

Fact Sheet 3

MODULAR COMPONENT MANUFACTURERS (MCM)

MAY 2021

A Bill to amend the Building Act 2004 has been introduced to Parliament and may be passed as law later in 2020. This fact sheet helps you understand the proposed amendments and what they mean.

Current state

Modular Component Manufacturers (MCM) can deliver innovative and affordable housing, such as prefabrication and off-site manufacturing, efficiently. However, current building consenting processes are best suited to traditional construction methods, and can present barriers, duplication and delays for more innovative products and methods.

There is also variation in how Building Consent Authorities (BCAs) throughout New Zealand apply the Building Code to MCM when checking for compliance, leading to uncertainty for the building sector and homeowners.

The building regulatory system needs better ways of dealing with MCM and new and innovative building components manufactured off-site.

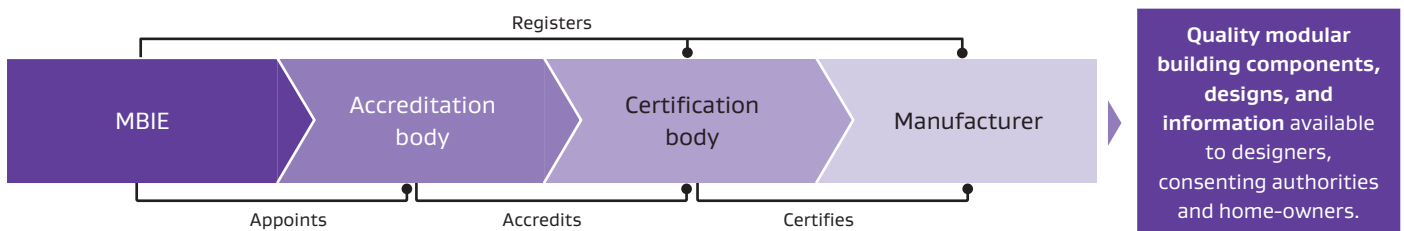
What's changing

This Bill allows the introduction of a new voluntary manufacturer certification scheme for MCM.

This works by certifying manufacturers to produce consistently safe and reliable building components and modules. The end-to-end process from design (where relevant), manufacture, assembly, and right through to transportation and installation on-site, are assessed with ongoing checks and balances to ensure construction meets the requirements of the building code.

Once certified, third party inspections, audits and post-certification surveillance will provide confidence of quality construction. BCAs can focus on on-site building work not covered by the MCM certification such as site works, foundations, plumbing and electrical connections or connections to utilities such as sewerage and storm water.

The Bill gives Cabinet the power to make regulations and the Chief Executive of MBIE the power to make detailed rules for the scheme.



What this means for you

- › Certified manufacturers will find consenting easier, faster and more efficient with fewer inspections needed. It will remove uncertainty, duplication and delays in the process, saving time and money without compromising on quality.
- › BCAs will be assured of construction quality and that certified manufacturers are complying with Building Code requirements. The scheme will allow them to focus on compliance with on-site installation.
- › Homeowners may benefit from more building choices and reduced building times and costs, and be assured of quality construction in a controlled environment.
- › A shorter building consent process of 10 working days if the structure is a single modular component.

Keep up-to-date with progress on the building law reforms at www.building.govt.nz.

