

Update on Seismic Strengthening Lobbying

Two petitions calling for action to address impacts of earthquake-prone building provisions. These petitions are in response to concerns raised at the [public meeting on 6 June 2019](#) of residential owners in earthquake-prone buildings. Both petitions close on 31 August 2019 and our plan is for them to be presented as a package. We encourage you to support this work by signing both petitions.

Petition for comprehensive support

Calls for the Government to provide comprehensive financial, technical and advisory support interventions for residential owners in earthquake-prone buildings. ICW has been raising the need for this support in submissions to both central and local government since 2013. We have made some progress with the Financial Assistance Scheme announced in Budget 2019 (thanks to action taken by Wellington Central MP Grant Robertson), but more support is needed urgently. [click here](#) to sign the petition.

Petition to review the earthquake-prone provisions in the Building Act 2004

Calls for the Government to undertake a review of the earthquake-prone provisions to take account of the significantly higher strengthening costs compared to those used in the policy process, the stretched engineering and construction sectors, and the need to focus scarce resources on public safety priorities.

The role of %NBS (New Building Standard) - a core part of the policy has been undermined by the insurance sector's announcement it ignores this in setting premiums. Central and local government must facilitate buyout options for residential owners where it is uneconomic to strengthen to allow redevelopment. [click here](#) to sign the petition.

Regulation change that could benefit owners of smaller buildings

This change is aimed at provincial towns, following the successful lobbying of four mayors to get support for their property owners, primarily commercial buildings. However, it could apply to any building owner, particularly of smaller, standalone buildings. It is unlikely to apply to multi-unit buildings. The definition of 'substantial alterations' has been amended to allow modest building work to enable property to be tenanted.

The earthquake-prone building criteria for substantial alterations will be changed so that an alteration, other than seismic work, is substantial if it needs a building consent and together with other work consented in the last two years has an estimated value of at least 25% of the building's value, but only if the value of the building work is greater than \$150,000.

Strengthening cost calculation tool

This tool ([download tool here](#)), developed within a collaborative lobby group which ICW is part of, is aimed at providing body corporates and owners with an indicative understanding of the full costs of strengthening - not just the construction costs (as big as they are). It is intended as a guideline only and does not replace formal costing or financial advice.

The Excel tool provides a sheet for a building costing and a separate sheet for an apartment costing. The calculation cells are locked to avoid unintended changes to formulas. However, there are instructions in the Notes if you wish to unlock these cells and make changes to the formulas.

Material from the 6 June 2019 public meeting is available [here](#).

Update on discussions with Grant Robertson

Our collaborative lobby group continues to meet regularly with Grant to progress responses to the challenges being faced by owners.

- ✘ Financial Assistance Scheme: work is underway on the criteria and application process, but we do not have a date at this stage.
- ✘ Tax Relief for Seismic Strengthening costs: this work has been included in IRD's work programme, and a report back is expected 'this side of Christmas'. We have reiterated the need for any mechanism to be available for work completed, and to provide a suitable mechanism for residential owner-occupiers, as the depreciation approach appears to be targeted at commercial/landlord properties.
- ✘ Advisory Service: we are drafting a proposal for what is needed and working with a lawyer with experience in a similar service.

We encourage all owners who are facing challenges with strengthening - eg, can't get engineers, variability in advice, difficulties progressing decisions in multi-owner environments, delays in providing reports, affordability for owners, uneconomic options - to let Grant Robertson, Mayor and your councillors know.

We would be keen to hear your experiences too and these can be sent to [ICW](#) or to [Geraldine Murphy](#) (Seismic Spokesperson).

We have been able to establish a good evidence base with this knowledge to lobby for action for residential owners.

It would be good to hear from small commercial property owners if you are experiencing similar issues.