



**INNER-CITY**  
**WELLINGTON** Te Reo Pokapū o Pōneke

VOICE OF TE ARO AND WELLINGTON CENTRAL

**6 February 2018**

**Inner City Wellington submission to Building System Performance, Ministry of Business, Innovation and Employment on proposals to be included in the Hurunui/Kaikoura Earthquakes Recovery (Unreinforced Masonry Buildings) Amendment Order 2018**

*Background:* Inner City Wellington was identified as an organisation that has an interest in the proposal and was given 3 days (the legislated timeframe) to respond to it. The documents provided to Inner City Wellington are also available on our website.

**Submission:**

Inner City Wellington (ICW) supports the extension of time (an extra 6 mths) before a TA can initiate the offence provision and the additional flexibility for reimbursement. ICW has called for financial assistance for owners facing mandatory seismic strengthening to recognise the public good outcomes of this policy in all its submissions on the legislation.

ICW believes there still needs to be discretion in what 'taken reasonable steps' is in practice - or more clarity about what is covered. The statement given is unreasonably narrow (first sentence on page 5 in Engagement Doc). While the sentence beginning 'In practice ...' appears to expand it, it's not clear whether these examples will be included in the description of what are reasonable steps, but they should be. But it still needs to go further. For example, it needs to include where there is evidence that the owner has attempted to engage a suitably priced engineer to start the process. How will owners be protected against rising costs exacerbated by what was always an unrealistic timeframe (even with the proposed 6 month extension) and high demand for limited engineer resources? If owners have committed plans for completing the seismic strengthening over a longer timeframe, will this be considered to be 'a reasonable step'? Especially if the cost of the 'securing' work is excessive when it has to be removed or redone as part of the imminent (but outside the timeframe) seismic strengthening work.

ICW looks forward to the announcement on raising the funding cap to secure large and complex URM buildings in mid-February.

But we reiterate that the lack of a comprehensive financial and advisory support framework for all owners facing these projects has contributed to the delays and is leading to adhoc responses.

The government needs to urgently address this to avoid:

- repeat of these challenges as TAs in other high and medium risk areas begin to identify EQP buildings and priority buildings (URM in high traffic areas and buildings on strategic routes for emergency response purposes)
- inequitable responses to different groups of owners facing mandatory strengthening - those that have still to complete the work and those who have already completed it at considered personal and long-term financial cost for many of them.

Flexibility on the application of offence provisions must be equitably applied across all owners and building types (heritage and non-heritage; commercial and residential) where owners are taking reasonable steps to address the issue, not just this group of owners. This includes Body Corporate environments, eg, where one or more owners are not able to obtain their share of the finance required through retail channels - and either have not been able to sell or risk losing their homes and savings if forced to sell by the Body Corporate. Or, where there is a dispute about the proposed strengthening solution (eg, where it significantly impacts on some units more than others). This is the reality of multi-owner environments.

As always, we are happy to discuss our submission.