



Department of
Building and Housing
Te Tari Kaupapa Whare

Statement of Intent 08/11



The people of New Zealand have access to quality homes and buildings that meet their needs, reflect our environment and contribute to a sustainable New Zealand.

Minister's Foreword

The Building industry is undergoing dynamic change through a series of initiatives introduced by the Government to reduce delays in the construction of quality homes for all New Zealanders.

These initiatives are designed to increase flexibility and tackle regulatory costs in the industry sector, which will help meet our housing needs and simultaneously contribute to a sustainable building environment.

While the Government has led the way in regulating to address the mistakes of the past, it also recognises the need to respond to the demands of a fast-changing industrial landscape.

It is vital that we listen and address the concerns in the building sector then react accordingly, so we can promote a regulatory environment which allows for greater efficiency and innovation.

Over the last decade this Government and latterly the Department of Building and Housing have worked extremely hard to develop a range of measures and initiatives, not only to address the problems, but to find long term sustainable solutions for the betterment of our citizens.

In recognising that there were systemic industry-wide failures, the Government created three key pillars under the Building Act 2004 so that certain tests of quality are met in the future.

These pillars are: The Licensing of Building Practitioners; Building Consent Authority Accreditation for Local Government; and Product Certification.

These pillars have made it possible to: create a framework to provide guidance for standardised plans; make the building consent process easier and more flexible; help local councils refocus their consenting practices, by matching scrutiny with risk; and educating designers and builders to better overall understand the building consents process.

All of these initiatives allow us to work cohesively with our stakeholders, focus on creating quality buildings and play a significant role in the Government's programme for long-term, sustainable housing affordability for all New Zealanders.



Hon Shane Jones

Minister for Building and Construction

Minister Responsible for the Department of Building and Housing

Chief Executive's Overview

The Department of Building and Housing is at an important stage of delivering key reforms across the building sector as new systems are rolled out and brought into effect.

Established three years ago, the Department was set up to ensure an effective regulatory system for building and housing that delivers quality buildings and homes, lifts the performance of the sector and restores consumer confidence in the sector. A key part of this is delivery of improved and streamlined services to the public and the sector.

The Statement of Intent sets out our areas of focus for the next three years. This includes a continuing focus on lifting skills and professionalism within the building and housing sector, and, improving the quality and performance of our buildings and homes so they perform well in our New Zealand environment, contribute to sustainability and provide warm, safe, healthy homes. Good progress is being made in these areas with the implementation of the Licensed Building Practitioner Scheme, accreditation of Building Consent Authorities and completion of the Building Code review. Work on Product Certification is also well advanced.

As well we are working with local government and the sector to streamline the building consenting process and improve the efficiency and effectiveness of the building controls regime. There are opportunities to use technology to enhance and improve service delivery at the local government level and provide for a more integrated, consistent and flexible system of building controls throughout New Zealand. The accreditation of Building Consent Authorities provides a good platform for this going forward.

Looking for ways to support affordable housing and remove barriers to scale and volume in building residential housing will be a key part of our work over the next three years, as will consideration of broader options around housing going forward. Starter homes and those in the 'intermediate' housing market will be key priorities. The next three years are likely to see significant developments in unit titles legislation to bring this into the modern context of apartment living and higher density housing.

Service delivery and dispute resolution continues to be an important part of our work in relation to residential tenancies, weathertightness, and retirement villages. Our frontline staff throughout the country and those in our central services centre are committed to delivering quality services to our clients. We take a 'no wrong door' approach to assisting people to access advice and government services, and work closely with other government agencies to do this.

The Department will continue to build its people capability and develop its business systems and processes. Our forward focus is on driving delivery and performance across the organisation off a base of sound organisational systems and structures.

Underpinning all our work is our commitment to working with the sector, with local government and with consumers. The insights and practical advice generously given by a wide range of stakeholders through a broad range of engagement is greatly valued. It contributes to the work we do and assists in resolving some difficult and complex issues. It also helps us do things better or differently in ways that add more value.

We will continue to have a strong focus on consumer information and technical guidance to assist good decision making and learning across the sector. This will be complemented by a stronger emphasis on forward-focused research around building science, design and systems. We will work with the sector to develop a long-term research agenda.

A handwritten signature in black ink, reading "Katrina Bach". The signature is fluid and cursive, with a long, sweeping underline that extends to the right.

Katrina Bach

Chief Executive

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Nature and scope of operations

THE DEPARTMENT OF BUILDING AND HOUSING

The Department of Building and Housing (the Department) was established in November 2004, bringing together building and housing sector policy and related regulatory functions and dispute resolution services from across a range of government agencies.

The consolidation of the Government's building- and housing-related activities is to:

- ensure an effective regulatory system for the building and housing sector
- deliver good-quality advice to the Government
- improve and streamline services to the public.

OUR RESPONSIBILITIES

The Department has responsibility for:

- ensuring an effective regulatory environment for the building and housing sector
- regulating the building sector and the rental housing sector
- delivering effective information, advice and dispute resolution services (including tenancy services and the weathertight homes services)
- providing purchase and monitoring advice to the Government on Housing New Zealand Corporation
- administering the State Housing Appeals Authority
- providing policy advice to the Government on the building sector, and housing affordability, including emerging trends and issues
- providing policy advice on housing and building regulation
- providing advice on regulating the residential rental market
- managing occupational licensing within the building sector.

The Department works with Housing New Zealand Corporation in:

- defining housing outcomes for the sector
- analysing the housing environment, including monitoring the supply, quality and affordability of housing
- influencing the wider government sector to ensure it meets the Government's goals for housing
- working with other agencies to influence and promote delivering the Government's outcomes for the building and housing sector
- undertaking specific initiatives under the New Zealand Housing Strategy Programme of Action.

Strategic environment in which the Department operates

DEMOGRAPHIC CHANGES

- The country's population is projected to reach 5 million in the late 2020s.
- Net migration has influenced housing trends, in particular by increasing the demand for housing in Auckland.
- Significant trends within the overall population include:
 - changes in the age structure of the population over the next 40–50 years, with more older people
 - changing family structures and increased ethnic diversity
 - continued urbanisation, especially with the population of Auckland growing faster than the rest of New Zealand.

HOMEOWNERSHIP AND AFFORDABILITY

- The rate of homeownership has been declining since 1991.
- Growth in house prices has been consistently strong, with the median house price doubling over the past 10 years.
- Affordability has reduced, as median house prices have increased much faster than the increase in median incomes.
- The upward movement of house prices is slowing and a downwards adjustment is likely.

TRENDS IN RENTAL HOUSING

- The percentage of households in rental housing increased from 32.2 percent in the 2001 census to 33.1 percent in the 2006 census.
- Rental household numbers are expected to increase due to the cost of homeownership. The number of households renting long term is expected to increase.
- Circumstances of those renting are diverse and have been changing in terms of age, household structure and ethnicity.

ECONOMIC FACTORS

- There has been a steady increase in New Zealand's gross domestic product (GDP) in recent years, and economic growth was 3.1 percent in the year to December 2007 compared with 1.5 percent a year ago.
- The construction sector makes a significant contribution to the New Zealand economy, about 5% of GDP. The size of the sector increased – the sector in the year to December 2007 was 39.7 percent larger (after adjusting for inflation) than what it was in the year to December 2000.
- Residential building activity increased, with \$7.8 billion of residential consents issued in 2007, \$503 million more than 2006. However, the trend for the value of residential consents has shown a decline from July 2007 onwards and an ongoing decline in residential construction is expected.
- The total value of non-residential building activity in 2007 was \$4.2 billion and this is an increase of \$247 million from 2006.

LABOUR MARKET

- A strong domestic economy has placed greater demand on the labour market with the unemployment rate being at a record low.
- Annual wage and salary increases in the construction industry are consistent with increases in the wider workforce.
- Demand for trade skills remains strong with supply constrained.
- A record 191,700 people were employed in the construction sector during the December 2006 quarter, but employment has eased back to 181,700 in the December 2007 quarter.
- Construction sector employment rates have declined in recent quarters. However, the employment market is likely to remain relatively tight because of a high and stable trend in the value of non-residential building consents, and the demand for skilled tradespeople and building professionals.

Strategic direction

Overview of how the Department contributes to the Government strategic direction

THE IMPORTANCE OF THE BUILDING AND HOUSING SECTOR

The building and housing sector is an important contributor to New Zealand's economic and environmental performance and social wellbeing. It contributes around 5 percent to gross domestic product and impacts on every person in New Zealand in terms of where they live, work and how their communities function.

The sector has an important role to play in long-term sustainable strategies for the economy, society, environment and culture.

The sector covers physical building and construction, building professionals and local authorities, through to home and building owners, investors, landlords and tenants, and property managers.

The Government influences overall sector performance, the quality of building and housing, and the built environment. The Government interest in the sector is a consequence of the drive to build a sustainable economy, and to sustain family and community living standards. This is achieved by:

- regulating building and housing standards and systems
- regulating building and construction
- building consumer awareness
- providing information and services
- providing social housing and other housing programmes
- conducting research and evaluation, and providing technical advice.

These regulations and services benefit the quality of life for everyone.

The work of the Department contributes to the Government's three key themes.

- Economic transformation: by supporting the development of a sustainable economy based on innovation and quality
- Families – young and old: by sustaining family and community living standards
- National identity: by supporting innovation and good design in the built environment.

ECONOMIC TRANSFORMATION

Over the next decade, the Government is working to progress our economic transformation into a high-income, knowledge-based market economy, which is both innovative and creative, and provides a unique quality of life for all New Zealanders.

Strong, vibrant communities and cities attract and retain people because they are great places to live and work. How well our cities and towns work, and the quality of our built environment, matter for them to be an attractive destination for people and skills. Building sustainable cities is an important part of this. The regulatory framework needs to be flexible, cost effective, simple to administer and strike the right balance on risk considering both costs and benefits.

A sustainable building and housing sector contributes to New Zealand's growth and economic performance, environmental outcomes and social wellbeing. The converse is also true – a poorly performing sector can be a significant barrier to growth and have negative impacts on the wellbeing and wealth of individuals, as well as imposing substantial environmental costs.

Housing and building activity levels have a significant impact within the economy, with a direct effect on the consumer price index and interest rates. Activity levels also influence spending levels and provide wider benefits from employment in the sector. Housing also makes up a substantial portion of household assets with Reserve Bank of New Zealand data showing that housing's share of total household net wealth has increased from around 60% in 1978 to just over 70% by 2006.

Good-quality homes result from a building quality system that ensures homes are warm, safe and healthy, offer appropriate amenity and are sustainable, and are designed and built by building practitioners who are competent and accountable.

Good-quality commercial buildings provide the basis for innovative and productive workplaces. They contribute directly to developing a safe and healthy workplace, which in turn underpins workplace productivity and innovation.

Building and housing issues also impact directly on the environment through urban sprawl, in-fill effects, resource consumption (materials, energy, water, etc), infrastructure requirements (transport, energy, sewerage systems and water supply), and people's sense of the amenity value of their neighbourhoods. Growing urbanisation and demands on energy make enhancing energy efficiency and reducing waste and pollution important goals. Yet these can also have significant flow-through effects on building materials, housing, and building design and construction (or repair and retrofitting) costs. Getting the balance right between costs and benefits, both short term and long term, is critically important.

A well-performing building and construction sector needs to have the capacity and skills to deliver high-quality buildings to meet demand now and be responsive to future needs. Current capacity and capability constraints across the sector are impacting on sector productivity and performance.

The Government and the sector both recognise the need for reform to lift the performance of the sector through improved building quality and improved skills and professionalism across the sector. Working with its sector stakeholders, the Department is delivering a programme of reforms to drive improved performance. These are wide-ranging reforms that are being implemented over time and can therefore be expected to deliver results in the medium term. At the same time attention is being paid to ensuring there is an appropriate balance between the costs of reform and lifting the bar.

FAMILIES – YOUNG AND OLD

Over the next decade, the Government wants to ensure that all families, young and old have the support and choices they need to be secure and be able to reach their full potential within our knowledge-based market economy.

Sustainable family and community living standards are supported by strong families, healthy, confident kids, safe communities, better health for all and positive ageing.

Good-quality housing will contribute to the development of strong families, their wellbeing, and the health, educational and social development of children. Housing and the surrounding built environment also provide the base for families to engage with the community of which they are a part, allowing the development of community links and networks. The built environment provides for both the commercial and social needs of the community. Well-designed built environments provide spaces for recreation, which in turn can help foster healthy and confident kids, and better health for all. They can also provide for connection with the environment, which supports people being happier in their environment. Good planning and design is also central to providing a built environment that enhances community safety.

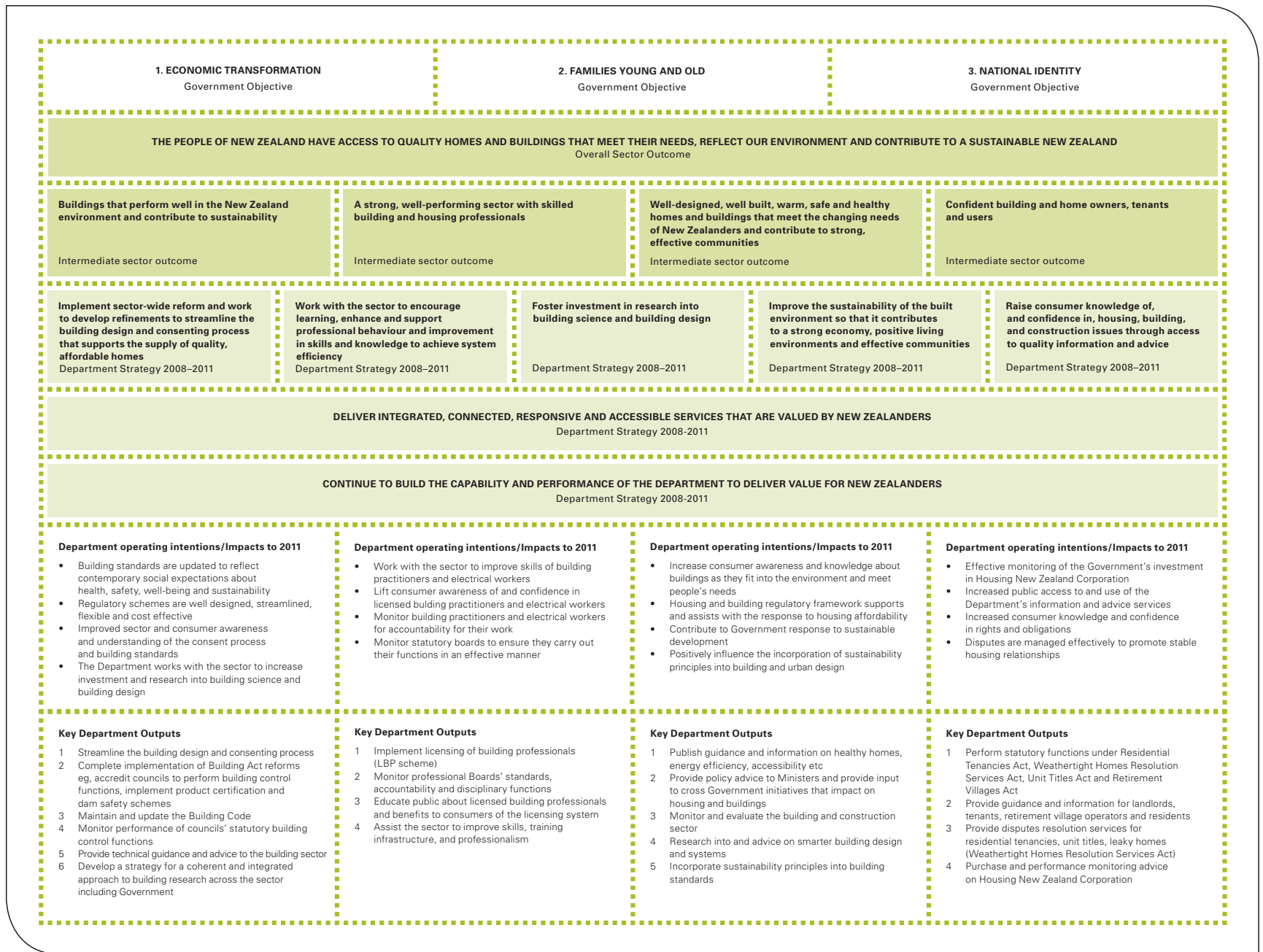
The Department works with Housing New Zealand Corporation under the New Zealand Housing Strategy to achieve a vision that 'all New Zealanders have access to affordable, sustainable, good-quality housing appropriate to their needs'. The Department's focus under the strategy is on sustainable development in the building and housing sector as a whole and good quality development in urban areas. As the monitoring department for Housing New Zealand Corporation, the Department works with the Corporation to support the upgrading of the social housing stock and the development of initiatives to support homeownership.

Housing affordability is a significant issue. Homeownership and affordable rental housing are important public policy issues. The Department is further developing its understanding of the homeownership and rental markets to enhance its ability to provide the Government with high-quality advice on these matters. The forecast decline in homeownership and changes in family structures mean policies and strategies may have to be more adaptable in the future and the policy and regulatory environment supportive of a wider range of housing tenure options.

NATIONAL IDENTITY

Over the next decade, the Government wants all New Zealanders to be able to take pride in who we are, through our arts, culture, film, sports and music, appreciation of our natural environment, understanding of our history and our stance on international issues.

Houses, buildings and the built environment play an important part in defining New Zealand's national identity. While these are places where people live and work, they also reflect national history and sense of identity and place. New Zealand architecture draws upon the heritage of the people who have settled here, and has evolved in a manner that takes account of our unique geography, climate and lifestyle. The design, functionality and materials used in homes, buildings and the built environment make a statement about national identity. They contribute to how New Zealand is seen by the world.



THE DEPARTMENT'S CONTRIBUTION

The establishment of the Department of Building and Housing has been an important step in building government capability to effect changes in a vital sector of the economy and society.

The Department's advice, regulatory, dispute resolution and information functions provide the basis for addressing the significant issues facing the building and housing sector, which are:

- sustainability
- affordability
- quality
- skills and training
- sector performance
- technology and innovation
- consumer expectations.

The following section sets out the Department's strategies to address these issues.

OUTCOMES TO BE ACHIEVED MEDIUM TERM

The Department has an important leadership role to play in working with the building and housing sector to lift standards and performance. It must also look ahead and consider how our buildings and built environment can better meet New Zealanders' needs now and in the future, and how to best respond to changing building technologies and systems, and changing housing needs.

The Department will:

- deliver value to New Zealanders from effective design and delivery of building sector reforms
- build and maintain effective sector relationships and continue to work with the sector to drive delivery of reforms and changes in behaviour
- contribute to work on housing affordability
- develop and deliver on its role in sustainable development
- continue to improve and develop delivery of services
- lift consumer awareness, understanding and appreciation of building quality and performance
- continue to develop the organisation and build internal capability.

The Outcome Framework (page 12) shows how the Department's capability initiatives, outputs and key strategies link to deliver on intermediate sector outcomes, the overall sector outcome, and the Government's priorities.

ACHIEVING OUR OUTCOMES

All of our activities seek to contribute to the overall sector outcome:

The people of New Zealand have access to quality homes and buildings that meet their needs, reflect our environment and contribute to a sustainable New Zealand.

We have identified four intermediate sector outcomes required to achieve this overall sector outcome. Those intermediate sector outcomes are as follows.

- Buildings that perform well in the New Zealand environment and contribute to sustainability
- A strong, well-performing sector with skilled building and housing professionals
- Well-designed, well built, warm, safe and healthy homes and buildings that meet the changing needs of New Zealanders and contribute to strong, effective communities
- Confident building and home owners, tenants and users.

Our contribution to these intermediate sector outcomes is directed through our operating intentions incorporated in the strategies (detailed over the following pages). Each of these strategies requires us to work closely with others, including other government and non-government bodies, local government, industry stakeholders and consumers.

The Department's strategies are as follows.

- Implement sector-wide reform and work to develop refinements to streamline the building design and consenting process that supports the supply of quality, affordable homes
- Work with the sector to encourage learning, enhance and support professional behaviour and improvement in skills and knowledge to achieve system efficiency
- Foster investment in research into building science and building design
- Improve the sustainability of the built environment so that it contributes to a strong economy, positive living environments and effective communities
- Raise consumer knowledge of, and confidence in, housing, building and construction issues through access to quality information and advice
- Deliver integrated, connected, responsive and accessible services that are valued by New Zealanders
- Continue to build the capability and performance of the Department to deliver value for New Zealanders.

Our operating intentions

BUILDINGS THAT PERFORM WELL IN THE NEW ZEALAND ENVIRONMENT AND CONTRIBUTE TO SUSTAINABILITY

Operating environment

Building Act 2004: Building Consent Authority scheme to accredit councils to carry out building control functions, eg, building consents, code compliance certificates; dam safety scheme; product certification scheme; Departmental statutory functions (complaints, determinations, monitoring, building control standards)

Building Code (performance standards for buildings)

Compliance Documents, Acceptable Solutions

Building Consent Authority (BCA) Regulations (robust processes and procedures for council building control functions)

Electricity Act and Regulations

Building Act Regulations and Rules

Licensed Building Practitioner related rules and regulations

Working with

The Department works collaboratively with its stakeholders to improve building design, achieve smooth implementation of regulatory reforms and effective delivery of our other services provided to the building sector. Our stakeholders include:

Councils/local authorities

IANZ (Building Consent Authority accreditation body)

JAS-ANZ (product certification accreditation body) and Australian Building Codes Board

Building professionals, building product manufacturers/suppliers

Consumers – building professionals, home owners, building managers, dam owners

Standards New Zealand, IRRG (International Regulatory Group)

Department of Internal Affairs, Ministry for the Environment, Beacon Pathways, BRANZ, Victoria University, Green Building Council

Operating intentions	Impacts	Department interventions/outputs
<p>1.1 Building standards are updated to reflect contemporary social expectations about health, safety, well-being and sustainability</p>	<p>Content of updated Building Code reflects societal expectations and international trends and measurable contemporary building standards</p> <p>More guidance examples of building designs that comply with contemporary building standards</p>	<ol style="list-style-type: none"> 1 Maintain and update the Building Code 2 Update NZ Standards and Compliance Documents 3 Implement product certification scheme 4 Provide policy advice and quality assurance input to building related legislation and policies
<p>1.2 Regulatory schemes are well designed, streamlined, flexible and cost effective</p>	<p>Accredited and registered BCAs make quality and timely decisions in a consistent manner</p> <p>Well performing local authorities in their building control functions</p> <p>Deeper understanding of the application of the Building Code, building design, building construction and performance</p> <p>Higher public satisfaction/fewer complaints about building processes, timeliness, costs, leaky homes, etc</p> <p>Improved efficiency and effectiveness of building consent processes through Council collaboration and smart technology</p> <p>Department pro-actively addresses any performance issues in the delivery of building control functions</p>	<ol style="list-style-type: none"> 1 Streamline the building design and consenting process 2 Complete implementation of the Building Act reforms, eg accredit councils to perform building control functions, implement product certification and dam safety schemes 3 Monitor performance of councils' statutory building control functions 4 Effectively resolve disputes and remove uncertainty around application of the Building Code through the Determinations process 5 Provide technical guidance and advice to the building sector

BUILDINGS THAT PERFORM WELL IN THE NEW ZEALAND ENVIRONMENT AND CONTRIBUTE TO SUSTAINABILITY (CONTINUED)

Operating intentions	Impacts	Department interventions/outputs
<p>1.3 Improved sector and consumer awareness and understanding of the consent process and building standards</p>	<p>Better quality documentation leading to less rework of consent documentation</p> <p>Improved compliance (eg, less unconsented building work or infringement notices)</p> <p>Improved consent sign-off processes and more consents meeting Code standards</p>	<ol style="list-style-type: none"> 1 Monitor performance of the councils' statutory building control functions 2 Streamline building design and consent process 3 Provide technical guidance and advice to building sector and information to consumers 4 Building sector skills and performance by assisting councils in implementing regulatory schemes eg, the Infringement Regulations 5 Effectively resolve disputes and remove uncertainty around application of the Building Code through the Determinations process 6 Consent Authority performance assessed through Technical reviews and complaints and investigations
<p>1.4 Department works with the sector to increase investment and research into building science and building design</p>	<p>More sector investment and activity in building research and design</p> <p>A coherent and integrated approach to building research across the sector including Government</p> <p>More building research publications/articles in sector media/increased level of interest</p>	<ol style="list-style-type: none"> 1 Develop a strategy for a coherent and integrated approach to building research across the sector including Government

A STRONG WELL-PERFORMING SECTOR WITH SKILLED BUILDING AND HOUSING PROFESSIONALS

Operating environment

Building Act 2004: accreditation of councils' building controls staff, licensing of building practitioners, administrative support and monitoring of Building Practitioners Board, Electrical Workers Registration Board, Plumbers, Drainlayers and Gasfitters Board

LBP related Regulations and Rules

BCA Regulations (skills/qualifications for building controls staff)

Building Act Regulations

Professional standards set by professional Boards

NZQA-approved qualifications and unit standards

Electricity Act and Regulations

Working with

The Department works collaboratively with its stakeholders to improve building design, achieve smooth implementation of regulatory reforms and effective delivery of our other services provided to the building sector. Our stakeholders include:

Professionals' Boards (eg, Building Practitioners Board, Plumbers, Drainlayers and Gasfitters Board, Electrical Workers Registration Board)

Local government – building controls staff, building inspectors

Building surveyors (eg, WHRS assessors contracted by the Department)

IANZ (Building Consent Authority accreditation body for building controls staff qualifications, skills etc)

Building and electrical professionals and their trade associations – eg, builders, designers, electricians, plumbers, drainlayers and gasfitters, architects, engineers, etc

Training/education providers, eg, Polytechnics

Industry Training Organisations eg, BCITO, ETITO and ESITO

Operating intentions	Impacts	Department interventions/outputs
<p>2.1 Work with sector to improve skills of building practitioners and electrical workers</p>	<p>Increased promotion of building and electrical sector as a career choice</p> <p>Increased number of professionals engaged in further training/professional development</p> <p>Higher levels of skill and productivity</p>	<ol style="list-style-type: none"> 1 Implement licensing of building professionals (LBP scheme) 2 Monitor professional Boards' standards, accountability and disciplinary functions 3 Educate public about licensed building professionals and benefits to consumers of the licensing system 4 Assist sector to improve skills, training infrastructure and professionalism 5 Undertake technical reviews, and investigate complaints and make investigations in relation to councils' performance of their building controls functions
<p>2.2 Lift consumer awareness of and confidence in licensed building practitioners and electrical workers</p>	<p>Increased consumer awareness of Registers to locate licensed/registered professionals</p> <p>Increasing proportion of engagement of licensed/registered professionals</p> <p>Higher levels of public awareness and contact with professional Boards</p> <p>Timely board responses to public complaints</p>	<ol style="list-style-type: none"> 1 Educate public about licensed building professionals and benefits to consumers of the licensing system 2 Implement licensing of building professionals (LBP scheme) 3 Licensing of electrical workers 4 Maintain registers of licensed building practitioners and registered electrical workers

**A STRONG, WELL-PERFORMING SECTOR WITH SKILLED BUILDING AND HOUSING PROFESSIONALS
(CONTINUED)**

Operating intentions	Impacts	Department interventions/outputs
<p>2.3 Monitor building practitioners and electrical workers for accountability for their work</p>	<p>Electrical certificates of compliance form part of the council records for specific building projects</p> <p>People working as electrical workers are licensed</p> <p>Council files record the names of licensed building practitioners on specific building projects after the introduction of restricted building work regulations</p> <p>Effective and comprehensive LBP and Electrical Workers' schemes</p>	<ol style="list-style-type: none"> 1 Guidance and advice 2 Implement licensing of building professionals (LBP scheme) 3 Licensing of electrical workers
<p>2.4 Monitor statutory boards to ensure they carry out their functions in an effective manner</p>	<p>Timely advice to Minister on appointments to, expectations of, and performance of statutory boards</p> <p>Boards take timely action on public complaints and reach/publish appropriate decisions about disciplinary actions</p> <p>Boards operate in accordance with their output agreement or memorandum of understanding with the Minister</p>	<ol style="list-style-type: none"> 1 Monitor professional Boards' standards, accountability and disciplinary functions 2 Provide administrative support to statutory boards

WELL-DESIGNED, WELL BUILT, WARM, SAFE AND HEALTHY HOMES AND BUILDINGS THAT MEET THE CHANGING NEEDS OF NEW ZEALANDERS AND CONTRIBUTE TO STRONG, EFFECTIVE COMMUNITIES

Operating environment

New Zealand Housing Strategy
 Sustainability Programme of Action
 Urban Design Protocol
 New Zealand Energy Efficiency Conservation Strategy
 New Zealand Disability Strategy, and Strategy for Older People
 Housing Affordability Review (Prime Minister’s speech from the throne, February 2008)
 Building Act 2004 (building consents process, product certification etc)
 Building Code (building performance standards)
 Resource Management Act 1991

Working with

The Department works collaboratively with its stakeholders to improve building design, achieve smooth implementation of regulatory reforms and effective delivery of our other services provided to the building sector. Our stakeholders include:

Central government agencies on cross-sector sustainability and urban design work eg, Ministry for the Environment, Department of Prime Minister and Cabinet, Department of Internal Affairs, HNZC, Ministry of Economic Development, Energy Efficiency and Conservation Authority, Transport agencies, Ministry of Agriculture and Forestry

Central and local government forums, eg. Senior Officials’ Energy Group
 Green Building Council
 BRANZ
 Architects, building designers
 Councils – land availability, district planning and residential zoning
 Beacon Pathways

Operating intentions	Impacts	Department interventions/outputs
<p>3.1 Increase consumer awareness and knowledge about buildings as they fit into the environment and meet people’s needs</p>	<p>High uptake of Department resources on energy efficient homes, sustainable development, accessible buildings, etc</p> <p>High customer satisfaction with Department resources meeting information needs and being easy to access</p> <p>More building consents/projects include elements of energy efficiency, sustainability, accessibility etc</p>	<p>1 Department guidance and information – website, pamphlets</p> <p>2 Incorporate sustainability principles in building standards</p>
<p>3.2 Housing and building regulatory framework supports and assists with the response to housing affordability</p>	<p>Regulatory barriers to housing affordability are identified and minimised, eg, simpler building consent process</p> <p>Remove unnecessary barriers to economies of scale for housing</p>	<p>1 Provide policy advice – on Housing Affordability, Building Act amendments, streamline consent process</p> <p>2 Streamline the building design and consenting process</p> <p>3 Monitor and evaluate the building and construction sector</p> <p>4 Undertake research into building design and systems that support the regulatory system</p>

WELL-DESIGNED, WELL BUILT, WARM, SAFE AND HEALTHY HOMES AND BUILDINGS THAT MEET THE CHANGING NEEDS OF NEW ZEALANDERS AND CONTRIBUTE TO STRONG, EFFECTIVE COMMUNITIES (CONTINUED)

Operating intentions	Impacts	Department interventions/outputs
<p>3.3 Contribute to Government response to sustainable development</p>	<p>Building Code standards reflect sustainable development principles</p> <p>Government actions on sustainable development are informed by an understanding of and advice about building systems and the building sector</p>	<ol style="list-style-type: none"> 1 Participate in cross government working groups addressing urban design and sustainability, eg, Senior Officials Energy Group, and NZEECS (NZ Energy Efficiency Conservation Strategy) 2 Implement relevant actions in NZEECS 3 Incorporate sustainability principles in building standards 4 Provision of guidance and advice on the Building Code to the building sector 5 Undertake research into smarter building design and systems
<p>3.4 Positively influence the incorporation of sustainability principles into building and urban design</p>	<p>Regulatory systems encourage more quality high density homes, and energy efficiency features in existing and new homes</p> <p>Building Code reflects sustainability principles</p> <p>Building legislation and processes do not present barriers to good urban design</p>	<ol style="list-style-type: none"> 1 Building Act amendments 2 Provide policy advice on legislative interfaces and reducing barriers to good building design (eg, Quality Regulation Review, Unit Titles Bill) 3 Incorporate sustainability principles in building standards 4 Undertake research into building design and systems that support the regulatory system 5 Implement the Product Certification scheme 6 Coordinate with environment and land planning agencies

CONFIDENT BUILDING AND HOME OWNERS, TENANTS AND USERS

Operating environment

New Zealand Housing Strategy
 Housing Corporation Act
 Memoranda of Understanding with Housing New Zealand Corporation and Ministry of Justice
 Residential Tenancies Act – information and guidance, mediation services, Tenancy Tribunal
 Retirement Villages Act – information and guidance, Code of Practice
 Unit Titles Act, Retirement Commissioner dispute resolution
 Weathertight Homes Resolution Services Act – assessment of claims, mediation on behalf of the Weathertight Homes Tribunal

Working with

The delivery of both tenancy and weathertight dispute resolution services are functions shared with the Ministry of Justice and both agencies work closely together to ensure a seamless service is delivered to the client.

The Department works collaboratively with its stakeholders to improve service delivery, and the services work best when their delivery, design and implementation are informed by stakeholder input. Our stakeholders include:

Landlords and tenants
 Retirement village operators and residents
 Unit title owners and bodies corporate, lawyers
 Ministry of Justice
 Housing New Zealand Corporation (HNZC), State Housing Appeals Authority
 Weathertight Homes Tribunal
 Tenancy Tribunal
 Retirement Commissioner
 Territorial authorities

Operating intentions	Impacts	Department interventions/outputs
4.1 Effective monitoring of the Government's investment in HNZC	Minister satisfaction with the Department's monitoring of HNZC performance and planning functions Minister satisfaction with the Department's advice on HNZC risk	Provide purchase and performance monitoring advice on HNZC performance Provide advice to the responsible Ministers on statutory obligations and central agency guidelines
4.2 Increased public access to and use of the Department's information and advice services	More customers access, and are satisfied with, Departmental advice and information provided Fewer situations escalating to formal disputes (eg, Tenancy Tribunal hearings)	Provide Retirement Villages Act, Residential Tenancies Act, Weathertight Homes Resolution Services Act, Unit Titles Act information and advice services Provide Residential Tenancies Act, Weathertight Homes Resolution Services Act, Unit Titles Act dispute resolution services (eg, mediation, hearings)
4.3 Increased consumer knowledge and confidence in rights and obligations	Increased public awareness of their rights and obligations Increased consumer demand for pre-purchase inspections and retirement village disclosure statements	Guidance and information for: <ul style="list-style-type: none"> tenants, landlords, retirement village operators and residents guidance and information for prospective homeowners and homeowners/builders/councils about leaky homes issues

CONFIDENT BUILDING AND HOME OWNERS, TENANTS AND USERS (CONTINUED)

Operating intentions	Impacts	Department interventions/outputs
<p>4.4 Disputes are managed effectively to promote stable housing relationships</p>	<p>Increased tenure stability through, for example, reduction in conflicts that lead to involuntary cessation of tenancies</p> <p>Tenancy and Weathertightness disputes resolved at mediation</p> <p>Weathertightness claimants receive appropriate advice and support so claims are settled quickly</p> <p>Quality information, advice and technical assessor reports provided to claimants to allow them to better manage their claim</p>	<p>Residential tenancy services – advice and dispute resolution</p> <p>Retirement villages services – advice</p> <p>Weathertight homes services – dispute resolution services</p> <p>Unit Titles – advice and legislative reform</p> <p>HNZC monitoring (biggest landlord)</p> <p>Assessments of homes with weathertight claims</p> <p>Weathertight claims advisory service</p>

<p>Key Department Outputs</p> <ol style="list-style-type: none"> 1 Streamline building design and consenting process 2 Complete implementation of Building Act reforms eg. accredit councils to perform building control functions, implement product certification and dam safety schemes 3 Maintain and update the Building Code 4 Monitor performance of councils' statutory building control functions 5 Provide technical guidance and advice to the building sector 6 Develop a strategy for a coherent and integrated approach to building research across the sector including Government 	<p>Key Department Outputs</p> <ol style="list-style-type: none"> 1 Implement licensing of building professionals (LBP scheme) 2 Monitor professional Boards' standards, accountability and disciplinary functions 3 Educate public about licensed building professionals and benefits to consumers of the licensing system 4 Assist sector to improve skills, training infrastructure, and professionalism 	<p>Key Department Outputs</p> <ol style="list-style-type: none"> 1 Publish guidance and information on healthy homes, energy efficiency, accessibility etc 2 Provide policy advice to Ministers and provide input to cross-Government initiatives that impact on housing and buildings 3 Monitor and evaluate the building and construction sector 4 Research into and advice on smarter building design and systems 5 Incorporate sustainability principles in building standards 	<p>Key Department Outputs</p> <ol style="list-style-type: none"> 1 Perform statutory functions under Residential Tenancies Act, Weathertight Homes Resolution Services Act, Unit Titles Act and Retirement Villages Act 2 Provide guidance and information for landlords, tenants, retirement village operators and residents 3 Provide disputes resolution services for residential tenancies, unit titles, leaky homes (Weathertight Homes Resolution Services Act) 4 Purchase and performance monitoring advice on Housing New Zealand Corporation 	
<p>Appropriations Building regulation and control</p>	<p>Appropriations Occupational licensing</p>	<p>Appropriations Sector and regulatory policy</p>	<p>Appropriations Purchase and monitoring advice – Housing New Zealand Corporation</p>	<p>Appropriations Weathertight Homes Resolution Services and Residential Tenancy Services</p>
<p>08/09 main deliverables</p> <ul style="list-style-type: none"> • Streamlined building design and consenting process • Updated Building Code and Compliance Documents • Sustainability principles incorporated in building standards • Relevant parts of the New Zealand Energy Efficiency Conservation Strategy implemented • Technical information, advice and guidance provided to the sector and local authorities • Product Certification scheme implemented • Disputes investigated and resolved and determinations issued • Regular and mid-year performance monitoring and reporting undertaken • A strategy developed for a coherent and integrated approach to building research across the sector including Government • Internal research undertaken into building design and systems that support an effective regulatory environment • Improved sector skills through training and education • Improved performance of local government consent authorities through accreditation and technical guidance 	<p>08/09 main deliverables</p> <ul style="list-style-type: none"> • Licensed Building Practitioner Scheme administered • Electrical workers registration scheme administered • New occupational licensing registration system progressed • Improved council performance through technical reviews • Roofing, brick/blocklaying and external plastering licence classes introduced • Remaining licence classes progressed 	<p>08/09 main deliverables</p> <ul style="list-style-type: none"> • Provide policy advice both regulatory and non-regulatory in relation to the efficiency and effectiveness of the building and housing sector in New Zealand • Contribute to housing affordability work programme • Provide policy advice on the regulatory framework for the sector • Provide policy advice on Residential Tenancies Act 1986, Unit Titles Act 1972, Retirement Villages Act 2003 and the Building Act 2004 • Provide policy advice on other legislation the Department is responsible for administering • Monitor and evaluate trends and developments in the building and housing sector • Provide for the development of research to inform policy development • Provide a framework for the monitoring and evaluation of sector performance • Advise on the efficient and effective regulation of trades and professionals operating in the building and housing sector including monitoring effectiveness of statutory boards • Ministerial services including Parliamentary Questions, Ministerial correspondence, and Official Information Act and Privacy Act requests 	<p>08/09 main deliverables</p> <ul style="list-style-type: none"> • Provide advice to responsible Ministers on accountability documents • Provide purchasing and monitoring advice on Housing New Zealand Corporation's performance • Provide governance advice, including Board appointments • Provide administration for Vote Housing 	<p>08/09 main deliverables</p> <ul style="list-style-type: none"> • Deliver an integrated service delivery approach, delivering cost efficient services that are accessible for clients • Increased public awareness of rights and obligations • Increased customer access and satisfaction with Departmental advice and information provided • Increase in tenancy and weathertightness disputes resolved at mediation leading to fewer situations escalating to Tribunal hearings • Increased tenure stability through, for example, reduction in conflicts that lead to involuntary cessation of tenancies • Appropriate advice and support provided to weathertightness claimants so claims are settled quickly • Quality information, advice and technical assessor reports provided to claimants to allow them to better manage their Weathertightness claim • Professional management of bond lodgements, refunds and investments under Residential Tenancies Act 1986

HOW WE WILL MEASURE PROGRESS

Measurement

The Department has described in the Operating Intentions section of the Statement of Intent pages 15 to 22 the impacts of the Department's interventions and the outputs. In 08/09 the Department will establish base measures for each of these impacts from which progress will be measured over 09/11.

Cost-effectiveness of interventions the Department delivers or administers

This section outlines our approach to assessing the cost-effectiveness of the interventions that the Department delivers or administers.

Our approach

The Department undertakes a wide range of functions to lift overall standards and performance of the building and housing sector. Our approach to cost effectiveness reflects this diversity in the Department's functions and includes assessment at three levels:

- the effectiveness of our own service delivery systems and processes, and how efficiently we deliver those services
- measuring the cost effectiveness of the individual interventions we administer
- developing a view of the cost effectiveness of the overall building and residential tenancy regulatory systems, including considering interconnections between the various interventions.

In practice, we undertake or have initiated the following activities to enable the Department to measure cost effectiveness of its interventions.

- For each of our main intervention areas, we develop intervention logic frameworks to understand the linkages between the intervention and the Department's outcomes.
- We encourage the use of a robust monitoring and evaluation approach to strengthen the overall efficiency and effectiveness of our services, and to assess the extent to which the intended outcomes are achieved at least cost.
- We use the evaluation and monitoring information we collect to tell an evidence-based performance story about cost-effectiveness of the services, policies and regulatory systems we deliver, administer and support.

Service delivery

Regulatory regimes require effective enforcement and service delivery systems. These in turn need to be supported by efficient, high quality processes. The Department delivers a number of services that can be assessed for cost effectiveness. Our outputs for 2008-11 include:

- delivery of an integrated service delivery approach that in partnership with other community and government agencies, identifies the services that are actually needed by communities, families and individuals, and then delivers those services in a way that is cost efficient and accessible to those clients
- active exploration of opportunities with other agencies to jointly deliver services so that, together, the service delivery outcomes of each agency contributes to better outcomes for communities, families and individuals
- implementation of the evaluation and monitoring strategy for the Weathertight Homes Resolution Services output class, including value for money of the services provided by 30 June 2009
- building a robust cost effectiveness model for the Residential Tenancy Services output class by 30 June 2009.

Individual interventions we deliver or administer

The Department delivers and administers a range of interventions including Building Consent Authority Accreditation, Licensed Building Practitioner Scheme, etc. Our priorities, and where appropriate in partnership with local government, for measuring and reporting on cost-effectiveness measures for these interventions include:

- implementing the Department's monitoring and evaluation regime for the Licensed Building Practitioner Scheme, which will consider the scheme's impacts on labour quality, and the direct and indirect costs imposed on taxpayers, building practitioners, building firms and consumers
- progressively putting in place appropriate mechanisms for collecting data from Building Consent Authorities on key measures of effectiveness and efficiency, balancing the benefits of data against the costs to authorities and the Department of collecting it
- developing a monitoring and evaluation strategy for other intervention areas (eg, Building Consent Authority accreditation) to allow future assessments of their contribution to overarching outcomes.

Building and residential tenancy regulatory system

The building and residential tenancy regulatory system refers to the collection of laws, regulations and interventions that govern building work and the operation of the residential tenancy market respectively. The interdependent nature of the individual interventions means overall systems efficiency is also a relevant consideration.

Priorities for 2008-11 include:

- developing an overarching strategic outcomes and performance measurement framework for the Department, to guide the development of the Department's overall evaluation and monitoring strategy by 30 June 2009. This will take a systems perspective to the overall effectiveness and efficiency of the building and tenancy regulatory system
- demonstrating incremental progress in the Department's ability to tell an evidence-based story about the overall cost effectiveness of the building and tenancy regulatory system, consistent with the Value-for-Money State Services goal.

Managing in a changeable environment

OUR RISK RESPONSE

The Department is committed to identifying, monitoring and responding appropriately to risks to our business at all levels.

Our approach is to ensure we identify risks that have the potential to impact on our ability to achieve our operating intentions. These processes must also support our people to develop options and implement solutions to mitigate those risks. At the operational level, Branch business plans include an outline of any risks that have the potential to impact on our service delivery.

Our Performance and Assurance system is currently being designed and implemented. Once in place in 08/09, our risk, performance, audit and reporting work will be aligned, supported by a programme to develop the skills needed to continually improve our risk and issue identification and management.

The following table highlights a number of risks to achieving our outcomes. These risks are considered when developing personal and organisational development initiatives, particularly in developing leadership capability at all levels, to identify, address and manage risk.

ISSUE/RISK	RESPONSE
<p>Affordability The Department has been working with other agencies to understand the drivers of the affordability issue and the declining rates of homeownership.</p>	<p>Developing the response to Affordability The Department has been developing capability to respond to this issue and it has a substantial work programme underway to address some of the issues. This includes streamlined consents for simple homes, establishing land availability and work with other agencies on urban development options.</p>
<p>Managing in the political context The Department is well through the implementation of the reforms across the building sector that were mandated by the Hunn Report on Leaky Homes and given effect through the Building Act 2004. As the reforms progress, there is likely to be reaction from across the sector as the changes are fully implemented and adjustments are made.</p>	<p>Ensuring that the context for the reforms is clearly articulated The Department will actively communicate the context for the reforms and clearly articulate and build understanding of the benefits of the reforms to consumers and other sector interest groups. The Department will plan carefully to manage risks arising from the reform process.</p>
<p>Building sector capacity and capability There is a risk that the building sector does not have the ability or will to implement the changes brought about by the Building Act 2004.</p>	<p>Working better with the sector The Department will continue to work collaboratively and in partnership with stakeholders to give effect to the reforms and ensure the context for the reforms is mandated and supported. We will work with key sector stakeholders to support their leadership in the sector and commitment to lifting sector performance. Information will be gathered from the sector through surveys and relationship management processes to understand the needs of the sector and the ways in which the implementation of the Building Act 2004 is impacting on the sector. Information will be gathered from relationship management processes, BCA case managers, the BCA accreditation process, and other departmental processes to help us understand the implementation issues and work with the sector to develop strategies to overcome the barriers as they arise. A key part of overcoming the barriers will be to provide information and tailored support to the sector and Local Authorities that is:</p> <ul style="list-style-type: none"> • timely • easily accessible and understood • relevant to the issues raised by the sector and the Local Authorities.

ISSUE/RISK	RESPONSE
<p>Building Consent Authority capacity and capability There is a risk that some councils' level of preparedness and current capacity limitations could prevent them from achieving accreditation and, subsequent to accreditation, progressing through the next phase.</p>	<p>Supporting local government's accreditation progress Continuing to work with Territorial Authorities and Local Government New Zealand to monitor progress and develop with the sector strategies for sharing effective solutions and streamlining processes.</p>
<p>Effectiveness of the WHRS reforms There is a risk that the outcomes expected by claimants and stakeholders from the Weathertight Homes Resolution Services Act 2006 will not be realised.</p>	<p>The Department will continue to work closely with key stakeholder groups in the administration of the WHRS reforms. The Department has implemented a programme to monitor the impact and results being achieved under the new Act.</p> <p>The Department will continue work on issues that have been raised by Territorial Authorities and provide advice to Government.</p>
<p>Capacity, capability and infrastructure There is a risk that departmental capacity, capability and infrastructure which is being built at the same time as delivering on a substantial work programme in a changing environment may result in significant demands and pressure on the Department. This could compromise the quality of the reforms for which we are accountable and the health and wellbeing of our people.</p>	<p>Building capacity and capability at all levels The Department has put in place the first components of an Employee Engagement System including a team leader training programme, a leadership development programme for all staff with leadership accountabilities, a new induction programme and technical training for staff. In addition, an Organisational Development Plan has been put in place which sets clear priorities for core organisational systems development.</p>
<p>Financial pressures There is a risk that with reducing appropriations and additional functions being expected of the Department that the quality of the work and capacity to deliver will be compromised.</p>	<p>Managing with limited resources Work with the Minister to agree priorities for use of resources and the scope of work.</p> <p>The Department will work to evidence its cost effectiveness and ensure that additional work is appropriately resourced.</p> <p>The Department will work to maintain capacity and flexibility of approach to enable an effective response to new expectations.</p>

Assessing organisational health and capability

Strategy: Continue to build the capability and performance of the Department to deliver value for New Zealanders

The process of change is ongoing for the Department as the groups from which it was formed evolve into a single, cohesive organisation along with implementing the appropriate infrastructure to support the operations of the Department. The building and housing sector is also undergoing considerable change, in large part because of the reforms that are under way. To succeed in this environment and fulfil our sector leadership role, we are committed to building a capable, adaptive organisation with a culture of accountability, pride in our work, a willingness to work with others in the sector to build knowledge and understanding and to achieve results including effective service delivery to our many clients and customers.

The Department put in place a new structure with effect from 1 March 2007. As roles have been filled there have been further reviews of the appropriate organisational arrangements as the Department moves from design to implementation, to business as usual. There is still work to do to complete the recruitment to the new structure and to get the anticipated efficiencies and effectiveness. The Department still has work to do to put in place the new business systems which were funded in 05/06 with additional capital and associated operating costs.

What we will do

The Department will continue to build organisational capability based on the State Services Development Goals.

- 1 Employer of Choice – ensure the State Services is an employer of choice attractive to high performers who are committed to service and the achievement of results.
- 2 Networked State Services – use technology to transform the provision of services for New Zealanders.
- 3 Value-for-Money State Services – use resources and powers in an efficient, appropriate and effective way.
- 4 Coordinated State Agencies – ensure the total contribution of government agencies is greater than the sum of its parts.
- 5 Accessible State Services – enhance access, responsiveness and effectiveness, and improve New Zealanders' experience of State Services.
- 6 Trusted State Services – strengthen trust in the State Services, and reinforce the spirit of service.

The Department's organisational development programme for the forthcoming year and beyond is based around the priority areas.

- Continuing to strengthen our leadership capability at all levels
- Developing an effective performance and assurance system which includes risk identification and management
- Clarifying roles and accountabilities to align with the changing expectations of the Department
- Developing business systems and infrastructure to support the operations of the Department
- Delivering the Employee Engagement System across the Department
- Translating strategy into action through an improved planning system that aligns the Department's strategic, business and financial planning systems and progress reporting
- Measuring our culture and employee engagement through an effective process.

Why we will do it

Our intention is to develop a flexible and responsive organisation that can adapt to changing circumstances. Our aim is to ensure the organisation is 'fit for purpose' and we deliver on our role in a way that adds value to the Government, sector stakeholders and consumers alike, particularly in our effective service delivery.

Building capability and performance underpins all of the Department's strategies and links to each of the intermediate sector outcomes.

How we will do it

The Department will continue to build people capability by enhancing skills and knowledge. The focus is on engaging with our people as an ongoing process, not a single induction event that occurs when they join the Department.

Leadership and management capability will continue to be developed. Effective leadership through change is critical to the successful development of the Department and its people. Internal change will continue as the Department adapts to changes in the sector and its operating context. The Department will continue to work on an integrated service delivery system and train and develop front-line staff to provide effective services.

Developing and enhancing our core systems is also an important contributor to achieving strategies and outcomes. The Department is committed to implementing systems that:

- enhance service delivery: our systems will directly improve the quality of our service, improve access for our clients and enable the Department to better connect with the communities it serves

- grow the sector knowledge-base: systems will support the development of people and the dissemination of information to and across the sector, as well as gathering and collating information that will enable well-informed policy advice and operational decisions
- strengthen our relationship-building capability with the building and housing sector: the Department is committed to building its capability to work with the sector to implement reforms in the building sector and at local government level in a way that is practical and 'do-able', and supports the changes required.

Our forward focus is on driving delivery and performance across the organisation off a base of sound organisational systems and structure.

What we will deliver

In 08/09 the Department will:

- design and implement the role description system as part of the Employee Engagement System (in order to better define and align roles, and the related authorities, accountabilities and capabilities to be successful in all roles)
- continue development and implementation of the Performance and Assurance System
- continue to build staffing capability including front-line staff skills through targeted training and development
- continue to develop interpersonal, organisational and sectoral leadership capability through specific programmes
- develop requirements for an integrated service delivery model
- progress specific business system developments, including:
 - implementing the national, consolidated voice and data network to effectively mobilise our Tenancy Services workforce, extending our services over a greater geographic area
 - implementing the upgrade of our Human Resources Information System including payroll to better help managers with more accurate and useful online data
 - implementing the first phase of the Electronic Document and Records Management system to better meet our statutory record-keeping requirements, and e-government metadata standards and principles
 - upgrading the Financial Management Information System to provide more accurate and useful data to managers
 - developing an integrated platform for the registration of electrical workers and licensed building practitioners
- develop greater capability (skills and systems) to enable early and active engagement with the sector on policy development and regulatory system design and technical advice.

ORGANISATIONAL CAPABILITY DEVELOPMENT AND LINKS TO STATE SECTOR DEVELOPMENT GOALS	
Employer of Choice	Delivering on the Employee Engagement System and other employee capability enhancement initiatives
Networked State Services	Implementation of the consolidated network
Value-for-Money State Services	Work on the cost effectiveness of our services as described on page 24
Coordinated State Agencies	Working with other agencies on sustainability, energy efficiency and affordability work programmes
Accessible State Services	Work on the requirements for the integrated service delivery model and continuing to measure and improve the effectiveness of our consumer information and advice services
Trusted State Services	Work on the development of greater capability skills and systems to enable early and active engagement with the sector on policy and system design and implementation.

Capital Expenditure Plan For 08/11

\$000	Forecast	Forecast	Forecast
	2008/09	2009/10	2010/11
Office equipment	50	50	50
Office renovations	200	200	200
Computer hardware	254	750	750
Computer software	7,634	2,007	0
Motor vehicles	0	250	50
	8,138	3,257	1,050

How we will monitor our organisation's health

We are committed to ensuring we have the capability required to perform our functions and conduct our operations effectively and efficiently.

The following table sets out some of the indicators we will use to help us monitor organisational health and capability.

ORGANISATIONAL HEALTH INDICATORS
<p>Internal controls</p> <ul style="list-style-type: none"> • An increase in the Treasury's Departmental Internal Control Evaluation (DICE) rating
<p>Financial</p> <ul style="list-style-type: none"> • Improve the Auditor-General's ratings over the period • Improved forecasting and expenditure closer to budget over the period
<p>Staff capability and capacity</p> <ul style="list-style-type: none"> • The percentage of roles filled with permanent employees will increase over the period
<p>Employee engagement</p> <ul style="list-style-type: none"> • Staff reporting positively on their employment relationship with and role clarity in the Department will increase over the period
<p>Health and safety – staff wellbeing</p> <ul style="list-style-type: none"> • A decrease in sick leave incidence • A decrease in workplace incidents
<p>Performance development</p> <ul style="list-style-type: none"> • Increase in the percentage of permanent staff with performance development and expectation letters completed within two months of commencement or start of the financial year
<p>Capital programme</p> <ul style="list-style-type: none"> • Complete the Financial Management Information System and Human Resources Information System including payroll upgrades in 08/09 • Complete the Electronic Document and Records Management system in 09/10 • Complete the Voice over Internet Protocol (Network) upgrade by December 2009 • Commence the integrated licensing system in 08/09 for completion in 09/10 • Complete the requirements for the integrated service delivery system in 09/10

Pay and employment equity

EQUAL EMPLOYMENT OPPORTUNITIES

The Department will plan to implement the outcomes of the Pay and Employment Equity review over the period 08/09.

The Department remains committed to Equal Employment Opportunities and will review its three-year plan in 08/09 in light of the State Services Commission policy statement on Equality and Diversity and the recommendations of the Pay and Employment Equity review.



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