



COVERSHEET

Minister	Hon Chris Penk	Portfolio	Building and Construction
Title of Cabinet paper	Earthquake-prone building system – Proposed review, extension of remediation deadlines and other matters	Date to be published	15 May 2024

List of documents that have been proactively released		
Date	Title	Author
March 2024	Earthquake-prone building system – Proposed review, extension of remediation deadlines and other matters	Office of Minister for Building and Construction
29 March 2024	Earthquake-prone building system – Proposed review, extension of remediation deadlines and other matters ECO-24-MIN-0043 Minute	Cabinet Office
25 March 2024	Regulatory impact statement - Extension of remediation deadlines for earthquake-prone buildings	MBIE

Information redacted

YES

Any information redacted in this document is redacted in accordance with MBIE's policy on Proactive Release and is labelled with the reason for redaction. This may include information that would be redacted if this information was requested under Official Information Act 1982. Where this is the case, the reasons for withholding information are listed below. Where information has been withheld, no public interest has been identified that would outweigh the reasons for withholding it.

Some information has been withheld for the reasons of confidential advice to Government and protection of legal privilege.



Cabinet Economic Policy Committee

Minute of Decision

This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.

Earthquake-prone Building System: Proposed Review, Extension of Remediation Deadlines and Other Matters

Portfolio **Building and Construction**

On 27 March 2024, the Cabinet Economic Policy Committee:

- 1 **agreed in principle** to conduct a review of the management of seismic risk to existing buildings (the Review) starting in 2024, subject to the report back below;
- 2 **invited** the Minister for Building and Construction to report back to the Cabinet Economic Policy Committee by 31 May 2024 with proposed scope and terms of reference for the Review, and cost benefit analysis of the overall earthquake-prone building legislative scheme;
- 3 **agreed** to amend the Building Act 2004 (the Act) to extend the remediation deadlines for all earthquake-prone buildings that have been issued an earthquake-prone building notice under Section 133AL of the Act, excluding those earthquake-prone building notices which lapse prior to 2 April 2024, by four years from the remediation deadline currently on the notice;
- 4 **noted** that the Minister for Building and Construction will work with relevant Ministers to explore medium-term opportunities to unlock development of current earthquake-prone building sites, **Confidential advice to Government** ;
- 5 **agreed in principle**, **Legal professional privilege** that the extension to earthquake-prone building remediation deadlines will apply retrospectively on and from 2 April 2024;
- 6 **agreed** that the amendments in paragraph 3 will allow for an additional extension of all earthquake-prone building remediation deadlines by up to two years by Order in Council, including buildings identified as earthquake-prone during the initial four-year period, and excluding those that lapse prior to 2 April 2024;
- 7 **agreed** that:
 - 7.1 the further extension may be used only once, for any period of time up to two years;
 - 7.2 it must be used by 2 April 2028 or the power is repealed;

- 7.3 it is to be used for the purpose of ensuring that sufficient time has passed for the proposed review of the management of seismic risk in existing buildings and any subsequent legislative changes to be completed before earthquake-prone building remediation deadlines start lapsing again;
- 8 **agreed** that territorial authorities will be required to reissue earthquake-prone buildings notices with amended deadlines and ensure that notices attached to buildings are updated;
- 9 **agreed** that the Act be amended to prevent territorial authorities charging fees for work they undertake to update the Earthquake-prone Building Register and reissue earthquake-prone building notices as a direct result of the changes proposed in the paper under ECO-24-SUB-0043;
- 10 **noted** that the Minister for Building and Construction expects territorial authorities to take a considered approach to enforcement for lapsed remediation deadlines;
- 11 **agreed** to close the Residential Earthquake-prone Building Financial Assistance Scheme and end the Earthquake-prone Building Support Service pilot by 30 June 2024;
- 12 **agreed** that the Residential Earthquake-prone Building Financial Assistance Scheme will be closed to new applications and processing of any existing conditional eligibility and loan applications will cease immediately;
- 13 **agreed** that the Minister for Building and Construction will immediately instruct Kāinga Ora to enter a wind down period for its functions in relation to delivering the Residential Earthquake-prone Building Financial Assistance Scheme, which is to be completed by 30 June 2024;
- 14 **agreed** that the Ministry of Business, Innovation and Employment will commence progressively winding down the delivery of services to participants of the Earthquake-prone Building Support Service pilot immediately, with services to cease altogether and an evaluation to be undertaken by 30 June 2024;
- 15 **Confidential advice to Government**
- 16 **invited** the Minister for Building and Construction to issue drafting instructions to the Parliamentary Counsel Office to give effect to the above decisions;
- 17 **authorised** the Minister for Building and Construction to make decisions on any issues, or minor or technical matters, that may arise during the drafting process, provided they are consistent with the above decisions.

Rachel Clarke
Committee Secretary

Attendance: (see over)

Present:

Rt Hon Christopher Luxon
Rt Hon Winston Peters
Hon David Seymour
Hon Nicola Willis (Chair)
Hon Brooke van Velden
Hon Shane Jones
Hon Chris Bishop
Hon Simeon Brown
Hon Erica Stanford
Hon Judith Collins
Hon Mark Mitchell
Hon Todd McClay
Hon Tama Potaka
Hon Melissa Lee
Hon Chris Penk
Hon Andrew Hoggard
Hon Mark Patterson
Simon Court MP

Officials present from:

Office of the Prime Minister
Ministry of Business, Innovation and Employment
Officials Committee for ECO