

Project title: Assessments of Earthquake Prone Buildings
Strategy area: Urban Development

1. The Proposal

This proposal focuses on implementing the Earthquake-Prone Buildings Policy. The draft Policy is currently undergoing consultation until 3 March 2006 and the Council will need to adopt a final Policy by 30 May 2006.

The draft Policy proposes a procedure to establish the earthquake-prone status of buildings. First, Council will review its files to identify potentially earthquake-prone buildings. Second, Council will use engineers to undertake an Initial Evaluation Process (IEP) to determine the structural performance score of those buildings. Third, for buildings still with the potentially earthquake-prone status, building owners will be able to provide further information on matters relating to the building's strength.

This proposal is to obtain funding for the completion of all IEPs and for the review of assessments provided by building owners.

2. Strategic Fit

The draft Policy has been developed under the requirements of the Building Act 2004.

3. Relationship to Existing Activities

The Building Safety Policy 1998 has been used to enable Council to fulfil its statutory requirements under the Building Act 1991 regarding buildings either suspected or confirmed to be earthquake-prone. The new Earthquake-Prone Buildings Policy has been drafted under the Building Act 2004 and when adopted, will replace the Building Safety Policy and its implementation.

4. Proposal Costs

<i>Outline project costs per year</i>										
Project Component	Operating expenses \$000									
	06/07	07/08	08/09	09/10	10/11	11/12	12/13	13/14	14/15	15/16
<i>Initial Evaluation Process</i>	214	214	214							
<i>Review of assessments</i>	74	74	74							
<i>Administration support</i>	45	45	45							
<i>Officer time</i>										
Total	333	333	333							

** Further funding may be requested as a result of the further evaluations/investigation undertaken.*

The costs relate to the employment of structural engineers to carry out the evaluation and assessment of buildings. Administration support will be required to respond to public enquiries, provide advice to building owners and the overall management of information. Currently there is a one-off budget for the 2005/06 financial year to provide the administrative support.

Further work will be required at later stages once notices to strengthen buildings are issued to determine whether the work has been completed. It is not currently possible to assess the cost of this work.

5. Project Outline

The Building Act 2004 requires all territorial authorities to have adopted a policy on earthquake-prone buildings by 30 May 2006. The Act sets out that the policy must address how the territorial authority will ensure buildings in its district meet the required standard and therefore, in the event of a moderate earthquake, reduce the likelihood of it collapsing and causing injury, death or damage to other property.

It is recommended that implementation of the Policy begin in 2006/07. Delaying the implementation will result in delaying any strengthening or demolishing of buildings identified as earthquake-prone. In the event of a moderate or larger earthquake occurring, this may result in preventable injury, death or damage to other property, as well as social and business disruption. Furthermore, there may be liability issues for Council if it does not fulfil its statutory responsibilities.

In developing the draft Policy, officers considered requiring building owners to undertake and fund their own Initial Evaluation Process (IEP). However, it was recommended that the Council carry out these functions because it ensures:

- IEPs are carried out (there is no legal requirement for building owners to do this)
- greater consistency in the interpretation of the NZ Standard used to assess whether a building is earthquake-prone
- IEPs are carried out to an acceptable quality, timeframe and according to a priority schedule
- Council has sufficient confidence to issue a notice to building owners under the Building Act to carry out strengthening work.

Under the Building Act, Council could attempt to impose a fee or charge "*for the performance of any other function or service under this Act*". However, legal advice is that such a charge would be difficult to impose and enforce.

6. Conclusion

Under the Building Act 2004, an Earthquake-Prone Building Policy is to be adopted by Council by 30 May 2006. In implementing the Policy, Council will first identify potentially earthquake-prone buildings and then ensure that those that don't meet the required standard are strengthened. As also stated in the Act, this will reduce the potential for injury, loss of life or damage that might occur following an earthquake.

This New Initiative seeks funding to identify potentially earthquake-prone buildings and it is recommended that the project should proceed.