

23 June 2025

Committee Secretariat  
Transport and Infrastructure Committee  
Parliament Buildings  
Wellington  
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## **Building and Construction (Small Stand-alone Dwellings) Amendment Bill Submission**

Dear Chairperson of the Transport and Infrastructure Committee,

Waikato District Council appreciates the opportunity to provide feedback on the Building and Construction (Small Stand-alone Dwellings) Amendment Bill. We support the intent to improve housing supply and affordability, and agree that small, detached dwellings can contribute to this goal.

Our District Plan already enables minor dwellings in many zones and supports increased housing choice. We see this Bill as complementing those efforts, but it's important that the regulatory settings are clear, consistent, and manageable for both councils and property owners.

Our submission focuses on practical implications for councils, particularly regarding liability, compliance, infrastructure, and the role of Project Information Memoranda (PIMs). We also raise a number of areas where the Bill could be clarified to ensure it is workable and consistent.

We support the Bill's overall aim to simplify the process for building small stand-alone dwellings. However, several aspects require refinement to avoid unintended consequences. In particular, we believe the Bill should:

- Avoid shifting legal or operational risk back onto councils.
- Maintain clear expectations around building safety and quality.
- Ensure development-related costs and rates are fairly and consistently recovered.
- Provide councils with tools to monitor growth and manage infrastructure impacts.
- Align with other regulatory reforms to avoid duplication or conflict.

### **Council Liability and Risk**

We support the Bill's intent to remove liability from councils in relation to exempt dwellings. To ensure this intent is upheld in practice, we recommend the following:

- That the Bill explicitly states councils are not liable for verifying or confirming Building Code compliance for non-consented dwellings.
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- That this exclusion extends to all aspects of the council's involvement, including the issuing of a PIM.
- That protections apply to council staff acting in good faith in the performance of their duties.
- That this exclusion is communicated clearly to both industry and the public to reduce misunderstanding.

### **Project Information Memorandum (PIM)**

We support the mandatory use of PIMs for exempt dwellings, as introduced by Clause 6. This ensures councils can provide relevant site information, assess natural hazards, and recover development contributions.

However, the PIM process under this Bill carries additional responsibilities that should be recognised. These include:

- Determining whether the proposed dwelling meets exemption criteria.
- Advising whether the site is subject to a natural hazard and whether adequate provision has been made to address it.
- Identifying any relevant bylaws that may affect the building work.
- Issuing a development contribution notice where applicable.
- Notifying the rating team of the proposed development to ensure rates are triggered correctly.

### **We recommend:**

- Clear guidance on what councils are expected to include in a PIM for exempt dwellings.
- Clarifying that the PIM does not constitute any form of building approval or code compliance assessment.
- Retaining the current 20-working-day time frame for issuing PIMs, given the increased assessment and communication required.
- Clarifying the relationship between the natural hazard advice provided in the PIM (under Section 35A) and the exemption conditions in Section 42B. As currently drafted, it is implied but not clearly stated that where a natural hazard is identified and adequate provision has not been made to address it, the exemption no longer applies, and a building consent is required. This connection should be made explicit to avoid confusion, inconsistent application, or legal risk.

### **Licensed Practitioner Accountability**

We support the intent to place responsibility for construction quality with LBPs rather than councils. However, to support effective implementation and reduce the risk of avoidance or non-compliance, we recommend:

- That the obligation to submit records of work and compliance certificates be placed on the LBP, not the owner.
- That a prescribed form be developed to standardise the submission of these records to councils.

- That the \$1,000 infringement fine for failing to submit documents be reviewed, as this may not be sufficient to encourage compliance.

### **Development Contributions Infrastructure Impacts**

We acknowledge that development contributions will be recoverable through the PIM process. However, we believe it is more effective and enforceable if:

- Contributions should be invoiced and payable prior to the PIM being issued, rather than at project completion.
- There is a clear mechanism for councils to track exempt dwellings over time, as the lack of a consent pathway reduces visibility for growth planning and service delivery.
- The Ministry works with councils to develop tools and reporting methods to address this monitoring gap.

### **Alignment with NES for Granny Flats**

We note that the Government is also proposing a National Environmental Standard (NES) for Minor Residential Units. The Bill and the NES share similar objectives and terminology, and we strongly recommend that:

- The terminology, definitions, and thresholds used in this Bill are aligned with those in the NES.
- A cross-reference or joint guidance is developed to help users and councils interpret both instruments consistently.
- Any differences in scope (such as setbacks, coverage, or ownership models) are clearly documented to avoid misapplication.

### **Recommendation**

Waikato District Council recommends the following changes to improve clarity, consistency, and workability of the Bill:

- Explicitly exclude councils from all liability relating to exempt dwellings, including PIM content and site advice.
- Clarify that a PIM is not a building approval and does not verify compliance.
- Confirm that if a natural hazard is identified and not adequately addressed, the exemption no longer applies.
- Require LBPs to submit completion documentation directly to councils, using a prescribed format.
- Shift the timing of development contribution payment to the point of PIM issuance.
- Provide guidance and tools for councils to monitor exempt development.
- Align the Bill with the NES for Granny Flats to ensure consistency and minimise confusion.

### **Conclusion**

Waikato District Council supports the objective of making it easier to build smaller, more affordable homes. We believe the exemption pathway can work well if roles and responsibilities are clearly defined and councils are supported in their regulatory and planning functions. We welcome the opportunity to continue working with the Ministry to support effective implementation of the Bill.

### **Further information and Hearing**

Should the Transport and Infrastructure Committee require clarification on the submission or any additional information, please contact Terrence Hayes – Building Quality Manager  
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Ngaa mihi,



Jacqui Church  
Mayor