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# **Building (Earthquake-prone Buildings) Amendment Bill - Overview**

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March 2014



# Introduction

- Issue has been considered by the Canterbury Earthquakes Royal Commission
- Comprehensive review also undertaken by the Government, including release of public consultation document and a range of public and stakeholder meetings held around New Zealand in 2013
- Requires balance to be struck between protecting people from harm in an earthquake and managing the costs of strengthening or removing buildings
- Range of views reflected in public consultation. 535 submissions received on consultation document. More than 1,000 people attended public and stakeholder meetings



# Introduction (continued)

- Government's decisions (reflected in the Bill) broadly in line with recommendations of the Royal Commission, but also take into account views of submitters received as part of the Government review
- Introduces nationally consistent system for managing earthquake-prone buildings to ensure buildings are dealt with in a timely manner (local seismic risk is taken into account)
- Provides for significantly greater role for central government to make better use of capability and resources of central and local government
- Will ensure information about earthquake-prone buildings is made available to the public/market to inform decision making

# Definition of earthquake-prone building (threshold)

Current System	System proposed in the Bill
<ul style="list-style-type: none"><li>• Defn in Act relates to performance of a building in a 'moderate earthquake' and life safety and other impacts of collapse</li><li>• Most residential buildings are excluded</li><li>• Local seismic risk taken into account in defn</li><li>• In practice, defn is often referred to as less than 34% of the new building standard</li></ul>	<ul style="list-style-type: none"><li>• Clarifies current defn, including that the law applies to whole buildings or parts of buildings</li><li>• Fixes the defn of 'moderate earthquake' to the design standard at time of commencement</li></ul>



# Identification of earthquake-prone buildings

Current System	System proposed in the Bill
<ul style="list-style-type: none"><li>• Set in TA policies (approach can be active or passive)</li></ul>	<ul style="list-style-type: none"><li>• Existing buildings to be assessed by TAs in 5 years using a methodology set by the Ministry – priority buildings (defined in regulations) to be fast-tracked</li></ul>

# Notification/Disclosure

Current System	System proposed in the Bill
<ul style="list-style-type: none"><li>• Section 124 notices attached to earthquake-prone buildings and copies provided to owners and occupiers</li><li>• Some TAs have a publicly searchable register</li></ul>	<ul style="list-style-type: none"><li>• Seismic work notices (equivalent to s124 notices) attached to earthquake-prone buildings and copies provided to owners and occupiers</li><li>• National Seismic Capacity Register – held by the Ministry and publicly searchable</li></ul>



# Remediation level

Current System	System proposed in the Bill
<ul style="list-style-type: none"><li>• ‘Reduce or remove the danger’ level of remediation in s124 – confirmed to be 34% of the requirements for a new building in 2013 High Court decision of <i>Insurance Council of New Zealand Inc v Christchurch City Council</i></li></ul>	<ul style="list-style-type: none"><li>• Clarifies remediation work required is to the level to ensure that the building is no longer earthquake-prone</li></ul>

# Timeframes for remediation

Current System	System proposed in the Bill
<ul style="list-style-type: none"><li>Timeframes determined in TA policies</li></ul>	<ul style="list-style-type: none"><li>Remediation within 15 years of assessment</li><li>TA powers to set shorter timeframe for priority buildings (done in consultation with community)</li><li>Owners of Category 1 listed heritage buildings can apply to TA for extension of up to 10 years, but owners must manage risk</li></ul>





# Exemptions from requirement to remediate

Current System	System proposed in the Bill
<ul style="list-style-type: none"><li>• Determined in TA policies</li></ul>	<ul style="list-style-type: none"><li>• Owners of certain earthquake-prone buildings can apply to TA for exemption from requirement to remediate</li><li>• Specific exemption criteria to be defined in regulations – intention is to cover those buildings with low risk from failure</li></ul>



# Other upgrades (means of escape from fire, access & facilities for people with disabilities)

Current System	System proposed in the Bill
<ul style="list-style-type: none"><li>When undertaking earthquake strengthening, upgrades required to ensure the building will comply 'as nearly as is reasonably practicable' with the Building Code</li></ul>	<ul style="list-style-type: none"><li>Will enable TAs not to require upgrades under certain circumstances when earthquake strengthening is being undertaken on an earthquake-prone building</li></ul>



# Offences and Enforcement

Current System	System proposed in the Bill
<ul style="list-style-type: none"><li>• Offence for an owner not to comply with a section 124 notice to remediate their building, with a maximum fine of \$200,000</li><li>• TAs also have powers to undertake work directly and recover costs (work taken can include demolition)</li></ul>	<ul style="list-style-type: none"><li>• Restates existing offence and enforcement provisions in Act and clarifies who they apply to</li><li>• Adds a new offence provision for owners who fail to display a seismic work notice or exemption notice (maximum fine of \$20,000)</li></ul>

# Transitional provisions in the Bill

- Seeks to leverage off work already undertaken
- Existing section 124 notices will continue where they have a timeframe of 15 years or less. Where the timeframe exceeds 15 years, existing section 124 notices are revoked. The TA must then reissue the notices using the particular provisions of the Bill
- Assessments carried out before the Bill takes effect will be recognised provided they were carried out in a manner that is recognised in the methodology set by the Ministry

# Next steps

- First reading in Parliament completed, Local Government and Environment Select Committee calling for public submissions

