budget (12 months) \$000	2027 Unaudited Forecast (12 months) \$000
Cash flows from operating activities				
18,092	Receipts from the Crown	17,260	17,985	19,755
142	Receipts from other revenue	-	-	-
(4,942)	Payments to suppliers	(4,235)	(3,274)	(4,312)
(12,292)	Payments to employees	(14,305)	(14,404)	(15,136)
(107)	Payments for capital charge	(107)	(107)	(107)
67	Goods and services tax (net)	110	-	-
960	Net cash flow from operating activities	(1,277)	200	200
Cash flows from investing activities				
(83)	Purchase of property, plant and equipment	(20)	-	-
(130)	Purchase of Intangible assets	(535)	(200)	(200)
(213)	Net cash flow from investing activities	(555)	(200)	(200)
Cash flows from financing activities				
2,145	Capital contribution	-	-	-
(436)	Repayment of Surplus to the Crown	(239)	-	-
1,709	Net cash flow from financing activities	(239)	-	-
2,455	Net increase/(decrease) in cash and cash equivalents	(2,071)	-	-
-	Cash and cash equivalents at the beginning of the period	2,455	2,000	2,000
2,455	Cash and cash equivalents at the end of the period	384	2,000	2,000

The accompanying notes form part of these financial statements. Explanations of major variances against budget are provided in Note 18

Statement of commitments

As at 30 June 2026

Capital commitments

The Ministry has no capital commitments.

Non-cancellable operating lease commitments

The Ministry leases property, plant and equipment in the normal course of its business (see note 5). The leases are for premises and laptops, which have a non-cancellable leasing period ranging from 1 to 15 years.

The Ministry's non-cancellable operating leases have varying terms, escalations clauses and renewal rights.

There are no restrictions placed on the Ministry by any of its leasing arrangements.

2025 Actual \$000	Breakdown of non-cancellable operating leases	2026 Actual \$000
975	No later than one year	973
4,069	Later than one year and not later than five years	4,180
11,910	Later than five years	10,826
16,953	Total non-cancellable operating leases	15,979

The accompanying notes form part of these financial statements.

Statement of contingent liabilities and contingent assets

For the year ended 30 June 2026

Quantifiable and un-quantifiable contingent assets

As at 30 June 2026, the Ministry had no quantifiable or un-quantifiable contingent assets.

Quantifiable and un-quantifiable contingent liabilities

As at 30 June 2026, the Ministry had no quantifiable or un-quantifiable contingent liabilities.

Notes to the financial statements

For the year ended 30 June 2026

1. Statement of accounting policies

Reporting entity

The Ministry for Regulation (the 'Ministry') is a government department as defined by section 5 of the Public Service Act 2020 and is domiciled and operates in New Zealand. The relevant legislation governing the Ministry's operations includes the Public Finance Act 1989, and the Public Service Act 2020. The Ministry's ultimate parent is the New Zealand Crown.

The Ministry's primary purpose is to strengthen New Zealand's Regulatory Management System and to improve regulatory quality, including the experience that New Zealanders have of complying with regulation.

The Ministry's activities have four key areas of focus:

- (a) Ensuring the quality of new regulation
- (b) Improving the functioning of existing regulation
- (c) Raising the capability of regulators
- (d) Making enduring improvement of the regulatory management system

Reporting period

The Ministry was established as a new government department and commenced operations from 1 March 2024. For the four-month period ended 30 June 2024, the Ministry was granted an exemption from providing an annual report, including the presentation of financial statements. As a result, the comparative period for 2025 covers the 16-month period from 1 March 2024 to 30 June 2025.

The financial statements of the Ministry are for the 12 months ended 30 June 2026, and the Chief Executive approved them for issue on 28 September 2026.

Basis of preparation

The financial statements have been prepared on a going concern basis, and the accounting policies have been applied consistently throughout the year.

Statement of compliance

The financial statements of the Ministry have been prepared in accordance with the requirements of the Public Finance Act 1989, which includes the requirements to comply with generally accepted accounting practices in (GAAP) and Treasury instructions.

For GAAP purposes the Ministry has applied Tier 2 PBE Standards (Public Sector), as issued by the External Reporting Board in New Zealand.

The Ministry has designated itself a public benefit entity (PBE) for financial reporting purposes, as its primary purpose is to provide goods or services for community or social benefit and where any equity has been provided with a view to supporting that primary objective rather than for a financial return to equity holders.

The Ministry is eligible for and has elected to apply the disclosure concessions as made available under the Reduced Disclosure Regime within the Tier 2 PBE Standards, because its expenses are less than \$33 million and it does not have public accountability as defined by XRB A1 Application of the Accounting Standards Framework.

Presentation currency and rounding

The financial statements are presented in New Zealand dollars, and all values are rounded to the nearest thousand dollars (\$000).

Summary of significant accounting policies

Significant accounting policies are included in the notes to which they relate. Significant accounting policies that do not relate to a specific note are provided below.

Foreign currency transactions

Foreign currency transactions are translated into New Zealand dollars (the functional currency) using the spot exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the surplus or deficit.

Goods and services tax

All items in the financial statements are presented exclusive of goods and services tax (GST), except for receivables and payables, which are presented on a GST-inclusive basis. Where GST is not recoverable as input tax then it is recognised as part of the related asset or expense. The net GST recoverable from, or payable to, Inland Revenue (IR) is included as part of receivables or payables in the statement of financial position.

The net amount of GST paid to, or received from, IR, including the GST relating to investing and financing activities, is classified as a net operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

Income tax

The Ministry is a public authority and consequently is exempt from income tax. Accordingly, no provision has been made for income tax.

Critical accounting estimates and assumptions

In preparing these financial statements, the Ministry has made estimates and assumptions concerning the future. These estimates and assumptions may differ from subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Basis of the budget and forecast figures

The 2026 budget figures are for the year ended 30 June 2026. They are consistent with the Ministry's best

estimate financial forecast information submitted to the Treasury for the Budget Economic and Fiscal Update (BEFU) for the year ended 30 June 2026.

The 2027 forecast figures are for the year ending 30 June 2027, which are consistent with the best estimate financial forecast information submitted to the Treasury for the BEFU for the year ending 30 June 2027.

The forecast financial statements have been prepared to communicate forecast financial information for accountability purposes, as required by the Public Finance Act 1989.

The budget and forecast figures are unaudited and have been prepared using the accounting policies adopted in preparing these financial statements.

The 30 June 2027 forecast figures are unaudited and have been prepared in accordance and comply with PBE FRS 42 Prospective Financial Statements.

The Chief Executive approved the forecast financial statements for issue on 15 April 2026.

The Chief Executive is responsible for the forecast financial statements, including the appropriateness of the assumptions underlying them and all other required disclosures.

Although the Ministry regularly updates its forecasts, it does not expect to publish updated forecast financial statements for the year ending 30 June 2027.

Significant assumptions used in preparing the forecast financial information

The forecast figures contained in these financial statements reflect the Ministry's purpose and activities and are based on several assumptions about what might occur during the year ending 30 June 2027. The forecast figures have been compiled on the basis of existing government policies and ministerial expectations at the time the Main Estimates were finalised.

The main assumptions, which were adopted as at 15 April 2026, were as follows:

- The Ministry's activities and output expectations will remain substantially the same as in the previous period, focusing on the Government's priorities.
- Personnel costs were based on 94 full-time equivalent staff.
- Operating costs were based on historical experience to date and other factors that are believed to be reasonable in the circumstances and are the Ministry's best estimate of future costs that will be incurred.
- Remuneration rates are based on current wages and salary costs, adjusted for anticipated remuneration changes.

Estimated period-end information for 2025/26 was used as the opening position for 2026/27.

The actual financial results achieved for the year ended 30 June 2027 are likely to vary from the forecast information presented, and the variations might be material.

2. Revenue

Accounting policy

Funding from the Crown

The Ministry is primarily funded through revenue from the Crown. Revenue from the Crown is measured based on the Ministry's funding entitlement for the reporting period. Parliament establishes the funding entitlement when it passes the Appropriation Acts for the financial year. The amount of revenue recognised takes into account any amendments to appropriations approved in the Appropriation

(Supplementary Estimates) Act for the period and any other funding adjustments formally approved before balance date.

There are no conditions attached to the funding from the Crown. However, the Ministry can incur expenses only within the scope and limits of its appropriations.

The fair value of Revenue Crown has been determined to be equivalent to the funding entitlement.

3. Personnel costs

Accounting policy

Salaries and wages

Salaries and wages costs are recognised as an expense as employees provide services.

Defined contribution schemes

Employer contributions to Kiwisaver are accounted for as a defined contribution superannuation scheme and are expensed in the surplus or deficit as incurred.

Defined benefit schemes

The Ministry does not make employer contributions to any defined benefit superannuation scheme.

2025 Actual (16-months) \$000	Breakdown of Personnel costs	2026 Actual (12-months) \$000
12,521	Salaries and wages	13,648
291	Defined contribution scheme employer contributions	409
238	Increase/(decrease) in employee entitlements	262
292	Other Personnel Costs	382
13,342	Total personnel costs	14,701

4. Capital charge

Accounting policy

The capital charge is recognised as an expense in the financial period that the charge relates to.

Further Information

The Ministry pays a capital charge to the Crown on its taxpayers' funds as at 30 June and 31 December each year. The capital charge rate for the year ended 30 June 2026 was 5%.

5. Other expenses

Other expenses

Other expenses are recognised as goods and services are received.

2025 Actual \$000	Breakdown of other expenses	2026 Actual \$000
174	Consultancy	307
1,924	Contractors	461
959	Lease of premises	989
1,120	Technology expenses	1,003
200	Audit fees for audit of financial statements	127
868	Other expenses	520
5,245	Total other expenses	3,407

Operating leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset to the lessee. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term. Lease incentives received are recognised as a reduction of rental expenses over the lease term.

Operating leases as lessee

The future aggregate minimum lease payments to be paid under non-cancellable operating leases are as follows:

2025 Actual \$000	Breakdown of non-cancellable operating leases	2026 Actual \$000
975	No later than one year	973
4,069	Later than one year and not later than five years	4,180
11,910	Later than five years	10,826
16,953	Total non-cancellable operating leases	15,979

6. Cash and cash equivalents

Accounting policy

Cash and cash equivalents include cash on hand, deposits held at call with banks, and other short term highly liquid investments with maturities of three months or less.

The Ministry is permitted to expend its cash and cash equivalents only within the scope and limits of its appropriations.

2025 Actual \$000	Breakdown of cash and cash equivalents	2026 Actual \$000
2,455	Cash at bank	384
2,455	Total cash and cash equivalents	384

7. Receivables

Accounting policy

Receivables are recorded at the amount due, less an allowance for credit losses. The Ministry applies the simplified expected credit loss model of recognising lifetime expected credit losses for receivables. Short term receivables are written off when there is no reasonable expectation of recovery. There were no receivable write-offs in the period.

The Ministry is permitted to expend its cash and cash equivalents only within the scope and limits of its appropriations.

2025 Actual \$000	Breakdown of receivables	2026 Actual \$000
1,177	Crown debtors	2,236
80	Other receivables	46
1,257	Total receivables	2,282

8. Property, plant and equipment

Accounting policy

Property, plant and equipment consist of information technology equipment. All items are measured at cost less accumulated depreciation and impairment losses.

Additions

An item of property, plant and equipment is recognised as an asset only when it is probable that the future economic benefits or service potential associated with the item will flow to the Ministry beyond one year or more and the cost of the item can be measured reliably. Property, plant and equipment is initially recorded at its cost. Subsequent expenditure that extends the useful life or enhances the service potential of an existing item of property, plant and equipment is capitalised. All other costs incurred in maintaining the useful life or service potential of an existing item of property, plant and equipment are expensed in the surplus or deficit as they are incurred.

Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains or losses arising from the sale or disposal of an item of property, plant and equipment are recognised in the surplus or deficit in the period in which the item of property, plant and equipment is sold or disposed of.

Depreciation

Depreciation is provided on a straight-line basis on all property, plant, and equipment, at rates that will write off the cost of the assets to their estimated residual values over their useful lives. The useful lives and associated depreciation rates of major classes of property, plant, and equipment have been estimated as follows.

Type of asset	Estimated life
Information technology equipment	3-5 years

Impairment

Property, plant, and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount might not be recoverable. An impairment loss is recognised for the amount that the asset's carrying amount exceeds its recoverable service amount. The recoverable service amount is the higher of an asset's fair value less costs to sell and value in use.

Breakdown of property, plant and equipment

Movements for each class of property, plant, and equipment are as follows:

	Information technology equipment \$000	Total \$000
Cost or valuation		
Balance at 1 July 2024	-	-
Additions	83	83
Balance at 30 June 2025	83	83
Additions	20	20
Disposals	-	-
Balance at 30 June 2026	103	103
Accumulated depreciation		
Balance at 1 July 2024	-	-
Depreciation expense	29	29
Balance at 30 June 2025	29	29
Depreciation expense	34	34
Elimination on disposal	-	-
Balance at 30 June 2026	63	63
Carrying amount		
At 30 June 2025	54	54
At 30 June 2026	40	40

9. Intangible assets

Accounting policy

Software acquisition and development

Costs that are directly associated with the development of software for internal use are recognised as an intangible asset. Direct costs include the costs of services and software development.

Staff training costs are recognised as an expense when incurred.

Costs associated with maintaining computer software are recognised as an expense when incurred.

Costs of software updates or upgrades are capitalised only when they increase the usefulness or value of the software.

Costs associated with development and maintenance of the Ministry's website are recognised as an expense when incurred.

Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each financial period is recognised in surplus or deficit.

The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows:

- Internally developed computer software - 5 years/20%.

Impairment

Intangible assets subsequently measured at cost that have an indefinite useful life or that are not yet available for use are tested annually for impairment, irrespective of whether there is any indicator of impairment.

For further details, refer to the policy for impairment of property, plant, and equipment in Note 8. The same approach applies to the impairment of intangible assets.

	Internally developed software \$000	Total \$000
Cost		
Balance at 1 July 2024	-	-
Additions	130	130
Balance at 30 June 2025	130	130
Additions	535	535
Disposals	-	-
Balance at 30 June 2026	665	665

	Internally developed software \$000	Total \$000
Accumulated amortisation and impairment losses		
Balance at 1 July 2024	-	-
Amortisation expense	13	13
Disposals	-	-
Impairment losses	-	-
Balance at 30 June 2025	13	13
Amortisation expense	46	46
Disposals	-	-
Impairment losses	-	-
Balance at 30 June 2026	59	59
Carrying amount		
At 30 June 2025	117	117
At 30 June 2026	606	606

Restrictions

There are no restrictions over the title of the Ministry's intangible assets, nor are any pledged as security for liabilities.

Capital commitments

As at 30 June 2026, the Ministry has no capital commitments.

10. Payables

Accounting policy

Creditor and other payables are recorded at the amount payable.

2025 Actual \$000	Breakdown of payables	2026 Actual \$000
149	Accrued expenses	94
1,083	Creditors	699
1,232	Total payables	793

11. Return of operating surplus

The return of operating surplus to the Crown is required to be paid by 31 October of each year.

2025 Actual \$000	Provision of operating surplus	2026 Actual \$000
-	Opening Balance	239
675	Surplus for the period	24
(436)	Repayment of surplus for the previous period	(239)
239	Total Provision for operating surplus	24

12. Employee entitlements

Accounting policy

Short-term employee entitlements

Employee entitlements that are expected to be settled wholly before 12 months after the end of the reporting period in which the employees render the related service are measured based on accrued entitlements at current rates of pay.

These include salaries and wages accrued up to balance date and annual leave earned but not yet taken at balance date.

Long-term employee entitlements

The Ministry's long-term entitlements relate to staff transferred from other government agencies who retained their entitlements.

Employee entitlements that are not expected to be settled wholly before 12 months after the end of the reporting period that the employees provide the related service in, such as long service leave and retirement gratuities, have been calculated on an actuarial basis. The calculations are based on:

- likely future entitlements accruing to employees, based on years of service, years to entitlement, the likelihood that employees will reach the point of entitlement, and contractual entitlements information; and
- the present value of the estimated future cash flows.

2025 Actual \$000	Breakdown of employee entitlements	2026 Actual \$000
	Current portion	
303	Annual leave	563
303	Total current portion	563
	Non-current portion	
15	Long-service leave	16
318	Total employee entitlements	579

13. Contingencies

The Ministry has no contingent liabilities and no contingent assets at 30 June 2026.

14. Equity

Accounting policy

Equity is the Crown's investment in the Ministry and is measured as the difference between total assets and total liabilities. All equity is aggregated and classified as taxpayers' funds.

2025 Actual \$000	Breakdown of equity	2026 Actual \$000
-	Taxpayers' funds at start of period	2,145
675	Surplus/(deficit) for the period	24
2,145	Capital injections	-
(675)	Return of surplus to the Crown	(24)
2,145	Total taxpayers' funds at 30 June	2,145

Capital Management

The Ministry's equity is largely managed as a by-product of managing revenue, expenses, assets, liabilities, compliance with the government budget processes and Treasury Instructions, and operating in a prudent and efficient manner in accordance with the Public Finance Act 1989.

The objective of managing the Ministry's equity is to ensure that the Ministry effectively achieves its goals and the objectives that it has been established for while remaining financially sustainable.

15. Financial instruments

Accounting policy

Financial instruments are comprised of trade debtors and other receivables, cash and cash equivalents, trade creditors and other payables.

Financial assets and financial liabilities are recognised when the Ministry becomes a party to the contractual provisions of the financial instrument.

Financial assets and financial liabilities are recognised initially at fair value plus transaction costs, except for those carried at fair value through surplus or deficit, which are measured at fair value. Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or the Ministry transfers the financial asset to another party without retaining control or transfers substantially all the risks and rewards of the asset.

A financial liability is derecognised when it is extinguished, discharged, cancelled or expired.

The Ministry measures all financial assets at amortised cost less any provisions for impairment.

Classification

The classification of the Ministry's financial assets and liabilities in accordance with PBE IPSAS 41 Financial Instruments is as follows:

2025 Actual \$000	Financial assets measured at amortised cost	2026 Actual \$000
2,455	Cash and cash equivalents	384
1,257	Receivables (excluding taxes receivable)	2,282
3,712	Total financial assets measured at amortised cost	2,666
Financial liabilities measured at amortised cost		
1,232	Creditor and other payables	793
1,232	Total financial liabilities measured at amortised cost	793

16. Related party transactions

The Ministry is a wholly owned entity of the Crown.

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and condition no more or less favourable than those that it is reasonable to expect the Ministry would have adopted in dealing with the party at arm's length in the same circumstances. Further, transactions with other government agencies (e.g., with government departments and Crown entities) are not disclosed as related party transactions when they are consistent with the normal operating arrangements between government agencies and undertaken on the normal terms and conditions for such transactions.

Key management personnel

The key management personnel remuneration disclosure includes the Chief Executive and three other members of the Senior Leadership Team and those formally acting in these positions during the financial period on a full-time equivalent basis. The disclosure of compensation of key management personnel below excludes the Minister for Regulation. The Minister's remuneration and other benefits are not received only for his role as a member of key management personnel of the Ministry. The Remuneration Authority sets the Minister's remuneration and other benefits under the Members of Parliament (Remuneration and Services) Act 2013, and they are paid under permanent legislative authority on behalf of the Crown by the Department of Internal Affairs, not by the Ministry for Regulation.

2025 Actual (16 months) \$000	Key management personnel compensation	2026 Actual \$000
Senior Leadership Team, including the Chief Executive		
1,283	Remuneration	1,393
2.5	Full-time equivalent	4.0

Full-time equivalent values reflect the remuneration provided in exchange for the employee services provided in the period covered by these financial statements.

No other related party transactions were entered into during the period with key management personnel.

17. Events after balance date

There were no significant events after the balance date.

18. Explanation of major variances against budget

Major variances are considered as variances plus or minus 10% compared with budget that total at least \$0.25 million.

Statement of financial position

Cash and cash equivalents

Cash and cash equivalents were \$1.62 million lower than budget primarily due to a timing on receipts of cash from the crown and timing of payments to suppliers.

Debtors and other receivables

Debtors and other receivables were \$0.84 million higher than budget due to timing of receipts of cash from the Crown.

Intangible assets

Intangible assets were \$0.37 million higher than budget primarily due to the data lake project that was approved during the financial year.

Creditors and other payables

Creditors and other payables were \$0.73 million lower than budget primarily due to timing of payments to suppliers.

Employee entitlements

Employee entitlements were \$0.43 million higher than budget due to higher than budgeted annual leave liability. Managers continue to encourage staff to take annual leave and there are no excessive leave balances as at 30 June 2026.

Statement of cash flows

Payments to suppliers

Payments to suppliers were \$0.96 million higher than budget due to timing of payments to suppliers.

Purchase of intangible assets

Purchases of intangible assets were \$0.34 million higher than budget due to the increased purchases as detailed above.

Cash and cash equivalents at the beginning of the period

Cash and cash equivalents at the beginning of the period were \$0.46 million higher than budget primarily due to the surplus at the end of the 2024/25 financial year.

Independent auditor's report



Independent Auditor's Report

To the readers of the Ministry for Regulation's annual report for the year ended 30 June 2026

The Auditor-General is the auditor of the Ministry for Regulation (the 'Ministry'). The Auditor-General has appointed me, Anthony Heffernan, using the staff and resources of The Audit Office, to carry out the audit of the information required to be audited on his behalf.

Opinion

We have audited:

- The financial statements of the Ministry that comprise the statement of financial position, statement of commitments, and statement of contingent liabilities and contingent assets as at 30 June 2026, the statement of comprehensive revenue and expenses, statement of changes in equity, and statement of cash flows for the year ended on that date, and the notes to the financial statements that include accounting policies and other explanatory information on pages 57 to 74.
- The end-of-year performance information for the appropriation of the Ministry for the year ended 30 June 2026 on pages 49 to 53.
- The statement of budgeted and actual expenses and capital expenditure of the Ministry for the year ended 30 June 2026 on pages 54 to 55.

In our opinion:

- The financial statements of the Ministry present fairly, in all material respects, its financial position as at 30 June 2026, and its financial performance and cash flows for the year then ended, in accordance with the Public Benefit Entity Standards Reduced Disclosure Regime.
- The end-of-year performance information for the appropriation for the year ended 30 June 2026 is appropriate and meaningful and prepared in accordance with the Ministry's measurement bases or evaluation methods and the Public Benefit Entity Reporting Standards Reduced Disclosure Regime, and presents fairly, in all material respects:
 - what has been achieved with the appropriation; and

- the actual expenses or capital expenditure incurred in relation to the appropriation as compared with the expenses or capital expenditure that were appropriated or forecast to be incurred.
- The statements of expenses and capital expenditure have been prepared, in all material respects, in accordance with the requirements of section 45A of the Public Finance Act 1989.

Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards, the International Standards on Auditing (New Zealand), and New Zealand Auditing Standard 1 (Revised): *The Audit of Service Performance Information* issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the *Responsibilities of the auditor for the information to be audited* section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of the Chief Executive and Secretary for Regulation for the information to be audited

The Chief Executive and Secretary for Regulation is responsible on behalf of the Ministry for preparing financial statements and end-of-year performance information for the appropriation that are fairly presented and comply with the Public Benefit Entity Standards Reduced Disclosure Regime and legislative requirements.

This includes:

- the selection of elements/aspects of service performance, performance measures and/or descriptions, and measurement bases or evaluation methods to enable the presentation of end of year performance information for an appropriation that is appropriate and meaningful; and
- the preparation of end-of-year performance information for an appropriation in accordance with the Ministry's measurement bases or evaluation methods and Public Benefit Entity Reporting and legislative requirements.

The Chief Executive and Secretary for Regulation is responsible on behalf of the Ministry for preparing Statements of budgeted and actual expenses and capital expenditure.

The Chief Executive and Secretary for Regulation is responsible for such internal control as is determined is necessary to enable the preparation of the information to be audited that is free from material misstatement, whether due to fraud or error.

In preparing the information to be audited, the Chief Executive and Secretary for Regulation is responsible on behalf of the Ministry for assessing the Ministry's ability to continue as a going

concern. The Chief Executive and Secretary for Regulation is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to merge or to terminate the activities of the Ministry, or there is no realistic alternative but to do so.

The Chief Executive and Secretary for Regulation's responsibilities arise from the Public Finance Act 1989.

Responsibilities of the auditor for the information to be audited

Our objectives are to obtain reasonable assurance about whether the information we audited, as a whole, is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers, taken on the basis of the information we audited.

For the budget information reported in the information we audit, our procedures are limited to checking that the information agrees to the Estimates of Appropriations for the Government of New Zealand for the Year Ending 30 June 2026. For performance information for the appropriation, we agree any changes from the performance measures and standards in the Estimates to the Supplementary Estimates. For the forecast financial information for the year ending 30 June 2027, our procedures are limited to checking to the best estimate financial forecast information based on the Budget Economic Fiscal Update for the year ending 30 June 2027.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the information we audited, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Department's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Chief Executive and Secretary for Regulation.
- In respect of the end-of-year performance information for the appropriation, we:

- obtain an understanding of the process applied by the Ministry to select its elements/aspects of service performance, performance measures and/or descriptions and the measurement bases or evaluation methods and evaluate whether these present an appropriate and meaningful assessment of the Ministry's service performance.
- evaluate whether the end-of-year performance information for the appropriation is prepared in accordance with the Ministry's measurement bases or evaluation methods, in accordance with the Public Benefit Entity Standards Reduced Disclosure Regime.
- We evaluate whether the statement of budgeted and actual expenses and capital expenditure has been prepared in accordance with legislative requirements.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Chief Executive and Secretary for Regulation and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Ministry's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the information we audited or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Ministry to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the information we audited, including the disclosures, and whether the information we audited represents the underlying transactions and events in a manner that achieves fair presentation.
- We communicate with the Chief Executive and Secretary for Regulation regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Chief Executive and Secretary for Regulation is responsible for the other information. The other information comprises all of the information included in the annual report other than the information we audited and our auditor's report thereon.

Our opinion on the information we audited does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

Our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the information we audited or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of the Ministry in accordance with the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1:

International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board.

Other than in our capacity as auditor, we have no relationship with, or interests, in the Ministry for Regulation.



Anthony Heffernan
The Audit Office
On behalf of the Auditor-General
Wellington, New Zealand
28 September 2026



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Government**

Te Kāwanatanga
o Aotearoa

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