Plumbers, Gasfitters and Drainlayers Board

Consultation

Proposal on fees and disciplinary levy review

October 2025

Introduction

This consultation document provides information to enable informed stakeholder feedback on the Plumbers, Gasfitters, and Drainlayers Board (Board) fee proposals.

Fee reviews are normally conducted on a 3-year cycle. The Board has brought this current review forward a year, as was also done last review cycle. This review considers the 3-year period 1 April 2026 to 31 March 2029.

This consultation document details the proposed fees and levy and explains how you can provide feedback during the consultation period which is 20 October to 7 November 2025.

To assist you in providing feedback, this consultation document provides background information detailing what fees are used for and explains how the proposed fees were calculated.

The Board will consider your feedback and make a final decision on the fees and levy structure at its Board meeting on 25 November 2025, with those fees then being gazetted in time to take effect from 1 April 2026.

Proposed fees and levy

The proposed fees and levy are set out below.

Fee or levy[1]	Current fee and levy	Change
Annual licence fee (includes exemptions under supervision and provisional licences)	$100	No change.
Registration	$350	No change.
Disciplinary and prosecution levy • Disciplinary • Prosecution	$275 $205 $70	$275 $210 $65
Examination fees • Registration • Certifying	 $330 $410	 No changes.
Trainee certificate	$65	No change.
Examination reconsideration fee	$120	No change.
Employer licence fee	Full cost recovery	-
Exemption application fee • Exemptions for sanitary plumbing and gasfitting works[2] • Exemptions from the minimum standards of registration[3]	 Full cost recovery Full cost recovery	 - -
Advanced proficiency assessment application	Full cost recovery	-

Proposal

We are pleased to confirm that there will be no overall increases to any of the fees or levies.

The total disciplinary and prosecution levy will remain at $275. This proposal simply changes how that total is split between the disciplinary and prosecution components to better reflect where costs are incurred.

The Board proposes to make a $5 adjustment between the prosecution and disciplinary levies. This will increase the disciplinary levy by $5, offset by a $5 reduction in the prosecution levy. The total amount will remain the same at $275.

This change is proposed because the Board is incurring additional costs and expending more effort in response to complaint trends within the disciplinary function in relation to authorised work.

At the same time, the prosecution levy is proposed to decrease because the Board's prosecution reserves, which had been higher than usual following the COVID-19 period, have returned to within policy levels.

---

[1] Includes GST.

[2] Sections 18, 20, and 24 of the Plumbers, Gasfitters, and Drainlayers Act 2006.

[3] Section 52 of the Plumbers, Gasfitters, and Drainlayers Act 2006.

The Board is satisfied that all other existing fees and levies remain appropriate and continue to reflect the costs of providing those services.

Rationale

The Board anticipates that in the next three years:

- approximately 76% of the total levy ($210 per practitioner) will be required to fund the investigation of allegations and complaints about practitioners and to bring disciplinary proceedings, at less than full cost recovery.
- approximately 24% of the total levy ($65 per practitioner) will be required to fund the investigation and prosecution of unauthorised individuals who breach legislation relating to sanitary plumbing, gasfitting, or drainlaying, at less than full cost recovery.

More than three quarters of the complaints the Board receives relate to registered practitioners, meaning the majority of resources are directed toward managing practitioner related matters.

The Board is responsible for all costs associated with complaints, investigations, disciplinary proceedings, and the prosecution of unauthorised work. These costs may include, for example:

- investigations
- hearings relating to disciplinary charges
- prosecutions when charges are laid in the District Court
- appeals
- bad debts and collection costs for any costs awarded.

The Board takes a prudent approach to ensure that usual disciplinary costs are adequately recovered, while recognising that some individual cases can result in significant one-off expenses. These costs are inherently difficult to budget for, as the Board has no control over the number of complaints and notifications we receive. The Board must always act in the public interest when deciding to pursue these matters.

The Board actively seeks recovery of any costs ordered as a result of a disciplinary finding and the money recovered is taken into account when setting the level of the levy. Not all money is recovered as some practitioners are unable or refuse to pay their costs.

Background information

Purpose of the Act and mechanisms available to the Board

The purposes of the Plumbers, Gasfitters, and Drainlayers Act 2006 (the Act) are to:

- protect the health and safety of members of the public by ensuring the competency of persons engaged in the provision of sanitary plumbing, gasfitting, and drainlaying services
- regulate persons who carry out sanitary plumbing, gasfitting and drainlaying
- to appoint and regulate certification authorities.

The mechanisms available to the Board to do this are:

- setting classes of registration

- ensuring a minimum standard of competence for practitioners to be registered and issued with licences
- holding disciplinary hearings following complaints about practitioners
- prosecuting individuals who undertake unauthorised plumbing, gasfitting and drainlaying work
- educating practitioners.

The Board supports the competency of the New Zealand plumbing, gasfitting, and drainlaying practitioners and the maintenance of industry standards.

How the Board is funded

All the Board's funding is obtained from the fees and levies paid by practitioners. The Board receives **no** funding from the government.[4] The authority for the Board to set the fees and levy is set out in sections 142 and 143 of the Act.

The Board has received separate government funding for the establishment of the self-contained vehicle regime. This funding is distinct from, and unrelated to, the Board's regulatory functions and activities for practitioners.

Difference between a fee and a levy

In general, a fee is a payment from a specified party to another in return for the provision of a good or service. For practitioners, an example of a fee is the payment practitioners make to be registered or have their licence issued.

A levy can be charged to a particular person or group for a specified purpose, but it is not necessarily for a specific good or service. For practitioners, an example of a levy is the payment practitioners make to fund the costs arising out of investigations into allegations or complaints. An individual practitioner does not have a choice about receiving the service, so costs are shared across the profession. This also recognises that it is in the profession's interest (as a whole) for the Board to carry out functions funded by the levy.

Disciplinary and prosecution levy

The Board can only use the levy to fund costs relating to its disciplinary and prosecution functions.

The levy must fund investigations into allegations or complaints about practitioners, disciplinary proceedings, and investigations into (and prosecutions of) people who breach legislation relating to sanitary plumbing, gasfitting, or drainlaying.

Setting fees

The Board's fees review is guided by the Auditor General's *Good Practice Guide to Charging Fees for Public Sector Goods and Services*, and Treasury's *Guidance for Setting Charges in the Public Sector*.

The Board has ensured that:

- it has the legal authority to charge the fees and levy it is consulting on

[4] The Board receives funding for the self-contained vehicles regime, which can only be used on that function.

- the fees and levy proposed are set at a level that ensures it carries out its business efficiently
- its processes for identifying costs and setting fees are transparent and accountable
- costs are allocated to fee or levy activities as directly as information allows
- fees are set at no more than the amount necessary to recover costs over the three-year period that the review relates to
- fees may over or under recover costs in individual years to provide price stability and give certainty, but that the net effect over the whole period should be zero or near zero
- fees have been set targeting reserve levels that fall within reserve policy parameters by 31 March 2027.

How the proposed fees were developed

In 2023 the Board sought an independent assessment of its model and methodology when setting fees and the levy. The assessment included a review of the cost allocation methodology for the allocation of Board costs across the different fee and levy activities specifically:

- the identification of direct and indirect costs
- cost allocation weightings for each expense category
- assessment of staff time and input, using the informed estimate basis, for the upcoming three-year period.

This was to ensure that the Board's approach is fit for purpose. This approach was followed in 2025.

The model forecasts costs and practitioner numbers over the next three years and allocates them based on the time that staff spend in relation to each activity. Estimates of future practitioner volumes and demand are also made.

The Board's functions that are funded

Licensing

This function includes:

- The annual licensing of tradespeople and trainee limited certificates
- Issuing provisional licences
- Administering competency programmes including continuing professional development (CPD)
- Carrying out competence reviews
- Issuing exemptions
- Issuing employers licenses.

Registration

This function includes:

- Considering applications for registration from New Zealand and overseas trained tradespeople
- Providing certificates of registration
- Making additions and alterations to the register.

Disciplinary and prosecution levy

Disciplinary levy

This function involves administering complaints and discipline processes relating to registered people and provisional licence holders, under subpart 1 of part 3 of the Act.

Prosecutions levy

Prosecuting offences under subpart 2 of part 3 of the Act. The most common offence that is prosecuted by the Board relates to people who are carrying out plumbing, gasfitting or drainlaying work that they are not authorised to do and people who hold themselves out as being plumbers, gasfitters, or drainlayers when they are not.

Examination fees

This function involves setting and conducting the Board examinations that are the minimum standards that must be achieved to enable registration to occur.

Considerations

Fee and levy levels are derived from the information used in our budgets and financial projections. The Board is committed to operating in a cost-effective manner, balancing the resources we need to efficiently and effectively discharge our obligation to protect public safety against affordability for plumbers, gasfitters and drainlayers. As part of being a financially responsible and sustainable organisation, we must also consider the need to maintain appropriate cash reserves.

When determining the proposed fee and levy structure for the 2026–2029 period, the Board considered several key factors:

- The absence of a confirmed funding source for establishing the self-certification regime.
- Uncertainty about the financial impact of implementing a Code of Ethics and other potential legislative amendments to the Board's governing framework.
- Ongoing uncertainty regarding future practitioner volumes and potential changes to the broader vocational training system.

Use of reserve funds

The Board policy on reserve funds aims for reserves of between three to six months operating expenditure, plus sufficient cash reserves to upgrade the practitioner database at the end of its useful life. While prosecutions and disciplinary reserves are broadly within policy parameters, the Board's general operating reserves remains high, holding more than a year's operating expenditure.

Over the next three years the Board is targeting all reserve funds (operating, disciplinary and prosecutions) to be between three and six months of operating expenditure. This approach ensures the organisation remains financially resilient and capable of responding to unforeseen pressures or strategic opportunities.

In addition, over the next two to three years the Board plans to:

- Address technology risks by upgrading and/or replacing the Board's ageing database and supporting systems
- Develop and implement a modular ('pick and choose') continuing professional development (CPD) programme to improve flexibility and accessibility for practitioners
- Manage and absorb inflationary cost pressures to minimise the need for further fee or levy increases.

Cause of high reserves

Since 2023 Board reserves have moved as follows:

Reserve	31 March 2023	31 March 2025	Change (%)
Disciplinary	499,221	458,365	-8%
Prosecutions	918,499	373,026	-59%
General operations	4,262,465	4,944,066	16%

The Board is not able to use its general reserves to fund the establishment of the self-certification regime under the Act, as these reserves are collected from practitioners to fund existing regulatory functions. The self-certification regime is a new function under separate legislation and must therefore be funded independently.

The higher reserve levels as of 31 March 2025 are due to a number of factors. These include:

- ongoing effects from Covid-19 lockdowns, which meant the Board did not receive the same (and expected) number of complaints as normal
- an increase in the number of people completing their training and registering with the Board - this increased 43% between 2024 and 2025
- the Government's extension of apprenticeship funding which led to an increase in the number of trainees
- prudent management of Board funds while looking to continuously improve systems and processes
- higher than expected interest rates and average bank balances.

Impacts of inflation

The Board's costs experience ongoing inflationary pressure.

Inflation, measured by the consumer price index, was 2.5% in the 12 months to March 2025, and 4% in the year prior. Forecasts going forward have been prepared on the assumption of 0 to 2% annual inflation.

No government funding

The Board does not receive any government funding. This means that the cost of all the Board's functions must be met by practitioners. The Board receives no funding from any other sources. This is different to builders and electricians. Electricians receive money from the electricity levy which is used to fund prosecutions of unauthorised people who carry out electrical work. Builders and electricians also get the benefits of having shared support services situated within the Ministry of Business, Innovation and Employment. The Board does not receive support or funding from the Ministry of Business, Innovation and Employment.

The Board also regulates a much smaller number of practitioners which means that the Board's costs are spread over fewer people. There are 35,085[5] licensed electrical workers and 27,223[6] individual licensed building practitioners. That compares with approximately 9,500 plumbers, gasfitters, and drainlayers required to pay the prosecution and disciplinary levy.

Next steps after consultation and analysis – decision making and notification

Once all feedback has been received, the Board will consider that feedback and make final decisions. Decisions will be communicated to practitioners and any changes to fees and the levy will be Gazetted in accordance with the Act. If a further period of consultation is required to seek feedback

[5] As of 30 June 2024.
[6] As of 30 June 2022.

on new proposals that arise out of this process, the Board will advise practitioners of the timing for this and provide the necessary information.

Consent to share non-personal information

Once decisions are made, the Board will upload a summary of the key themes from the feedback to its website. By providing us with your feedback, you consent to us publishing anonymised information from your submission on the Board's website unless you advise us otherwise. Please note the Board is subject to the Official Information Act 1982 and so your feedback may be the subject of a request under that Act.

Privacy Statement

The Privacy Act 2020 establishes principles for the collection, use and disclosure of information about individuals by various agencies, including the Board. Any personal information you supply in providing feedback will be used only for the purpose of:

- making decisions in relation to the fees and levy proposals in this document
- to inform our approach to any future consultations on fees and levies.

Ngā mihi

Thank you for your submission.

The Board appreciates the time you have taken to make your comments and can assure you that they will be carefully considered.

Have your say

The consultation period on the proposed fees runs from 20 October to 7 November 2025.

You can provide feedback by:

- Completing the online form (preferred option)
- By sending an email to consultation@pgdb.co.nz
- Mailing your comments to: The Registrar

  Plumbers, Gasfitters, and Drainlayers Board

  PO Box 10655

  Wellington 6143

Include your contact details

Name, registration number (if applicable), organisation, email, phone.