



COVERSHEET

Minister	Hon Chris Penk	Portfolio	Building and Construction
Title of Cabinet paper	Regulations Relating to the Building and Construction Sector (Self-certification by Plumbers and Drainlayers) Amendment Bill	Date to be published	15 July 2026

List of documents that have been proactively released

Date	Title	Author
2 June 2026	Regulations Relating to the Building and Construction Sector (Self-certification by Plumbers and Drainlayers) Amendment Bill	Office of the Minister for Building and Construction
2 June 2026	Minute of decision: Regulations Relating to the Building and Construction Sector (Self-certification by Plumbers and Drainlayers) Amendment Bill LEG-26-MIN-0114 Minute	Cabinet Office
4 May 2026	Appendix One: Supplementary Analysis Report: Broadening the scope of the plumbers and drainlayers self-certification scheme	MBIE

Information redacted

YES

Any information redacted in this document is redacted in accordance with MBIE's policy on Proactive Release and is labelled with the reason for redaction. This may include information that would be redacted if this information was requested under Official Information Act 1982. Where this is the case, the reasons for withholding information are listed below. Where information has been withheld, no public interest has been identified that would outweigh the reasons for withholding it.

Some information has been withheld for reason of Confidential advice to Government.



Supplementary Analysis Report: Broadening the scope of the plumbers and drainlayers self- certification scheme

Purpose	<i>Provide impact analysis on increasing the scope of the Plumbers and Drainlayers Self-Certification scheme to now include most plumbing and drainlaying work, including more complex and higher-risk work. The aim is to make the scheme simpler and reduce regulatory complexity.</i>
Decision sought	<i>Analysis produced to support final decisions before a proposal is implemented.</i>
Agency responsible	<i>The Ministry of Business, Innovation and Employment</i>
Proposing Ministers	<i>Minister for Building and Construction</i>
Date finalised	<i>4 May 2026</i>

Description of the option Cabinet (or delegated Ministers) has chosen

An opt-in self-certification scheme for plumbers and drainlayers (options 2)

Establishing an opt-in self-certification scheme for plumbers and drainlayers is a Government commitment.

Cabinet initially agreed to an opt-in self-certification scheme for plumbers and drainlayers for work in simple residential dwellings [ECO-25-MIN-0052].

Cabinet has subsequently agreed to:

- broaden and simplify the regulatory definition of self-certifiable plumbing and drainlaying, so that eligibility is determined by building height and typology, fire and intertenancy wall constraints, and compliance with an Acceptable Solution or Verification method. This change significantly increases the range of work that may be self-certified, within the agreed eligibility boundaries.
- remove a requirement set out in the Building and Construction Sector (Self-certification by Plumbers and Drainlayers) Amendment Bill ("the Bill") that work should be low-risk, non-complex and routine, and instead rely on the agreed regulatory definition and system settings such as eligibility criteria, audit activity, and disciplinary mechanisms to manage

risk.

As the definition for self-certifiable plumbing and drainlaying is simpler to understand, Cabinet also agreed to remove a requirement set out in the Bill that when building work is going to include self-certified plumbing or drainlaying, the application for consent must be accompanied with a declaration that the plumbing or drainlaying work meets the definition of self-certifiable plumbing and/or drainlaying.

Restrictions on who can self-certify work will still apply. Criteria will be set by the Plumbers, Gasfitters, and Drainlayers Board ("the Board"), and must include minimum standards relating to technical competency, experience, ability to meet potential civil liability, and robust business and administrative practices.

This Supplementary Analysis Report (SAR) examines the regulatory impacts of a more expansive scope for the self-certification scheme, compared with the original plumbing and drainlaying definition of certifiable work agreed to by Cabinet and stated in the Bill.

Summary: Problem definition and options

What is the policy problem?

The time and cost it takes to build a new home or commercial building can be extensive. While there are multiple contributors, the Government has identified inefficiencies in the building consent system as a key factor.

During busy periods, these consent system issues can cause time delays in building projects which can also lead to greater building costs. This was seen in 2021-2022 where there was a sudden and significant increase in residential building activity.

Even during current periods of low demand there is some anecdotal evidence that practitioners are waiting longer than the statutory three days for an inspection. Introducing more flexibility into the consenting system, and improving quality assurance, will help mitigate delays.

Some parts of the sector have indicated they are ready and supportive of being able to take on the responsibility for signing-off their own work but are currently unable to without legislative change. Building consent authorities (BCAs) have also told us that they are comfortable with light touch approaches to consenting in the right circumstances and support steps to improve quality assurance in the sector.

There is the opportunity to remove the time and cost of BCA inspections of plumbing and drainlaying work and strengthen the responsibility and accountability of practitioners.

What is the policy objective?

The objective of a self-certification scheme for plumbers and drainlayers is to improve the flexibility of the consenting system to make it cheaper and faster to build by enabling plumbing and drainage work to be completed more quickly and efficiently.

The scheme also seeks to reduce the pressure on BCA resources and allow them to concentrate on higher risk and more complex builds and increase the responsibility of practitioners to ensure that their work meets Building Code requirements.

What consultation has been undertaken?

MBIE has undertaken consultation and engagement on self-certification for plumbers and drainlayers over several years, drawing on external research, system-wide reform work, and targeted engagement with regulators and industry. This includes:

- **2020:** MBIE contracted external agency Sapere Research Group Limited to undertake consultation and develop a report on a self-certification scheme for plumbers and drainlayers.
- **2023:** MBIE consulted on consenting system reform options, including consideration of options for self-certification.
- **2024 to early 2025:** MBIE undertook targeted engagement with BCAs and industry stakeholders on options for the development of a self-certification scheme more generally (including plumbers), but not on the specific details in the original RIS or this SAR.
- **10 September to 10 October 2025:** MBIE undertook targeted consultation (calling for submissions) on proposed regulations to support amendments to the PGD Act. Amongst other things, this sought feedback on the scope of work eligible for self-certification and options for inclusion of on-site systems and work in commercial buildings. The outcome of this consultation is published in a summary of submissions¹, and included feedback provided through:
 - 30 written submissions
 - Nine stakeholder meetings (three with industry bodies and six with BCA clusters)
 - One workshop with key sector groups

Additional consultation to inform decisions on the expanded scope includes:

- **February - March 2026:** MBIE consulted the Board, Master Plumbers, insurance providers, and Tauranga City Council prior to Cabinet decisions on the expanded self-certification scope.
- Officials also considered the relevant submissions and the report of the Transport and Infrastructure Select Committee on the *Building and Construction Sector (Self-certification by Plumbers and Drainlayers)*

¹ See <https://www.building.govt.nz/assets/Uploads/supporting-material/summary-of-submissions-proposed-regulations-plumbing-and-drainlaying-self-certification-scheme.pdf>

Amendment Bill where they raised issues relating to relevant elements of the scheme design or scope of eligible work.

Summary: Chosen option

Costs

Outline the key costs and where those costs fall

Administration, monitoring and enforcement costs

The Plumbers, Gasfitters and Drainlayers Board will administer the self-certification scheme and will perform the following functions:

- assessing, approving and registering processes
- auditing and monitoring
- education
- complaints and disciplinary processes

Under the original scope of self-certification scheme [CAB-25-MIN-04021]

Confidential advice to Government

latory detail and system design.

The primary assumption is that 50 per cent of eligible certifying plumbers and drainlayers will enter the new regime. This is around 3,000 of the 6,000 eligible practitioners.

Broadening the scope of scheme to now include most plumbing work will have effects on the operating costs of scheme, but the overall impact is uncertain. For example:

- A potentially greater number of practitioners registering to self-certify will increase the total administration cost of assessing eligibility and approving registration, auditing and monitoring, education and complaints and disciplinary processes.
- There may be some additional work for the Board associated with the inclusion of more complex work, if the rate of defective work increases and there are greater numbers of complaints.
- The greater the uptake of scheme then the more BCA costs (administration, inspections and enforcement) would decrease.

Compliance costs

Confidential advice to Government

[REDACTED]

We have heard from some stakeholders that the more plumbing and drainlaying work that is in scope to be self-certified, the more plumbers and drainlayers will participate in the scheme. If there is an increase in the number of practitioners registering to self-certify, endorsement fees and levies payable to be part of scheme could be expected to decrease. Practitioners would also be able to spread the costs incurred from participating in the scheme across a greater proportion of the work that they do.

Practitioners are required to meet minimum standards relating to technical competency, experience, ability to meet potential civil liability, and business and administrative practices, such as quality assurance and record keeping. Practitioner cannot apply for an endorsement that limits the work they can self-certify to lower-risk work. This means that (subject to Board decisions) practitioners may face greater compliance costs to meet higher minimum standard requirements associated with the inclusion of more complex work in the scheme.

Insurance costs for practitioners may increase initially while insurers build confidence in the scheme's risk and claims profile. Over time, pricing is likely to be influenced by uptake, observed defects, and insurers' ability to price risk accurately, with higher uptake potentially supporting risk pooling and lower premiums.

As the definition is now simpler for building consent officials to understand, Cabinet has also agreed that it is no longer necessary for a practitioner to declare that the plumbing or drainlaying work is self-certifiable. This will reduce compliance cost associated with this process.

Establishment costs

Under the original scope of self-certification scheme [CAB-25-MIN-0402], the Board estimated the establishment activities and their expected costs at \$1.67 million (excl. GST).

Based on the Board's original costings and current funding agreement with MBIE, we expect the Board's additional establishment costs to expand the scheme at this point in the implementation process to be [REDACTED]
Confidential advice to Government

Benefits

Outline the key benefits and where those benefits fall (original RIS)

From the analysis that MBIE conducted at the time of original RIS in March 2025, it was considered that the preferred self-certification option would provide some benefits when addressing the problem (essentially from faster construction completion from avoided inspections) given the costs of the proposed new scheme (implementation, administration, enforcement, and compliance costs).²

² See <https://www.mbie.govt.nz/dmsdocument/30864-regulatory-impact-statement-establishing-self-certification-schemes-for-simple-residential-building-work-proactiverelase-pdf>

Subsequent cost-benefit-analysis by Sapere economic consultants of the preferred option confirm positive benefits: that is, a net-present value (NPV) of \$19.2 million. However, the degree to which the preferred option achieves a positive net-benefit is highly dependent on the readiness and level of uptake by the sector and the degree to which self-certified work is defect-free.

We have heard from some stakeholders that the more plumbing and drainlaying work that is in scope to be self-certified, the more plumbers and drainlayers will participate in the scheme. This is because a greater proportion of their work will fall within the scope of the scheme. This implies greater benefits from faster construction completion due to less inspections.

However, the overall impact on uptake rates from an expanded definition is uncertain and will depend on a range of factors affecting both practitioners and consumers. These include:

- the scope of work that can be self-certified
- the costs to practitioners of participating in the scheme
- practitioner liability when things go wrong
- insurance availability and pricing
- consumer appetite for using self-certification.

Importantly, the extent, nature and rate of defects observed under an expanded scheme will impact how the anticipated benefits of the scheme are realised over time.

A more simplified and clearer scope definition for the self-certification scheme potentially has additional benefits, including:

- a reduction in unintentional non-compliance, particularly for small businesses and sole traders
- building owners, designers, consent authorities, and inspectors have a clearer understanding of who is authorised to carry out which work, which supports smoother consenting and inspection processes, with fewer disputes about competence or authorisation
- practitioners spending less time interpreting complex or overlapping scope rules
- making it easier to train, assess, and communicate to industry, and easier for sub-trades, design professionals and construction partners to understand the limitations of the scheme
- practitioners more likely to comply with regulatory requirements rather than take informal workarounds
- greater flexibility to respond to technology and industry change.

Balance of benefits and costs

Does the SAR indicate that the benefits of the chosen option are likely to outweigh the costs?

Since the original RIS in March 2025, Sapere consultants have undertaken a cost benefit analysis of the preferred option of an opt-in self-certification scheme for plumbers and drainlayers (*Workstream two: Analysis of self-certification and inspections proposals*, 31 July 2025).³ Sapere quantified the key costs and benefits able to be estimated and considered breakeven levels

of defects and necessary scheme uptake to produce a positive NPV benefit.

Under Sapere's central assumptions (with sensitivities in parentheses), the plumbers and drainlayers opt-in scheme (option 2) has a quantified net present value (NPV) of **\$19.2 million** (-\$7.2 million to \$72.5 million). This is composed of \$33.6 million in quantified costs and \$52.8 million in quantified benefits. The NPV assumes, according to Sapere's breakeven analysis, that defects increase by no more than 21.9 per cent of work completed and uptake to the new self-certification scheme is at least 6.1 per cent. Outside these parameters the NPV becomes negative.

Broadening the scope of self-certification scheme for plumbers and drainlayers will impact on the overall (net) benefit of the scheme (that is, faster construction completion from avoided inspections) given the costs of a more comprehensive scheme (implementation, administration, monitoring, enforcement, and compliance costs).

The (breakeven) viability and benefits of the scheme hinge on defect rates increasing no more than 21.9 per cent of work completed and uptake of the scheme being more than 6.1 per cent. Broadening the self-certification scheme to include most plumbing and drainlaying work (including complex and commercial work) would be expected to impact both these breakeven variables.

Impact on defect rates

Evidence from BCAs indicates that inspection failure rates typically increase with more complexity. This implies that without improved quality assurance from practitioners, broadening of the scheme to now include most plumbing and drainlaying work (including commercial building and more complex work) could result in an increase in post-construction defects.

The extent that this would impact on the breakeven defect rates (and therefore net-benefits) is uncertain and will depend on uptake patterns, practitioner behaviour, and the effectiveness of assurance mechanisms such as eligibility thresholds, audit and monitoring activity, and disciplinary processes.

Additional measures to promote improved quality assurance and a reduction in defect rates include new offences and penalties so that the Board can take appropriate action against self-certifiers who fail to meet their responsibilities, powers to audit certificates of compliance and strengthened business practices.

Impact on uptake rates

While an expanded scope for the self-certification scheme could see an increase in practitioner uptake, and greater time and cost savings, the overall impact on uptake rates from an expanded scheme definition is uncertain and will depend on a range of factors affecting both practitioners and consumers (see Table 4). Importantly, the extent, nature, and rate of defects observed under an expanded scheme will impact how the anticipated benefits of the scheme are realised over time.

³ <https://www.mbie.govt.nz/dmsdocument/31974-workstream-two-analysis-of-self-certification-and-inspections-proposals-pdf>

Implementation

How will the chosen option be implemented, who will implement it, and what are the risks?

The opt-in self-certification scheme for plumbers and drainlayers is established through amendments to the PGD Act 2006 and Building Act 2004.

The Bill was reported back by the Transport and Infrastructure Committee on 19 March 2026 and is currently awaiting its second reading. It is expected to receive Royal assent by mid-2026. The scheme is proposed to be operational around August-September 2026.

The Bill provides for regulations to be made under the PGD Act to:

- define self-certifiable plumbing and self-certifiable drainlaying, which is the work that can be self-certified without the need for an inspection; and
- prescribe information that must be included in the Certificate of Compliance.

The regulator for the plumbers and drainlayers self-cert scheme will be the Board. They would be responsible for:

- setting minimum standards relating to technical competency, experience, ability to meet potential civil liability, and business and administrative practices, such as quality assurance and record keeping
- assessing, approving and registering processes
- auditing and monitoring
- complaints and disciplinary processes.

Amendments to the *Building (Forms) Regulations 2004* will be needed.

In preparation for commencement of the self-certification scheme (expected around August-September 2026) the Board is reviewing and developing operational and corporate policies and procedures to ensure compliance with the amended Act. The Board is also progressing work to ensure practitioner readiness, such as the development of competency assessments, communications, guidance and training. There will also be communications to support consumers opting for the self-certification consenting pathway.

Monitoring evaluation and review

Has a plan been developed for monitoring, evaluation and review?

The Bill formally requires the chief executive of MBIE, and Employment to monitor the self-certifying scheme, and its impact on the performance of the building sector.

MBIE collects consent system data from BCAs and publishes it on a quarterly basis. This includes information on consent and inspection timeframes. MBIE expects to be able to monitor improvements to the time to build using consent data. BCAs will know at the building consent application stage whether

plumbing or drainlaying work is going to be self-certified

Uptake of the scheme

The number of self-certifying plumbers and drainlayers will be recorded by the Board. The Bill requires the Board to provide information on the number of persons who hold endorsements in its annual report.

The Board will also collect certificates of compliance and publish them on a public register, which can be used as evidence of the volume of work that is being self-certified.

Rates of defects

New monitoring and auditing functions for the PGD Board will be established through the Self-Certification Bill. The PGD Board will monitor and audit the Certificate of Compliance and ensure that practitioners meet the requirements to self-certify.

Complaints about plumbing and drainlaying work can be made to the Board. The existing processes for considering and investigating a complaint would be applied. The Board keeps a record of complaints and reports them in their annual report.

Limitations and Constraints on Analysis

Outline all significant limitations and constraints on the process and content of the SAR

There is limited information on:

- the specific contribution of consent requirements to the time and cost to build residential and non-residential buildings in New Zealand
- likely uptake of self-certification options among plumbing and drainlaying practitioners
- likely uptake of the self-certification consent pathway by consumers
- current BCA resource allocation and the impacts of the preferred option on this
- likely changes in behaviour among both practitioners who self-certify and BCAs
- availability of insurance products to support the scheme
- likely impact of self-certification scheme on levels of building defects (and costs associated with them)

We have relied on existing data sources, where available. However, some data was collected in 2022 and reflects issues that building companies were dealing with post-COVID that may no longer be relevant. Where quantitative data is not available, we have estimated costs and benefits based on information provided from BCAs, through targeted stakeholder engagement and through comparison with comparable consent system schemes.

Since the original RIS was completed and reviewed by MBIE's Regulatory Impact Assessment Panel in 2025, Sapere consultants have completed a cost-benefit analysis of proposed self-certification scheme for plumbers and drainlayers. Sapere's finding and analysis were qualified by the following limitations:

- Details on the exact application and design of the options being considered were still being refined as part of policy development.
- There were significant gaps in the data available at the time. As such, Sapere had to make the best use of available data in the time available. They highlighted where challenges were the greatest and where simplifying assumptions had been required. They also undertook sensitivity analysis of key inputs that made a material difference to the results (and used scenarios for inspection efficiency). Consequently, there are significant ranges in the results and high levels of uncertainty (including unquantified risks).

Short timeframes

The short timeframes for completing this work have limited the level of analysis possible.

Time constraints have also limited the level of consultation on the design of the options analysed in this paper. We have relied on targeted engagement and information from previous consultations to inform the development of options where possible.

The above limitations and constraints have impacted on the quality of the analysis in this SAR.

I am satisfied that, given the available evidence, it represents a reasonable view of the likely costs, benefits and impact of the chosen option.

**Responsible Manager(s)
signature:
Suzannah Toulmin
Manager Consenting and
Practitioners Policy
4 May 2026**



Quality Assurance Statement

Reviewing Agency: MBIE

QA rating: Partially Meets

Panel Comment:

The panel have agreed a QA statement for the SAR as follows:

A Quality Assurance Panel from MBIE has reviewed the Supplementary Analysis Report (SAR) prepared by MBIE titled Broadening the scope of the Plumbers and Drainlayers - Self-Certification on 1 May 2026.

The Panel consider that the information and impact analysis summarised in the SAR **partially meets** the Quality Assurance criteria.

The constrained consultation process on this specific option addressed by

the SAR (as opposed to the wider consultation undertaken on the original proposal), significantly limits the ability of the SAR to assess likely impacts on behaviour and outcomes. This results in significant uncertainty about the extent to which self-certification will be taken up by practitioners, and the potential negative consequences of the proposal (for instance in terms of increased non-compliant works and increases in litigation as a result). Additional consultation would be likely to improve information about these outcomes, but would be unlikely to be definitive as consulted parties would still be speculating on likely actions and outcomes of a yet untested regime. We recommend careful monitoring of the regime to ensure that it is operating as intended, and potentially including a review clause after a few years of operation.

Section 1: Diagnosing the policy problem

What is the context behind the policy problem?

1. The cost to purchase a home in New Zealand relative to household income is high. According to CoreLogic, in August 2024, the median property value was 7.7 times the gross annual median household income. The Minister for Housing has set a long-term target to bring house prices down to three-to-five times household incomes.
2. In 2024, the Government made a commitment to making it easier to build a home to increase the supply of houses to improve affordability. Growing the housing stock to improve housing affordability is a priority for the Government.
3. There are many contributors to the low supply of housing and the time and cost it takes to construct a house in New Zealand. For example, the costs of building materials, sector productivity, diseconomies of scale, resource planning rules, and the costs of land and resource consent. One of the contributors the Government is focusing on is the building consent system.
4. The time and cost to build residential houses in New Zealand is a broader issue and equally applies to non-residential building. The time and cost it takes to build can be extensive. While there are multiple contributors, the Government has identified inefficiencies in the building consent system as a key factor (paragraph 17).

Key features of the current building consent system

5. The role of the building consent process is to ensure that building work is compliant with the New Zealand Building Code (“the Building Code”) to ensure the safety and structural integrity of building work. Section 40 of the Building Act 2004 (the Act) requires that building work must not be carried out without a building consent unless it is work that is exempted under section 41 and 42A of the Building Act.
6. The key features of the building consent system include the following:
 - Building consent authorities (BCAs) which regulate the building control system and check to ensure an application for a building consent complies with the Building Code and that building work is carried out in accordance with the building consent for that work.
 - A building consent which is a written approval from a BCA to carry out specific work in a specific place.
 - Building inspections are carried out by the BCA to ensure that work is being carried out in accordance with the approved building consent and the Building Code.

- Code Compliance Certificates are issued by BCAs to show that building work carried out under a building consent complies with that building consent.
- Self-certification for low-risk work set out in Schedule 1 of the Building Act, that does not require a building consent (but must still comply with the Building Code).

State of the building industry

7. The building and construction sector has seen sharp increases and decreases since 2020 and now. Consents for new dwellings peaked at 51,015 in the year ending May 2022, an increase from 37,024 in the same period in 2020 (a 27.4 per cent increase). Since this peak, consents for new dwellings have fallen to around 36,000 in 2025. The value of non-residential building work consented in 2025 is \$8.874 billion.
8. In the short-to-medium term, the sector is projected to recover from the recent downturn. It is unlikely that this recovery will see an increase in activity seen in 2021–2022, given the series of unusual circumstances that lead to that growth. Instead, growth would likely be at a steadier rate as seen between 2011 and 2020, although the impact of current middle east conflict will have an impact.
9. A growing share of residential activity is expected to be multi-unit and medium-density housing, particularly in Auckland, Christchurch and other large urban areas.

Government decisions

10. In April 2025, Cabinet agreed to introduce an opt-in self-certification scheme for plumbers and drainlayers that would enable these professionals to sign off their own work without the need for a building inspection [ECO-25-MIN-0052 refers]. This applied to plumbing and drainlaying work in simple residential dwellings [ECO-25-MIN-0052: recommendation 12).
11. On 10 November 2025, Cabinet approved the Building and Construction Sector (Self-Certification by Plumbers and Drainlayers) Amendment Bill (“the Bill”) for introduction [CAB-25-MIN-0402 refers].
12. The Bill was introduced on 11 November 2025 and referred to Select Committee on 18 November 2025. The Transport and Infrastructure committee reported back to the House on 19 March 2026, and the Bill is expected to proceed through remaining house stages to Royal assent in Q2 2026.
13. Regulations under the *Plumbers, Gasfitters and Drainlayers Act 2006* (“the PGD Act”) are required to implement the Bill to define the work that can be self-certified and prescribe the information that must be included in a Certificate of Compliance.

14. For the purpose of defining self-certifiable plumbing and self-certifiable drainlaying, the Cabinet agreed in December 2025 that the regulations contain the criteria set out in Appendix One. [CAB-25-MIN-0456]
15. In April 2026, Cabinet agreed to rescind the previously agreed approach to defining self-certifiable plumbing and drainlaying, and to broaden and simplify the scheme. Under newly agreed settings, a wider range of plumbing and drainlaying work may be self-certified, within clear eligibility constraints relating to building typology and number of storeys, firewall and intertenancy wall restrictions, and compliance with Acceptable Solutions and Verification Methods. [ECO-26-MIN-0110 refers]
16. The revised definition simplifies eligibility by focusing on a smaller set of clear constraints that can be applied consistently in practice.

What is the policy problem or opportunity

17. The time and cost it takes to build can be extensive. While there are multiple contributors, the Government has identified inefficiencies in the building consent system as a key factor. Building consent inefficiencies can relate to:
- variability in processes across different BCAs, adding complexity for builders working across regions;
 - poor quality consent applications and high inspection failures from some practitioners, requiring rework and reinspection. This can be costly and slow consent processing with some estimates reporting as many as 600K requests for information (RFIs) annually at a cost of half a million days and \$1 billion dollars⁴
 - system settings that can encourage BCAs to take a more risk-averse approach to inspections and consenting and can discourage practitioners from taking responsibility for their own quality assurance
 - limited tools for BCAs to manage peaks in demand through focusing resource on higher risk consents
 - demand for BCA services outstripping capacity, leading to long wait times for processing consents, inspections and providing a Code Compliance Certificate.

⁴ See for example ModelDocs: *Transforming building consenting behaviour for Better Housing* (2024), BRANZ. This research report on building consents in Auckland and Tauranga found that 86 per cent of the time an RFI was triggered by an applicant providing an inadequate application. Designers made up the largest portion of practitioners who triggered an RFI. In Auckland a consent would take on average 55 days to process with 36 days waiting for a response to the RFI. For Tauranga this was 40 days to process and a wait time of 18 days.

18. These consent system issues can cause time delays in building projects, for both residential and non-residential, especially during busy periods, which can also lead to greater building costs. This was seen in 2021- 2022 where there was a sudden and significant increase in residential building activity. Introducing more flexibility into the consenting system while also improving quality assurance, will help mitigate delays.
19. Inspection wait-times cause delays. This can vary depending on the level of demand from construction activity. If there is little activity, then getting an inspection within a few days is possible. There are approximately 12 inspections for a new build with four inspections for plumbing and drainlaying work.
20. There is the opportunity to remove the time and cost of BCA inspections of plumbing and drainlaying work and strengthen the responsibility and accountability of practitioners.
21. The Bill states that any self-certified work should be low-risk, non-complex and routine. Cabinet has subsequently agreed to broaden and simplify the regulatory definition of self-certified plumbing and drainlaying work to now include more complex building typologies and plumbing work, including commercial work. The expanded scope of certifiable work increases the potential to achieve greater time and cost savings from the scheme.
22. This SAR examines the regulatory impacts of a more expansive scope compared with the original plumbing and drainlaying definition of certifiable work agreed by the Cabinet and stated in the Bill.
23. Some parts of the sector have indicated they are ready and supportive of being able to take on the responsibility of assuring their own work but are currently unable to without legislative change. BCAs have also told us that they are comfortable with light touch approaches to consenting in the right circumstances and support steps to improve quality assurance in the sector

What objectives are sought in relation to the policy problem?

24. The objective is to improve the flexibility of the consenting system to make it cheaper and faster to build by enabling plumbing and drainage work to be completed more quickly and efficiently. Expanding the scope of scheme to now include most plumbing and drainlaying work will further improve flexibility of the consenting system.
25. Achieving the objectives should not come at the expense of building safety or the protection of consumers. The policy intervention should aim to achieve the above objectives while also ensuring that:
 - building professions in the system are competent
 - consumers can get remedy for non-compliant work

- careless or incompetent work can be identified and those responsible held to account.

26. The objective is also to reduce the pressure on BCA resources and allow them to concentrate resources on higher risk and more complex builds and increase the responsibility of practitioners to ensure that their work meets Building Code requirements.

27. Success will be measured by whether plumbing and drainage work that is self-certified is completed faster and cheaper without an increase in building defects than those that are not self-certified. However, it may be difficult to distinguish delays associated with the consent system from other factors that add cost or time to plumbing and drainlaying work. We will work with BCAs and the sector to find ways to collect this data.

What consultation had been undertaken?

28. Sapere Research Group Limited completed limited consultation in 2020 in the development of a report on a self-certification scheme for plumbers and drainlayers. In 2023 MBIE consulted on the consenting system and potential reform, which included consideration of options for self-certification.

29. In 2024 and early 2025, MBIE conducted targeted engagement with BCAs and industry stakeholders on options for the development of a self-certification scheme more generally (including plumbers), though not on the specific details considered in the original RIS and this SAR.

30. The table below outlines some of the themes from key stakeholder for both plumbers and drainlayers and building practitioners more generally.

Stakeholder group	Themes
Building Consent Authorities	BCAs had concerns that around consumer protection in cases where building work was defective. They also had concerns that fewer inspections would also mean that they would have fewer opportunities to upskill their staff doing inspections.
Industry	Industry stakeholders noted that only a few of them could be part of a fast track or self-certification scheme. They also noted that any sort of alternative pathway which required them to take on more liability would need to have good incentives to offset the cost of taking on that liability. Some groups such as the New Zealand Institute of Building Surveyors have reservations about the proposal and do not believe the industry education processes are up to standard to support a self-certification scheme.

MasterBuilders	MasterBuilders and some of their volume builder members have recently supported self-certification for volume builders.
MasterPlumbers	MasterPlumbers has been advocating for their members to be able to self-certify for some time (around 70 per cent of the industry are members of Master Plumbers). They are of the view that good plumbers and drainlayer should be able to take responsibility for their own work.
Homeowners	The Home Owners and Buyers Association New Zealand had concerns relating to consumer protection in relation to changes to the consenting system that would lead to less oversight of building work from BCAs.

31. Consultation was undertaken from 10 September to 10 October 2025 on regulations that will support changes to the PGD Act, including the scope of work that can be self-certified. The consultation paper covered regulations relating to the:

- definitions of 'simple plumbing' and 'simple drainlaying'
- eligibility criteria to be able to self-certify
- contents of the Certificate of Compliance.

32. These proposals aimed to:

- define what can be self-certified
- ensure that only capable plumbers and drainlayers can self-certify
- ensure consumers can hold self-certifying plumbers and drainlayers accountable.

33. There were 30 written responses to consultation document. Officials conducted nine stakeholder meetings (three with industry bodies, six with BCA clusters) and hosted a workshop with key sector groups.⁵

34. Regarding the efficacy of the proposed self-certification scheme, submitters were asked what impacts definitions will have on the time and the costs of building. Twenty-one submitters provided an answer: eight submitters agreed that there would be some time and cost savings, while 14 submitters said there would be little to no time and cost savings.

35. Submitters that agreed there will be efficiency savings pointed to more scheduling flexibility and reduced wait times for inspections. Those who believed there will be little to no time and cost savings pointed to the extra paperwork and administration required by the proposed scheme, endorsement fees to become self-certified, and insurance requirements.

⁵ See summary of submissions at <https://www.building.govt.nz/assets/Uploads/supporting-material/summary-of-submissions-proposed-regulations-plumbing-and-drainlaying-self-certification-scheme.pdf>

36. This consultation also explored whether submitters thought the plumbing and drainlaying self-certification scheme should include commercial buildings. Twenty-four submitters provided written responses, of which 15 supported the inclusion of these buildings. Their reasons for supporting it included:
- low risk commercial work does not pose a greater risk than for low-risk residential buildings
 - commercial buildings can have simple, low risk plumbing and drainlaying work that would not be any different from that required for residential buildings
 - it would create alignment with other trades such as gasfitters and electrical workers.
37. Submitters that opposed extending the scheme to commercial did so because they require complex plumbing and drainlaying work due to their interconnected systems and shared infrastructure, and buildings with higher occupancy rates and public access require more care and oversight.
38. To meet ministerial timeframes, we conducted targeted consultation with the PGD Board, Master Plumbers and an insurance provider on the detailed definition for the expanded scope and changes to the Bill.
39. Officials also considered submissions received and published by the Transport and Infrastructure Committee during their consideration of the Bill. A number of submissions raised the design of scheme and issues covered in the regulations in their submissions.

Section 2: Assessing the option chosen to address the policy problem

What options were originally considered by Cabinet?

40. Cabinet considered five options in April 2025:

Option one – *Status quo*. No changes are made to the building consent system.

Option two – *Opt-in self-certification for plumbers and drainlayers (Preferred option)*. This would allow plumbers and drainlayers to self-certify their work through the establishment of an opt-in self-certification scheme through PDG Act.

Option three – *Compulsory self-certification for plumbers and drainlayers*. This is similar to Option Two with the difference being that self-certification would be compulsory for all plumbers and drainlayers.

Option four – *Opt-in self-certification for parts of a building (all trades)*. This would amend the Building Act to create a scheme which would allow building professionals to self-certify their work if it is part of a simple residential build.

Option five – *Quality assurance promotion and guidance campaign*. MBIE could work with the industry to raise awareness on how to implement good quality assurance practices as well as make use of existing tools, such as Artisan. MBIE could also provide guidance about what good quality assurance looks like.

41. In April 2025, Cabinet agreed to introduce an opt-in self-certification scheme for plumbers and drainlayers that would enable these professionals to sign off their own work without the need for a building inspection (**Option Two**), and that this applied to plumbing and drainlaying work on simple residential dwellings.

Is the chosen option likely to address the problem, meet the policy objectives, and deliver a positive net benefit?

42. For the original RIS in March 2025, MBIE had not been able to able to conduct a full and thorough analysis of the cost-benefit for the options in this RIS, nor consult and test options with industry stakeholders and those impacted by the proposals. This was due to time constraints.

43. From the limited analysis that MBIE conducted at that time, it was considered that the preferred self-certification option would provide some benefits when addressing the problem (essentially from faster construction completion from avoided inspections) given the costs of the proposed new scheme (implementation, administration, enforcement, and compliance

costs). Importantly, the degree to which the preferred option achieves a positive net-benefit is highly dependent on the readiness and level of uptake by the sector and the degree to which self-certify work is defect-free.

44. Since the original RIS in March 2025, Sapere has completed a CBA of the preferred option of an opt-in self-certification scheme for plumbers and drainlayers (*Workstream two: Analysis of self-certification and inspections proposals*, 31 July 2025). Sapere quantified the key costs and benefits able to be estimated and considered breakeven levels of defects and necessary scheme uptake to produce a positive NPV. Note that this analysis was for simple plumbing and drainlaying work as originally agreed by the Cabinet.

45. Under Sapere's central assumptions (with sensitivities in parentheses), plumbers and drainlayers opt-in scheme (option 2) has a quantified net present value (NPV) of **\$19.2 million** (-\$7.2 million to \$72.5 million). This is composed of \$33.6 million in quantified costs and \$52.8 million in quantified benefits.

46. Sapere's breakeven analysis assumes that the prevalence of defects increase by no more than 21.9 per cent of work completed and uptake to the new self-certification scheme is at least 6.1 per cent. Outside these parameters the NPV becomes negative. Put another way, the prevalence of defects can increase by an amount of \$19.2 million over a 10-year period and there would still be a positive NPV.

47. Importantly, Sapere's finding and analysis were qualified by the following limitations:

- Details on the exact application and design of the options being considered were still being refined as part of policy development.
- There were significant gaps in the data available at the time. As such, Sapere had to make the best use of available data in the time available. They highlighted where challenges were the greatest and where simplifying assumptions had been required. They also undertook sensitivity analysis of key inputs that made a material difference to the results (and used scenarios for inspection efficiency). Consequently, there are significant ranges in the results and high levels of uncertainty (including unquantified risks).

Increasing the scope of the self-certification scheme for plumbers and drainlayers - Supplementary analysis

Broadening the scope of what can be self-certified

48. Cabinet initially agreed to an opt-in self-certification scheme for plumbers and drainlayers for work in simple residential dwellings (ECO-25-MIN-0052]. Cabinet also agreed [CAB-25-MIN-0402 refers] that in setting the scope of work that can be self-certified, the Minister should be satisfied that the work:

- is routine for an experienced plumber or drainlayer
- is not complex plumbing or drainlaying
- poses a low risk to the health and safety of the public.

49. These criteria were included in the Bill to manage the potential consequences of plumbing and drainlaying failure for the consumer by preventing work that was more likely to fail, more likely to have costly failure, or more likely that failure would impact a third party, from being in the scheme.

50. Cabinet has subsequently agreed to broaden and simplify the regulatory definition of self-certifiable plumbing and drainlaying. This change in scope will significantly increase the range of work that may be self-certified provided it meets the following requirements:

- a) Must be within or relate to a building of no more than three storeys that does not contain any apartments.
- b) Must be designed to an acceptable solution (AS) or verification method (VM).
- c) Cannot be within a shared tenancy wall including in a wall space between two shared tenancy walls or penetrate a firewall.
- d) Despite (b), an on-site system is not required to be designed to an AS/VM where an AS/VM is not available, but its design must still comply with the building code.

51. The changes significantly expand the scope of eligible work that can be included in the scheme. Of the 36,000 new dwellings consented in 2025, the majority of these will include plumbing and drainlaying that will now be self-certifiable. The inclusion of on-site systems within scope is also expected to support greater uptake of the scheme in rural areas.

52. The changes also allow eligible work in commercial and other non-residential buildings to be included in the scheme. This may include, for example, office buildings, schools, hospitals, bakeries, retail premises, farm buildings, warehouses, and manufacturing facilities, where the agreed eligibility criteria are met.

53. Simplifying the scope of work eligible for self-certification makes the definition easier to apply in practice and reduces reliance on prescriptive exclusions. Under the revised approach, greater emphasis is placed on practitioner eligibility requirements, audit and monitoring activity, and complaints and disciplinary mechanisms provided for in the Bill to manage quality and compliance outcomes. It is up to the Board to ensure those entry requirements and assurance processes are set sufficiently given the

increased complexity and associated risk of plumbing and drainlaying work.

54. Consistent with this approach, Cabinet has agreed to amend the Bill to remove the requirement that the Minister must be satisfied that self-certifiable work is routine, not complex, and low risk to public health and safety. This reflects a shift from a legislated upfront risk threshold to managing risk through the agreed regulatory definition and the operation of assurance mechanisms, including eligibility settings, audit activity, and accountability processes set out in the Bill.

55. **Annex 1** compares the previously agreed definition of what can be self-certified with the new agreed expanded definition.

56. The focus of this SAR is to examine the potential regulatory impact of broadening the scope and application of the proposed scheme to more complex building typologies and plumbing work, including commercial work. The analysis is set out as follows:

- Building typology, complexity and risk.
- Is plumbing and drainlaying in commercial buildings riskier?
- How does plumbing and drainlaying work fail?
- Plumbing and drainlaying inspection failure rates.
- Impact of broadening scope of self-certification regime to more complex plumbing and drainlaying, including uptake.

Building typology, complexity and risk

57. In recent years, there has been an increase in townhouses and terraced housing. Table 1 presents Statistics New Zealand data on the building consents issued for the year ended October 2025 by building type. Building complexity and risk is assessed across the three building typologies (RES1 / RES 2 / RES 3). This indicates that building complexity and risk generally increase as development shifts from single detached dwellings to multi-unit low-rise forms.

Table 1: Residential building typologies, complexity / risk, and annual dwelling numbers

Building type (BCA National Competency Assessment System)	Description	Building complexity / risk	Total annual dwelling numbers* (Stats NZ defns)
Residential 1 (RES1)	Detached dwellings (SH) designed to a common standard (e.g. NZS 3604, NZS 4229, NASH standard) that are single storey and have an E2/AS1 risk matrix** score less than or equal to 6.	Lower	16,183 'houses'
Residential 2 (RES 2)	Detached dwellings (SH) designed to a common Standard (e.g. NZS 3604, NZS 4229, NASH standard) that are less than or equal to two storeys and have an		

	E2/AS1 risk matrix score less than or equal to 12.		
Residential 3 (RES 3)	Detached dwellings (SH) or other dwellings (SR – multiunit) that are less than or equal to three storeys but limited to vertical plan fire separation and direct egress to the outside. E2/AS1 risk matrix score of 13-20.	Higher	15,484 'townhouses, flats, and units'

* Stats NZ building consents issued for year ended October 2025.

** The E2/AS1 weathertightness risk matrix assigns scores based on six risk factors: wind zone, number of storeys, roof/wall intersection design, eaves width, envelope complexity, and deck design. Higher wind zones and dwellings with more storeys and more complex designs increase the weathertightness risk score.

58.Plumbing and drainlaying complexity and risk increases as building typology complexity increases, primarily because individual plumbing and drainage systems are connected. A single standalone house has simple plumbing layouts, short runs, isolated failures impacting just one household, and simple pressure/venting requirements.

59.Attached townhouses (terraced/multiple unit low rise) have increased complexity and risk because of shared drains, tighter service zones, more fixtures, higher loads on shared lines, and more installation risks. Apartments (mid-rise and high-rise) have the most complexity and risk due to vertical stacks, pressure zones, venting complexity and shared infrastructure. Plumbing and drainlaying failure may impact across multiple units and floors, with the potential to impact neighbouring buildings, whose owners may not be a party to the work.

60.Table 2 provides an analysis of the key characteristics and complexity drivers for plumbing and drainage work across different building typologies. It identifies and compares the plumbing and drainage risks associated with this complexity and the relative impact of failure. As the number of shared systems, interfaces, and connected units increases, both the likelihood and the consequences of failure can increase, particularly where failures affect multiple units or shared infrastructure.

Table 2. Building typology, complexity and risk

Building typology	Key characteristics and complexity drivers	Typical risks	Relative risk and impact level
Single / stand-alone house	Simpler plumbing layouts: typically one or two bathrooms, one kitchen, and shorter pipe runs, low fixture units. Easy access – roof spaces accessible for venting, water pipes / individual shut-off Low fixture units - small	Localised leaks, corrosion, pinhole pipe failures, and component wear. Drain blockages typically affect only that dwelling Cross connection hazards if potable and non-potable water	Low (localised impacts / low consequence of failure)

	pipes, simple gradients Less pressure management required: gravity and pressure issues are minimal compared to multi storey buildings. Drainage is straightforward: one gully trap minimum requirement; fewer branch lines; minimal risk of cross connections and misalignment; simple venting; and just one connection to council lateral.	interact improperly	
Attached townhouses (Terraced / multiple-unit low rise)	More complicated drainage layout. Shared drainage lines and gully traps More plumbing fixtures across adjacent units Inter-tenancy walls and service penetrations - limited space between dwellings for fall, horizontal drains Ventilation and Drain Waste Vent complexity. Each fixture group requires vents to avoid trap siphonage. Problems in one unit may propagate to others Coordination complexity - multiple trades across tight sites / staged building Roofing system complexity with larger surface area, multiple pitches and levels Fire and acoustic separation requirements impacting on plumbing. Foundation complexity,	Higher risk of hydraulic overload if not well designed Shared drain blockages causing backup into multiple units Risk of installation defects (misaligned pipes, poor venting), which empirical studies identify as common causes of multi-unit plumbing failures such as leaks, corrosion, and slow drainage. Higher load on shared lines → more risk of clogging, slow drainage, cross-unit impacts Poor detailing of inter-tenancy walls increases risks of moisture ingress and odour leakage (venting faults). Risk increases when sharing a slab structure	Medium/ High (Shared systems increase both probability and consequences of failure)

	requiring coordination of penetration through structure		
Apartments (mid-rise and high-rise)	Apartments show exponential increases in complexity due to verticality and shared infrastructure Complex high-rise hydraulic engineering requirements (e.g. multiple stacks, risers, pressure zones for water supply, booster pumps, and pressure reducing values across many points. Complex shared drainage systems More plumbing and drain laying fixtures across multiple units Construction complexity: - Work in vertical risers with limited space - Sequencing critical ("wet walls" must align across floors) - Prefabrication often required due to complexity and precision - Quality control is harder across repeated floors and multiple subcontractors Complexity in maintaining pressure and temperature stability: Multiple simultaneous users cause pressure fluctuations	Poor design or sizing of vertical stacks leads to siphoned traps, sewer gas escape, backflow' multi-unit blockages Shared vertical connections increase failure impact Component failure risks multiply (e.g. braided hose corrosion, solenoid valve failure, pipe burst risks under high pressure). Shared infrastructure increases risk and impact Venting complexity increases risk and impact More fixtures increase risk of failure	High / very high (failure probability and consequences multiply across multiple units and floors)

Is plumbing and drainlaying in commercial buildings riskier?

61.The plumbing and drainlaying requirements for commercial buildings vary considerably by building type, use, and the extent of shared services and specialist systems. Some commercial work may be similar in complexity to low-risk residential work, while other settings can involve more complex

design, and the need for specialist systems. The consequences of failure can also be greater, either because they have a greater occupancy (e.g. office buildings) or service more vulnerable people (e.g. schools, hospitals).

62. Some examples of higher-risk commercial work include:

Building type or use	Risks and complexities
Commercial kitchens with trade-waste requirements	Connection to approved systems or specialised grease management may introduce additional regulatory interfaces.
Premises with medically vulnerable occupants (e.g. medical centres, health treatment rooms, dental surgeries)	In these buildings water quality, backflow protection, or sterilisation-adjacent plumbing must meet stringent standards.
Large occupant-load facilities (e.g. gyms, community centres)	These buildings can have hydraulic loading and fixture demands may require more complex design considerations.
Commercial buildings with integrated fire or emergency systems	Complexity can be introduced where plumbing/drainage interacts with fire protection or smoke-control infrastructure, even indirectly.
Multi-unit commercial tenancies where shared services or vertical stacks create interdependencies beyond simple, isolated fitouts	These interdependencies create greater consequences for failure.
Commercial facilities where the nature of the activity requires heightened backflow prevention or contamination safeguards (e.g. hair salons, beauty parlours, or similar businesses)	These businesses have higher use of chemicals, dyes, or treatment agents which require higher-grade backflow protection than standard installations.

63. MBIE consulted on extending the plumbing and drainlaying self-certification scheme to include commercial work. Feedback was mixed and evenly split between those supporting the inclusion of commercial buildings in the scheme and those opposed. Although, overall, there was a sentiment that risks can be low in commercial buildings and an openness to including simpler commercial work within the scheme.

64. Submitters supported extending the scheme to include commercial buildings because:

- low risk commercial work does not pose a greater risk than for low-risk residential buildings
- commercial buildings can have simple, low risk plumbing and drainlaying work that would not be any different from that required for residential buildings

- this would create alignment with other trades such as gasfitters and electrical workers.

65. Submitters opposed extending the scheme to include commercial buildings because:

- they require complex plumbing and drainlaying work due to their interconnected systems and shared infrastructure
- buildings with higher occupancy rates and public access require more care and oversight.

66. Commercial buildings generally have greater firewall and fire separation requirements than houses because the risk profile and consequences of fire are much higher. Penetrations to firewalls can mean that fire can spread quickly and impede occupants exit from the building in the event of fire. This therefore represents a significant and immediate life safety issue.

67. The expanded regulations do not allow for work that penetrates firewalls to be self-certified. This may be difficult or not possible to design around, which could limit the amount of work in commercial properties that could be self-certified. This is most likely to be the case in single storey attached commercial units or in multi-storey units where there is a fire separation between floors.

How does plumbing and drainlaying work fail?

68. Plumbing and drainlaying work can fail in a number of ways. Table 3 identifies some common New Zealand examples in relation to Building Code clauses G12 Water Supplies and G13 Foul Water.

Table 3: Source of plumbing and drainlaying work failure?

Building element failure	Source of failure
Cross connection and backflow protection failures	Failure originates from missing or incorrectly installed backflow prevention devices. Inadequate containment protection near the point of supply. Backflow prevention devices are installed to stop contaminants entering the drinking-water system. Backflow failures can lead serious disease outbreaks in vulnerable populations.
Incorrect pipe gradients or poor drainage design	Failures originate from poor system design. This includes insufficient fall / gradients, inappropriate pipe sizing, over long branch drains, and poor layout. Design-stage failures indicate gaps in competency, site coordination, and regulatory oversight - especially for multi-unit developments with more complex foul water layouts.
Pipe misalignment,	Failures arise from poor installation, soil movement, inadequate bedding, or incorrect joining.

cracking, structural damage	
Failures in gully traps / overflow relief gullies (ORGs)	Common faults: incorrect height, poor placement, surface water ingress, non-lifting grates, or missing ORGs. If the ORG is installed incorrectly, it can fail to protect the building when the sewer system blocks or overloads, causing internal wastewater flooding, significantly increasing health risks.
Ventilation failures in foul water systems	Failures include missing vents, vents placed incorrectly, or over long unvented branch drains.
Lack of coordination at design and construction stages	BRANZ identifies recurring design coordination failures, especially in multi-unit buildings, where duct and floor depth constraints compromise gradients and trap configurations
Use of non-compliant or unsuitable materials	For example, for example e.g. dezincification prone alloys, high lead components

The more complex the building, the greater the number of failed inspections

69. Analysis by MBIE of BCA inspection failure data across different building typologies shows that the more complex the building typology (or plumbing and drainlaying), the more defects and the higher the inspection failure rate. This conclusion is consistent with targeted consultation feedback from BCAs.

70. An analysis of failed building inspection data from Christchurch City Council from 1 January 2019 to 31 December 2023 shows that 84 per cent of RES 3 consents had at least one failed inspection (with the number of failed inspections per building consent with at least one failed inspection at 9.2). This compared to 38 and 57 per cent respectively for RES 1 and RES 2 dwellings (with the number of failed inspections per building consent with at least one failed inspection at 2.4 and 3.1 respectively).

71. A similar result, although less pronounced, is found when examining data from Tauranga City Council which shows that 36.3 per cent of RES 3 consents had at least one failed inspection, compared with 34 per cent for RES 2 and 29.6 percent RES 1 failure rate.

72. The correlation between building complexity and inspection failure is consistent with the earlier analysis (Table 2) identifying the key complexity drivers of different building typologies and the risks associated with that complexity. It is also supported by targeted consultation feedback from BCAs and internal MBIE advice that even experienced plumbers and

drainlayers can make mistakes and install incorrectly some of the higher risk systems that will be added under the new definition of certifiable work.

Other impacts

73. Building inspection failures and defects have feedback loops. They may also impact on the overall confidence in the self-certification scheme, both in terms of the incentives on building owners choosing to take the self-certification consenting pathway (rather than the BCA consenting route) and, relatedly, plumbing and drainlaying practitioners opting-in to new self-certification scheme. The defects rates also feedback to the cost of insurance as insurers assess the risk of providing insurance cover to practitioners (see Table 4 below).
74. Plumbing and drainlaying defects also impact consumers. There is typically an imbalance in information between consumers and their builders or plumber and drainlayer. Consumers are unable to easily access and understand appropriate information that educates them on their rights and plumbers and drainlayers' obligations. This makes it difficult for consumers to enforce their rights. Seeking redress is difficult, complex and costly for consumers.
75. There are wider economic impacts from plumbing and drainlaying defects. They can lead to increased demand for rework, which crowds out new work, plus increased demand for materials including imported materials. There are also incentives on practitioners to price in rework, increasing construction costs and decreasing affordability. One study estimated, for residential construction (i.e. not just plumbing and drainlaying work), the economic cost of quality defects in New Zealand at \$2.5 billion per year.⁶

System safeguards

76. Previously practitioner mistakes were likely to have been picked up by BCA inspectors, but now they rely on the safeguards within the system are that are intended to reduce the likelihood and consequence of defects occurring in self-certified work. Practitioners will be required to meet minimum standards relating to technical competency, experience, ability to meet potential civil liability, and business and administrative practices, such as quality assurance and record keeping.
77. Endorsed practitioners will also be required, by regulation, to submit photo evidence of their work when issuing a Certificate of Compliance. This Certificate of Compliance will be held on a searchable public register. This may incentivise a practitioner to perform quality work, as evidence of poor work may have consequences for their reputation, potential civil liability, and future registration.

⁶ Bealing, M. and Leroy de Morel. (2020). *"The economic cost of quality defects": in residential construction*. Study Report ER, BRANZ Ltd. Judgeford, New Zealand.

78. The PGD Board will monitor and audit the Certificate of Compliance and ensure that practitioners meet the requirements to self-certify. New offences and penalties for practitioners that fail to meet responsibilities will also act as a deterrent to faulty work, or incompetent behaviour.
79. The extent to which defects are likely to rise due to greater complexity could be further mitigated, for example, through higher minimum eligibility standards to enter scheme, continued professional development, requirements on practitioners, reviewing AS/VM, and additional process and assurance requirements on practitioners.
80. Improvements in quality assurance practices by practitioners participating in the scheme may also reduce the rate of defects in other consent-exempt work undertaken by those practitioners (for example in relation to Schedule 1, or Schedule 1A (small-stand-alone dwellings) exemptions).

Regulatory impact of broadening scope of self-certification to more complex plumbing and drainlaying

Impact on overall benefit of self-certification scheme

81. This SAR examines the regulatory impact of broadening the scope of the self-certification scheme for plumbing and drainlaying from simple/standalone houses to most plumbing and drainlaying work, including attached townhouses (terraced/multiple unit low rise), commercial work and all on-site systems.
82. Complexity increases exponentially the more buildings are joined and share plumbing and drainlaying systems (for sanitary waste, drinking water, and stormwater). With greater complexity, there is greater risk of plumbing and drainlaying failure. Shared plumbing and drainlaying systems increase both the probability and consequence of failure.
83. The central question is how broadening the scope of self-certification scheme for plumbers and drainlayers will impact on the overall (net) benefit of the scheme (that is, faster construction completion from avoided inspections) given the costs of a more comprehensive scheme (implementation, administration, monitoring, enforcement, compliance costs, and liability costs if things go wrong).
84. Several factors are important in answering this question. As noted above (paragraph 46), the (breakeven) viability and benefits of the scheme hinge on defect rates increasing by no more than 21.9 per cent and uptake of the scheme being more than 6.1 per cent. Outside these parameters the NPV becomes negative. A broadening of the self-certification scheme to include more complex plumbing and drainlaying (building types) would be expected to impact both these breakeven variables.

Impact on defect rates

85. Inspection data indicates that higher rates of inspection failure are associated with more complex building typologies. Broadening the scope of work that may be self-certified may change the defect profile observed within the scheme, particularly where work involves more complex design and greater construction coordination. The extent of impact on breakeven defect rates is uncertain and will depend on uptake patterns, practitioner behaviour, and the effectiveness of assurance mechanisms such as eligibility thresholds, audit and monitoring activity, and disciplinary processes.

Impact on scheme uptake rates

86. While the expanded scope for self-certification scheme could see an increase in practitioner uptake, and greater time and cost savings, the overall impact on the breakeven scheme uptake rates is uncertain and will depend on a number of important drivers of scheme uptake. For example, the scope of work that can be self-certified, the costs to practitioners of joining scheme, practitioner liability when things go wrong, homeowner appetite for self-certification consenting pathway, and the overall public confidence in the scheme.

87. We have heard from Master Plumbers and the Board that if more plumbing and drainlaying work is in scope to be self-certified, then more plumbers and drainlayers will participate in the scheme. This is because a greater proportion of their work will fall within the scope of the scheme. However, the overall effect of an expanded scope on uptake of the scheme is more nuanced.

88. Table 4 below examines the effects of different drivers of uptake given the expanded definition of work that can now be self-certified to include most plumbing and drainlaying work.

- **First order effect on uptake** refers to how the driver affects uptake in the first year of the scheme
- **Second order effect on uptake** refers to how the driver affects uptake as information on the effectiveness of the scheme is known, particularly the level of defects.
- **Effect** refers to the direction of uptake and is expressed as up/down/neutral (↑ ↓ -)
- **Scale** refers to the likely scale of the impact and is expressed as minor, medium or major.

89. The different drivers of uptake are also interconnected. For example, practitioner appetite for opting into scheme will be influenced by insurance costs and other scheme requirements.

Table 4: Impact on uptake from expanding self-certification scheme

Driver of uptake	First order effect on uptake	Second order effect on uptake
------------------	------------------------------	-------------------------------

Practitioner: Key benefits and appetite for scheme	Effect: ↑	Effect: Uncertain
	Scale: Medium	Scale: Minor
	Practitioners have the option but not obligation to self-certify higher-risk work. More practitioners could seek endorsement – e.g. rural practitioners that regularly install on-site systems, or plumbers that specialise in commercial / non-residential work.	Effect depends on rate of defects due to expanded scheme. Higher defects could mean lower uptake due to less willingness to take on liability, but the optional nature will dampen this effect.
Practitioner: cost of insurance	Effect: ↓	Effect: Uncertain
	Scale: Uncertain	Scale: Major
	Insurers have indicated they will increase premiums to cover greater uncertainty regarding risk, at least in the near term.	Effect depends on rate of defects. Higher defects will mean insurance costs will increase or products withdrawn. Low defects could lead to cost reductions as risk becomes clearer.
Practitioner: other scheme requirements	Effect: - or ↓	Effect: Uncertain
	Scale: Uncertain	Scale: Uncertain
	Depends on Board's response to the expanded scheme. If minimum eligibility standards are tightened, assurance requirements increased, or audit costs increase, could restrict uptake.	Depends on effectiveness of scheme requirements. If defects increase then Board could tighten entry standards, process and assurance requirements, and adequate means requirements.
Consumer: Key benefits and appetite for scheme	Effect: ↑	Effect: Uncertain
	Scale: Medium	Scale: Major
	Increase. Consumers have the option but not obligation to have higher-risk work self-certified.	Effect depends on rate of defects. Higher defects could decrease uptake. Lower defects could increase uptake. Uptake likely to be sensitive to defect levels.
Consumer: cost of self- certification	Effect: - or ↓	Effect: Uncertain
	Scale: Minor	Scale: Minor
	Neutral or potential minor decrease in uptake due to higher costs being passed on.	Effect depends on additional defects. Practitioner costs likely to be passed on. Expected to be minor as spread across all consumers.

90. The overall impact on uptake rates from an expanded definition is therefore uncertain and will depend on the size and effect of these different uptake drivers for both practitioners and consumers. What is clear though is the extent plumbing and drainlaying defects will have a significant impact on some of those drivers, particularly insurance costs, building owner appetite to self-certify, and overall public confidence in the scheme.

Additional benefits of a simplified scope definition

91. A more simplified and clearer scope definition for self-certification scheme potentially has additional benefits, including:

- a reduction in unintentional non-compliance, particularly for small businesses and sole traders
- building owners, designers, consent authorities, and inspectors have a clearer understanding of who is authorised to carry out which work, which supports smoother consenting and inspection processes, with fewer disputes about competence or authorisation
- practitioners spending less time interpreting complex or overlapping scope rules
- making it easier to train, assess, and communicate to industry, and easier for sub-trades, design professionals and construction partners to understand the limitations of the scheme
- practitioners more likely to comply with regulatory requirements rather than take informal workarounds
- greater flexibility to respond to technology and industry change.

Impact on operating / administration costs

92. The proposed change in scope of self-certification scheme, and increased complexity of plumbing and drainlaying work, will have an impact on administration, monitoring and enforcement of scheme. The ongoing operating costs for running the scheme arise from the following regulatory functions the Board will be required to perform:

- assessing, approving and registering processes
- auditing and monitoring
- education
- complaints and disciplinary processes

93. Once the Bill is passed, the Board will be able charge practitioner fees for ongoing costs associated with running the scheme.

94. Confidential advice to Government

These are estimates based on assumptions until there is clarity on uptake, regulatory detail and system design.

95. The primary assumption is that 50 per cent of eligible certifying plumbers and drainlayers will enter the new regime. This is around 3,000 of the 6,000 eligible practitioners. The ongoing costs have been modelled off both the self-contained vehicle regime and the existing processes and practices within plumbers, gasfitters and drainlayers activities.

96. Broadening the scope of scheme to now include most plumbing work will have effects on the operating costs of scheme. A potentially greater

number of practitioners registering to self-certify will increase the administration cost of assessing eligibility and approving registration, auditing and monitoring, education and complaints and disciplinary processes. However, in a full cost recovery model the cost-per-practitioner would likely decrease (see compliance cost discussion below).

97. The overall impact on Board operating costs of more complex work now able to be self-certified is uncertain. While there may be fewer checks needed to determine if work is self-certifiable there may be an increase in administration, monitoring and enforcement costs due to greater complexity of work now covered in scheme, increased risk and greater number of defects.

98. To the extent uptake of the new scheme increases, BCA costs (administration, inspections and enforcement) would decrease with an expanded scope as more work is self-certified.

Impact on compliance costs

99. Confidential advice to Government

100. The renewal period has been set to be every three years. Confidential advice to Government
These estimated costs will rise if fewer than 3,000 eligible practitioners opt into the scheme.

Table 5: Three-yearly fees and levies for certifying plumber

	Fees and levy amount (\$GST incl.)*
Existing licence fees	300
Existing disciplinary levy	825
Self-certification costs	Confidential advice to Government
Total	

*Estimated costs only

101. If an expanded scheme increases the number of practitioners registering to self-certify then, with a full cost recovery model, endorsement fees and levies to be part of scheme could be expected to decrease.
102. There may also be some compliance cost reductions from simplifying scheme to include most plumbing and drainlaying work. The requirement that the building consent applicant who wish to self-certify work must include a declaration from a practitioner (which states the work is consistent with the definition for self-certifiable plumbing and/or drainlaying) will now be removed.
103. On the other hand, compliance costs for practitioners may increase to the extent that there are additional administrative and paperwork requirements, ability to meet civil liability requirements (protecting homeowners if things go wrong) and process and assurance system requirements (reducing the risk that things will go wrong) associated with an expanded scope.
104. Insurance costs for practitioners may increase initially while insurers build confidence in the scheme's risk and claims profile (see paragraphs 103-107). However, higher uptake could support risk pooling and lower premiums over time.
105. It is likely any compliance costs incurred by plumbing and drainlaying practitioners, for both the original and expanded scope, will be passed on to consumers. For an expanded scheme, compliance costs can be spread across a broader client base.
106. Any additional compliance costs associated with a more comprehensive scheme, as well as additional liability if things go wrong, may influence some practitioners' decision to participate in the scheme. Although an expanded scope that now covers most plumbing and drainlaying work may provide an incentive for others to participate. The overall extent that compliance costs would impact on uptake and (breakeven) viability and benefits of the self-certification scheme is uncertain.
107. The viability and success of the self-certification scheme is dependent on a solid uptake in order that operating costs associated with the scheme can be spread across a large base of certifying practitioners.

Impact on insurance costs

108. MBIE met with Gallagher Insurance, the main insurance provider to Master Plumbers, to discuss the potential impacts of the proposed new definition on insurance for self-certification, including both costs to practitioners and insurers' appetite for providing cover.
109. Gallagher advised that expanding the definition to include riskier work would likely increase premiums all self-certifiers would need to pay for

professional indemnity insurance, although premiums will likely rise generally with the introduction of the scheme.

110. Gallagher were unable to give a precise indication of the appetite or price for insurance products for commercial self-certification but suggested that “simple” commercial work should not be a significant issue for insurers.
111. Gallagher indicated that, due to the unknown level of risk, insurers may add to the costs of premiums initially, which may come down as a clearer understanding of risk emerges. This is consistent with MBIE’s discussions with building warranty providers who advise that claims typically arise in 2–4-year period after completion of building work, whereby a more accurate actuarial assessment of risk and costs can be made.
112. Gallagher also advised that a higher uptake of the scheme would allow insurers to spread the risk more effectively, which would put downward pressure on premiums over time. On the other hand, an increase in defects will mean insurance costs will increase, coverage would be limited, or insurance products withdrawn.

Impact on establishment costs

113. Under the original scope of self-certification scheme [CAB-25-MIN-0402] the Board estimated the establishment activities and their expected costs at \$1.67 million, excl. GST (Table 6).

Table 6: PGD Board’s estimated costs to establish self-certification for plumbers and drainlayers

FY25/26 (excl. GST)	Establishment activity
\$645,664	Build a public register of self-certified plumbing and drainlaying work (known as ‘Certificates of Compliance’) for use by present and future building owners, regulators, banks and insurers. Based on supplier estimate obtained by the Board, to clone and re-use the Self-Contained Motor Vehicles Register that was built in 2022 with similar functionality.
\$435,256	Make changes to the Board’s current practitioner database to facilitate plumbers and drainlayers becoming approved to self-certify, i.e. process applications and issue licence endorsements. Based on supplier’s estimate to progress these changes alongside the register build.
\$43,000	Estimate for privacy impact assessment, and penetration and other security testing for IT projects.
\$550,000	Board operational preparation using existing Board staff and contractors. Activities include development and issue of instruments required to implement the Bill (eligibility criteria, fees and levies, forms), project management of IT items above, review and development of operational and corporate policies/procedures to ensure compliance with the amended Act, development of competency assessments, communications, guidance and training for practitioners.

Total	\$1.67m excl. GST
--------------	-------------------

114. A fiscally neutral adjustment of \$1.7 million within Vote Building and Construction in 2025/26 was provided to support implementation of the plumbers and drainlayers self-certification scheme.
115. Changes to scope and timelines create additional establishment costs for the Board. The Board's initial assessment is that expanding the scope of self-certification for plumbers and drainlayers primarily impacts their work on practitioner training and engagement, regulatory instruments and general operational readiness.
116. Based on the Board's original costings and current funding agreement with MBIE, we expect the Board's additional establishment costs to be **Confidential advice to Government** based on continuing current workstreams to 30 September 2026. The Board does not expect the expanded scope to impact delivery of IT projects by 30 June 2026 under the existing funding agreement.

Summary of impacts of expanding the scope of the self-certification scheme

117. Table 7 provides a summary analysis of the potential impacts of broadening the scope of the self-certification scheme, to now include most plumbing and drainlaying work, compared with the original plumbing and drainlaying definition of certifiable work agreed by the Cabinet and specified in the Bill.

Table 7: Options analysis: Summary of impacts of broader scheme scope - compared with original plumbing and drainlaying definition of certifiable work

Key impacts	Expanded scope definition of certifiable work - compared with original narrow definition
Simplicity	A more simplified and clearer scope definition will potentially increase regulatory compliance, flexibility, and accountability. Training and communication with the industry will also be easier.
Defects	More complex plumbing and drainlaying work typically leads to more inspection failures and defects. The overall impact will depend on uptake patterns, practitioner behaviour, and the effectiveness of system safeguards.
Uptake	While an expanded scope for the self-certification scheme could see an increase in practitioner uptake, and greater time and cost savings, the overall impact on uptake rates is uncertain and will depend on a range of factors affecting both practitioners and consumers. The prevalence of defects will have a significant impact on uptake drivers.

Establishment costs	Changes to scope will create additional establishment costs for the Board. Confidential advice to Government, regulatory instruments and general operational readiness.
Operating costs	A potentially greater number of practitioners registering to self-certify will increase the operating costs for the Board. The overall impact on Board operating costs is uncertain. While there will be fewer checks needed to determine if work is self-certifiable, there may be an increase in costs due to increased complexity of work and associated risk, any increase in defective work, and if there are greater numbers of complaints.
Compliance costs	Compliance costs relating to fees and levies could be expected to decrease the greater the uptake from a broader scope and a simplified scheme. On the other hand, compliance costs may increase with any additional administrative / paperwork, civil liability and assurance requirements from an expanded scope and more complex work.
Insurance costs	Due to the unknown level of risk, insurance costs for practitioners may increase initially. Overtime, pricing is likely to be influenced by uptake, observed defects and claims, and insurers' ability to price risk accurately.
Consumer impact	A key benefit is faster construction completion from avoided inspections. Any additional plumbing and drainlaying defects will impact consumers. Seeking redress is difficult, complex and costly for consumers.
Impact on BCAs	There will be reduced pressure on BCA resources and reduced costs to the extent that consumers opt-in for the self-certification pathway. BCAs will not be liable for the cost of defects

Section 3: Delivering the chosen option

How will the proposal be implemented?

Legislative vehicle and implementation timeframes

118. The opt-in self-certification scheme for plumbers and drainlayers is established through amendments to the PGD Act 2006.
119. The Bill was reported back by the Transport and Infrastructure Committee on 19 March 2026 and is currently awaiting its second reading. The Bill is expected to receive Royal assent by May 2026 subject to agreement in the House and House time availability. The

scheme was proposed to be operational by 30 June 2026. As a result of the changes, the commencement of the scheme will be delayed and is now expected around August-September 2026.

120. The time between Royal assent and the scheme becoming operational allows the Board time to update its systems, establish processes and provide to support to practitioners to ensure the scheme is operational when it comes into force.
121. The Bill provides for regulations to be made under the PGD Act to:
 - define self-certifiable plumbing and self-certifiable drainlaying, which is the work that can be self-certified without the need for an inspection; and
 - prescribe information that must be included in the Certificate of Compliance. This is the certificate required for each piece of work provided to the homeowner, relevant BCA and the Board. Information from the Certificate of Compliance will be stored on a public register.
122. The regulator for the plumbers and drainlayers self-cert scheme will be the Board. They would be responsible for:
 - setting minimum standards for technical competency, experience, ability to meet potential civil liability, and business and administrative practices that practitioners must meet to be eligible for the scheme
 - assessing, approving and registering processes
 - auditing and monitoring
 - complaints and disciplinary processes
123. The Board doesn't have the ability to set the endorsement for a specific class of work. For example, to restrict a practitioner to only allow residential work.
124. Amendments to the *Building (Forms) Regulations 2004* are required. For a code compliance certificate an applicant will need to attach the certificates of compliance for all self-certified work to demonstrate the work is consistent with the building consent.
125. In preparation for commencement of the self-certification scheme (expected around August-September 2026) the Board is reviewing and developing operational and corporate policies and procedures to ensure compliance with the amended Act. The Board is also progressing work to ensure practitioner readiness, such as the development of competency assessments, communications, guidance and training. There will also be communications to support consumers opting for self-certification consenting pathway.

Funding

126. The Board's estimated costs to establish self-certification for plumbers and drainlayers at \$1.67 million (excl. GST)
127. The Board has no statutory authority to spend its existing fees/levies or reserves on establishment activities before the Bill receives Royal assent. Establishment work is currently underway and will continue before royal assent. A fiscally neutral adjustment of \$1.7 million within Vote Building and Construction in 2025/26 has been approved to support implementation of the plumbers and drainlayers self-certification scheme. Additional establishment costs, post-Royal assent will be funded through the Building Levy.
128. The scheme will be fully cost-recovered once operational.

Confidential advice to Government

129. There will also be costs recovered for other operational activities, such as disciplinary functions. Plumbers and drainlayers currently pay a levy to be registered with a base rate of \$275 with an additional \$100 for every additional licence they receive.
130. There is a risk that if uptake is too low the scheme will not be able to fund itself and will require additional funding. There is also a risk that there are no appropriate insurance products available on the market to cover self-certified work. This may limit the number of plumbing and drainlaying practitioners that would have the ability to meet potential civil liability requirements (which will be set in regulations).

How would the proposal be monitored, evaluated and reviewed?

131. The Bill formally requires the chief executive of the MBIE to monitor the self-certification regime and its impact on the performance of the building sector.
132. MBIE collects consent system data from BCAs and publishes it on a quarterly basis. This includes information on consent and inspection timeframes. MBIE expects to be able to monitor the improvements to the time to build using consent data. BCAs will know at the building consent application stage whether plumbing or drainlaying work is self-certified.

Uptake of the scheme

133. The number of self-certifying plumbers and drainlayers will be recorded by the Board. The Bill requires the Board to provide information on the number of persons who hold endorsements in its annual report.

134. The Board will also collect certificates of compliance and publish them on a public register, which can be used as evidence of the volume of work that is being self-certified.

Rates of defects

135. New monitoring and auditing functions for the Board will be established through the Bill. Monitoring and auditing of the Certificate of Compliance by the Board will ensure that practitioners meet the requirements to self-certify. New offences and penalties for practitioners that fail to meet self-certification responsibilities will act as a deterrent to faulty work or incompetent behaviour.
136. Complaints about plumbing and drainlaying work can be made to the Board. The existing processes for considering and investigating a complaint would be applied. The Board keeps a record of complaints and reports them in their annual report.

Time and cost improvements

137. MBIE expects to be able to monitor the improvements to the time to build using consent data. BCAs will know at the building consent application stage whether plumbing or drainlaying work is self-certified. A comparison can then be made of the time it takes from a consent being issued to the Code Compliance Certificate being issued. However, it will be difficult to determine if the time to build is being impacted by self-certification or many another factors, such as material or labour availability and constrains, and materials costs increases.
138. Cost savings will be more difficult to measure as accurately or as frequently as potential time savings. Cost savings will only be known to plumbing practitioners. House price data or similar metrics may not reflect the extent of any cost savings as the cost savings may not be passed onto consumers. Or practitioners may instead charge a premium to provide plumbing and drainlaying services faster than their competitors.

Non-compliance

139. It may be difficult to measure the impact plumbing and drainlaying self-certification would have on any noncompliance with the Building Code. There is no central scheme for consumers to seek redress and claim against building deficiencies relating to non-compliance with the building code. That said, disputes tribunal decisions are published, and insurance data (if insurers are willing to provide it), may provide an indication of rates of defect claims.
140. Auditing is expected to provide insight into the level of non-compliance that may be occurring. Similarly, upheld complaints against self-

certifiers may also provide some insight into the level of non-compliant work that had been self-certified.

Annex One:

Cabinet decisions relating to the regulations for Self-certification by plumbers and drainlayers

Definition of self-certifiable plumbing and drainlaying

Requirement	Old definition		New definition
	Self-certifiable plumbing	Self-certifiable drainlaying	Applies across both self-certifiable plumbing and drainlaying
Must be a residential dwelling with the exception of apartments	✓	✓	Any building with the exception of apartments (Added non-residential buildings)
No more than 3 storeys and less than 10m waste stack Drainage risk tends to increase above 10 metres. Two storeys is unlikely to pose significantly greater risk than one storey for plumbing. Three storeys is likely to pose more risk than one and two storeys as it can require a more complex design, and higher risk of blocking and/or property damage. Drainage complexity tends to increase with additional floors and more so above 3 storeys.	✓	✓	No more than 3 storeys (No waste stack restriction)
Single plumbing/drainage system only Plumbing and drainage to serve one dwelling only. This ensures that another dwelling is not affected should failure occur.	✓	✓	Removed
Must be designed to an acceptable solution (AS) or verification method (VM) The design must meet an MBIE AS or VM. This a standard practice. Note: Alternative solutions will need to follow the current process to ensure consent terms have been	✓	✓	Must be designed to an AS or VM, except for onsite systems for which no AS or VM is available – it must still comply with the Building Code (added exclusion for some onsite systems)

followed.			
Up to 40 fixture units (FU) For two-storey houses, there will be a limit of a total of 40 FU, with a maximum of 10 FU on the second floor. For three-storeys, there will be a total of 40 FU, with a maximum of 6 FU on each of the second and third storeys, and/or 6FU limit per stack on second and third floors. Fixture units (FU) are defined under AS/NZS 3500.0. The limit of 40 FU helps to ensure the design is kept simple while allowing for flexibility, limiting risk of blockages from heavy loading, and limiting risks from works done on the second and third storeys. Fixture units are a standardised measure used in plumbing design to quantify the hydraulic load that different plumbing fixtures impose on a system. Rather than representing a direct flow rate, a fixture unit reflects the expected water usage, discharge rate, and frequency of use of a fixture under typical conditions. For example, a residential toilet might be assigned four fixture units, while a washing machine could carry five. These values help engineers and plumbers calculate total system demand and ensure compliance with standards like AS/NZS 3500 or the Uniform Plumbing Code.	✓	✓	Removed
No uncontrolled water heating systems (ie using an external heat source that cannot be quickly or easily turned off or adjusted)	✓		Removed

Uncontrolled heating sources are higher risk. For example, solar hot water heaters have risk of explosion if installed incorrectly.			
No central space heating systems Water space heating systems are not considered to be under the scope of self-certifying plumbing. This includes radiators and underfloor heating.	✓		Removed
Only gravity drainage and plumbing Other types of drainage and plumbing are more complex and tend to require engineered solutions.	✓	✓	Removed
No new on-site systems (including, systems for water supply, onsite pumped water systems, circulating water, irrigation, surface water or foul water) On-site disposal systems tend to be more complex and outside the scope of most plumbers' and drainlayers' capability and experience.	✓	✓	Removed
Connections to existing on-site systems included as long as it is compliant with an existing resource consent.	✓	✓	Removed
Pools are excluded	✓		Removed
Catchment systems allowed as long as they are not connected to retention system.	✓		Removed
Retention/detention system - above ground gravity fed systems only (no pumped system). The system is not to be connected to the house water supply. Eg. Not for drinking, flushing but can be used for hosing garden.	✓		Removed
Greywater reuse is not permitted.	✓	✓	Removed
Specified exclusion for hot water	✓		Removed

ring main system.			
Work cannot be within a shared tenancy wall including in a wall space between two shared tenancy walls or penetrate a firewall Requiring that work can only be self-certified if it is not within a tenancy wall mitigates the impact on neighbouring properties should a failure occur. This is intended to contain a failure to a single property.	✓	✓	Work cannot be within a shared tenancy wall including in a wall space between two shared tenancy walls or penetrate a firewall (no change)
The connection to a shared service cannot be self-certified The connection of plumbing or drainage to a shared network outside of the building envelope cannot be self-certified. This is to limit the impacts of failure to a single property. For clarification this does not include single dwelling connection to a NUO.	✓	✓	Removed