

Rebuild with confidence

A guide for homeowners rebuilding after
the Hurunui/Kaikōura Earthquake



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Welcome

This booklet is designed to help you plan and manage the rebuild or repair of your home. It gives an overview of the process, and some useful tips, but does not cover all the rights and responsibilities involved. Always remember to check with your insurance company, EQC, your local council and any tenants before you start building work.

As the homeowner you are responsible for ensuring rebuild or repair work complies with the law and is of a good standard. This protects you and also protects anyone who may buy your home in the future.

This guide will help you:

- 1 Ask the right questions.
- 2 Understand the rebuild process.
- 3 Ensure you rebuild it right.

FOR A DETAILED GUIDE TO THE BUILDING PROCESS

check out the Ministry of Business, Innovation and Employment's Building Performance website www.building.govt.nz

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Check out the laws and regulations that cover your rebuild or repair. It's important you know your rights and responsibilities.

STEP 1

Get informed

- 1 All building work must comply with the Building Code.
- 2 Know your rights and responsibilities under the Building Act.
- 3 Check out other laws that can affect your rebuild.

The Building Code

All building work – even building work that does not require a building consent – must comply with the New Zealand Building Code.

The Building Code sets national building performance standards. It aims to ensure homes stay warm, safe and dry by setting standards for structure, durability, fire safety, access, moisture, and services such as plumbing and energy efficiency.

Although there are national building standards, some design requirements vary from region to region depending on conditions. You, your designer and building contractor are responsible for making sure building work meets Building Code requirements.

LEARN MORE AT

[www.building.govt.nz/building-code-compliance/
how-the-building-code-works/](http://www.building.govt.nz/building-code-compliance/how-the-building-code-works/)



The Building Act

The Building Act and its regulations set out the rules for building work and the rights and responsibilities of homeowners.

You are responsible, as the property owner, for ensuring rebuild or repair work complies with the Building Act and regulations. You can contract a building professional (an architect, builder or project manager) to manage the rebuild or repair; but ultimately it is your responsibility to make sure:

- > a building consent has been obtained if required:
 - talk to your local council about whether your rebuild or repair requires a building consent. Most rebuilds and major repairs will require a building consent (the consent will include construction, alteration, demolition and site works). Get your building consent before you start work
- > the build happens as set out in the building consent
- > council inspections occur as set out in the building consent
- > work is carried out by people with the appropriate qualification (check out Step 3 for more information)
- > you advise the council of any changes to the consented plans and carry out any related requirements (variations or amendments)
- > any 'notice to fix' is acted on and the work re-inspected (if the council identifies work that does not meet the Building Code requirements or contravenes the Building Act)
- > you pay all required council fees
- > you apply for council sign-off of the build (called a code compliance certificate).

LEARN MORE AT

www.building.govt.nz/getting-started/your-rights-and-obligations/homeowner-rights-and-obligations/



Other laws

Other laws can affect your project, including council bylaws, the Resource Management Act, health and safety requirements and laws specifying that qualified professionals must do certain plumbing, gas and electrical work. Some of these laws or regulations may be applicable during demolition or removal of your home (for example, removal of asbestos).






After an earthquake get approval from your insurance company before you begin rebuilding or repairing your home.

STEP 2

Contact your insurance company

- 1 Lodge a claim with your insurer. If you have already lodged your claim with EQC they will pass your claim to your insurer.
- 2 Get approval from your insurance company before you begin rebuilding or repairing your home. Let your insurer know if any urgent safety work is required to protect your home.
- 3 Keep invoices and other records of payments on rebuilds and repairs.



If your home and contents have been damaged by the Hurunui/Kaikōura Earthquake you should lodge a claim with your insurance company in the first instance. You have until midnight 14 February 2017 to lodge a claim:

- > To simplify the process for homeowners, insurance companies will manage some claims for the Earthquake Commission (EQC).
- > The insurance companies will receive, assess and settle home and contents claims for earthquake damage from their own customers, even if those claims are under the EQC cap.
- > If homeowners have already lodged building or contents claims with EQC these will be passed on to their insurance company.
- > This does not include land damage, as land is not covered by private insurance policies. People who have suffered land damage, such as a rupture across their section, will have the land portion of their claim managed by EQC and should contact EQC directly to discuss land related enquiries.
- > The approach will not change homeowners' entitlements under their own insurance policy or the Earthquake Commission Act.

If your claim is cash settled, and your rebuild or repair gets underway, keep invoices and any other records that show you have used your cash settlement to pay for repair work. This shows that your payment has been used to repair your property. Your EQC cover and/or private insurer cover could be affected in a future claim if you do not use your cash settlement to repair or rebuild your earthquake damage. Insurers will not pay to repair damage that has been previously cash settled and not repaired.

You should use the cash settlement payment to repair or replace your damaged property as soon as possible. Getting the work completed will reduce the potential risk of further damage occurring and costs escalating. You should also talk to your bank if there is a delay, as uncompleted repairs may affect your mortgage.

Check with your insurance company if your existing home insurance policy applies during building repairs or whether you need a new policy to cover the construction work. You may need Contract Works insurance in place while you are building or repairing your property.

Most home policies as well as contents policies provide cover for temporary accommodation and removal and storage of goods if your home is uninhabitable due to loss. Each policy wording will differ so people should check with their insurer.



Contact your insurer



When you rebuild and repair your home you need the right people on the job.

STEP ③

Getting the right people

- 1 Use Licensed Building Practitioners for Restricted Building Work.
- 2 Check out contractors and get more than one quote.
- 3 Apply for an Owner-Builder Exemption if the work requires a building consent and you want to do the work yourself.

If you use building professionals, make sure they are right for your project and can confidently meet Building Code requirements. You need to hire people with suitable skills and experience and you must use Licensed Building Practitioners (LBPs) for some residential design and building work.

Licensed Building Practitioners (LBPs)

LBPs are registered and required to keep their skills and knowledge up to date. LBPs are licensed for the type of work they do and have been independently assessed as competent to do that type of work.

The licence classes include:

- > design
- > carpentry
- > roofing
- > brick and blocklaying
- > external plasterering
- > foundations
- > site.

NOT ALL BUILDING PRACTITIONERS ARE LICENSED

Check the LBP website (www.lbp.govt.nz/lbp) for more information and to search the register of LBPs.

Restricted Building Work

LBP's must be used to design and carry out restricted building work (RBW). Restricted building work is residential design, construction or repair work that:

- > requires a building consent
- > and involves or affects a home's:
 - primary structure (e.g. foundations and framing)
 - weathertightness (e.g. roofing and cladding)
 - certain fire safety design for small to medium sized apartments (e.g. sprinklers and fire alarms).

Your LBP must provide you with documentation about the work they have done or supervised. It's called a Record of Work or a Certificate of Work and you'll need to provide it to the council at the end of the rebuild.

Building professionals such as architects, engineers, plumbers, gasfitters and drainlayers are able to do or supervise some restricted building work because of their qualifications.

Most gas or electrical work requires licensed professionals but isn't called restricted building work. The licensed professional should give you an energy work certificate to show the work is safe and complete. You will also need this certificate if the work is part of a building project that must be signed off by the council.

LEARN MORE ABOUT CHOOSING A BUILDING PRACTITIONER AT

www.building.govt.nz/projects-and-consents/planning-a-successful-build/scope-and-design/choosing-the-right-people-for-your-type-of-building-work/choosing-a-building-practitioner/



Selecting designers and builders

Ask around. Some of the best recommendations for designers and builders come from friends, family and colleagues who have had positive experiences.

If the job involves restricted building work, check that the contractors you plan to use are LBPs. The Licensed Building Practitioner register has details of LBPs in your area. Trade associations can also provide information.

If your project will cost \$30,000 or more (including GST) you are legally required to have a contract with your builder contractor (see Section 4 for more details). In addition, your builder contractor must give you:

- > a disclosure statement including information about skills, qualifications, licensing status and any insurance or guarantees related to the work
- > a standard checklist that includes information about the steps of a rebuild or repair and minimum requirements for a contract.

Designers

Good plans, and any drawings or specifications, are key to your build. They are part of your building consent application.

Choosing a designer or architect is an important stage in any project. You need someone who knows the Building Act and can design to the Building Code.

You can use:

- > registered architects
- > architectural designers
- > an architectural draughtsperson
- > chartered professional engineers (for specific, more complex design)
- > builders or a building company who may be able to arrange your drawings and designs
- > companies who provide a standard house design package (often referred to as 'group home builders').

Building contractors

Getting more than one quote from prospective building contractors will provide more certainty with pricing. The lowest price is not necessarily a good indicator of quality.

Check all disclosure information and compare experience, insurance cover and familiarity with similar types of projects before you enter into a contract. Give the building contractors as much information as you can about what you want, your budget and your expectations. This will help you get off on the right foot.

If you want to do additional renovation work at your own cost, while your home is repaired, this is the time to decide on that and set a budget for the additional work.

If your rebuild or repair includes restricted building work check your building practitioner is an LBP.

Find out as much as you can about the building contractor's competence and business standards before making any decisions.

Check:

- > whether they are trading as an individual or part of a company and how long the company has been trading
- > the skills, qualifications and licensing status of the people who will carry out the work
- > what financial backup or insurance is available to cover the cost of fixing any faults caused by the contractor
- > their track record, including any disputes
- > their GST number and proof of any licenses they may hold.

Doing the work yourself

You can rebuild or repair your own home using the Owner-Builder Exemption, but you need to meet Building Code requirements, apply for any consents and let your local council know.

You are an owner-builder if you:

- > live in or are going to live in the home (this includes a bach or holiday home)
- > carry out the restricted building work to your own home yourself, or with the help of your unpaid friends and family members
- > have not used the Owner-Builder Exemption to carry out restricted building work to any other home in the previous three years.

If your work requires a building consent and you want to do it yourself, apply for an Owner-Builder Exemption. You complete a statutory declaration form to show you meet the owner-builder criteria; the form is witnessed and signed by a justice of the peace or other authorised person; and the form is given to your local council when you submit your building consent.

THE OWNER-BUILDER STATUTORY DECLARATION IS AVAILABLE AT

[www.building.govt.nz/projects-and-consents/
planning-a-successful-build/scope-and-design/
choosing-the-right-people-for-your-type-
of-building-work/owner-builder-obligations/](http://www.building.govt.nz/projects-and-consents/planning-a-successful-build/scope-and-design/choosing-the-right-people-for-your-type-of-building-work/owner-builder-obligations/)



Rebuild or repair work done under a building consent will be listed as a do-it-yourself job on your Land Information Memorandum for any future buyers to see. All building work must comply with the Building Code, and will be inspected as usual during your building process by the council. You are responsible for the quality of work or any defects.

Family members and friends can help you with restricted building work on your home as long as you are not paying them.

Any restricted building work that is not done by you or your unpaid friends or family members must be carried out or supervised by an LBP who holds the appropriate licence class. They must also give you a Record of Work.

LEARN MORE AT

[www.building.govt.nz/projects-and-consents/
planning-a-successful-build/scope-and-design/
choosing-the-right-people-for-your-type-
of-building-work/owner-builder-obligations/](http://www.building.govt.nz/projects-and-consents/planning-a-successful-build/scope-and-design/choosing-the-right-people-for-your-type-of-building-work/owner-builder-obligations/)



Get the right people



Sort out what you and others need to do to help the project run smoothly and what to do if things don't go to plan.

STEP 4

Rebuilding it right

- 1 Decide how you want to manage the project.
- 2 Insist on written contracts.
- 3 Avoid problems by being well-informed.

Managing rebuilds and repairs:

You are responsible for managing all repairs to earthquake damage relating to the property. You can choose to:

- > Manage the project including contracting the designer and building contractor and sub-contractors. This can be stressful and time consuming, but you will have control over the project.
- > Contract a building professional – an architect/designer, builder or independent project manager – to manage the project on your behalf. This is less time consuming, but you are still responsible for making sure the work complies with laws and regulations.
- > Whatever you choose to do, make sure you understand the building process and your obligations.

**CHECK OUT TOP TIPS FOR A
SUCCESSFUL BUILD AT**

www.building.govt.nz/getting-started/stages-of-the-building-process/top-tips-for-building/



Written contracts

Whichever approach you take, insist on a written contract. A written contract protects your interests and sets out your rights and obligations. If the rebuild or repair of your home will cost \$30,000 or more (including GST) you **must** have a contract with your builder contractor.

A written contract should:

- > confirm the price of the building work
- > set out the roles of each contractor
- > confirm any subcontractors
- > set start and finish dates for your work
- > plan the payment schedule
- > define an acceptable quality of work
- > detail the materials and products used for your build
- > confirm who pays for any council fees
- > outline what to do if there are defects
- > detail simple procedures for any disputes
- > state any ongoing maintenance work.

Each person you have a residential building contract with must give you a disclosure statement if the work will cost \$30,000 or more (Including GST) or if you ask for one. This provides you with information about their:

- > business and trading details
- > skills and qualifications
- > licensing status (what restricted building work they can do)
- > insurance or guarantees they provide.

They must also give you a consumer protection checklist that includes information about managing building projects, hiring contractors and ways to protect yourself before the contract is signed. This is required by the Building Act.

Remember: A contract is enforceable when you and the contractor have signed and dated it. Initial every page and keep a copy. Make sure you get any changes to the contract or the building work in writing.

LEARN MORE ABOUT CONTRACTS AT

www.building.govt.nz/projects-and-consents/why-contracts-are-valuable/



Keep good records

Keep good records on site, somewhere safe and accessible to everyone (plans and specifications, building consent, record of work and energy work certificates). You could also keep a brief build diary to note key dates and deliveries.

Understand your obligations under the health and safety legislation and have a health and safety plan in place before construction begins.

CHECK OUT PAGE 10 OF THE BOOKLET FOUND AT:

www.worksafe.govt.nz/worksafe/information-guidance/11-guidance-items/a-principals-guide-to-contracting-to-meet-the-health-and-safety-in-employment-act-1992-1/guide-contracting.pdf



Dealing with defects

Under the Building Act there is a defect repair period of up to 12 months from the date the building work is complete.

LEARN MORE ABOUT ACCEPTABLE LEVELS OF WORKMANSHIP AT

www.building.govt.nz/projects-and-consents/sign-off-and-maintenance/completing-your-project/how-to-identify-defects/



If you have a dispute with your contractor or the contractor does not finish the job, start by checking the terms of your contract and discussing matters with your contractor. The next step is to follow the dispute resolution process in the contract. If you do not have a contract, or if your contract does not have a clause that applies, default clauses within the Building Act might apply. Learn more about default clauses at www.building.govt.nz/resolving-problems/contracts/

Other resolution options include:

- > complaining to the Building Practitioners Board, if your contractor is an LBP
- > complaining to your contractor's trade or professional association
- > seeking mediation or taking a dispute to the Disputes Tribunal if your claim is for up to \$15,000.



Rebuilding it right



If your house was damaged by the Hurunui/Kaikōura earthquake, you may need to move to temporary accommodation while your home is rebuilt or repaired.

STEP 5

Stay or move out?

- 1 There is a temporary accommodation service for people affected by the Hurunui/Kaikōura Earthquake.
- 2 You can apply for temporary accommodation online or in person.
- 3 You can list undamaged property as temporary accommodation.

If your house was damaged by the Hurunui/Kaikōura Earthquake, you may need to move to temporary accommodation while your home is rebuilt or repaired.

The Ministry of Business, Innovation and Employment (MBIE) and the Ministry of Social Development (MSD) have set up a service to help people find suitable temporary accommodation.

There is generally a cost for temporary accommodation. You should first check with your insurance company to see if they are able to assist with this cost. If not, you can contact MSD to see if assistance is available.

Apply for temporary accommodation

An online temporary accommodation form is available at

www.temporaryaccommodation.mbie.govt.nz/applying/

Complete the online form and you will be contacted by a staff member who will assess your needs and work with you to help you find suitable temporary housing.

If you are not able to access the form, you can call **0800 673 227** to discuss your requirements.

You can also register in person at MSD Work and Income Service Centres and Kaikōura Heartlands.

There is further information available at

www.temporaryaccommodation.mbie.govt.nz/information-about-applying-for-assistance/

Register your property as temporary accommodation

If you have accommodation in the regions affected by the Hurunui/Kaikōura Earthquake which could be used as temporary accommodation, please register your property with the Ministry of Business, Innovation and Employment. A Temporary Accommodation Service staff member will contact you if your property matches the needs of clients who have registered for temporary accommodation.

List your property at:

www.temporaryaccommodation.mbie.govt.nz/list-your-property/

How to get help

> Earthquake Commission (EQC)

Contact EQC for information about land claims

Web: www.eqc.govt.nz/kaikōura

Phone: **0800 326 243**

Email: info@eqc.govt.nz

> Temporary Accommodation Service Ministry of Business, Innovation & Employment (MBIE)

Phone: **0800 673 227**

Email: temp.accom@mbie.govt.nz

> Ministry of Social Development (MSD)

Phone: **0800 559 009**

Web: www.workandincome.govt.nz

> Insurance and Financial Services Ombudsman

To resolve any complaints about insurance services:

Phone: **0800 888 202**

Email: info@ifso.nz

> Licensed Building Practitioners: www.lbp.govt.nz/lbp

> MBIE Building Performance website: www.building.govt.nz

And don't forget:

- > Get approval from your insurance company before you begin rebuilding or repairing your home. Let your insurer know if any urgent safety work is required to protect your home.
- > Talk to your local council about your whether your rebuild or repair requires a building consent.

