Development levies

Overview and update

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Purpose

This slide pack provides an overview of the development levies system, which is intended to replace development contributions. It also provides an update on recent Government decisions following public consultation earlier in the year.

Today we will go over:

1. The broader reform context
2. The case for change
3. Key features of the new development levies system
4. What's new – updates since consultation
5. Next steps

Fixing the fundamentals of our land and housing markets

- New Zealand's housing market is one of the least affordable in the developed world, in large part due to the artificial scarcity of urban land.
- The Government is committed to increasing housing supply, boosting homeownership, and improving housing affordability.
- We want Kiwis to have **more choice** about **where** they live and what **type of home** they live in.
- Our aim is to ensure it's **easy to build housing** and there is an **abundance of developable urban land**.
- Going for Housing Growth (GfHG) is the key lever to ensure we fix the fundamentals of housing. It is part of the Government's broader plan to grow the economy, lift productivity, and ensure all New Zealanders can live better more prosperous lives.

The Ministry for Cities, Environment, Regions and Transport (MCERT)

Going for Housing Growth

Resource Management Act reform

Fast-track

Building and Construction Reform

Going for Housing Growth (GfHG)

The three pillars operate together to deliver competitive urban land markets, shift market expectations, and build social licence for growth.

Objective: improving housing affordability and choice by significantly increasing the supply of developable land for housing, both inside and at the edge of our urban areas.

Going for Housing Growth

Pillar 1: Land

Freeing up land for development and removing unnecessary barriers

- Removing regulatory barriers to shift market expectations and improve pipeline of development opportunities.
- Implemented through RMA reform i.e., Planning Bill, National Policy Direction, and National Standards.

Pillar 2: Infrastructure

Improving infrastructure funding and financing to support urban growth

- Providing a flexible funding and financing toolkit.
- IFF Act amendments passed.
- Development levies legislation to be introduced after the election.

Pillar 3: Incentives

Providing incentives for communities and councils to support growth

- Budget 2026 allocated $400 million to the ‘Incentives for Growth Fund’ to help address the impact of new housing growth on existing communities and to improve support for housing growth. The first payments to councils are planned for 1 April 2027.

Pillar 2 will provide a flexible funding and financing toolkit for infrastructure to support growth

- Pillar 2 will ensure providers have the right funding and financing tools to deliver infrastructure to support growth where the economics makes sense.
- The principle of 'growth pays for growth' underpins Pillar 2.
- The diagram below sets out the four key funding tools for growth-related capital expenditure that make up the toolkit:

Development levies (to replace development contributions)	IFF Act (improved workability and broadened scope)	Targeted rates (improvements)	Development agreements
• One-off, upfront charge on a developer to support council investment in growth infrastructure. • Expected to the be the primary tool used for development that aligns with council infrastructure investment plans.	• Infrastructure is financed by a Special Purpose Vehicle and funded through levies on property owners. • Useful for helping councils or developers start viable housing and urban development projects sooner, unencumbered by financing constraints. • Can be used as a land value capture mechanism.	• Annual charge on properties that benefit from certain council activities, including investments in growth infrastructure. • Useful tool for smaller councils to cover growth infrastructure costs, or for projects with a mix of growth and non-growth benefits for a specific geographic area.	• Voluntary contractual agreement for a developer to provide or pay for infrastructure. • Useful for development that does not align with planned investment, and where the developer can provide upfront funding. • No significant changes are being made to development agreements.

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Case for change

Four key issues

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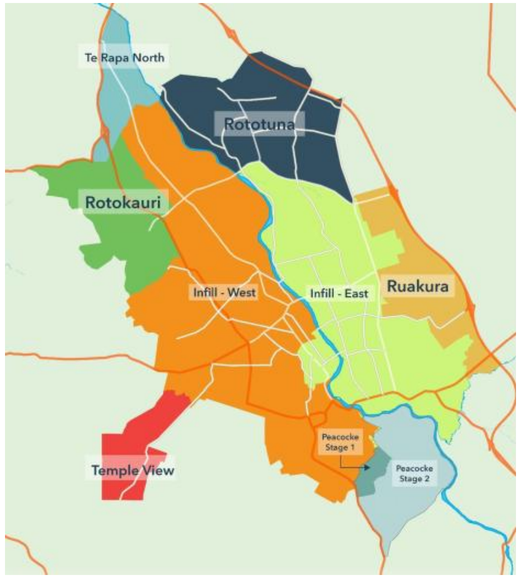
How do development contributions work?

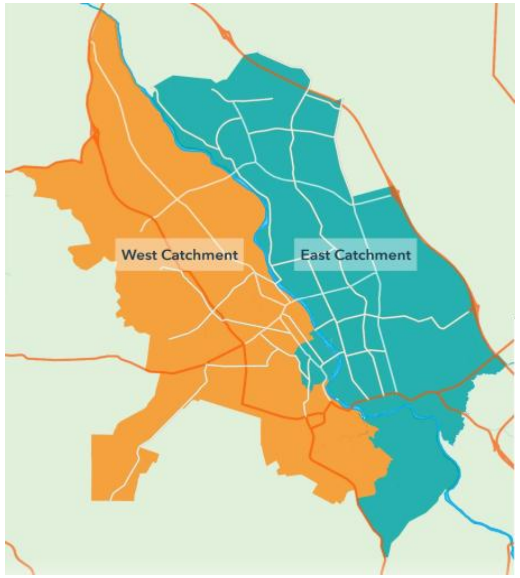
- Development contributions (DCs) are a one-off charge to developers.
- It is the main tool councils use to fund upfront, growth-related infrastructure costs for housing and commercial developments.
- Council's that charge DCs must have a DC Policy with a Schedule of Assets – a published list of planned infrastructure projects for which DCs are being collected, together with each project's cost, and the proportion attributable to growth.
- **Councils can only charge DCs for the 'growth share' of infrastructure costs <u>that are outlined in the Schedule.</u>**
- Effectively, this means councils can only recover growth costs where they have planned and costed infrastructure.
- DC costs are allocated on a 'catchment' basis, which is not defined or standardised. Catchments can be district-wide, infrastructure-aligned, or growth-area aligned – often determined by infrastructure and activity type.
- For example, several councils have district-wide catchments for activities like parks, transportation, and community facilities.
- Most councils have infrastructure-aligned catchments for wastewater and stormwater.
- The law does however require a **'causal nexus'** between new development and the infrastructure projects/costs that make up the DC charge.

Hamilton City DC Policy 2026/27

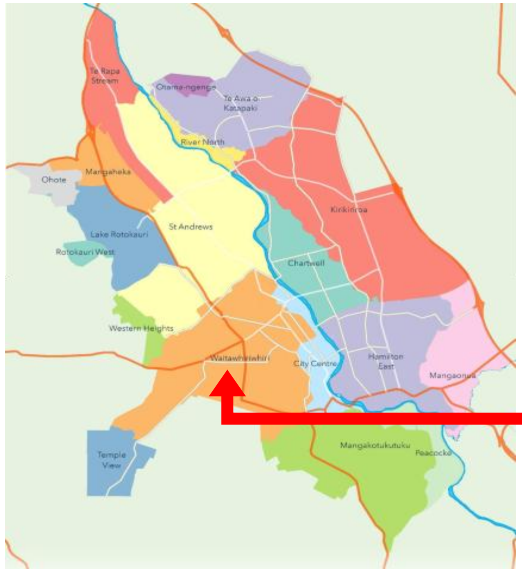
Water supply, Transport, Community Infrastructure, Reserves



Wastewater



Stormwater



Infrastructure/ Activity	Catchment	DC Charge (excl. GST)[1,2]					Wastewater Catchment
		Water Supply	Transport	Comm. Infra.	Reserves	Wastewater	
Water supply, Transport, Community Infrastructure, Reserves	Infill East	10,625	5,239	357	1,561	15,769	WW - East
	Infill West	11,896 – 12,438	4,971 – 5,198	357	1,351	17,775 - 18,584	WW - West
	Peacocke 1	7,834	13,375	284	6,782	31,185	WW - West
	Peacocke 2	9,086 – 9,160	22,828 – 23,015	293	3,499 – 3,528	28,995 - 29,232	WW - East
	Rotokauri	10,909 – 13,215	13,081	295 – 357	3,608 – 4,370	16,061 - 19,456	WW - West
	Rototuna	9,863	18,101	876	1,496	16,727	WW - East
	Ruakara	10,066	9,106	357	1,274	16,124	WW - East
	Te Rapa North	8,914	10,550	357	1,274	16,979	WW - West
	Temple View	11,231	5,024	357	1,274	19,984	WW - West

*DC calculation on next slide

Infrastructure /Activity	Catchment	DC Charge (excl. GST)[1,2]
Stormwater	Chartwell	4,539
	City Centre	3,435
	Hamilton East	2,090
	Kirikiriroa	3,509
	Mangaonua	100
	Waitawhiriwhiri	5,648
	Mangakotukutuku	10,769 – 13,530
	St Andrews	6,707
	Te Rapa Stream	2,360
	Western Heights	681
	Lake Rotokauri	34,033 – 39,430
	Peacocke	2,056
	Mangaheka	2,459
	Ohote	1,606
	Rotokauri West	16
	River North	214
	Te Awa o Katapaki	6,935
	Otama-ngenge	16
	Temple View	16

[1]DC charges are for a 'Standard residential' development from Table 1 of Hamilton City Council Development Contributions Policy 2026/27.

[2]The ranges in DC charges within some catchments reflect actual variation in charges set out in the council's Development Contributions Policy.

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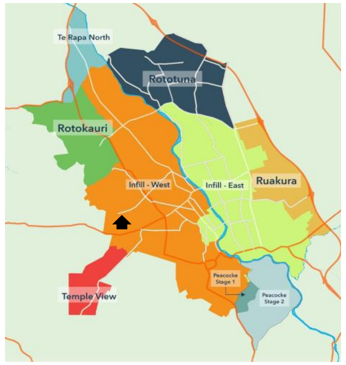
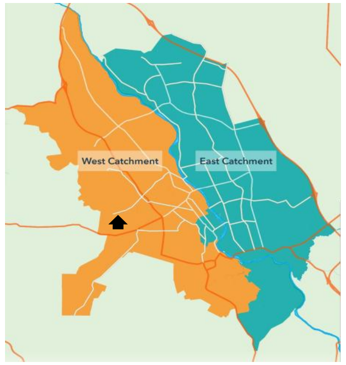
How are DCs calculated?

Hamilton City DC Policy 2026/27

- There is no standardised methodology for calculating DCs.
- However, there are key components that make up DCs:
  - project capital costs;
  - proportion of a project's capital cost attributable to growth;
  - new growth units expected by catchment, or new growth capacity enabled by infrastructure; and
  - Household Unit Equivalent which differentiates different development types (e.g., residential vs café, vs office building).

**DC calculation for Waitawhiriwhiri*





A development for a standard residential dwelling[2] on Dinsdale Rd would have a Development Contribution of

$43,576 per unit

Infrastructure/ Activity	Catchment	DC Charge per HUE (excl. GST)[1]
Water supply	Infill West	$ 12,438
Transport	Infill West	$ 5,198
Community Infrastructure	Infill West	$ 357
Reserves	Infill West	$ 1,351
Wastewater	WW - West	$ 18,584
Stormwater	Waitawhiriwhiri	$ 5,648
TOTAL		**$ 43,576**

DC charges are for a 'Standard residential' development from Table 1 of Hamilton City Council Development Contributions Policy 2026/27.

[2]Standard residential dwelling means a residential unit with three bedrooms in total, as per the council's Development Contributions Policy.

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DCs are not working now and will not work in the future

Four key issues with DCs

1. Councils **under recover the cost of growth**, leaving ratepayers to cross-subsidise new development.
2. It's difficult for developers to plan when **DC charges change dramatically**. Changes in DCs also influence development feasibility.
3. DCs will **struggle to cope under the new planning system.**
4. The DC system is **complex, inconsistent, and not transparent** (e.g., there is little reporting on where funds from DCs are deployed).

- DCs were designed in 2002 for a planning system where councils closely managed growth.
- The old model was to have restrictions, sequence, and plan – with capacity and development opportunities slowly dripped into the market.
- These restrictions also created an unaffordable land and housing market driven by artificial scarcity.
- To make housing more affordable, we are flooding the market with development opportunities through RMA Reform and our GfHG programme.
- Once the new flexible planning system goes live, the scale and frequency of under recovery of growth costs is likely to increase, because DCs can only be recovered from pre-planned and pre-costed projects.

Issue 1: Councils are under recovering the cost of growth

- Councils are only authorised to recover a “fair equitable and proportionate portion” of the growth costs of infrastructure.
- To charge DCs, councils must determine and cost what infrastructure will be required far in advance of growth. To do this, they make judgements on where growth will occur, plan relevant infrastructure, and set DCs.
- Where growth differs from council predictions, they do not have adequate tools to fund infrastructure that responds to this demand without costs falling on ratepayers.
- Freeing up land for development makes it challenging for councils to predict where and when development will occur and what infrastructure is required.
- **Councils need flexibility to adjust the provision of infrastructure to respond to growth.**

- Auckland Council estimates that $330 million in growth infrastructure costs for Drury will be met by ratepayers.
- Tauranga City Council has reported 16 per cent under-recovery for projects that were included in DC policies, which saw over $70 million of debt expected to be transferred to ratepayers.
- Not only is this unfair, but it makes existing residents resistant to growth.

Issue 1: Councils are under recovering the cost of growth

A 'big picture' estimate of council under-recovery from 2021 to 2031 is **$11 billion.**

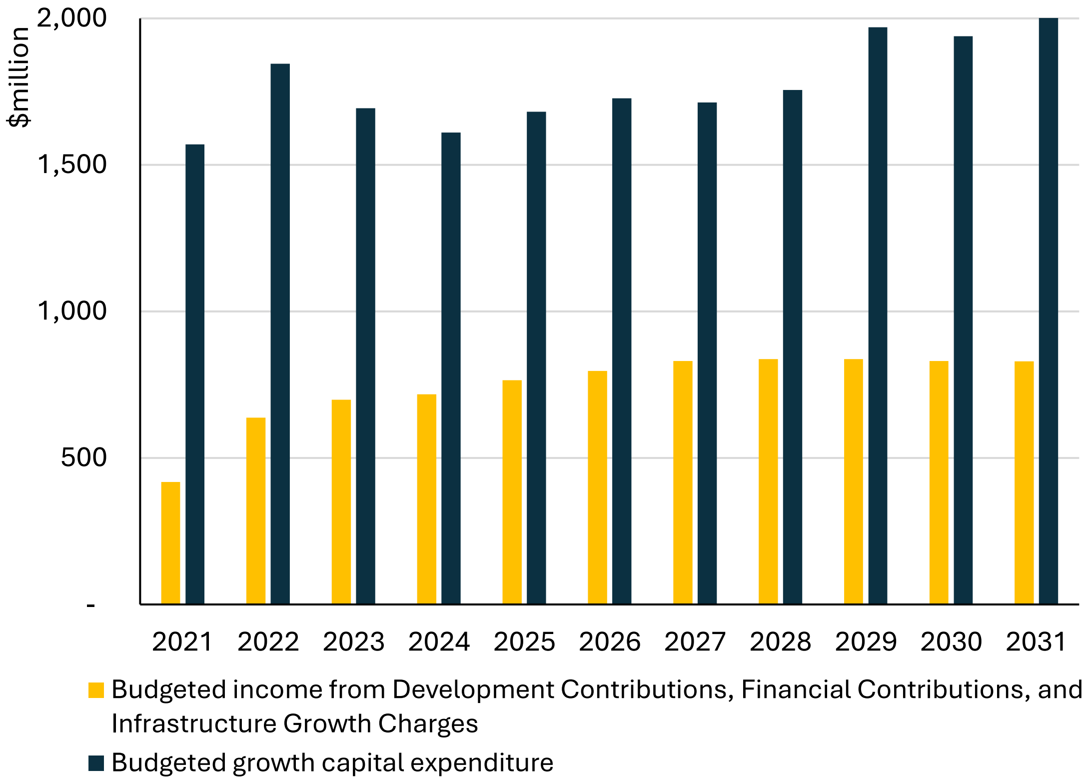
$19.5 billion in planned growth-related capital expenditure and only $8.5 billion in anticipated cost recovery.

This provides an indication of the maximal extent of under-recovery, rather than a precise estimate.

Reasons for under-recovery

- Planning and prediction
  - E.g., construction/infrastructure cost inflation
- Political reluctance
  - E.g., councils set DCs at levels developers won't challenge; councils agree to remissions but do not provide funds to offset these
- Legislative constraints
  - DC Schedule of Assets can't be changed on basis of consent applications received (except for our recent change that captures Fast-track projects); the Crown has exemptions to DCs in some cases; DCs must be used for, or towards, the growth portion of the infrastructure they were charged to fund as set out in the DC policy schedule of assets

Projected capital expenditure to meet additional demand vs. Projected growth cost recovery by councils



Issue 2: It's difficult for developers to plan when DC charges change dramatically

DCs have increased significantly in New Zealand's high-growth urban areas. The development sector has raised concerns about how these changes affect development feasibility.

Projected capital expenditure to meet additional demand

Council	Catchment	Previous DC	Year of previous DC	Current or proposed DC	% Change
INFILL ($ Per Housing Unit Equivalent or similar, GST Inclusive)					
Auckland Council	Tamaki	52,885	2022	117,049	121
Tauranga City Council	Tauranga Infill	44,544	2023	54,752	23
Hamilton City Council	Infill East (Chartwell)	20,726	2023	43,805	111
Christchurch City Council	Linwood	7,874	2021	28,914	267
GREENFIELDS ($ Per Housing Unit Equivalent or similar, GST Inclusive)					
Auckland Council	Northwest (Whenuapai)	46,090	2022	114,521	149
Tauranga City Council	Ohauiti	54,496	2023	64,761	19
Hamilton City Council	Rototuna (Kirikiriroa)	39,183	2023	58,157	48
Christchurch City Council	Halswell	34,209	2021	36,842	8

Issue 3: Development contributions will struggle to cope under the flexibility of the new planning system

The new Planning System is designed to enable much more flexibility in land use and a greater number of development opportunities.

This will be achieved through:

- An explicit goal of providing abundant development opportunities to enable competitive urban land markets, with an independent Urban Land Market Officer to ensure councils achieve this goal.
- Increased responsiveness to private plan changes.
- Regional Spatial Plans identifying an abundance of development opportunities.
- Policies that will be developed through National Policy Direction and National Standards:
    - The abolition of rural-urban boundaries.
    - Housing Growth Targets and business development capacity requirements.
    - Strengthened requirements for intensification around rapid transit, city centres, metro areas, and town centres.
    - New standardised zones that will provide for mixed-use zoning and not allow for minimum floor areas or balcony requirements.

Issue 3: Development contributions will struggle to cope under the flexibility of the new planning system

Issues with more flexible planning

- Our new flexible planning system will likely exacerbate under recovery of growth costs.
- It will be difficult for councils to anticipate and accurately plan for 30-years worth of live-zoned urban land. There will be many options for *where, when,* and *what* growth can occur.
- For example, say a council anticipated that growth would occur in **Areas A** and **C**, but growth instead occurred in **Areas B, D**, and **E** (which were all under-planned and under-costed) – councils would then under recover growth costs.

Councils will need a more flexible infrastructure funding and financing tool to suit a more flexible planning system.

Issue 4: The DC system is complex, is being applied inconsistently, and is not transparent

COMPLEX

- The Audit Office has noted that the DC provisions in the Local Government Act are reasonably complex. Local authorities must make assumptions and significant judgements in applying them.
- The amount of detail and effort put into DC Policies can result in increased complexity and reduced transparency without a commensurate increase in accuracy and fairness of outcome.[2]

INCONSISTENT

- Councils need to take into account the principles set out in legislation when calculating DCs. However, the way contributions are calculated is open to interpretation, so methodology varies council to council.
- Lack of consistent, standardised process, guidance, and methodology for calculating DCs.

NOT TRANSPARENT

- Little transparency, oversight, or reporting on DCs collected, and when/where funds are spent.
- The sector/industry remains concerned about "accountability and transparency".
- Steep increases in Auckland DCs over the past few years has drawn sustained pushback about how costs were justified (e.g., using a 30-year time horizon to calculate DCs).

[2] *Development Contributions Discussion Paper 2013, Department of Internal Affairs*

[IN-

Development levies: Key features

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[IN-

What are we trying to achieve?

The Government has four key objectives for development levies:

1. **Growth pays for growth:** Making it easier for councils and communities to say yes to and support growth, by ensuring that councils can recover growth costs.
2. **Fair, appropriate, and more predictable funding tools:** Having a system that developers can trust – which is clearer, more transparent, and has independent oversight.
3. **Infrastructure provision supports growth:** A flexible funding and financing system to match our new flexible planning system.
4. **Economics drives development:** Incentivising development in more efficient locations where the enabling infrastructure costs are lower.

What are the key changes with development levies?

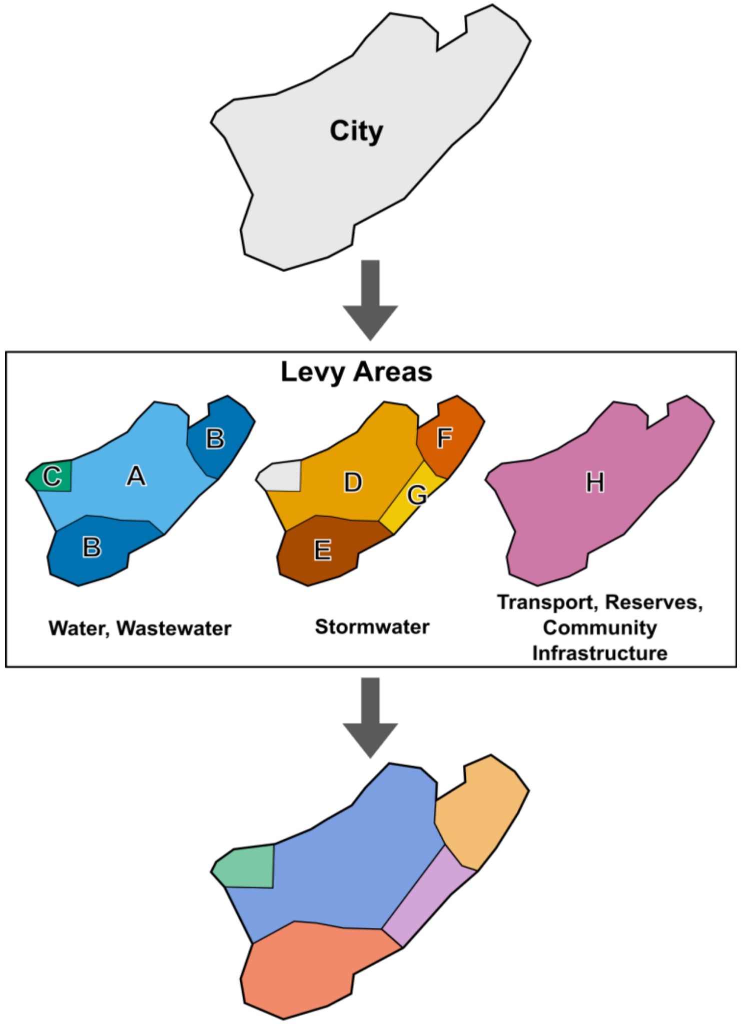
	Development contributions	Development levies
Setting charges	Contributions based on planned infrastructure to service specific catchments (can be district-wide, infrastructure-catchment based, growth-area based, or other).	Levies based on aggregate cost of infrastructure for growth across levy areas (using prescribed methodology).
Investment and charging	Councils invest in planned infrastructure and charges developments directly served by that infrastructure.	Councils flexibly invest in infrastructure that best serves development and charges all development across the levy area.
Oversight	No dedicated regulator.	Commerce Commission regulates how councils set levies and use revenue.
Overall result	**Councils face challenges funding infrastructure to support flexible development.**	**Councils have flexible funding for infrastructure to support flexible development.**

The system will provide flexibility and price signals

ILLUSTRATIVE

Councils will be required to set levy areas based on the following criteria:

- Councils will be able to charge development levies for six services, they are water supply, wastewater, stormwater, transport, reserves, and community infrastructure.
- For each leviable service, a council should have one levy area where there is no substantial variation in the forecast cost per HUE to provide adequate infrastructure.
- In all other cases there should be a **small number** of levy areas to enable the council to responsively supply infrastructure according to where demand emerges and to support administrative efficiency.
- When determining levy areas for each leviable service councils should consider whether there is a substantial variation in the forecast cost per HUE of providing adequate infrastructure.



Other key design features

- **Standardised levy assessments:** will ensure that levies are calculated in a consistent way that reflects relative demand on infrastructure.
    - Councils will be required to differentiate between development types (e.g. a 2bdrm apartment vs a 4bdrm standalone dwelling) to reflect the difference in demand.
- **Bespoke levy assessments:** will provide a pathway for development in places outside of the levy area or where infrastructure is not planned for many years. Bespoke assessment will ensure levy reflects the true costs of providing infrastructure for a development.
- **First mover developers:** Where a first mover developer builds infrastructure that supports future development beyond their own site, a council can reimburse them using levy revenue based on set conditions. This will improve the potential for privately-initiated developments.

Table 1: Standard system for allocating units of demand to a specific development type (illustrative)

Development type (set in regulations)	Service	Metric (set in regulations)	Units of Demand (set in regulations)
Residential development			
Standard or detached residential unit	Stormwater	Per lot	1 unit per lot
	Water, wastewater, transport, reserves, community infrastructure	Number of bedrooms	0.33 unit (1 bedroom) 0.66 unit (2 bedrooms) 1.0 unit (3 bedrooms) 1.33 units (>3 bedrooms)
Attached or multi-residential unit	Stormwater	Impervious surface area (ISA)	1 unit per 292m² ISA
	Water, wastewater, transport, reserves, community infrastructure	Number of bedrooms	0.33 unit (1 bedroom) 0.66 unit (2 bedrooms) 1.0 unit (3 bedrooms) 1.33 units (>3 bedrooms)
Non-residential development			
Commercial	Transport	Gross floor area (GFA)	1.740 units per 100m²
	Water	GFA	0.394 unit per 100m²
	Wastewater	GFA	0.507 unit per 100m²
	Stormwater	Site area	0.385 unit per 100m²
	Reserves	N/A	0.0 unit
	Community infrastructure	N/A	0.0 unit

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How will development levies impact different groups?

Development levies are expected to impact groups in different ways…

The public

Development levies form part of the wider Going for Housing Growth work programme, which aims to improve housing affordability by increasing the supply of developable land. This will have broad benefits for the public including improving housing access and choice, and improving the productivity of our cities.

Ratepayers

Development levies will improve councils' ability to recover the growth-related costs of infrastructure from new development. This will benefit ratepayers by reducing the growth related costs of infrastructure that fall on ratepayers.

Councils

Development levies will support councils to free up land for development by improving councils' flexibility to deliver infrastructure to respond to development while recovering costs from development. Improved cost recovery will help councils keep rates lower or enable them to improve services to their communities where needed.

Developers

Development levies will support freeing up land for development, which will make it easier for developers to acquire developable land. Development levies are also intended to provide developers with greater certainty and stability about how much councils will charge for the growth-related costs of infrastructure.

Development levies will be reflected in land prices

- **Developers work backwards from the expected sale price of houses.** They estimate what completed homes will sell for, then subtract construction costs, financing costs, developer margins, and infrastructure charges (e.g. development levies) to determine what they can afford to pay for land.
- **Where there is abundant land supply and developers have many sites to choose from, development levies will reduce the amount developers will bid for land.** If a council introduces a $50,000 development levy per dwelling, a developer will generally reduce the price they are willing to pay for development land by a similar amount.
- **As infrastructure charges become known and predictable, they are capitalised into land prices.** This means the price of undeveloped land falls relative to what it would otherwise have been. This is consistent with recent findings from the Australian Productivity Commission in its Interim Report on Housing Supply Regulation.
- **The existing use of land will affect how far land prices can fall.** If infrastructure charges increase, land prices would adjust downward. However, if the amount developers bid for land is less than the existing-use value of the land (e.g. use of land for farming instead of housing), landowners will have little incentive to sell. At that point, any further increases in infrastructure charges would mean a specific development opportunity is not viable.
- **The transition to development levies could impact developers who have pre-purchased land and not factored in the cost of development levies.** Councils will have discretion to phase-in any price increases related to the shift from development contributions to development levies.

What's happened since consultation?

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Consultation closed on the exposure draft of the Local Government (Infrastructure Funding) Amendment Bill

- The Bill would repeal sections of the Local Government Act 2002 relating to development contributions, establish the key features of development levies, and provide for further design detail in regulations and Commerce Commission determinations.
- We consulted on an exposure draft of the Bill – the legislation is technical and complex, and we wanted to hear from the sector to ensure we get it right.
- Consultation ran from 26 November 2025 through to 20 February 2026.
- We received 56 submissions – 37 from the local government sector, 11 from the development sector, 2 from Māori housing providers, and 6 from others.
- We heard strong overall support from councils for replacing development contributions, driven by concern that the current system under-recovers growth-related infrastructure costs and shifts the burden onto ratepayers.
- Developers gave mixed views. There was some support for greater national consistency and transparency. Others raised concerns about potential for over-charging.

Submitter feedback identified improvements to the draft legislation

Key themes from feedback	Response
Concerns that **broad levy areas could lead to cross-subsidisation** between different development locations.	Have provided direction for councils to set separate levy areas where there is substantial variation in infrastructure costs between development locations. This will support price signals for efficient development and reduce the extent of cross-subsidisation.
The need for **more detail** on the levy calculation **methodology**.	The Commerce Commission will develop the levy calculation methodology, and will consult with the sector on the draft methodology before finalising it.
Whether levies should recover costs for future investments **beyond 10-year long-term plans**.	The levy calculation methodology will set requirements for how future investments are reflected in levy calculations. This could include which future investments are included in levy calculations and how councils estimate the cost of future investments.
How the system should **transition** from development contributions to development levies.	• Councils will have discretion to move to development levies between 2029 and 2030. • Councils will have discretion to phase in any price increases (i.e., no mandatory phase-in approach).
The **Crown should pay** development levies.	The core Crown and Crown entities will be required to pay development levies.

Submitters wanted confidence in how charges are calculated and use of revenue

- Developers and the private sector have stressed the importance of an independent regulator to ensure development levies are set and used in a way that is transparent, predictable, and consistent.
- The economics of setting development levies is similar to other infrastructure services with local/natural monopoly characteristics, such as electricity and gas distribution and transmission, fibre-based telecommunications, and airports.
- The increased flexibility inherent in development levies raises more uncertainty around growth-related decisions and the use of funds.

Commerce Commission has been confirmed as the independent regulator, and is now funded to do this role

Commerce Commission toolkit
Prescribe the levy calculation methodology
Monitor the system through information disclosure requirements
Set additional requirements or rules
Compliance and enforcement powers

Funding

- The Government provided $30 million through Budget 2026 to fund the establishment of the Commerce Commission as the independent regulator from 2026 to 2030.
- After the establishment period, the cost of the Commerce Commission regulating development levies will be recovered from the primary beneficiaries of the regulation which are the developers.
- This is consistent with the approach used for other regulated sectors.

What’s next?

Next steps and timelines

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Establishing the development levies system

Development levies system includes primary legislation, secondary legislation and regulations, and regulatory oversight by the Commerce Commission.

MCERT

The Ministry of Cities, Environment, Regions & Transport (MCERT) will be responsible for the primary legislation and system stewardship

Amendments to the Local Government Act 2002 will cover:

- Statutory purpose and principles of the development levies system.
- Key design elements (e.g. levy areas).
- High-level rules for levy calculation i.e. what is needed but not how to do it.
- Empowering provisions for the Commerce Commission as the independent regulator for development levies.

The Commerce Commission

The Commerce Commission will be the regulator and responsible for developing detailed levy calculation methodologies

Regulatory functions will include:
- setting detailed calculation methodologies,
- monitoring and information gathering,
- setting additional requirements or rules, and
- taking compliance and enforcement action where necessary.

Detailed levy calculation methodologies will cover:
- the **growth cost allocation** (determining the growth portion of infrastructure)
- the **growth cost aggregation** (determining how those growth costs aggregate across a levy area)
- how to reflect the **distribution of costs and benefits over time** (i.e., account for the changing cost of infrastructure over time and beneficiaries).

Councils

Councils will be responsible for implementing the system

- Councils will develop and administer development levies policies in line with new legislative and regulatory requirements.
- Councils will remain the primary interface point for developers with the development levies system (i.e., through assessments and invoicing).
- Councils will need to comply with the Commerce Commission's information disclosure requirements and any additional rules or requirements that are set.

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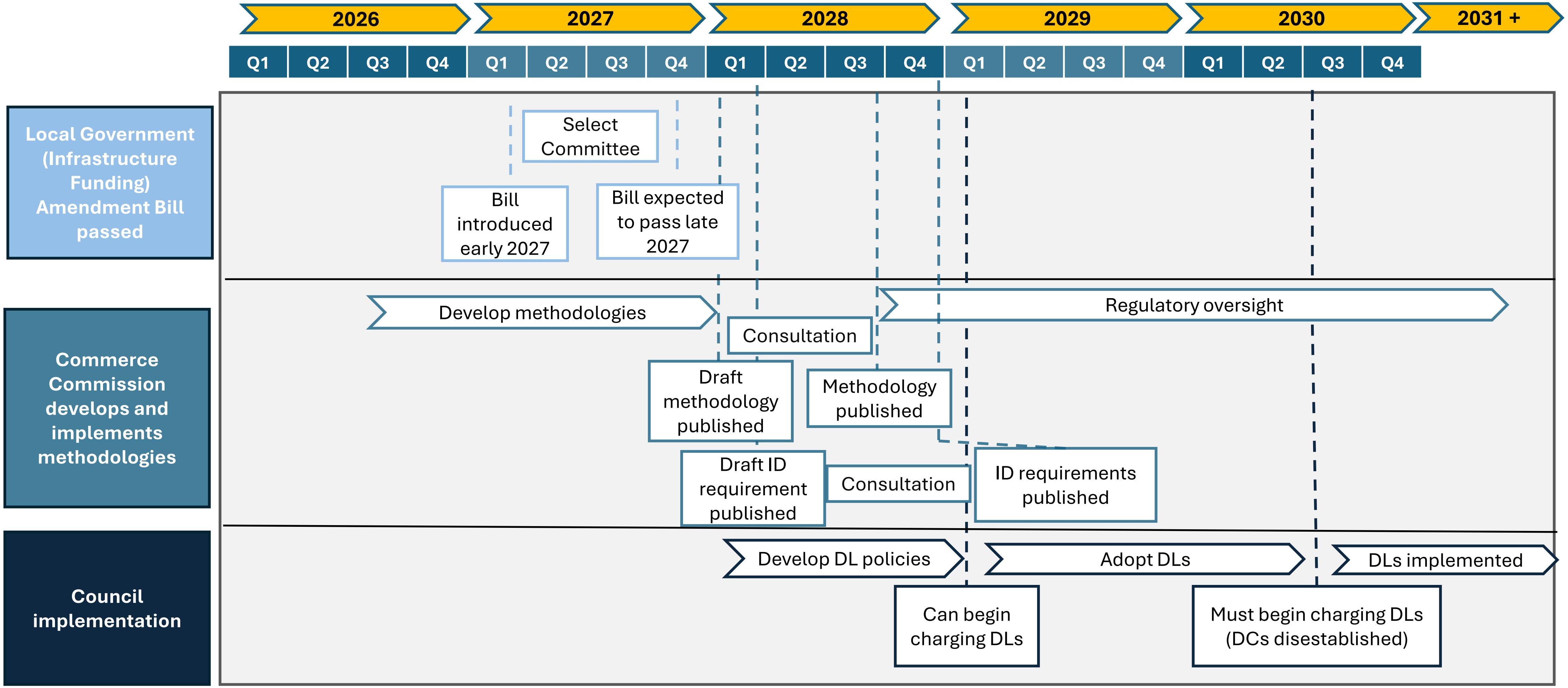
Expected timeline*

*Indicative timeline subject to the parliamentary process



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Housing and urban development system update

We are making progress across the housing and urban development system:

- **Fast-track development contributions amendment** - Amendment to the Local Government Act 2002 announced to allow councils to recover growth-related capital costs arising from fast-track developments.
- **Fast-track housing projects** – 13 housing/land fast track projects have been approved so far.
- **Resource Management Reform** – Planning Bill and Natural Environment Bill will be passed into law in just a few weeks. Illustrative National Policy Direction out for consultation until 16 October 2026.
- **Achieving competitive urban land markets** – Independent Urban Land Market Officer will be established through Planning Bill to monitor land market performance and ensure competition.
- **Building and construction changes** – We are making it easier and cheaper to build including through earthquake-prone building reform; removing the need for both building and resource consents in most cases for granny flats up to 70 sqm; increasing the use of remote inspections; trusting skilled plumbers, drainlayers, and builders to sign off on their own work; allowing builders and homeowners to swap out similar products without needing another consent; getting more overseas building products into New Zealand; shifting to proportionate liability; and Investment Boost.
- **GfHG Pillar 3: Incentives for Growth Fund** – Budget 2026 allocates $400 million over four years – first payment is due 1 April 2027.
- **Infrastructure Funding and Financing Act** – The IFF (Amendment) Bill passed into law in August 2026, and makes it far easier for developers and councils to use this innovative tool to get on with delivering the infrastructure New Zealand needs to grow.
- **MCERT** – established 1 July 2026.

Key housing stats:

- **Rent flat** – Rents for new tenancies have been flat to falling. And annual rent increases for existing and new tenancies have reached a 25-year low of 0.5% in the year to June 2026.
- **First-home buyers up** – First home buyers have been dominating the housing market making up 29% of property purchases in July 2026 – a record-high.
- **Fewer people on Social Housing Register** – The social housing waitlist is down by over 6,800 applicants since we came into Government.
- **Fewer people in emergency housing** – As of July 2026, 1,140 Priority One households with 2,442 children have been housed in a warm, dry, and secure social home.
- **Net new social homes** – 8,488 net new social homes delivered since coming into Government.

Questions?