

Submission to WCC Infrastructure Committee 9 December 2021

WCC Earthquake-prone buildings programme update

Earthquake Prone Building Programme Update

1. This Programme impacts hundreds of apartment owners – but there is nothing in the ‘update’ or in the survey results on these owners.
2. There is no data readily available on the number of buildings in each category and the number of owners in each category – graphs aren’t enough.
 - The survey results refer to numbers of owners, but it’s actually the number of buildings that are being discussed, and there’s no breakdown on the categories of buildings.
 - Where is the breakdown on the range of costs and by building category. The 2020 ICW survey reported an average of \$302,000 for strengthening costs alone for each owner; a few owners faced between \$800 – 899,000.
3. There is no information on the number of buildings that are in the WCC process now or how well WCC is supporting them. There is no detail on:
 - How many owners:
 - Are in discussions with Advisory Service
 - have or having pre-application meetings about strengthening
 - have approved/declined resource consent - if required, and timeframes
 - have approved/declined building consents, and timeframes
 - The indicative timeframes are to complete the work
 - What issues are holding up approving resource consents/building consents?
 - What issues are being raised by inspections/in getting to code compliance certificate stage?
 - How many of these applications are being held up because of heritage issues?
4. Given the housing crisis, councillors and the mayor should be demanding data on the number of apartments in EQP buildings. It can no longer just be about the buildings – you need to know how many homes are affected.

Enforcement Policy

5. Will the draft enforcement policy be consulted on before it’s approved in Feb 2022?
6. You need to know the number of apartments, not just number of buildings, when you consider that policy because it could result in owner-occupiers and tenants being evicted from their homes.
7. You need to read the ICW 2020 survey that provides the full comments from owners to understand the impact this legislation is having on people’s lives and why it’s so hard to progress despite best endeavours.
8. Recent changes to the Building Act offence provisions now mean an owner of a building or a part of an earthquake-prone building who fails to complete seismic strengthening work by the deadline could face a fine not exceeding \$300,000 if an individual or not exceeding \$1.5m in the case of a body corporate – such as the 40 multi-owner apartment buildings.
9. There must be transparency on how the prosecution provisions will be applied in a multi-owner unit title environment and how officers will take into account the challenges faced by apartment owners in progressing these projects.
10. In ICW’s survey of candidates in 2019, current Clrs Pannett, Paul, Fitzsimmons and Matthews said they would not evict or support fines for owners who could not meet the deadline. Other current

councillors had lots of proposals of initiatives and interventions to provide support, advice, alternatives – but where are they?

Maintaining a wait and see approach is unacceptable –

11. The bulk of the 590 buildings in the graph were deemed earthquake-prone under the WCC's own EQPB Policy set in 2006/7, 10 years before the 2017 legislation. The buildings with expiry dates in 2027 were all deemed EQP under the WCC policy. WCC has a moral obligation to do more to support owners.
12. You may be thinking that the number of buildings that will be deemed earthquake-prone in the future is going to tail off once this lot is done. It won't.
13. The review of the National Seismic Hazard Model has already identified a significant change for Wellington. MBIE has a programme underway to "improve the seismic requirements of buildings within the Building Code documents in light of reviewing the NSHM".
14. An updated building code will result in more buildings in Wellington being deemed potentially earthquake prone, and then earthquake prone. Buildings built between 1976 and the new standard will come under the spotlight. WCC will have data on the pre-1976 buildings that were not deemed earthquake-prone in the last round and buildings with hollow core or precast floors and will kick off another round of engineering reports, geotech reports and variable outcomes.
15. But there is also a risk that the intent of the 2016 legislation to provide certainty to owners by linking the definition of moderate earthquake to the new building standard in force at 1 July 2017 will be lost. The intent was to avoid yet another round of strengthening under a new standard.
16. But this intent is being undermined by Council officers, engineers and other professionals telling owners to 'strengthen as high as you can in case the regulations change'. But they don't have to pay for it – owners do. WCC needs to reinforce the need for certainty for owners to central Government at the management and political level.
17. Think about what another round of strengthening will mean for apartment owners in Wellington who have completed or are in the process – and the huge financial and wellbeing impact if that intent is lost. How appealing does this make apartment buildings as a place to have a home if it could become earthquake-prone in the next round?
18. WCC promoted the existence of EQPB during the Planning for Growth era as an opportunity for developers to maximise the potential of the sites. I challenged councillors to put some offers on the table to owners, to share the costs and risks to enable the buildings to be strengthened, owners to retain their apartments and make more apartments available. Where is that analysis?
19. The 2012 MBIE commissioned cost-benefit analysis said costs substantively exceeded benefits. Our analysis of that work shows that for all the residential buildings in the model (2% of the total 17,424 buildings), 4 lives would be saved over 75 years based on strengthening to 34%NBS across NZ.
20. WCC cannot just wait and see. WCC should be challenging the Government on the basis for this policy that is costing current apartment owners their savings, their secure retirement, their physical and mental health, and in some cases, their homes. And will continue to impact on future apartment owners.

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