

BUILDING PERFORMANCE

Granny flats (non-consented small stand-alone dwellings)

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MINISTRY OF BUSINESS,
INNOVATION & EMPLOYMENT
HĪKINA WHAKATUTUKI

Te Kāwanatanga o Aotearoa
New Zealand Government

Making it easier to build granny flats

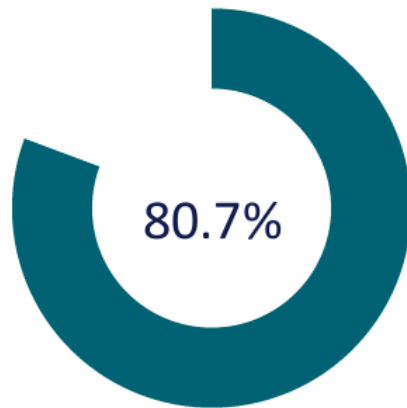
Milestones

- National-NZ First Coalition commitment.
- Legislation passed October 2025.
- Exemption commenced 15 January 2026.
- Future changes coming.

Key stats

Est. \$96 million

Figure: PIMs processed within 10 working days



Application Volume

Applications Issued

580

Completion Notifications

4

Reported Value of Building Work incl. GST

Median Value

150.0K

Average Value

165.5K

Application Statutory Processing Time

Median (Working Days)

8.3

Average (Working Days)

8.7

Floor Area (m²)

Median Floor Area

63.0

Average Floor Area

56.9

Making it easier to build granny flats: at its simplest

To be exempt, a granny flat will need to meet three core conditions...

**Condition one:
Simple design**

**Condition two:
Authorised
professionals**

**Condition three:
Councils notified
prior to and on
completion of
building work**

Condition one: simple design



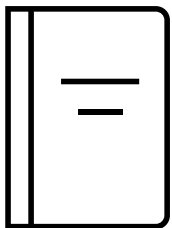
- Must be built to the building code.
- Building Act – new Schedule 1A specifies the additional design requirements that must be met. These include:
 - New, single storey, 70m² or less, detached.
 - Lightweight steel or timber frame, <20kg/m² roof, <220kg/m² wall cladding.
 - 1m high foundation, 4m high building from foundation.
 - No mezzanines.
 - Plumbing and drainage built in accordance with specific AS/VM.
- Most Schedule 1A conditions can be updated relatively quickly.

Condition two: must be carried out or supervised by licensed building professionals



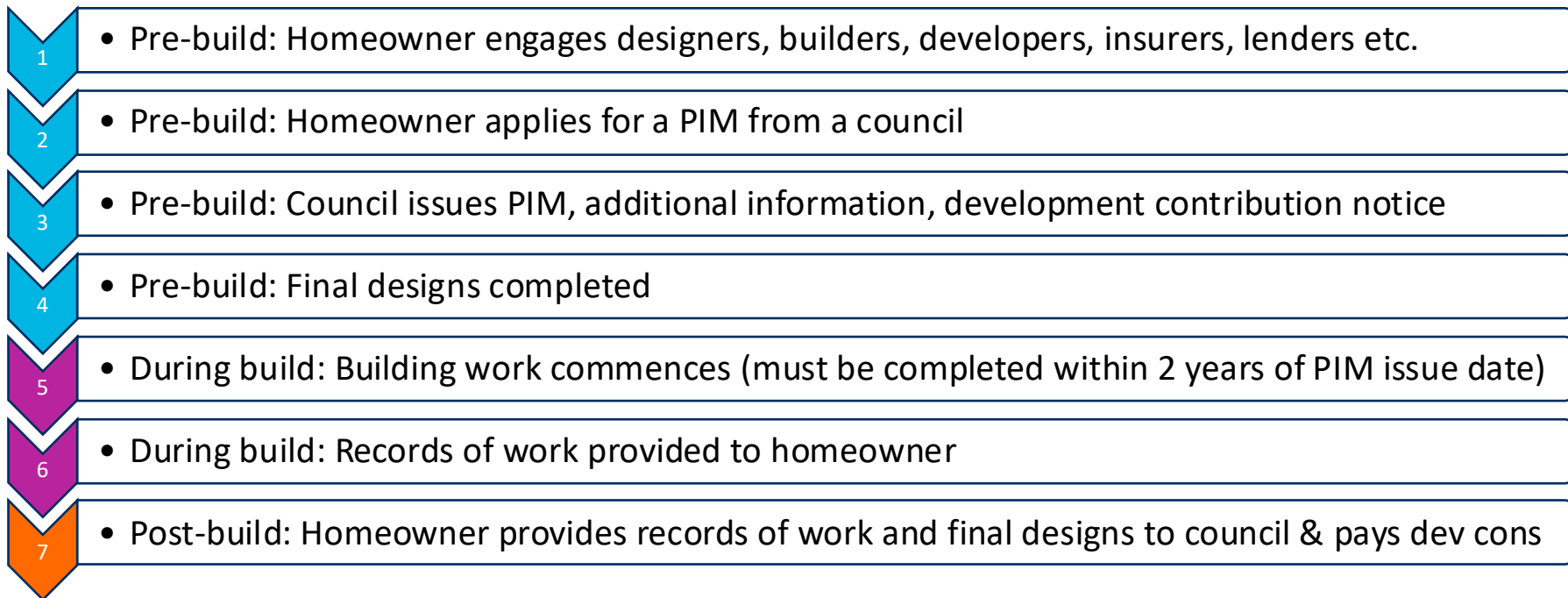
- Work must be carried out or supervised by those authorised to do it.
- No homeowner exemption, except for electrical work which must be inspected by an electrical inspector.
- Records of work must be produced and provided to homeowners.

Condition three: councils informed prior to and on completion of building work



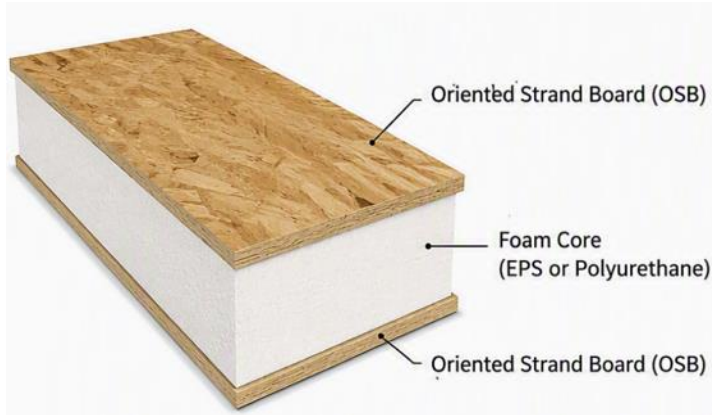
- Homeowner must receive a PIM before building work can take place. PIM includes new 'additional information'.
- Homeowner must provide records of work and final design plans, and pay development contributions, within 20 working days of completion of building work.
- Councils hold a good faith protection for the advice provided through the additional information and the information they store on completion of building work.

Bringing it all together



Upcoming changes to the exemption

- Formally include Structural Insulated Panel systems (SIPs) with a CodeMark certificate in Schedule 1A.
- Technical amendments and clarifications to NUOs and onsite system requirements.



Upcoming changes to the exemption

- Allow offsite construction of granny flats to take place in advance of a PIM
 - A PIM is still required before any onsite building work takes place.
 - All other exemption requirements must continue to be met.



Frequently asked questions

- Where have the greatest 'niggles' been seen?
- How does this exemption work alongside Schedule 1 exemptions?
- The land is subject to a natural hazard – can I still build?
- Can labourers or subbies do the work?
- Is there room for future work to expand the exemption? For example, to exclude internal garages from the internal floor area?

Questions and answers

For any further questions please email:
building@mbie.govt.nz