Annual Report

2023

Plumbers,
Gasfitters and
Drainlayers Board



We protect the public by ensuring the competency of our practitioners.

The Plumbers, Gasfitters, and Drainlayers Board is pleased to submit this report for the year ending 31 March 2023 to the Minister for Building and Construction.

The report is presented in accordance with section 152 of the Plumbers, Gasfitters, and Drainlayers Act 2006.

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About us

Role of the Board

The Plumbers, Gasfitters, and Drainlayers Board (the **Board**) was established under the Plumbers Registration Act 1912. The Board currently operates under the Plumbers, Gasfitters, and Drainlayers Act 2006 (the **Act**). The Board's main functions are set out in section 137 of the Act. The Board currently has 10 members, of whom six are practitioners. The members are appointed by the Minister for Building and Construction.

Our functions

The primary functions of the Board are to register and license plumbers, gasfitters and drainlayers and ensure the competency of those workers to protect public health and safety.

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 those individuals who undertake unauthorised plumbing, gasfitting and drainlaying work
- educating practitioners.

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



Our year at a glance
(1 April 2022 to 31 March 2023)

28,281
plumbers, gasfitters and drainlayers registered to practise in Aotearoa

1,512
newly registered practitioners in Aotearoa

270
sites visited to carry out compliance checks

1,739
online examinations held for tradesmen during the year

5
individuals were successfully prosecuted for illegal plumbing, gasfitting and drainlaying work

1,347
technical assistance calls received

65
complaints investigated

19
hearings held

4,322
certifying plumbers

20
New Zealand Standards available in electronic format to practitioners

18
of the hearings resulted in disciplinary outcomes

2,210
certifying gasfitters

3,406
certifying drainlayers

From the Chair

It is a pleasure to report once again on the Board's performance and activities.

The past year has been a busy one for the Board. With registrations increasing year on year, we are mindful of how the incoming workforce is introduced to the industry. We are thankful we have been able to register so many new plumbers, gasfitters and drainlayers in the past year, both from overseas and within New Zealand. We have more practitioners than ever before, with an increase of 1,512 practitioners registered on the year before.

Our industry in Aotearoa has never been more important than it has been in the past year, with the adverse weather events and the need for practitioners equipped with the knowledge and skills to protect public health hitting home the value of our trades to our communities.

I was humbled to be re-elected to Chair in February 2023, with Martin de Gouw appointed Deputy Chair. Thank you to Barry Willcox for serving as Deputy Chair in the past year, it has been fantastic to be in good company steering the Board. We also farewelled Ken Douglas at the end of the year. Ken was a Board member for eight years. We were fortunate to have his expertise, knowledge and governance for such a long time and wish him all the best.

In the past year the Board has revisited its strategic plan and developed three new strategic directions for the next three to five years. Those strategic directions are to:

- have a skilled and competent workforce
- be an effective regulator
- have the trust and confidence of the public and practitioners.

We are excited to be putting our new strategic plan into action.

I'd like to thank our Chief Executive and Registrar, Aleyna Hall. Aleyna's dedication to modernising the operations of the Board has contributed greatly to the achievements of the past year.

Thank you also to the staff for all their support and mahi in the past year. The enthusiasm and professionalism you show with practitioners, stakeholders and the public is appreciated by the Board.

Ngā mihi

Diana Kuhtz-Covich
Chair



Chief Executive's report

Tēnā koutou katoa.

This year we successfully navigated the challenges posed by the Covid-19 pandemic and had opportunities to engage in person with our Board, practitioners and stakeholders. It was fantastic to see our collective progress in various key initiatives, particularly in the modernisation of the Board's corporate services.

One notable highlight was the revival of our continuing professional development (CPD) roadshows after a two-year hiatus. We took immense pride in hosting 40 events nationwide, empowering practitioners by equipping them with updated industry knowledge and essential upskilling opportunities.

Throughout the year we actively sought input from industry leaders through focus groups, recognising the invaluable insights they bring to the table. We express our sincere gratitude to the participants for generously sharing their time and expertise, thereby enabling us to enhance our support for the industry.

In September 2022 we consulted on a proposal to introduce a fitness-to-practise requirement for practitioners renewing their licences. This vital step aims to ensure that our practitioners are fit to practise their trades, reinforcing our unwavering commitment to safeguarding public health and safety.

Our ability to foster collegiality and establish strong relationships within the sector has been pivotal to our efforts to promote competence among our trades. We continue to collaborate closely with the Waihanga Ara Rau (Construction and Infrastructure) Workforce Development Council and other education providers in facilitating the vocational educational transition, thus strengthening the industry's foundation for long-term success.

I am delighted with the reappointment of Diana Kuhtz-Covich as Chair; her exceptional leadership has been instrumental in guiding the Board. I extend a warm welcome to Martin De Gouw, our newly appointed Deputy Chair. Additionally, I wish to express my heartfelt appreciation to Barry Willcox for his dedicated service as Deputy Chair in the past two years. Furthermore, I would like to acknowledge Ken Douglas, who through eight years of outstanding service to the Board enriched our discussions with his extensive industry knowledge. We will certainly miss his invaluable contributions.

My gratitude extends to the entire Board for their commitment and direction. I would also like to recognise the exceptional efforts of our senior leadership team and staff at the Board. Your tireless dedication ensures that our practitioners are duly registered, licensed, professionally developed and well informed. Thank you for your immense contributions throughout the year.

As Kaiwhakahaere Matua of the Board, I approach my responsibilities with great care and consideration of practitioners' livelihoods and the public health of Aotearoa. With the future focused on renewable resources, it's an exciting and innovating space to be in, and I can't wait to see what the next year has in store for our industry both here and overseas.

Ngā mihi

Aleyna Hall
Chief Executive



Key achievements 2022/2023

Reduced disciplinary and prosecution levy

In December 2022 the Board announced it would reduce the disciplinary and prosecution levy by $25 to $275 per practitioner in the 2023/2024 licensing year.

The levy funds all investigations and the disciplinary actions resulting from complaints. The pandemic saw the number of complaints drop by 56% during 2020/2021 and 2021/2022 compared to those in 2018/2019 and 2019/2020.

In addition, due to the Government extending the funding for apprenticeships, there was a 12% increase in trainees finishing their training and registering with the Board, and we saw an increase in the number of practitioners paying the levy.

We expect complaints to return to usual levels in 2023/2024, and it is the Board's responsibility to ensure we keep enough money set aside to meet the costs of disciplinary cases.



Key achievements 2022/2023

Space for all in our trades

We are committed to supporting all practitioners to succeed in their chosen fields.

Keep it Decent

We supported the *Let's Keep it Decent* campaign developed by the Hanga-Aro-Rau and Waihanga Ara Rau Workforce Development Councils and launched in November 2022. The *Keep it Decent: Guidelines for Safe and Respectful Workplaces* provides a practical toolkit for trade employers and managers to ensure women and minorities are safe from sexual harassment, discrimination and bullying in the workplace.

Diversity in the industry

The Board wants to have a greater understanding of the people in our industry so we can support and best represent them. On 1 April 2023 we began collecting ethnicity and gender information upon relicensing. Our decisions can be better influenced by this information.

Upgrading systems

Last year the Board made a range of improvements to its processes to modernise operations. These included upgrading the Board's corporate IT systems, introducing public awareness videos and developing a library of CPD resources for practitioners.



91,365

visits to pgdb.co.nz



404,735

pageviews on pgdb.co.nz



40

roadshows delivered across New Zealand



306%

increase in visitors to pgdb.co.nz seeking consumer advice



89%

of registration applications approved



7

technical articles published



54%

increase in readership of *Info Brief*



5%

increase in licences issued

Key achievements 2022/2023

Site visits

The Board visited 270 sites last year to check licence compliance. Over 41 days, we visited Arrowtown, Auckland, Christchurch, Cromwell, Horowhenua-Kāpiti, Mapua, Motueka, Nelson, Palmerston North, the Greater Wellington Region and Wānaka.

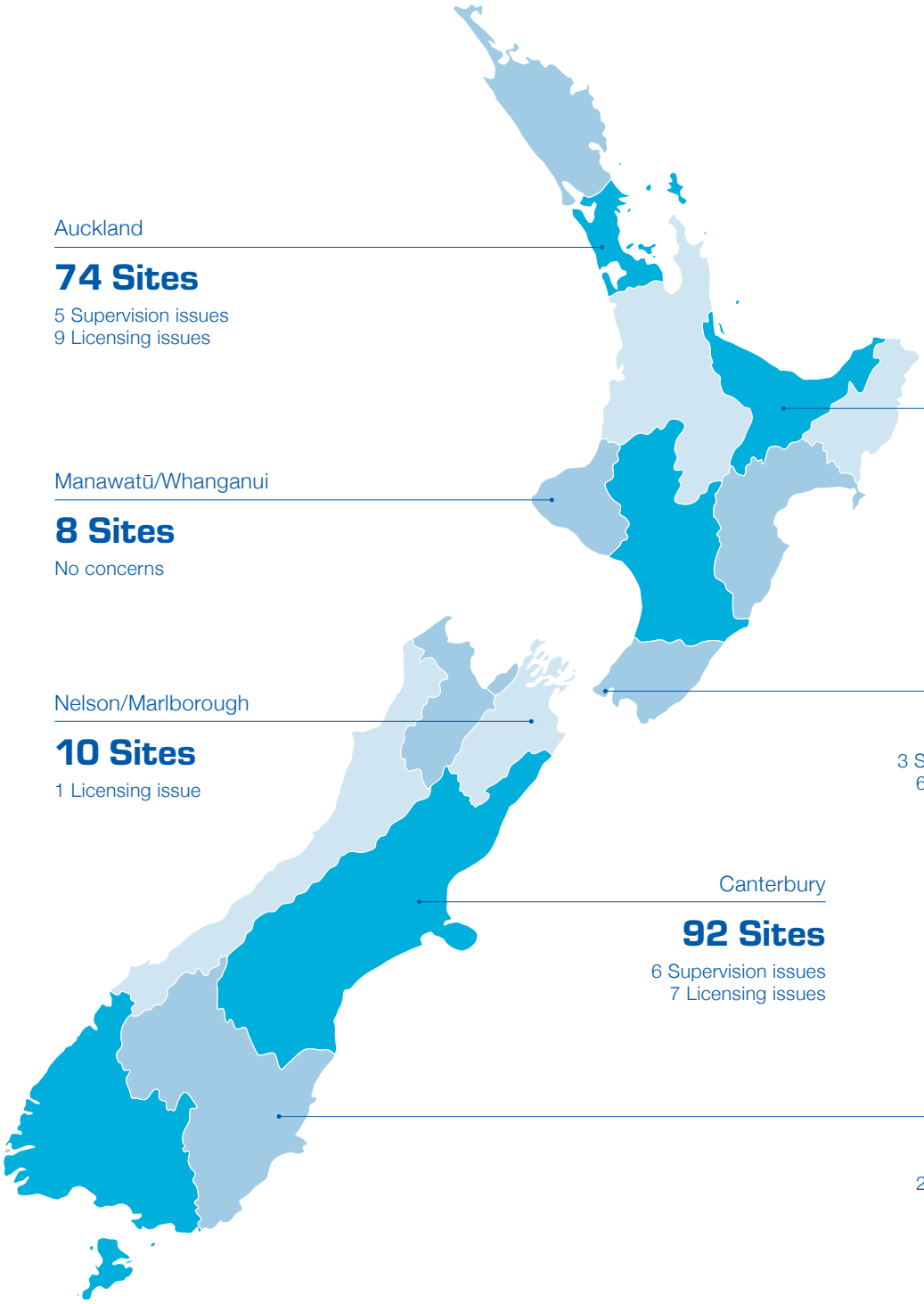
The main issues identified during the visits were around supervision and expired licences. The Board followed up 37 practitioners with reminders and assistance with relicensing and information about supervision. Four investigations were also instigated from the visits.

Fit and proper consultation

Between September and November 2022 we consulted with industry on a proposal that practitioners provide fit and proper information each time they apply to renew their licences. The Board considered all feedback and decided that all applications for practising licences from 1 April 2023 will require the applicants to provide information on whether they are fit and proper people to be issued with licences.



Key achievements 2022/2023



Auckland

74 Sites

5 Supervision issues
9 Licensing issues

Bay of Plenty

13 Sites

1 Licensing issue

Manawatū/Whanganui

8 Sites

No concerns

Wellington

48 Sites

3 Supervision issues
6 Licensing issues

Nelson/Marlborough

10 Sites

1 Licensing issue

Canterbury

92 Sites

6 Supervision issues
7 Licensing issues

Otago

25 Sites

2 Licensing issues

Strategic direction

In March 2023 the Board launched its new strategic plan consisting of three strategic directions. These strategic directions will allow the Board to focus on the foundations it needs to carry out its purpose.

The Act determines how we operate, and our strategic directions and values guide the way we go about it.

Our Values



Kia Maia

We have the courage to make the right decisions.



Whakapono

Lead with integrity, we do the right thing.



Mahi tahi

We work better together within and outside our organisation to achieve and succeed.



Manaakitanga

We protect and look after the public and each other.

Our purpose

We protect the public by ensuring the competency of our practitioners.

Our strategic directions

- To have a skilled, competent and professional workforce
- To be an effective regulator
- To have the trust and confidence of the public and practitioners

Industry engagement

The Board is part of the wider construction sector in New Zealand and ensures that the regulatory system for which we are responsible is robust and responsive. Our stakeholders include individuals, groups and organisations that can influence or be influenced by our actions. They can assist us in achieving our fundamental objective to protect public health and safety.

Stakeholders include the public, plumbers, gasfitters, drainlayers, professional groups, employers and those with an interest in regulation, from government to other regulators. Engaging with stakeholders supports our aim of ensuring that the standards we set to protect public health and safety are understood and supported.

Consultation on new projects, or the introduction of new initiatives, is particularly important and we value the input of all those who make submissions.

A key focus for us is to work with other government and non-government entities to promote the wellbeing of the public in navigating the construction environment and working with entities to build a robust industry.

This requires us to work closely with those who manage the legal, regulatory and performance safeguards within the construction system.

We work with a range of associations, people and entities that have roles to play in the construction sector and protecting the interests of the public, including Master Plumbers, the New Zealand Plumbers, Drainlayers and Gasfitters Association, the Building Practitioners Board, WorkSafe, the Electrical Workers Registration Board and the Ministry of Business, Innovation and Employment. These and other relationships are critical to our ability to achieve our strategic directions.

Focus groups

This year the Board held four focus groups on supervision with supervisors and supervisees (both in July 2022), CPD content (October 2022) and proposed Waihanga Ara Rau changes (March 2023).

Technical Advisory Group

During the year our Technical Advisors worked with Waihanga Ara Rau and alongside industry representatives to provide specialist advice and experiential knowledge on plumbing, gasfitting and drainlaying training and standards for the industry.

PGD Strategic Reference Group

We are a member of the Plumbing, Gasfitting, and Drainlaying Strategic Reference Group. The purpose of this group is to provide strategic and directional guidance on the long-term need for vocational education and training in the plumbing, gasfitting and drainlaying sector. Our role is important, as one of our functions is to make recommendations on training to education providers.

Info Brief

The publication of *Info Brief* is an effective way for the Board to engage with the industry. We have continued high readership and positive feedback on its content.

Engagement with building consent authorities

We held an information session with the building consent authorities to initiate meaningful engagement on the first stage of a project to build better feedback pathways. Its purpose was to demonstrate what we do and build a mutually beneficial relationship where information is shared easily to support compliance in the industry.

Statement of Service Performance

Entity information

The Board protects the health and safety of New Zealanders by ensuring the competency of our practitioners. Our strategic direction (page 10) is designed to guide the expectations and responsibilities related to the functions and powers of the Board contained in our Output Agreement with the Minister for Building and Construction.

In this Statement of Service Performance, we present our achievements against the expectations contained in our Output Agreement. These fall into nine categories that reflect the various functions of the Board.

Output Agreement

The Output Agreement between the Board and the Minister for Building and Construction is pursuant to section 156 of the Act and clarifies, aligns and monitors our respective expectations and responsibilities in relation to the functions and powers of the Board.

The following report sets out our achievements against our Output Agreement for the 2022/2023 year.

Expectation	Performance measure	2022/2023 result	2021/2022 result
Legislative obligations			
The Board meets all obligations under relevant legislation, including reporting under the Act.	All legislative obligations are met and performance against its obligations is reported in its Annual Report.	Policies, systems and procedures are in place to ensure operational decisions are consistent with legislative requirements. The Annual Report was provided to the Minister by 31 July 2023.	The Annual Report was provided to the Minister by 31 July 2022.
Registration			
Registration and licensing of practitioners is efficient.	Applications for registration and licensing are approved or declined within the required timeframes.	99% of registration applications were approved or declined within 10 working days. 99% of licensing applications were approved or declined within five working days.	Decisions were made in 99% of registration applications within 10 working days. 96% of licensing applications were processed within five working days.
The Board meets all obligations under relevant legislation and complies with its policies.	All legislative obligations are met and performance against obligations is reported in the Annual Report.	No breaches of policies and procedures were reported.	Policies, systems and procedures were in place to ensure operational decisions were consistent with legislative requirements.

Output Agreement

Output Agreement

Expectation	Performance measure	2022/2023 result	2021/2022 result
Competency			
The Board actively engages with practitioners and industry to ensure competent and safe working practices.	The Board completes its annual stakeholder engagement programme. 90% of all practitioners complete their continuing professional development by 31 March each year.	The Board actively engaged with its stakeholders and industry throughout the year. 80% of practitioners completed their continuing professional development by 31 March 2023.	The Board actively engaged with its stakeholders and industry throughout the year. Due to cancellations because of Covid-19 restrictions, 85% of practitioners completed their continuing professional development by 31 March 2022.
The Board identifies and targets areas for enforcement.	Six targeted operations and 75 site visits are undertaken.	41 targeted operations were undertaken and we visited 270 sites to check on compliance.	Seven targeted operations were undertaken and we visited 88 sites.
Consumer awareness and confidence			
The public is aware of the importance of using authorised practitioners to perform restricted work.	On a biennial basis, the Board measures public awareness of the need to use authorised practitioners to carry out restricted work.	Achieved in 2021/2022 and not due to be completed again until 2023.	The Board's *My Reno* awareness campaign continued through 2021.
The system is enabling consumer confidence in the competency of practitioners.	A biennial survey of consumers is carried out to measure consumer confidence in practitioners.	Achieved in 2021/2022 and not due to be completed again until 2023.	A survey was undertaken. There was a 3% decline in public awareness that a practitioner must be licensed since the last report. 89% of those surveyed responded they were "quite confident" that an authorised practitioner would do a good job.

Output Agreement

Output Agreement

Expectation	Performance measure	2022/2023 result	2021/2022 result
Complaints			
Ensure complaints regarding plumbing, gasfitting and drainlaying work are resolved fairly and efficiently.	The average time for completion of investigations is less than 80 working days from receipt of complaints. Decisions on whether to prosecute are made within 40 working days of receipt of the files.	100% of disciplinary investigations were completed in fewer than 80 working days. 100% of decisions regarding prosecutions were made within 40 working days.	93% of investigations were completed in fewer than 80 working days. 94% of decisions regarding prosecutions were made within 40 working days.
Hearings			
Ensure complaints regarding plumbing, gasfitting and drainlaying work are resolved fairly and efficiently.	Disciplinary decisions are released within 40 working days of the hearings. No decisions are overturned on appeal due to a failure to follow the agreed processes or natural justice.	60% of decisions were issued within the 40-day timeframe. No decisions were overturned on appeal due to a failure to follow agreed processes or natural justice.	87% of decisions were issued within the 40-day timeframe. No decisions were overturned on appeal due to a failure to follow agreed processes or natural justice.
Strategic planning			
The Board has robust planning processes that identify strategies for improving the registration and licensing system.	The Board annually reviews its strategic plan and identifies risks, opportunities and strategies for achieving the Board's strategic goals. The Annual Report reports on the implementation of strategies to achieve the Board's strategic goals.	The Board revised and updated its Strategic Plan at its annual planning day. This Annual Report sets out the Board's progress against its strategic directions.	The Board reaffirmed its strategic plan. The Board undertook a strategic planning day to ensure its work programme was consistent with its strategic goals. This Annual Report sets out the Board's progress against its strategic directions.

Output Agreement

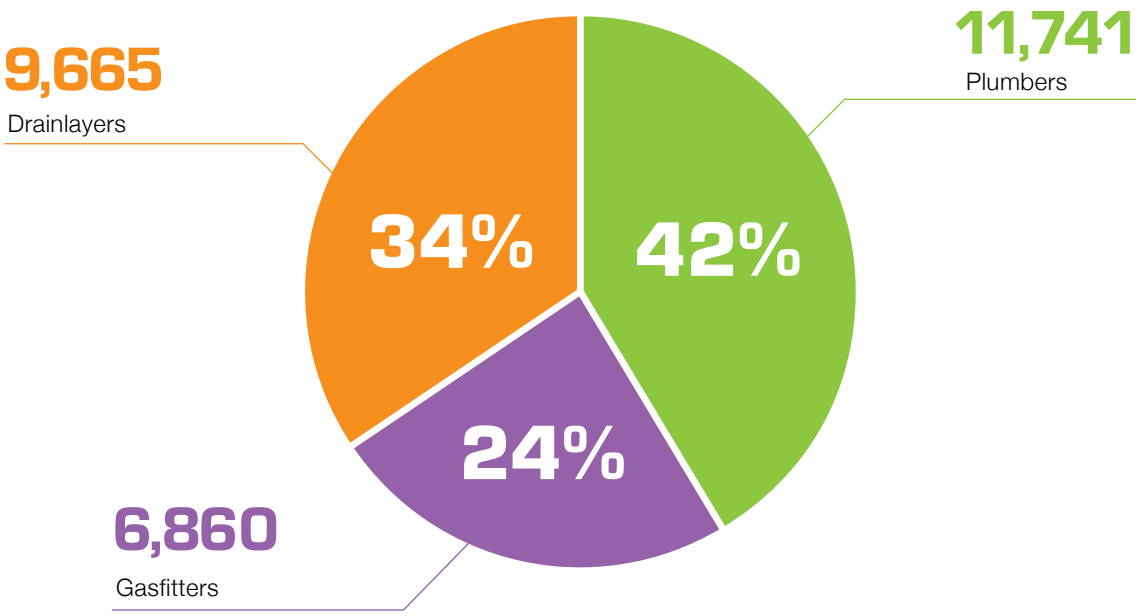
Output Agreement

Expectation	Performance measure	2022/2023 result	2021/2022 result
Board self-appraisal			
The Board undertakes an annual self-appraisal of its performance as a board and provides a summary to the Ministry of Business, Innovation and Employment (MBIE).	A summary of the self-appraisal is provided each year, identifying areas that are working well for Board members and areas for improvement, and the actions the Board intends to take as a result.	Self-appraisal was undertaken. The Board participated in a wide range of training initiatives during the year: • Imposing penalties and costs in disciplinary hearings • Unconscious bias • Good governance • Te Tiriti and Te Ao Māori.	Self-appraisal was undertaken and training opportunities were identified.
Board member succession			
The Board provides MBIE with its views on membership and succession.	The Board's review shows the current skills and experience of Board members and identifies any gaps and proposals for the Minister to consider in future appointment rounds.	A skills matrix was developed by the Board to identify skill sets and gaps. The Board worked actively with MBIE's Governance team and provided a view of the future makeup of the Board, with consideration given to skills and experience, and diversity.	The Board worked actively with MBIE's Governance team and provided a view of the future makeup of the Board, with a consideration of skills and experience, gender balance and ethnic diversity.

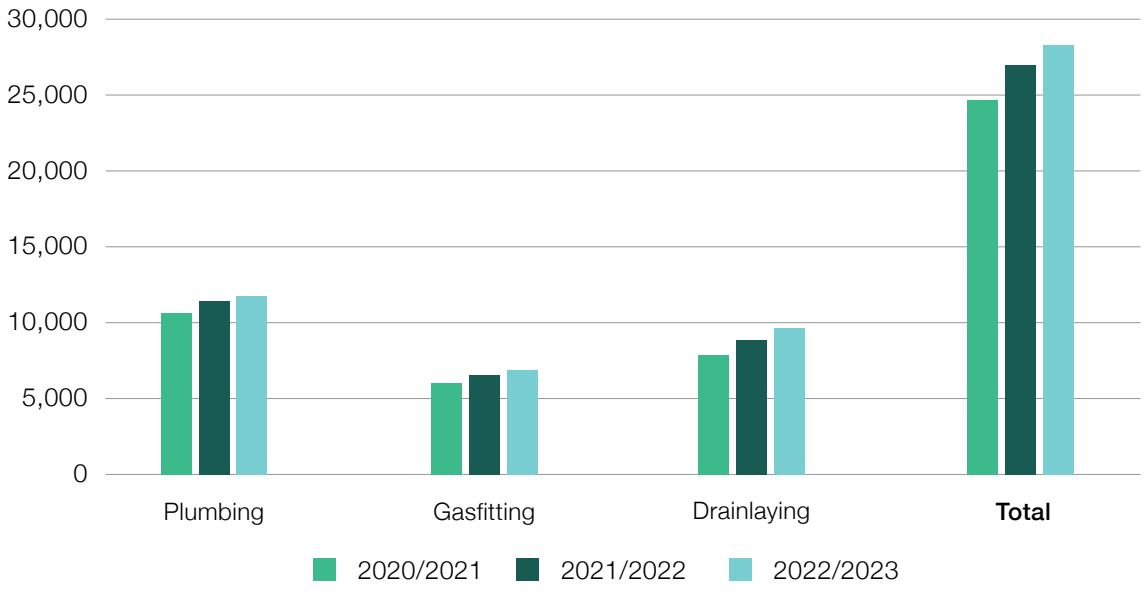
Registration and licensing

In 2022/2023 the number of authorisations issued continued to climb from the previous financial year, with a total of 28,281 issued. This was a 5% increase on the previous year. No practitioners were registered or issued with licences by the Board under the Electricity Act 1992.

The number of authorisations:



In the past three years the number of people sitting exams has increased



Registration and licensing

The following table shows the number of authorised practitioners broken down by registration class. Some practitioners hold more than one registration.

Total authorisations

	2022/2023	2021/2022	% change
Certifying Plumber	4,322	4,294	1%
Certifying Gasfitter	2,210	2,149	3%
Certifying Drainlayer	3,406	3,402	0%
Tradesman Plumber	2,112	2,142	-1%
Tradesman Gasfitter	900	938	-4%
Tradesman Drainlayer	901	779	16%
Journeyman Plumber	266	298	-11%
Journeyman Gasfitter	336	331	2%
Journeyman Drainlayer	99	120	-18%
Trainee Plumber	3,626	3,262	11%
Trainee Gasfitter	2,798	2,524	11%
Trainee Drainlayer	4,272	3,599	19%
Exempt Plumber	1,353	1,433	-6%
Section 21(a)(ii) exemption under supervision	3	1	200%
Exemption fitting of water heaters	3	1	200%
Exempt Gasfitter	576	587	-2%
Exemption specific gasfitting equipment	34	24	42%
Exemption specific plumbing equipment	0	0	–
Exempt Drainlayer	980	1,019	-4%
Employer Licence	9	12	-25%
Provisional Plumber Licence	62	33	88%
Provisional Gasfitter Licence	6	6	0%
Provisional Drainlayer Licence	7	4	75%
Total authorisations	**28,281**	**26,958**	**5%**

Registration and licensing

The Act requires the Board to report the number of people who applied for registration and practising licences, provisional licences and employer licences during the year. Under the agreement the Board has with the Minister, registration applications are required to be processed within 10 working days and licensing applications within five working days. Reasons for rejecting applications include applications being incomplete and applications not meeting the 24-month tradesman licence requirement.



Registration and licensing

Registration applications	2022/2023
Applications received	**810**
Applications processed within 10 days	741
Applications processed outside 10 days	4
Applications rejected[1]	65

Licensing applications	2022/2023
Applications received	**1,513**
Applications processed within 5 days	1,493
Applications processed outside 5 days	13
Applications rejected[1]	7

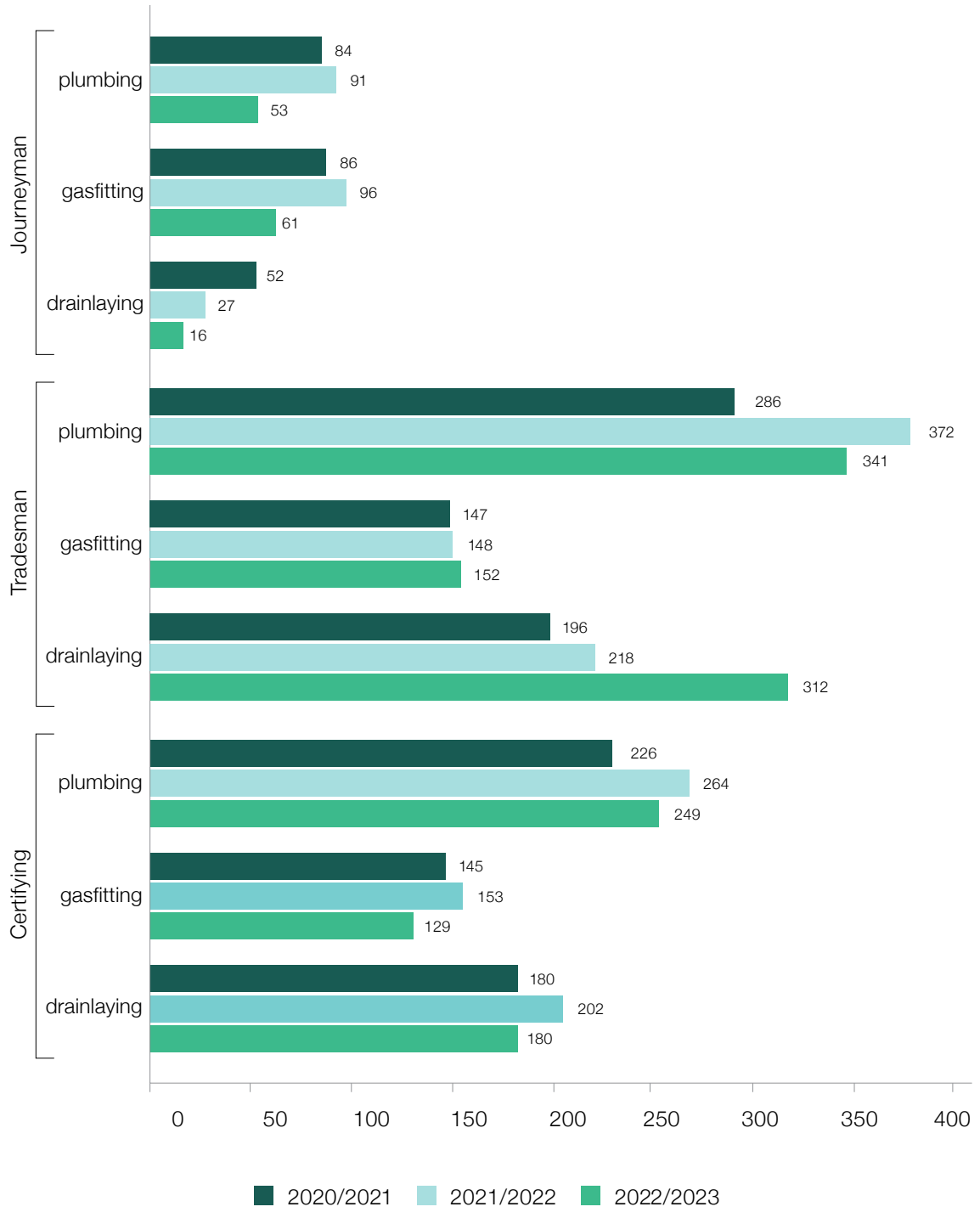
Journeyman registration	2022/2023	2021/2022
Journeyman plumbing	53	91
Journeyman gasfitting	61	96
Journeyman drainlaying	16	27

Tradesman registration	2022/2023	2021/2022
Tradesman plumbing	341	372
Tradesman gasfitting	152	148
Tradesman drainlaying	312	218

Certifying registration	2022/2023	2021/2022
Certifying plumbing	249	264
Certifying gasfitting	129	153
Certifying drainlaying	180	202

1 Applications rejected were recorded from June 2022 onwards, in order to record total applications in line with the Act.

Registration and licensing



Examinations

We are constantly working on enhancing our examination support options to ensure accessibility for all. We offer reader/writer assistance, extra time allocations and special venue arrangements. These accommodations are available for individuals in specific circumstances and those with learning difficulties.

2022/2023	Candidates who sat an exam		Candidates who passed an exam		Pass rate	
Examination	June	November	June	November	June	November
Certifying plumbing	156	184	115	156	74%	85%
Certifying gasfitting	66	80	58	66	92%	83%
Certifying drainlaying	108	113	92	70	85%	62%
Tradesman plumbing*	617		454		74%	
Tradesman gasfitting*	270		175		65%	
Tradesman drainlaying*	852		641		75%	

**Tradesman exams can be sat at any time of the year, while certifying exams are held in June and November.*

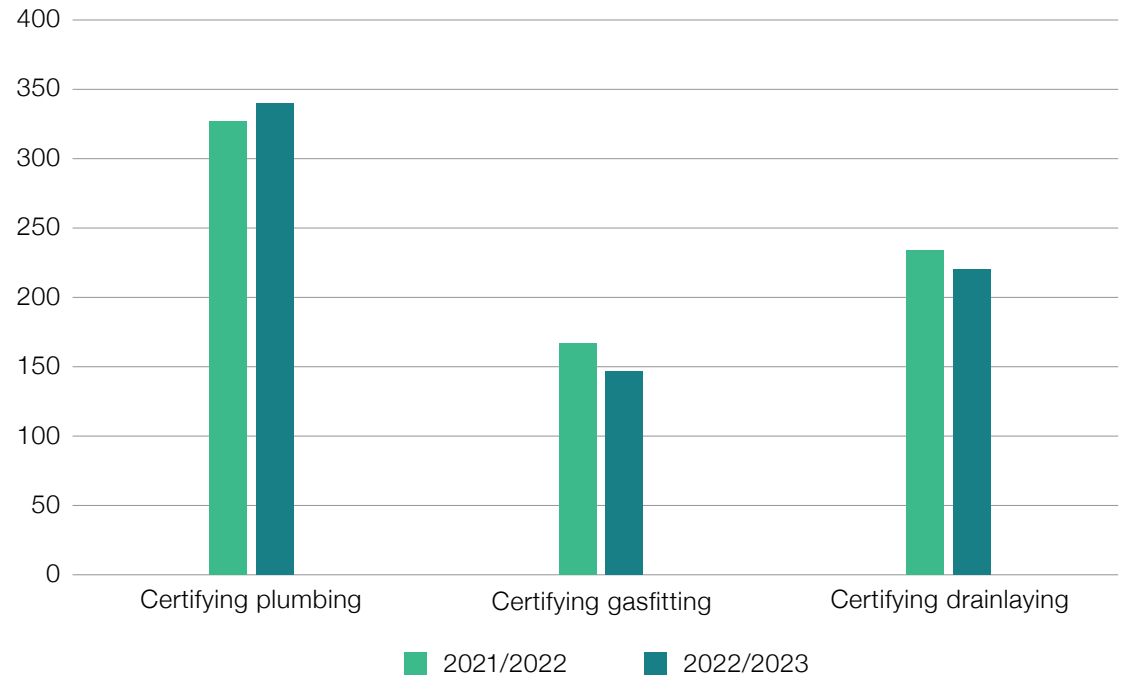
2021/2022	Candidates who sat an exam		Candidates who passed an exam		Pass rate	
Examination	June	November	June	November	June	November
Certifying plumbing	164	162	143	139	87%	86%
Certifying gasfitting	76	90	67	74	88%	82%
Certifying drainlaying	110	123	93	100	85%	81%
Tradesman plumbing*	549		411		75%	
Tradesman gasfitting*	227		160		70%	
Tradesman drainlaying*	478		367		77%	

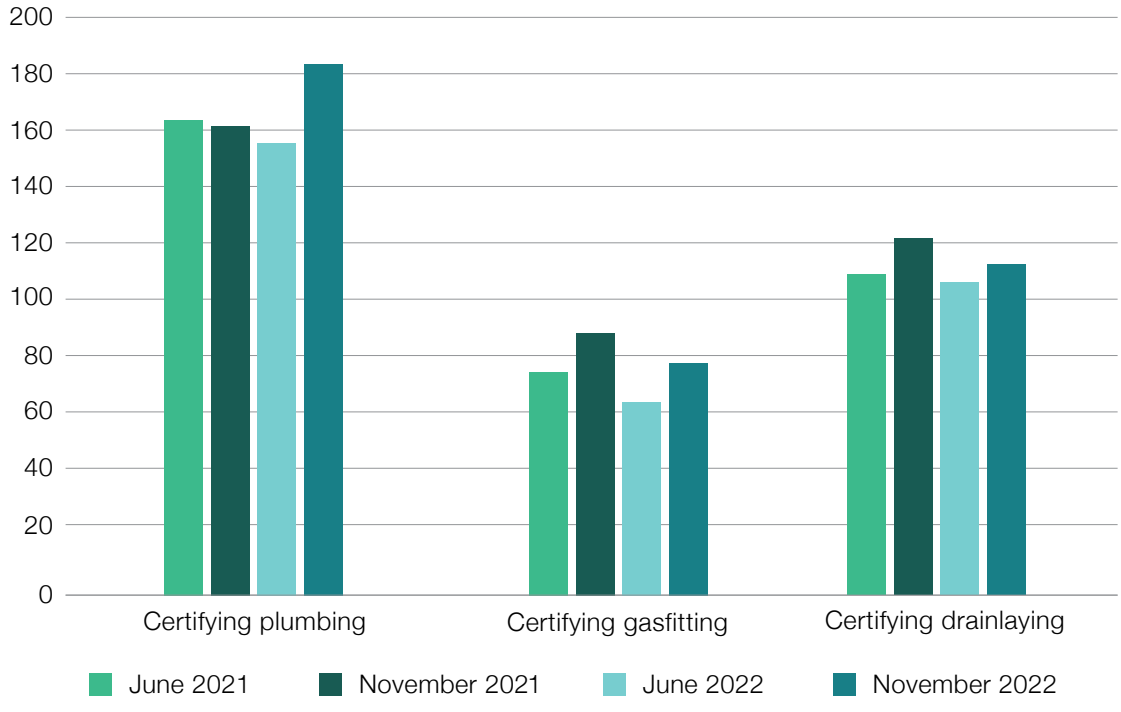
**Tradesman exams can be sat at any time of the year, while certifying exams are held in June and November.*

Examinations

In 2022/2023 we saw an increase in people sitting certifying gasfitting and certifying drainlaying exams. Certifying exams are held in June and November.

People sitting certifying exams





Examinations

Special assessment conditions	
Total passed	17
Total applicants yet to sit exam	11
Total failed	12
Total sat	**29**
Pass rate	59%
Fail rate	41

Verbal examinations	
Total passed	5
Pass rate	100%

Total special assessment conditions approved 1 April 2022 – 31 March 2023	41
Total verbal examinations approved 1 April 2022 – 31 March 2023	5



Complaints

Number of complaints

This year we received 218 complaints. This was an increase in the number of complaints we received, taking us back to pre-Covid-19 levels.

Any person can make a complaint to the Board about the competence and/or conduct of a plumber, gasfitter or drainlayer.

We have a clear focus on our regulatory responsibilities. We identify and respond to risks, support practitioners to meet their obligations and provide an effective complaints and disciplinary process.

2018/2019	226
2019/2020	189
2020/2021	110
2021/2022	124
2022/2023	218

The graphic below details complaints received by outcome in 2022/2023.

Complaints	No. of investigations
Did not proceed to disciplinary action/prosecution	29
Proceeded to disciplinary action/prosecution	36
Total	**65**



Complaints

Key themes in complaints

Complaints about registered people

Most of our complaints are about registered people, with 67% of complaints related to work done by registered people, supervised by registered people or directed by registered people.

Unauthorised work

10% of our complaints are about unauthorised work being carried out by registered practitioners.

This means tradespeople are undertaking work without licences or in trades in which they are not registered or authorised to do so.

Workmanship

27% of complaints relate to workmanship.

Building consent and invoicing complaints

These complaints make up 14% of the overall complaints for the year, but are not matters in the Board's jurisdiction.

Poor supervision

11% of complaints relate to poor supervision practices and directing unauthorised workers.

Poor supervision includes incorrect levels of oversight and control over Limited Certificate Trainee holders and exemption holders, and failures to make sure that employees are appropriately authorised before directing them to undertake restricted work.

District court prosecutions

2022/2023

Trade	Number of charges under section 122[2]	Number of charges under section 123[3]	Number of charges under section 125[4]
Drainlaying and plumbing	1	9	0
Plumbing and gasfitting	0	2	0
Gasfitting	2	5	0
Plumbing	0	5	0

Prosecution outcomes by type	
Unauthorised work	21
Advertising unauthorised work	3

2021/2022

Trade	Number of charges under section 122	Number of charges under section 123	Number of charges under section 125
Drainlaying and plumbing	0	2	0
Gasfitting	0	2	1
Plumbing	0	2	0

Prosecution outcomes by type	
Unauthorised work	6
Advertising unauthorised work	0
Intentionally or negligently does work in a manner dangerous to life	1

Due to Covid-19 restrictions there have been delays in matters proceeding in a timely manner before the courts.

2 Section 122: Claiming to be licensed or registered
3 Section 123: Unauthorised work
4 Section 125: Other offences

Disciplinary hearings

The Board holds hearings to determine whether registered practitioners have committed disciplinary offences.

In 2022/2023 the Board held 19 disciplinary hearings to consider charges against 19 registered practitioners. 18 of the registered practitioners were found guilty, although not all of the charges brought, or all aspects of the charges brought, were proven. One practitioner was found not guilty.

Of the cases considered by the Board, eight related to sanitary plumbing, eight related to gasfitting and five related to drainlaying. Some of the cases involved more than one trade.

Where a registered practitioner is found guilty of a disciplinary offence, the Board can impose a range of penalties on them. These include: cancellation or suspension of their registration and/or licence; an imposition of restrictions on their registration or licence; disqualification from doing some or all work; training; fines; censure; and no penalty. Subject to some limitations, some of these penalties can be combined.

In 2022/2023 the Board imposed the following orders on registered practitioners:

	2021/2022	2022/2023
Suspension	1	1
Training	8	3
Fine	36	17
Censure	1	1
Cancellation	0	0

These figures are based on the formal written decisions issued by the Board between 1 April 2022 and 31 March 2023.



Disciplinary hearings

Description of disciplinary offences of which registered persons were found guilty:*

Charges against registered practitioners can relate to: defective or non-compliant work; creating a risk of serious harm or significant property damage; failing to comply with terms or conditions of registration or a licence; carrying out work the practitioner is not authorised to do; certain forms of deceptive conduct; failing to provide statutory returns; employing, directing or permitting unauthorised people to carry out work; being convicted of an offence relating to work; and certain kinds of improper conduct.

Offence	2022/2023
Negligent or incompetent work	6
Carrying out restricted work in a manner contrary to an enactment (while unauthorised)	8
Carrying out restricted work in a manner contrary to an enactment (non-compliant work)	5
Failure to comply with a term or condition of registration or licence (for inadequate supervision)	4
Failing to provide a return/providing a false or misleading return (gas certificates)	6
Employing, directing or permitting an unauthorised person(s) to carry out restricted work	5
Improper conduct in carrying out work	2

**Some cases involved the registered person being found guilty of more than one disciplinary offence.*

Offence	2021/2022
Negligent or incompetent work	15
Carrying out restricted work in a manner contrary to an enactment (while unauthorised)	10
Carrying out restricted work in a manner contrary to an enactment (non-compliant work)	4
Failure to comply with a term or condition of registration or licence (for inadequate supervision)	4
Failing to provide a return/providing a false or misleading return (gas certificate)	7
Employing, directing or permitting an unauthorised person(s) to carry out restricted work	5

Disciplinary hearings

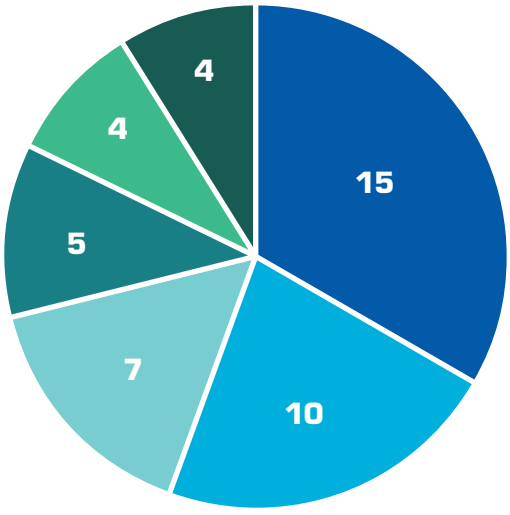
2022/2023

- Negligent or incompetent work
- Carrying out restricted work in a manner contrary to an enactment (while unauthorised)
- Carrying out restricted work in a manner contrary to an enactment (non-compliant work)
- Failing to comply with a term or condition of registration or licence (for inadequate supervision)
- Failing to provide a return/providing a false or misleading return (gas certificates)
- Employing, directing or permitting unauthorised person(s) to carry out restricted work
- Improper conduct in carrying out work



2021/2022

- Negligent or incompetent work
- Carrying out restricted work in a manner contrary to an enactment (while unauthorised)
- Providing a false or misleading return (gas certificate)
- Employing, directing or permitting an unauthorised person(s) to carry out restricted work
- Carrying out restricted work in a manner contrary to an enactment (non-compliant work)
- Failing to comply with a term or condition of registration or licence (for inadequate supervision)



Fees, and disciplinary and prosecution levy

The Board sets the following fees
(1 April 2022 to 31 March 2023)

Fee or levy	Amount
Registration (per registration class, per trade)	$390.00
Provisional licence (per trade)	$100.00
Practising licence (per registration class, per trade)	$100.00
Notification of exemption under supervision under section 19, 21 or 25	$100.00
Trainee limited certificate (per person)	$65.00
Exemption for installing and maintaining particular sanitary plumbing equipment (section 18)	Full cost recovery
Exemption for person authorised to carry out or supervise gasfitting (section 20)	Full cost recovery
Exemption for fixing of water heaters by gasfitters (section 24)	Full cost recovery
Exemption from registration and licensing requirements and conditions (section 52)	$1,200.00
Employer licence	Full cost recovery
Advanced proficiency assessment application	$690.00
Advanced proficiency assessment*	$2,300.00
Advanced proficiency assessment materials^	$1,500.00
Examinations	$360.00
Examination reconsideration	$120.00
Disciplinary and prosecution levy	$300.00

**Maximum fee at the rate of $115.00 per hour for 20 hours. Balance refundable.*

^Maximum fee. Charged at actual cost. Balance refundable.

Annual financial statements

Statement of responsibility

The Board is responsible for the preparation of the Plumbers, Gasfitters, and Drainlayers Board's financial statements and statement of service performance, and for the judgements made in them.

The Board has the responsibility for establishing, and has established, a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting.

In the Board's opinion, these financial statements and accountability report fairly reflect the financial position and operations of the Plumbers, Gasfitters, and Drainlayers Board for the year ending 31 March 2023.



Diana Kuhtz-Covich
Chair
25/07/2023



Martin de Gouw
Deputy Chair
25/07/2023

Financial statements (continued)

Statement of Comprehensive Revenue and Expense
for the year ended 31 March 2023

Revenue	Notes	2023 Actual	2023 Budget	2022 Actual
Revenue from non-exchange transactions				
Disciplinary levy		1,403,999	1,387,000	1,311,587
Prosecution levy		872,622	862,000	824,426
Licence fees		1,871,632	1,785,000	1,620,685
Disciplinary recoveries	2	185,686	265,000	349,157
Crown funding (self-contained vehicles)		171,192	–	–
Total non-exchange revenue		**4,505,131**	**4,299,000**	**4,105,855**
Revenue from exchange transactions				
Examination fees		781,886	616,000	602,647
Interest received		127,656	45,000	41,447
Registration fees		509,474	499,520	465,855
Continuing professional development revenue		208,424	125,000	93,750
Other revenue	2	72,433	125,000	114,350
Total exchange revenue		**1,699,873**	**1,410,520**	**1,318,049**
Total revenue		**6,205,004**	**5,709,520**	**5,423,904**
Expenditure				
Administration	3	3,387,615	3,818,200	2,810,140
Governance		285,706	365,000	228,218
Examinations		519,271	435,000	424,751
Continuing professional development		39,220	10,000	20,809
Registration and licencing		432,166	348,820	384,296
Complaints and discipline		293,323	680,000	358,925
Prosecutions		64,234	110,000	84,310
Self-contained vehicles project		114,141	–	–
Total expenditure		**5,135,676**	**5,767,020**	**4,311,449**
Net surplus/(deficit)		**1,069,328**	**(57,500)**	**1,112,455**
Other comprehensive revenue and expense		–	–	–
Total comprehensive revenue and expense		**1,069,328**	**(57,500)**	**1,112,455**

The accompanying accounting policies and notes form part of these financial statements.
Explanations of major variances against budget are provided in note 18.

Financial statements (continued)

Statement of Financial Position
as at 31 March 2023

	Notes	2023 Actual	2023 Budget	2022 Actual
Accumulated funds		5,703,644	4,576,816	4,634,316
Total public equity		**5,703,644**	**4,576,816**	**4,634,316**
Represented by:				
ASSETS				
Current assets				
Cash and cash equivalents	5, 16	495,392	388,068	1,559,365
Accrued interest		44,356	12,000	11,075
Prepayments		96,444	35,000	35,736
Receivables from exchange transactions	6	355,199	50,000	52,317
Receivables from non-exchange transactions	6	244,806	250,000	253,446
Investments	7, 16	5,890,557	4,750,000	3,902,730
Total current assets		**7,126,754**	**5,485,068**	**5,814,669**
Non-current assets				
Receivables	6	99,811	110,000	140,588
Property, plant and equipment	8	51,923	35,756	49,956
Intangible assets	9	1,736,345	2,080,992	1,730,992
Total non-current assets		**1,888,079**	**2,226,748**	**1,921,536**
Total assets		**9,014,833**	**7,711,816**	**7,736,205**
LIABILITIES				
Current liabilities				
Revenue in advance	10	2,288,707	2,400,000	2,412,667
Payables	11	842,668	555,000	536,740
Employee entitlements	12	179,814	180,000	152,482
Total current liabilities		**3,311,189**	**3,135,000**	**3,101,889**
Total liabilities		**3,311,189**	**3,135,000**	**3,101,889**
Net assets		**5,703,644**	**4,576,816**	**4,634,316**

The accompanying accounting policies and notes form part of these financial statements.
Explanations of major variances against budget are provided in note 18.

Financial statements (continued)

Statement of changes in equity
for the year ended 31 March 2023

	2023 Actual	2023 Budget	2022 Actual
Balance at 1 April	**4,634,316**	**4,634,316**	**3,521,861**
Total comprehensive revenue and expense	1,069,328	(57,500)	1,112,455
Balance at 31 March	**5,703,644**	**4,576,816**	**4,634,316**

The accompanying accounting policies and notes form part of these financial statements.
Explanations of major variances against budget are provided in note 18.

Financial statements (continued)

Statement of cash flows
for the year ended 31 March 2023

	Notes	2023 Actual	2023 Budget	2022 Actual
Cash flows from operating activities				
Levy and fee revenue		5,631,393	5,516,559	5,428,303
Interest received		94,377	44,075	33,004
Payments to suppliers		(2,440,392)	(2,980,024)	(2,368,761)
Payments to employees		(1,996,354)	(2,260,482)	(1,635,791)
GST (net)		(28,060)	21,645	48,518
Net cash from operating activities		**1,260,964**	**341,773**	**1,505,273**
Cash flows from investing activities				
Investments maturing		3,902,730	3,902,730	2,661,737
Acquisition of investments		(5,890,557)	(4,750,000)	(3,902,730)
Purchase of property, plant and equipment	8	(27,037)	(15,800)	(27,396)
Purchase of intangibles	9	(310,073)	(650,000)	–
Net cash from investing activities		**(2,324,937)**	**(1,513,070)**	**(1,268,389)**
Net (decrease) increase in cash and cash equivalents		**(1,063,973)**	**(1,171,297)**	**236,884**
Cash and cash equivalents at 1 April		1,559,365	1,559,365	1,322,481
Cash and cash equivalents at 31 March		**495,392**	**388,068**	**1,559,365**

The accompanying accounting policies and notes form part of these financial statements. Explanations of major variances against budget are provided in note 18.

The GST (net) component has been presented on a net basis as the gross amounts do not provide meaningful information for financial statement purposes and to be consistent with the presentation basis of the other primary financial statements.

Notes to the financial statements

1. Statement of accounting policies for the year ended 31 March 2023

Reporting entity

The Plumbers, Gasfitters, and Drainlayers Board (the **Board**) is constituted under section 133 of the Plumbers, Gasfitters and Drainlayers Act 2006 (the Act). The Board is a body corporate under section 133(2) of the Act and is domiciled and operates in New Zealand. The Board was registered as a charitable entity under the Charities Act 2005 on 30 June 2008.

The Board's primary purpose is to protect the health and safety of the public by regulating people. The Board is a not-for-profit organisation and is primarily funded by revenue from practitioners, licence, registration and examination fees, disciplinary and prosecution levies, and continuing professional development (CPD) revenue. The Board is a public benefit entity (PBE) for financial reporting purposes. The Board operates not to make a financial return, but to regulate the people who carry out sanitary plumbing, gasfitting and drainlaying.

The financial statements for the Board are for the year ended 31 March 2023 and were approved by the Board on 25 July 2023.

Basis of preparation

The financial statements have been prepared on a going concern basis and the accounting policies have been applied consistently throughout the year.

There have been no changes to accounting policies from the prior period.

Statement of compliance

The financial statements of the Board have been prepared in accordance with the Act which includes the requirement to comply with generally accepted accounting practice in New Zealand (NZ GAAP).

The Board is a Tier 2 PBE because the total expenditure of the Board is less than $30 million per annum. These financial statements have been prepared in accordance with PBE accounting standards.

Measurement base

The financial statements have been prepared on a historical cost basis except where modified by the impairment of receivables to fair value.

Functional and presentation currency

The financial statements are presented in New Zealand dollars (NZ$) and all values are rounded to the nearest dollar. The functional currency of the Board is NZ$.

Summary of significant accounting policies

Significant accounting policies are included in the notes to which they relate. Significant accounting policies that do not relate to a specific note are outlined below.

Goods and services tax (GST)

All items in the financial statements are presented exclusive of GST, except for receivables and payables, which are presented on a GST inclusive basis.

Where GST is not recoverable as input tax, it is recognised as part of the related asset or expense. The net GST paid to, or received from, Inland Revenue including the GST relating to investing and financing activities are classified as an operating cash flow in the statement of cash flows.

Notes to the financial statements

Income tax

The Board is a registered charity and is therefore not subject to income tax. Accordingly, no charge for income tax has been provided for.

Budget figures

The budget figures were approved by the Board on 22 March 2022 and were calculated on a basis consistent with previous years.

The budget figures were prepared in accordance with NZ GAAP using accounting policies that are consistent with those adopted by the Board for the preparation of the financial statements.

Cost allocation

Within the memorandum accounts for future processes and the statement of overheads allocation by function, costs have been allocated through a combination of direct cost allocations and indirect cost allocations. Costs directly attributed to a function are allocated to that function. Indirect costs comprise expenditure related to administration and governance. These are allocated to functions based on the proportional share of full-time equivalent employees working directly on each function.

Critical accounting estimates and assumptions

In preparing these financial statements the Board has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to carrying amounts of assets and liabilities within the next financial year are addressed below.

The Board reviews the useful lives and residual values of its property, plant and equipment and intangible assets.

Assessing the appropriateness of useful life and residual value estimates of property, plant and equipment and intangible assets requires the Board to consider several factors such as the physical condition of the assets, the expected period of use of the assets by the Board and expected disposal proceeds from the future sale of the assets.

An incorrect estimate of a useful life or residual value will impact on the depreciation and amortisation expense recognised in the year and the carrying amount of the asset in the statement of financial position.

The Board minimises the risk of this uncertainty by:

- physical inspections of assets
- asset replacement programmes
- reviews of the second-hand market prices for similar assets
- analyses of prior asset sales.

Critical judgements in applying accounting policies

Management has exercised the following critical judgements in applying the Board's accounting policies for the year ended 31 March 2023.

Determining whether a lease agreement is a financing or operating lease requires judgement as to whether the agreement transfers substantially all the risks and rewards of the ownership to the Board.

Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, whether to include renewal options in the lease term and determining an appropriate discount rate to calculate the present value of the minimum lease payments.

Classification as a finance lease means the asset is recognised in the statement of financial position as property, plant, and equipment, whereas for an operating lease no such asset is recognised. The Board has exercised its judgement on the appropriate classification of equipment leases and has determined the Board currently has no finance leases in place.

Changes in accounting policy

Adoption of PBE IPSAS 41 Financial Instruments

The Board has adopted PBE IPSAS 41 Financial Instruments with effect from 1 April 2022. In accordance with the transitional provisions of PBE IPSAS 41, the Board has elected not to restate the information for previous years to comply with PBE IPSAS 41. The comparative information continues to be reported under PBE IPSAS 29. No adjustments arising from the adoption of PBE IPSAS 41 are recognised in opening accumulated comprehensive revenue and expenses as the impact of adoption is trivial.

Accounting policies have been updated to comply with PBE IPSAS 41.

The main updates are:

- Note 6 Receivables: The policy has been updated to reflect that the impairment of short-term receivables from exchange and non-exchange transactions is now determined by applying a lifetime expected credit loss model.
- Note 7 Investments: Investments in term deposits policy has been updated to explain that a loss allowance for expected credit losses is recognised only if the estimated loss allowance is not trivial.

On the date of the initial application of PBE IPSAS 41, 1 April 2022, the classification of financial instruments under PBE IPSAS 29 and PBE IPSAS 41 are as follows, and carrying amounts for financial assets have not changed between the closing of 31 March 2022 and opening 1 April 2022 dates as a result of the transition to PBE IPSAS 41 as the impact is trivial:

	Measurement category	
	Previous PBE IPSAS 29 Category	**New PBE IPSAS 41 Category**
Cash and cash equivalents	Loans and receivables	Amortised cost
Investments in term deposits	Loans and receivables	Amortised cost
Receivables from exchange and non-exchange transactions	Loans and receivables	Amortised cost

The measurement categories and carrying amounts for financial liabilities have not changed between the closing of 31 March 2022 and the opening of 1 April 2022 dates as a result of the transition to PBE IPSAS 41.

2. Revenue

Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Board and revenue can be reliably measured. Revenue is measured at the fair value of the consideration received. Specific recognition criteria must be met before revenue is recognised.

Accounting policies for significant revenue items are explained below:

Revenue from non-exchange transactions

Revenue from disciplinary and prosecution levies, and license fees are recognised in full upon the commencement of the practising year to which they relate.

Disciplinary recoveries represent fines and costs resulting from the Boards decisions because of Board hearings. The Board recognises these fines and costs when an invoice is raised.

Crown revenue (self-contained vehicles)

Crown revenue, received from the Ministry of Business, Innovation, and Employment, is recognised when control of the resource passes to the Board. Where there are unfilled conditions attached to the grant, the amount relating to the unfilled condition is recognised as a liability and released to revenue as the conditions are fulfilled. Crown revenue received in the current year related to the work leading up to and including the procurement, and commencement of the detailed design and build of the register for self-contained vehicles.

Revenue from exchange transactions

Examination fees

Revenue from examination fees is recognised once the monthly report advising the number of examinations sat is received from ASPEQ, our contractor, and they have been invoiced.

Interest received

Interest revenue is recognised by accruing on a time proportion basis the interest due from investments. Interest revenue is derived from exchange transactions.

Registration fees

Registration fees are recognised when the application is processed and paid.

CPD revenue

CPD revenue is recognised at the date invoiced except for revenue that is for the following year which is treated as revenue in advance and recognised at the beginning of the next financial year.

Other revenue

Revenue from the provision of other services is recognised when the services have been provided.

	2023 Actual	2022 Actual
Other revenue from exchange transactions		
Gain on sale of assets	3,828	–
Miscellaneous revenue	68,605	114,350
Total other revenue from exchange transactions	**72,433**	**114,350**
Other revenue from non-exchange transactions		
Fines and costs – discipline	171,582	319,148
Fines and costs – prosecution	14,104	30,009
Total other revenue from non-exchange transactions	**185,686**	**349,157**
Total other revenue	**258,119**	**463,507**

3. Administration expenses

	Notes	2023 Actual	2022 Actual
Audit fees		31,383	26,513
Depreciation and amortisation	8, 9	329,725	322,644
Personnel costs	4	2,029,330	1,602,942
Professional services (legal and consultancy)		120,965	79,378
Information technology (support, web maintenance)		196,608	105,689
Rent		151,059	147,469
Communications and industry consultation		113,050	162,203
Other administration expenses		415,495	363,302
Total administration expenditure		**3,387,615**	**2,810,140**

4. Personnel costs

	Note	2023 Actual	2022 Actual (Restated)
Salaries and wages		1,943,854	1,607,962
Employer contributions to defined contribution plans		58,144	46,217
Increase/decrease in employment entitlements	12	27,332	(51,237)
Total personnel expenditure	**3**	**2,029,330**	**1,602,942**

Personnel costs include salaries and wages paid to staff, ACC levies, and employer contributions to KiwiSaver.

Salaries and wages

All employees are on salary-only contracts and do not receive any other benefits either during or on cessation of their contracts. Salaries and wages are recognised as an expense as employees provide services.

Defined contribution schemes

The Board's contributions to KiwiSaver are accounted for as a defined contribution superannuation scheme and are recognised as an expense in the statement of comprehensive revenue and expense as incurred.

5. Cash and cash equivalents

	2023 Actual	2022 Actual
Cash on hand and at bank	495,392	1,309,365
Term deposit with maturities 3 months or less	–	250,000
Total cash and cash equivalents	**495,392**	**1,559,365**

Cash and cash equivalents include any cash on hand, deposits held on call with the bank and short-term deposits with original maturities of three months or less. The carrying value of cash at bank and short-term deposits with maturities less than three months approximates their fair value.

6. Receivables

	2023 Actual	2022 Actual
Current receivables		
Receivables from exchange transactions	355,199	52,317
Provision for doubtful debts – exchange	–	–
Receivables from exchange transactions	**355,199**	**52,317**
Receivables from non-exchange transactions	372,176	366,768
Provision for doubtful debts – non-exchange	(127,370)	(113,322)
Receivables from non-exchange transactions	**244,806**	**253,446**
Total current receivables	**600,005**	**305,763**
Non-current receivables		
Receivables from non-exchange transactions	177,986	191,565
Provision for doubtful debts – non-exchange	(78,175)	(50,977)
Total non-current receivables	**99,811**	**140,588**

Receivables are recorded at the amount due less an allowance for credit losses. The Board applies the simplified expected credit loss model for recognising lifetime expected credit losses for receivables.

Impairment of a receivable is established when there is objective evidence that the Board will not be able to collect amounts due according to the original terms of the receivable. Significant financial difficulties of the debtor, the probability that the debtor will enter bankruptcy, and defaults in payments are considered indicators that the debt is impaired.

Except for miscellaneous items and recoveries from discipline proceedings all services are provided by the Board only when payment is received. A number of disciplinary fines and costs are being paid by way of installments beyond one year that show in the non-current receivables.

Fair value

The carrying value of receivables approximates their fair value.

Impairment

Movements in the provision doubtful debts comprise unpaid fines and costs and are as follows:

	2023 Actual	2022 Actual
Balance at 1 April	164,299	95,768
Increase/decrease in provisions during the year	98,084	68,531
Receivables written off during the year	(56,838)	–
Balance at 31 March	**205,545**	**164,299**

7. Investments

	2023 Actual	2022 Actual
Current portion		
Term deposits	5,890,557	3,902,730
Total current investments	**5,890,557**	**3,902,730**

A bank term deposit is initially measured at the amount invested. Interest is subsequently accrued and added to the investment balance. A loss allowance for expected credit losses is recognised if the estimated loss allowance is not trivial.

The Board considers there has not been a significant increase in credit risk for investments in term deposits, because the issuer of the investment continues to have a low-credit risk at balance date. Term deposits are held with banks that have at least AA-investment grade credit rating with the Standard and Poor's credit rating agency, which indicates the bank has a very strong capacity to meet its financial commitments.

No loss allowance for expected credit losses has been recognised because the estimated 12 month expected loss allowance for credit losses is trivial.

8. Property plant and equipment

Movements of each class of property plant and equipment is as follows:

Cost	Computers and electronic equipment	Office equipment and furniture	Motor vehicles	Total
Balance at 1 April 2021	157,030	100,488	20,000	277,518
Additions	27,396	–	–	27,396
Disposals	(26,950)	–	–	(26,950)
Balance as at 31 March 2022	157,476	100,488	20,000	277,964
Balance at 1 April 2022	157,476	100,488	20,000	277,964
Additions	25,063	1,974	–	27,037
Disposals	(30,439)	(5,359)	(20,000)	(55,798)
Balance as at 31 March 2023	**152,100**	**97,103**	**–**	**249,203**
Accumulated depreciation				
Balance at 1 April 2021	122,853	88,010	20,000	230,863
Depreciation expense	21,609	2,486	–	24,095
Disposals	(26,950)	–	–	(26,950)
Balance as at 31 March 2022	117,512	90,496	20,000	228,008
Balance at 1 April 2022	117,512	90,496	20,000	228,008
Depreciation expense	22,716	2,354	–	25,070
Disposals	(30,439)	(5,359)	(20,000)	(55,798)
Balance as at 31 March 2023	**109,789**	**87,491**	**–**	**197,280**
Carrying amounts				
At 31 March 2022	**39,964**	**9,992**	**–**	**49,956**
At 31 March 2023	**42,311**	**9,612**	**–**	**51,923**

The Board reviews the fair value of assets and the depreciation rates at each balance date so that the value in the accounts is not materially different from fair value.

Property, plant, and equipment are shown at cost, less any accumulated depreciation and impairment losses.

The cost of an item of property, plant, and equipment is recognised as an asset only when it is probable that the future economic benefits or service potential associated with the item will flow to the Board and the cost of the item can be measured reliably.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount of the asset. Gains and losses on disposals are reported net in the statement of comprehensive revenue and expense.

Depreciation is provided on a straight-line basis on all property, plant and equipment at rates that will write off the costs (or valuations) of the assets to their estimated residual values over their useful lives. The useful lives and associated depreciation rates of major classes of asset have been estimated as follows:

Office equipment and furniture	10 years	(10%)
Computers and electronic equipment	4 years	(25%)
Motor vehicles	4 years	(25%)

9. Intangible assets

Cost	Acquired software	Practitioner database	Website	Work in progress	Total
Balance at 1 April 2021	20,514	2,364,727	24,700	–	2,409,941
Additions	–	–	–	–	–
Disposals	–	–	–	–	–
Balance at 31 March 2022	20,514	2,364,727	24,700	–	2,409,941
Balance at 1 April 2022	20,514	2,364,727	24,700	–	2,409,941
Additions	1,975	252,149	–	55,949	310,073
Disposals	(10,790)	–	–	–	(10,790)
Balance as at 31 March 2023	**11,699**	**2,616,876**	**24,700**	**55,949**	**2,709,244**
Accumulated amortisation					
Balance at 1 April 2021	16,832	338,868	24,700	–	380,400
Amortisation	2,958	295,591	–	–	298,549
Disposals	–	–	–	–	–
Balance as at 31 March 2022	19,790	634,459	24,700	–	678,949
Balance as at 1 April 2022	19,790	634,459	24,700	–	678,949
Amortisation	659	303,996	–	–	304,655
Disposals	(10,725)	–	–	–	(10,725)
Balance as at 31 March 2023	**9,724**	**938,455**	**24,700**	**–**	**972,879**
Carrying amounts					
At 31 March 2022	**724**	**1,730,268**	**–**	**–**	**1,730,992**
At 31 March 2023	**1,975**	**1,678,421**	**–**	**55,949**	**1,736,345**

There are no restrictions over the title of the Board's intangible assets, nor are any intangible assets pledged as security.

Costs directly associated with the development of software for internal use by the Board are recognised as an intangible asset. Costs associated with the development and maintenance of the Board's websites are recognised as an expense when incurred.

Computer software licences longer than 12 months are capitalised based on the costs incurred to acquire and make the specific software available for use.

The carrying amount of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each period is recognised as an expense in the statement of comprehensive revenue and expense.

The useful lives and associated amortisation rates major classes of intangible assets have been estimated as follows:

Practitioner database	8 years	(12.5%)
PGDB website	4 years	(25%)

Work in progress at 31 March 2023 comprises the self-contained vehicles register ($49,349) and a complaint management system ($6,600). (2022 Nil).

10. Revenue in advance

	2023 Actual	2022 Actual
Fees in advance	2,288,707	2,412,667
Total revenue in advance	**2,288,707**	**2,412,667**

Revenue from licence fees and disciplinary and prosecution levies are recognised in full upon the commencement of the practising year to which they relate.

Annual relicensing opens on 1 February each year. Revenue received in February and March for the upcoming licensing year is treated as revenue in advance at 31 March.

11. Creditors and other payables

	2023 Actual	2022 Actual
Payables under exchange transactions		
Creditors	464,357	145,822
Accrued expenses	74,188	58,735
Total payables under exchange transactions	**538,545**	**204,557**
Payables under non-exchange transactions		
Taxes payable (GST and PAYE)	304,123	332,183
Total payables under non-exchange transactions	**304,123**	**332,183**
Total payables	**842,668**	**536,740**

Payables

Short-term payables are recorded at the amounts payable. Creditors and other payables are non-interest-bearing and are normally settled on 30-day terms. Therefore, the carrying value of creditors and other payables approximates their fair value.

Provisions

The Board recognises a provision for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) because of a past event, when it is probable that the expenditure will be required to settle the obligation, and a reliable estimate can be made of the obligation. Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a discount rate that reflects the current market assessment of the time value of money and the specific risks of the obligation. Changes in provisions are recognised as expenses in the surplus or deficit as incurred.

There are no provisions made in these financial statements (2022 Nil).

12. Employee entitlements

	2023 Actual	2022 Actual
Accrued salaries	78,642	59,881
Annual leave	101,172	92,601
Total employment entitlements	**179,814**	**152,482**

The Board has no employee entitlements that span more than 12 months. Employee entitlements that the Board expects to be settled within 12 months of balance date are measured at undiscounted nominal values on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date and annual leave earned but not yet taken at balance date. These entitlements are classified as a current liability.

13. Related party transactions

Key management personnel compensation

	2023 Actual	2022 Actual Restated
Board members		
Remuneration	175,538	159,220
Full-time-equivalent members	1.42	1.67
Leadership team		
Remuneration	867,072	852,013
Full-time-equivalent members	5	5
Total key management personnel remuneration	**1,042,610**	**1,011,233**
Total full-time-equivalent personnel	**6.42**	**6.67**

The full-time-equivalent for Board members has been determined based on their hours claimed multiplied by their hourly rates divided by 1920 average hours worked by employees in a year.

The composition of the prior year's leadership team has been restated to be consistent with the current year definition.

Related party disclosures have not been made for transactions with related parties that are within normal supplier or client/recipient relationships, on terms and conditions no more or less favourable than those that it is reasonable to expect the Board to have adopted in dealing with the party at arm's length in the same circumstances. Further, transactions with other government agencies (for example, government departments and Crown entities) are not disclosed as related party transactions when they are consistent with the normal operating arrangements between government agencies and undertaken as normal supplier or client/recipient relationships on standard terms and conditions.

There have been no material related party transactions this year.

14. Events after the balance date

On 6 June 2023, the Self-contained Motor Vehicles Amendment Act 2023 (Amendment Act) received royal assent. The Amendment Act amends the Plumbers, Gasfitters and Drainlayers Act 2006 establishing the Board as the regulator of the self-contained vehicles system, coming into effect on 7 December 2023.

15. Contingencies

There are no known contingent liabilities or contingent assets as 31 March 2023 (2022 Nil).

16. Financial instruments

Financial instrument categories

The carrying amounts of financial assets and liabilities in each of the financial instrument categories are as follows:

	2023 Actual	2022 Actual
Financial liabilities		
Payables (excluding deferred revenue, taxes payable and grants received subject to conditions)	538,545	204,557
Total financial liabilities measured at amortised cost	**538,545**	**204,557**
Financial assets		
Cash and cash equivalents	495,392	1,559,365
Investments – term deposits	5,890,557	3,902,730
Receivables	699,816	446,351
Total financial assets	**7,085,765**	**5,908,446**

Financial assets and financial liabilities are recognised in the statement of financial position when the Board becomes a party to the contractual provision of the financial instruments.

The Board derecognises a financial asset or, where applicable, a part of a financial asset or part of a group of similar financial assets when the rights to receive cash flows from the asset have expired or are waived, or the Board has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party and either:

- The Board has transferred substantially all the risks and rewards of the asset; or
- The Board has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

Financial liabilities

- The Board's financial liabilities include accounts payable (excluding GST and PAYE) and employee entitlements.
- All financial liabilities are initially recognised at fair value (plus transaction cost for financial liabilities not at fair value through surplus or deficit) and are measured subsequently at amortised cost using the effective interest method except for financial liabilities at fair value through surplus or deficit. Such liabilities are subsequently measured at fair value.

Financial assets

Financial assets within the scope of PBE IPSAS 41 – Financial Instruments are initially recognised at fair value plus transaction costs unless they are measured at fair value through surplus or deficit, in which case the transaction costs are recognised in the surplus or deficit. The Board classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive revenue and expenses, or fair value through surplus or deficit based on requirements as per PBE IPSAS 41 – Financial Instruments.

Cash and cash equivalents

Cash and cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Cash and cash equivalents are subject to the expected credit loss requirements of PBE IPSAS 41, no loss allowance has been recognised because the estimated loss allowance for credit losses is trivial.

Investments

Investments in term deposits are initially measured at the amount invested, as this reflects fair value for these market-based transactions. Interest is subsequently accrued and added to the investment balance. A loss allowance for expected credit losses is recognised if the estimated loss allowance is not trivial.

Short-term investments comprise term deposits with a term of greater than three months and therefore do not fall into the cash and cash equivalents category.

Long-term investments comprise term deposits that have a term of greater than 12 months.

Receivables (from exchange and non-exchange transactions)

Short-term receivables from exchange and non-exchange transactions are recorded at the amount due, less an allowance for credit losses. The Board applies the simplified expected credit loss model of recognising lifetime expected credit losses for receivables.

In measuring expected credit losses, short-term receivables have been assessed collectively as they share credit risk characteristics. They have been grouped based on the days past due.

Short-term receivables from the exchange and non-exchange transactions are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery included the debtor being in liquidation.

The previous year's allowance for credit losses was based on the incurred credit loss model. An allowance loss was recognised only when there was objective evidence that the amount would not be fully collected.

17. Statement of commitments as at 31 March 2023

Capital commitments

On 28 February 2023, the Board entered into a contract for application development services, being the procurement, design and build of the Self-Contained Vehicle Register – $646,384 (unbilled at 31 March 2023 – $599,264). This contract can be exited with 60-days' notice.

Non-cancellable operating leases

Leases that do not transfer substantially all the risks and rewards incidental to ownership of an asset to the Board are classified as operating leases. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the term of the lease.

1. The Board has a current lease for the office premises at Level 8, 70 the Terrace, Wellington. The lease is for 12 years beginning on 1 October 2016. The annual rent is $154,683.
2. The Board has a current lease for photocopiers and meeting room technology equipment that was renegotiated during the year with the new contract commencing on 31 March 2023 and the first payment due on 30 April 2023 and the final payment on 20 March 2026. The annual rental is $22,700 plus GST.

	2023	2022
Non-cancellable lease		
Not later than 1 year	177,382	169,001
Later than 1 year and not later than 2 years	177,382	159,876
Later than 2 years and not later than 5 years	486,748	441,302
Later than 5 years	77,342	220,651
	918,854	**990,830**

18. Explanation of significant variances against budget for the year ended 31 March 2023

Statement of comprehensive revenue and expense

Revenue

Revenue of $6,173,754 is $464,234 (8%) more than budget and an increase of $749,850 (14%) from the prior year. This variance is spread across several revenue streams.

Self-contained vehicles project

During the year the Board received $171,192 of unbudgeted Crown funding from the Ministry of Business, Innovation and Employment for work leading up to and including the commencement of the design and build of the self-contained vehicles register.

Disciplinary levy and prosecution levies

Disciplinary levy and prosecution levy revenue of $2,276,621 while in line with budget is $140,608 (7%) higher than in 2022, largely due to a 5% levy increase introduced in the 2022-2023 licensing year.

Licence fees

Licence fees of $1,871,632 are 5% higher than budget and 16% higher than in the prior year. An 11% fee increase coupled with higher trainee numbers is the primary contributor to this increase.

Disciplinary recoveries

Disciplinary recoveries of $185,686 are $79,314 (30%) less than budget, and $163,471 (47%) less than the prior year. In the prior year there were large penalties imposed due to the seriousness of some of the complaints. The lower disciplinary recoveries is reflected in the lower than expected complaints and discipline expenditure. This is the result of a lower number of complaints received during Covid-19 lockdowns. Complaints are now returning to pre-Covid-19 levels.

Examination fees

Examination fee revenue of $781,886 is $165,886 (27%) higher than budget, and $179,239 (30%) higher than in the prior year. This reflects the higher numbers of Tradesman exams being sat. Increased trainee (apprentice) numbers, coupled with the move from the National Certificate to the NZ Certificate where exams are a compulsory part of the qualification, have contributed to this increase.

Interest received

Interest received has increased due to higher average interest rates and higher than expected bank balances.

Expenditure

Total expenditure of $5,135,676 is $631,344 (11%) below budget and $824,227 (19%) more than in the prior year.

Administration

Administration expenditure of $3,387,615 is $430,585 (11%) below budget and $577,485 (21%) more than in the prior year.

- Personnel costs of $2,029,330 were $262,670 (11%) below budget, and $426,388 (27%) higher than in the prior year. The year-on-year variance largely reflects several key management resignations in 2021 that resulted in a period of unfilled vacancies.
- The lower-than-expected communications and consultation expenditure reflects a review of the communications strategy, and a change of staff in this area.
- Other administration expenditure underspend largely relates to the website upgrade and refresh, with costs coming in significantly less than anticipated. Content-related work previously budgeted to be carried out externally is largely being managed in-house.

Governance

Governance costs of $285,706 are 22% lower than budget and 25% higher than in the prior year. The current year underspend reflects virtual hui and individual virtual attendees, and the cancellation of scheduled disciplinary hearings. Hui were budgeted as 100% in-person.

Examinations

Examination costs of $519,271 are 19% higher than budget and 22% higher than in the prior year. This variance is in line with the higher-than-expected examination revenue derived from the higher than anticipated number of people sitting exams.

Complaints and discipline

Complaints and discipline costs (principally legal costs) of $293,313 are 57% lower than budget and 18% lower than in the prior year. This is a downstream effect of lower complaint numbers due Covid-19 and the associated lockdowns. In addition, a new complaints process has resulted in fewer complaints proceeding to hearings.

Registration and licensing

Registration and licensing costs of $432,166 are 24% higher than budget and 13% higher than in the prior year. The current year has seen additional spend on improvements to the practitioner database.

Statement of financial position

Assets

Total assets of $9,014,833 are $1,303,017 above the budget of $7,711,816. This is due to higher amounts of cash and investments held at balance date reflecting the greater-than expected profit for both the current and the prior financial years.

Memorandum accounts for future processes
as at 31 March 2023

		2023 Actual
Discipline process		
Revenue		
Disciplinary levy	1,403,999	
Fines and costs discipline	171,582	1,575,581
Expenditure		
Direct expenditure	293,323	
Allocated overheads	1,185,811	1,479,124
Surplus for 2022–2023 year		**96,457**
Balance brought forward 1 April		**402,764**
Balance to carry forward to future years		**499,221**
Prosecutions		
Revenue		
Prosecution levy	872,622	
Fines and costs prosecutions	14,104	886,726
Expenditure		
Direct expenditure	64,234	
Allocated overheads	568,272	632,506
Surplus for 2022–2023 year		**254,220**
Balance brought forward 1 April		**664,279**
Balance to carry forward to future years		**918,499**

Statement of overheads allocation by function
for the year ended 31 March 2023

Revenue	2023 Actual	2023 Budget	2022 Actual
Revenue from non-exchange transactions			
Disciplinary levy	1,403,999	1,387,000	1,311,587
Prosecution levy	872,622	862,000	824,426
Licence fees	1,871,632	1,785,000	1,620,685
Disciplinary recoveries	185,686	265,000	349,157
Self-contained vehicles	171,192	–	–
Total non-exchange revenue	**4,505,131**	**4,299,000**	**4,105,855**
Revenue from exchange transactions			
Examination fees	781,886	616,000	602,647
Interest received	127,656	45,000	41,447
Registration fees	509,474	499,520	465,855
CPD revenue	208,424	125,000	93,750
Other revenue	72,433	125,000	114,350
Total exchange revenue	**1,699,873**	**1,410,420**	**1,318,049**
Total revenue	**6,205,004**	**5,709,520**	**5,423,904**

Statement of overheads allocation by function
for the year ended 31 March 2023

	2023 Actual	2023 Budget	2022 Actual
Expenditure			
Discipline direct expenditure	293,323	680,000	358,925
Discipline allocated overheads	1,185,801	1,364,501	990,888
Total discipline	**1,479,124**	**2,044,501**	**1,349,813**
Examinations direct expenditure	519,271	435,000	424,751
Examinations allocated overheads	71,104	81,797	59,402
Total examinations	**590,375**	**516,798**	**484,153**
Licensing direct expenditure	407,786	322,570	346,325
Licensing allocated overheads	1,301,705	1,497,894	1,087,755
Total licensing	**1,709,491**	**1,820,464**	**1,434,080**
Prosecutions direct expenditure	64,234	110,000	84,310
Prosecutions allocated overheads	568,272	653,885	474,847
Total prosecutions	**632,506**	**763,885**	**559,157**
Registrations direct expenditure	63,603	31,250	55,705
Registrations allocated overheads	512,844	590,122	428,541
Total registrations	**576,447**	**621,372**	**484,246**
Self-contained vehicles direct expenditure	114,141	–	–
Self-contained vehicles allocated overheads	33,592	–	–
Total self-contained vehicles	**147,733**	**–**	**–**
Total expenditure	**5,135,676**	**5,767,020**	**4,311,449**
Total comprehensive revenue and expenses	**1,069,328**	**(57,500)**	**1,112,455**

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INDEPENDENT AUDITOR'S REPORT TO THE READERS OF PLUMBERS, GASFITTERS AND DRAINLAYERS BOARD'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

The Auditor-General is the auditor of the Plumbers, Gasfitters and Drainlayers Board ('the Board'). The Auditor-General has appointed me, Chrissie Murray, using the staff and resources of Baker Tilly Staples Rodway Audit Limited, to carry out the audit of the financial statements of the Board on his behalf.

Opinion

We have audited:

- the financial statements of the Board on pages 32 to 53 that comprise the statement of financial position as at 31 March 2023, the statement of comprehensive revenue and expenses, the statement of changes in equity and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information; and
- the performance information of the Board on pages 12 to 30.

In our opinion the financial statements of the Board present fairly, in all material respects:

- its financial position as at 31 March 2023; and
- its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand and have been prepared in accordance with Public Benefit Entity Reporting Standards Reduced Disclosure Regime

the performance information:

- presents fairly, in all material respects, the Board's performance for the year ended 31 March 2023, in accordance with the requirements of section 151(1)(a) of the Plumbers Gasfitters and Drainlayers Act 2006; and
- complies with generally accepted accounting practice in New Zealand.

Our audit was completed on 26 July 2023. This is the date at which our opinion is expressed.

The basis of our opinion is explained below. In addition, we outline the responsibilities of the Board and our responsibilities relating to the financial statements and we explain our independence.

Basis of opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the Auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board for the financial statements

The Board is responsible for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand.

The Board is responsible for such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board is responsible on behalf of the entity for assessing the Board's ability to continue as a going concern. The Board is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to liquidate The Board and or to cease operations, or there is no realistic alternative but to do so.

The Board's responsibilities arise from the Plumbers Gasfitters and Drainlayers Act 2006.

Responsibilities of the auditor for the audit of the financial statements and the performance information

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers taken on the basis of these financial statements and performance information.

We did not evaluate the security and controls over the electronic publication of the financial statements and the performance information.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Board's internal control.

- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the governing body.

- We evaluate the appropriateness of the reported performance information within the Board's framework for reporting its performance.

- We conclude on the appropriateness of the use of the going concern basis of accounting by the governing body and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Board's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Board to cease to continue as a going concern.

- We evaluate the overall presentation, structure and content of the financial statements and the performance information, including the disclosures, and whether the financial statements and performance information represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibility arises from the Public Audit Act 2001 and section 149 of the Plumbers Gasfitters and Drainlayers Act 2006.

Other Information
The Board is responsible for the other information. The other information comprises the information included on pages 1 to 11 and page 58 to 62, but does not include the financial statements and the audited performance information, and our auditor's report thereon.

Our opinion on the financial statements and the performance information does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements and the performance information, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements and the performance information or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence
We are independent of The Board in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1(Revised): *Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board.

Other than the audit, we have no relationship with, or interests in, The Board.



Chrissie Murray
Baker Tilly Staples Rodway Audit Limited
On behalf of the Auditor-General
Wellington, New Zealand



Members of the Board

The Plumbers, Gasfitters, and Drainlayers Board is governed by an independent Board. The Board consists of 10 Minister-appointed members representing both the trade and the public.

The Board reports to the Minister for Building and Construction. The Board has an Audit and Risk Committee, Employment Committee and Disciplinary Administration Committee.

Members of the Plumbers, Gasfitters, and Drainlayers Board as at 30 March 2023.



Deborah Cranko



Martin de Gouw
Deputy Chair



Ken Douglas



Tofa Suafole Gush



Beth Healy



Diana Kuhtz-Covich
Chair



Sue Simons



James Smith



Barry Willcox



Ming-chun Wu

Board member remuneration

Board members remuneration paid or payable to each Board member during the year for governance:

	Appointed	Term Ends	2023 Actual	2022 Actual
Deborah Cranko	Sept 15	Dec 23	10,545	8,321
Martin De Gouw (Deputy Chair)	Aug 19	Nov 25	13,521	8,654
Ken Douglas	Sept 15	Dec 22	8,630	8,546
Nick Fleckney	Sept 12	Sept 21	–	12,994
Tofa Suafole Gush	Aug 20	Aug 23	7,576	5,859
Beth Healy	Aug 20	Aug 23	9,879	7,418
Diana Kuhtz-Covich (Chair)	Sept 16	Dec 24	33,064	17,337
Sue Simons	Aug 19	Nov 25	7,049	5,536
James Smith	Dec 21	Dec 24	9,657	2,096
Barry Willcox (Chair Audit and Risk)	Sept 15	Dec 23	19,252	9,998
Ming-chun Wu	Aug 20	Aug 23	9,735	6,826
Total remuneration			**128,908**	**93,585**

Diana Kuhtz-Covich was appointed to the Chair role in August 2021, Barry Willcox was appointed to the Audit and Risk Committee Chair in August 2021, and Martin De Gouw took over from Barry Willcox as Deputy Chair in February 2023.

Board members' remuneration paid or payable to each Board member during the year for discipline functions:

	2023 Actual	2022 Actual
Deborah Cranko	3,275	4,838
Martin De Gouw (Deputy Chair)	3,274	8,304
Ken Douglas	3,053	4,676
Nick Fleckney	–	12,499
Tofa Suafole Gush	4,107	3,010
Beth Healy	3,996	6,074
Diana Kuhtz-Covich (Chair)	14,620	12,944
Sue Simons	611	3,709
James Smith	3,802	–
Barry Willcox (Chair Audit and Risk)	8,449	7,431
Ming-chun Wu	1,443	2,150
Total remuneration for discipline functions	**46,630**	**65,635**
Total remuneration (Governance and discipline functions)	**175,538**	**159,220**

The Board has effected directors' and officers' liability and professional indemnity insurance cover during the financial year in respect of the liability or costs of board members and employees. No Board members received compensation or other benefits in relation to cessation (2022 $Nil).

Corporate governance

Role of the Board

Members of the Board set the strategic direction of the organisation, monitor the Chief Executive's performance and ensure the Board fulfills the requirements of the Plumbers, Gasfitters, and Drainlayers Act 2006 and other statutory obligations.

The Board is accountable for its performance and decisions to Parliament, the Minister for Building and Construction, practitioners and the public.

Board membership

The Minister for Building and Construction appoints the Board members. We aim to have members who represent a broad mix of practitioners and lay people of ages, genders and ethnicities that reflect the diversity of New Zealand society.

We are required to have:

- two or more registered plumbers
- two or more registered gasfitters
- two or more registered drainlayers
- two members who represent consumer interests
- up to one additional registered person
- one person with appropriate experience in relevant tertiary or vocational education.

Board committee structure

The Board operates three standing committees: Audit and Risk; Employment; and Disciplinary Administration. The Board receives committee meeting minutes at its formal meetings and, in approving those minutes, confirms the decisions made.

Links with industry bodies

We continue to be actively involved and collaborate with other registration bodies. We share ideas for future development and maintain contact with organisations including:

- the World Plumbing Council
- the Electrical Workers Registration Board
- Standards New Zealand
- the Building Officials Institute of New Zealand
- the New Zealand Water and Waste Association
- the Building Practitioners Board
- the New Zealand Registered Architects Board.

As in previous years, the Board has had regular meetings with key stakeholders to discuss matters of mutual interest. Those stakeholders included:

- Te Pūkenga
- the Waihanga Ara Rau (Construction and Infrastructure) Workforce Development Council
- Master Plumbers
- Trade Lab
- the Ministry of Business, Innovation and Employment
- Energy Safety, part of WorkSafe New Zealand
- WorkSafe
- Aspeq
- Skills.

Board committees

Board standing committees as at 30 March 2023:

Audit and Risk Committee

- Deborah Cranko
- Martin de Gouw
- Diana Kuhtz-Covich
- James Smith
- Barry Willcox (Chair)
- Ming-chun Wu

Employment Committee

- Martin de Gouw
- Tofa Suafole Gush
- Diana Kuhtz-Covich
- Sue Simons
- James Smith
- Ming-chun Wu

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- Martin de Gouw
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