



## COVERSHEET

<b>Minister</b>	Hon Chris Penk	<b>Portfolio</b>	Building and Construction
<b>Title of Cabinet paper</b>	Focusing the earthquake-prone building system	<b>Date to be published</b>	29 September 2025

### List of documents that have been proactively released

<b>Date</b>	<b>Title</b>	<b>Author</b>
September 2025	Focusing the earthquake-prone building system	Office of the Minister for Building and Construction
10 September 2025	Focusing the earthquake-prone building system ECO-25-MIN-0139 Minute	Cabinet Office
22 August 2025	Regulatory Impact Statement: Effectively managing seismic risk in existing buildings	Ministry of Business, Innovation and Employment
June 2025	Earthquake-prone building system and seismic risk management review report	Ministry of Business, Innovation and Employment

### Information redacted

### YES / NO

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 reason of Confidential advice to Government.



# Cabinet Economic Policy Committee

## Minute of Decision

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### Focusing the Earthquake-prone Building System

**Portfolio**                      **Building and Construction**

On 10 September 2025, the Cabinet Economic Policy Committee (ECO):

#### Background

- 1        **noted** that in April 2024, ECO agreed to conduct a review of seismic risk management in existing buildings (the Review) [ECO-24-MIN-0043] and to the Review's Terms of Reference in June 2024 [ECO-24-MIN-0087];
- 2        **noted** that the Review has been completed, and its final report outlines significant problems with the earthquake-prone building (EPB) system, as outlined in Appendix A to the paper under ECO-25-SUB-0139;

#### Targeting highly vulnerable buildings in medium and high seismic zones only

- 3        **agreed** that the Building Act 2004 be amended such that, from the date of commencement of the Amendment Act, a building can only be determined to be earthquake-prone if it is:
  - 3.1        in a medium or high seismic zone (thereby excluding Auckland, Northland and the Chatham Islands); and either
  - 3.2        a high-risk, 3+ storey building of heavy construction (generally concrete); or
  - 3.3        an unreinforced masonry building;

#### Updating the seismic zones

- 4        **agreed** that the Building Act 2004 be amended to change the meaning of low, medium and high seismic risk, such that seismic zones will be updated, and that coastal Otago including Dunedin (and Stewart Island), will shift from a low to medium seismic zone;
- 5        **agreed** that the Building Act 2004 be amended such that EPBs in coastal Otago including Dunedin (and Stewart Island) issued an EPB Notice prior to commencement of the Amendment Act retain their current remediation deadline;
- 6        **agreed** that the Building Act 2004 be amended such that the timeframes for territorial authorities to identify EPBs in coastal Otago including Dunedin (and Stewart Island) remain as they were at commencement of the Building (Earthquake-prone Buildings) Amendment Act 2016;

**Amending status and designations**

- 7 **agreed** that the Building Act 2004 be amended such that, from the date of commencement of the Amendment Act, EPB status is removed from all current EPBs that do not meet the criteria in paragraph 3 above;
- 8 **agreed** that the Building Act 2004 be amended to require a territorial authority to promptly notify a building owner that their building is no longer designated an EPB (due to paragraph 7) and remove the building from the EPB Register;

**Removing priority building status from some earthquake-prone buildings**

- 9 **agreed** that the Building Act 2004 be amended so that the meaning of “priority building” will only include an earthquake-prone building that is:
- 9.1 an unreinforced masonry building (eg unsecured façade) that could fall onto a thoroughfare with high vehicle or pedestrian traffic in an earthquake; or
- 9.2 a building that could impede an emergency services route if it collapses in an earthquake;
- 10 **agreed** that the amendment in paragraph 9 above will apply to EPBs that currently have priority building status, with that status to be removed at commencement of the Amendment Act where no longer applicable;
- 11 **agreed** to amend the Building Act 2004 to require territorial authorities to identify priority buildings not meeting the definition, reissue the EPB notice for those buildings with a deadline aligned with the statutory timeframe for non-priority buildings in that seismic zone, update the EPB Register and promptly notify the building owner;

**Introducing a range of mitigation requirements for EPBs**

- 12 **agreed** that the Building Act 2004 be amended so that EPB owners are required to either meet their building’s mitigation requirement or demolish the building;
- 13 **agreed** that the mitigation requirements in paragraph 12 above are risk register, targeted retrofit, façade securing and full retrofit, as referred to in Table 1, page 4 of the paper under ECO-25-SUB-0139;
- 14 **agreed** that the Building Act 2004 be amended to remove the requirement for EPB notices, which includes exemption notices, to be attached to EPBs that do not have a mandatory remediation requirement;

**Enabling remediation deadline extensions**

- 15 **agreed** that the Building Act 2004 be amended to enable owners of EPBs to apply to the relevant territorial authority for seismic work deadline extensions of up to a cumulative total of up to fifteen years, with conditions able to be set;
- 16 **agreed** that the amendment in paragraph 15 above will include owners of EPBs with seismic work deadlines that expired on or before the date of commencement of the Amendment Act, who will be able to apply to the territorial authority for an extension for any period that is no longer than up to fifteen years from the point of approval and can apply retrospectively;

- 17 **agreed** that the matters the territorial authority may consider when deciding whether or not to grant an extension are the building ownership structure, mitigation requirement, extent of remediation required, any steps taken to plan or carry out seismic work, whether it has priority building status and its remediation deadline;
- 18 **agreed** that the amendment in paragraph 15 above does not affect the current heritage EPB extension provision;

### **Narrowing the 'identify at any time' pathway for identifying EPBs**

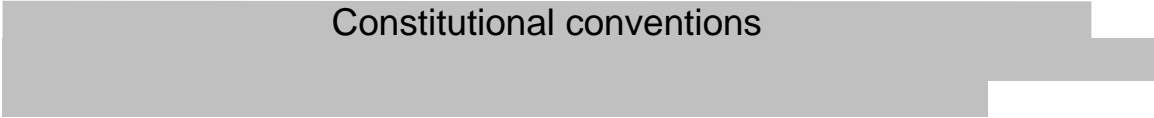
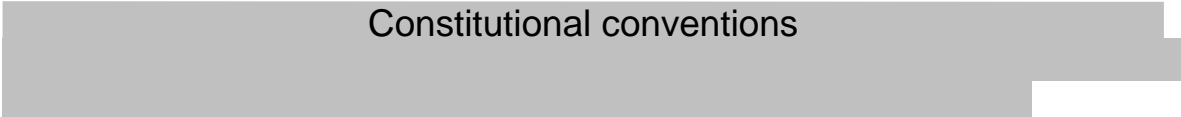
- 19 **agreed** that the Building Act 2004's 'identify at any time' provisions be amended such that that it can only be used to identify an EPB if:
- 19.1 the building was completed before commencement; and
  - 19.2 it is a high risk post-1976, 3+ storey building of heavy construction, as per the updated EPB methodology, in a medium or high seismic zone; and
  - 19.3 the Ministry for Business, Innovation and Employment (MBIE) Chief Executive authorises the territorial authority's designation;
- 20 **agreed** that the MBIE Chief Executive's power in paragraph 19.3 above will be limited to approving the designation if they are satisfied that:
- 20.1 the criteria at paragraphs 19.1 and 19.2 have been met; and
  - 20.2 the territorial authority has provided the building owner an opportunity to respond to the proposed designation, and has taken into account any relevant information they provide;

### **Lowering costs for building owners**

- 21 **agreed** that the Building Act 2004 be amended to require an EPB to meet its mitigation requirement (as per Table 1), rather than a higher standard in relation to seismic work, when undergoing a change of use;
- 22 **agreed** that the Building Act 2004 be amended so that a building consent application for an alteration to an EPB that only involves undertaking the necessary seismic work does not trigger the Building Code provisions relating to means of escape from fire and disability access/facilities, but that territorial authorities must have regard to these provisions when reviewing such applications (noting that practical guidance will be developed for territorial authorities to help with the implementation of this amendment);
- 23 **directed** officials to work on additional regulatory options in other portfolios, to support owners, so that relevant Ministers can report back to Cabinet on these;
- 24 **directed** the Minister for Building and Construction to work with relevant Ministers on the interaction between the EPB system and heritage buildings Confidential advice to Government

### **Miscellaneous recommendations**

- 25 **agreed** that the Building Act 2004 be amended to remove the use of earthquake ratings in the EPB system;

- 26 **directed** capital-intensive agencies to assess the impacts of the above decisions on their ongoing work to deliver cost-effective infrastructure;
- 27 **authorised** the Minister for Building and Construction to take decisions on commencement dates and transitional timeframes for the provisions in the Bill;
- 28  Constitutional conventions
- 29  Constitutional conventions
- 30 **invited** the Minister for Building and Construction to issue drafting instructions to the Parliamentary Counsel Office to give effect to the above decisions;
- 31 **authorised** the Minister for Building and Construction to make decisions, consistent with the above decisions and the overall policy framework described in the paper under ECO-25-SUB-0139, on any issues that arise during the drafting process.

Rachel Clarke  
Committee Secretary

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**Present:**

Rt Hon Winston Peters  
Hon Chris Bishop (Chair)  
Hon Simeon Brown  
Hon Erica Stanford  
Hon Brooke van Velden  
Hon Shane Jones  
Hon Dr Shane Reti  
Hon Tama Potaka  
Hon Simon Watts  
Hon Chris Penk  
Hon Andrew Hoggard  
Hon Nicola Grigg  
Hon Scott Simpson  
Hon James Meager  
Hon Mark Patterson  
Simon Court MP

**Officials present from:**

Office of the Prime Minister  
Office of the Minister for Building and Construction  
Officials Committee for ECO