

## **Earthquake-prone buildings - What does the Government's policy mean for local government?**

The Government has announced its policy for managing earthquake-prone buildings. The policy position includes:

- Requiring territorial local authorities, within five years, to assess all buildings and identify those that are potentially earthquake-prone
- The owners of earthquake-prone buildings then have 15 years to carry out strengthening works to 34 percent of the New Building Standard (NBS), or demolish the building
- There will be an extension of a further 10 years for owners of earthquake-prone Category One heritage buildings and those on the proposed National Historic Landmarks List
- There may also be exemptions available for buildings of low risk, such as farm outbuildings, rural halls and churches
- The Ministry of Business, Innovation and Employment will create a public register of earthquake-prone buildings
- Some buildings will require strengthening in a shorter timeframe if they are near an important transport route, or have parts that are a higher risk of falling off a building, e.g. unsafe parapets.

For territorial authorities, the policy means that all building stock needs to be classified as potentially earthquake-prone, or not (i.e. less than 34 percent of NBS).

This is suggested by the Government as requiring a desktop exercise and an external site visit (drive by). We assume this to be the equivalent of an initial evaluation procedure by the New Zealand Society for Earthquake Engineering.

### **Implications for territorial authorities**

This new statutory obligation will require councils to assess the availability of engineering staff or consultants who are skilled and experienced at carrying out these assessments.

The Government is intending to introduce a bill into the house this year. There is a likelihood that the resulting Act might be passed early in 2014, requiring councils in their 2014/15 budgets to assess whether there are sufficient staff and resources to tackle this project.

Councils will need to establish good systems for carrying out the work, preparing template reports and reporting the findings of assessments to building owners and the Government.

This will be a serious undertaking for local authorities to plan and resource in an appropriate manner, in order to comply with the new legal obligations.

In addition to the engineering assessment it may be that councils are tasked with identifying the buildings that need to be upgraded more quickly. These assessments would also have financial and resourcing implications.

The Government has indicated that "the issue of financial incentives" is still to be looked at in detail in the coming months. It is not clear whether this includes looking at financial incentives for councils to carry out these new statutory functions, or whether this will be limited to considering financial relief for building owners faced with upgrading costs.

Councils need to start planning for this issue and keep an eye on the draft bill when it is introduced later in the year and for announcements from the Government on any funding implications.

If you have any questions about the legal aspects of this new Government policy, contact our local government specialists.

## Contact Us



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