

REPORT 4
(1215/52/IM)

AMENDMENT TO THE EARTHQUAKE-PRONE BUILDING POLICY

1. Purpose of Report

To report back on the workshops conducted with stakeholders on the proposed amendments to the Earthquake-prone Building Policy 2006.

2. Recommendations

Officers recommend that the Committee:

1. *Receives the information.*
2. *Agrees to withdraw the report 'Amendment to the Earthquake-prone Building Policy – Report on Consultation (225/08P)' which was left to lie on the table at the 11 September 2008 meeting of the Strategy and Policy Committee (attached as appendix 2).*
3. *Agrees that council officers be given further time to review all the information gleaned through the consultation and workshops process undertaken during October 2008 and report back to the Strategy and Policy Committee in February 2009 with options for progressing the Earthquake-prone Building Policy.*

3. Background

In June 2008, the Strategy and Policy Committee (SPC) agreed to consult on amendments to Wellington City Council's Earthquake-prone Building (EQPB) Policy. The amendments proposed were:

- extending the timeframes for strengthening compliance by a further five years for each importance category to a maximum of twenty years
- removing the 'one third' of capital value trigger requiring strengthening in advance of the maximum timeframes
- allowing owners of two or more buildings a portfolio approach to strengthening
- provision to allow Council Officers with appropriate delegations to issue an EQPB notice with a timeframe different to the policy.

The review of the EQPB Policy 2006 required Council to follow the special consultative procedure pursuant to section 83 of the Local Government Act 2002. Thirty written submissions (11 individuals and 19 organisations) were received. SPC heard eight oral submissions at its meeting of 27 August 2008 and a further two submissions at the 11 September 2008 meeting.

At the September SPC meeting, Councillors resolved that the report, 'Amendment to the Earthquake-Prone Building Policy – Report on Consultation', be left to 'lie on the table'. Officers were asked to meet with appropriate stakeholders to explore issues around the interface between heritage and earthquake strengthening as well as process issues.

4. Discussion

Council officers facilitated two workshops with stakeholders, on 1 and 8 October 2008. The majority of participants were submitters or people involved in the EQPB process (see Appendix 1 for a list of workshop participants). The workshops identified a number of areas within the management of EQPB's that require further investigation before a finalised policy can be returned to SPC for consideration. The key areas of discussion during the workshops are outlined below with some of the specific suggestions that will require further investigation from officers.

4.1 Policy Issues

There was strong feedback by participants about the level of guidance in the policy in relation to heritage buildings. It was suggested additional guidance be provided to help and incentivise building owners to comply. Concerns were raised about the policy's correlation with other council policies, for example the Heritage Policy (see 4.3).

A number of participants felt that the 'one third' trigger should be retained as it was seen as a pro-active approach by the Council in its efforts to enforce the EQPB Policy. It was considered the existing timeframes (for strengthening) are reasonable, but that the Council should be more pragmatic / flexible in the application of its policy timeframes.

4.2 Process Issues

There was some discussion about the Initial Evaluation Process (IEP) being robust enough on which to base the Building Act 2004 (s124 notices), as production of additional information by building owners has sometimes required the IEP result to be reviewed. However, the IEP's purpose was only ever meant to operate as an initial assessment tool, which it has achieved. With this in mind there are a number of questions in the use of the IEP that require investigation, including:

- the order in which buildings are assessed by the IEP process
- when to issue the notifications (s124 notice)
- partial and/or staged strengthening
- the need (from time to time) for the Council to undertake a more detailed analysis of an IEP before a notice can be issued. This could have significant financial implications for the Council.

4.3 Heritage

There is concern about the correlation between the Council's Heritage Policy and the EQPB Policy. It was also suggested a more clearly defined connection to the District Plan via the heritage precincts requires investigation by officers. The workshops identified that greater clarity between Council policies is required to provide building owners with improved guidance and a 'whole of Council' approach for what is required of a building owner.

4.4 Incentives

A number of incentives were suggested that would encourage building owners to undertake strengthening work sooner, rather than leaving them to the last minute or having the building(s) demolished. Suggested areas for investigation are:

- rates relief
- rates differential
- accelerated depreciation rates. This would require liaison with the Inland Revenue Department
- fast tracking of the consents process
- grants
- rebates on consents
- incentive payments for listed buildings.

An increase in face-to-face contact (rather than via letters and/or phone) coupled with providing more guidance to building owners and developers is important in supporting the above incentives.

4.5 City Strategic Management Plan

The group were concerned that the EQPB process does not operate within an overall 'city-wide strategic management plan' or similar document. The group suggested that the Council should develop such a plan to provide a consistent and overarching direction and context for property owners and developers. The EQPB Policy (along with other WCC policies) would then be applied within the strategic context of integrated management. Participants also suggested that the Council establish a Reference Group (of appropriate stakeholders) to focus on both heritage and EQPB matters and to input into the development of a strategic management plan.

5. Conclusion

There have been questions raised and suggestions made by submitters and stakeholders during the workshops held on the Earthquake-prone Building Policy. It is prudent that officers undertake further work that will examine all these areas and provide a report back to the Committee in February 2009 outlining findings and options.

Contact Officer: *Chris Linnell – Senior Policy Advisor*

Supporting Information

1) Strategic Fit / Strategic Outcome

This policy proposal aligns with the following Strategic Outcomes:

- (1) *More liveable*
- (9) *Safer*

2) LTCCP/Annual Plan reference and long term financial impact

The Policy relates to Annual Plan reference 1.4.1: Earthquake Risk and Mitigation.

3) Treaty of Waitangi considerations

No specific Treaty of Waitangi considerations have been identified.

4) Decision-Making

This is not a significant decision as defined by the Wellington City Council Significance Policy.

5) Consultation

a) General Consultation

A statement of proposal has been prepared and the special consultative procedure has been used to consult with ratepayers and interested parties.

b) Consultation with Maori

No issues of specific interest to Maori have been identified.

6) Legal Implications

Legal advice was received in the development of the proposed amendments.

7) Consistency with existing policy

This report recommends undertaking further work which will provide information for the updating of the Earthquake-prone Buildings Policy 2006.

Appendix 1 – EQPB Workshop Participants

External	
Spyros Papageorgiou Adam Thornton Ian Smith Peter Dowell Roger Walker Rob Jury Alison Dangerfield Robert Mclean John Lucas Alison Pharoah Graeme Spargo	Property Owner Engineer, Adam Thornton Engineer/Consultant Heritage Property Management Architect Engineer, Beca Carter Historic Places Trust Historic Places Trust Insurance Council Livingstones - Property Management & Consultancy Author of the Spargo Report
Internal	
John Scott Steve Cody Claire Stevens Gerald Blunt Michael Dale Ashley Corner	Manager, Building Consents and Licensing Services Manager Compliance (Buildings) Team Leader EQPB and Structural Engineering Chief Urban Designer Senior Policy Advisor Legal Advisor

Appendix 2