ISSUE 108

UNDER CONSTRUCTION

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IN THIS ISSUE

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FOREWORD VIEW FROM THE GM SALES AND SERVICE

A NEW ERA

This issue marks the transition to a new era for *Under Construction* – it will be the final printed version of the magazine before we launch a new, dedicated online platform for all your LBP skills maintenance articles, industry news, wide-ranging business tips and much more

As of 1 March, all the content that you know and love will be available to read – and in some cases listen to – on ***underconstruction.placemakers.co.nz***. Turn to page 5 to learn more about the new site and content offering.

With this year's Monster Tool Sale in mind; on page 3, we hear from builders about the precautions they take to ensure tools don't get stolen. This is complemented by expert advice from Ben Rickard on the best insurance policies for tools (page 14) and guidance from BRANZ on how to protect your site from theft (pages 18-20).

In other news, legal experts Duncan Cotterill explore the implications of a recent Supreme Court decision that sets a new precedent for including third parties in civil offence proceedings even if more than ten years have passed since building work occurred – see pages 12-13 for details.

Last issue, we went into depth on the new regulations being proposed by the Government; in the latest industry news, we ask what impact it could have on builders. Read more on page 26.

In other changes, H1 regulation may also get a freshen-up. Our story on page 28 explores what builders can expect from the various options under consideration.

There's plenty more news and information inside and, as always, I wish you and your teams all the best as we move through 2025.

Shane Cornelius

General Manager Sales and Service

As of 1 March, all the content that you know and love will be available to read – and in some cases listen to – online

TOITŪ ENVIRO MARK DIAMOND

This publication has been printed by Webstar, a Toitū enviromark diamond certified company and winner of a Green Ribbon Award 'Minimising our Waste'.

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BUILDERS BUSINESS

TOOL THEFT PROTECTION TIPS

Builders' Business is a column by builders for builders. Its objective is to provide a forum, particularly for small business operators, in which to share knowledge, experience, tips and ideas

Q: *What precautions do you take to protect your tools?*

Interviewee: **Builder A**
Location: **Southland**
Staff: **17**

Most of my staff are given a tool allowance, so they own most of their tools and are responsible for making sure they're not stolen. I highly recommend staff get their tools insured and I know the majority of them do.

In terms of the business, two years ago a site we were working on was broken into and we had $35,000 worth of tools stolen, so that was a huge catalyst for beefing up our site security. We've started to install wi-fi enabled cameras on our jobs, which do a good job of keeping our valuables more secure. We also have battery-powered mini-alarms, which we set up on most of our jobs. They make a huge noise, so if anyone is trying to break in, we'll know about it!

> **We've started to install wi-fi enabled cameras on our jobs, which do a good job of keeping our valuables more secure**

As a company, we own gear such as dropsaws, vacuum cleaners, laser levels and dyno drills. All our tools are insured; for me, it's a must – plus we get our tools tagged every three months, so we've got a register of them. When we need to leave them onsite, we have secure lockboxes. ■

Interviewee: **Builder B**
Location: **Waikato**
Staff: **15**

There are several things we do to keep tools safe. We use dark tints on our vehicle windows, so people can't see what we've got in them; we make sure it's easy to lock our vans with central locking and we make sure to lock vans during the day and park them off the street, so it makes it one step harder for people to access them. Finally, we have tool insurance as well.

As a rule, we tend not to leave tools onsite – but, if we do, we'll never keep them there for more than a couple of days.

We decided to take out insurance for all our tools about six years ago because we own most of them and, as we expanded and took on more staff, our liability grew and we wanted to protect ourselves.

We also have a tool register, which means we can claim on insurance easier if we need to and it could help with recovery if we ever suffer from a burglary.

Our chippies own some of their own tools and we highly recommend they get them insured. Interestingly, the only time we've seen tools stolen is out of an individual's private vehicle; we've never had any taken from a work van. ■

Interviewee: **Builder C**
Location: **Hawke's Bay**
Staff: **7**

All our tools are insured, even if they're in one of our vans or on a worksite, so that's the main precaution we take against theft. Additionally, we'll always make sure to lock our vans if they're parked out of sight.

We don't often leave our tools on site overnight but, if we do, we'll lock them inside the building we're working on – or keep them inside a secured shipping container. As we own the majority of the tools we use, we work hard to ensure they're as secure as possible.

> **Cyclone Gabrielle made it clear to everyone that claiming insurance was a lot easier if businesses kept thorough documents!**

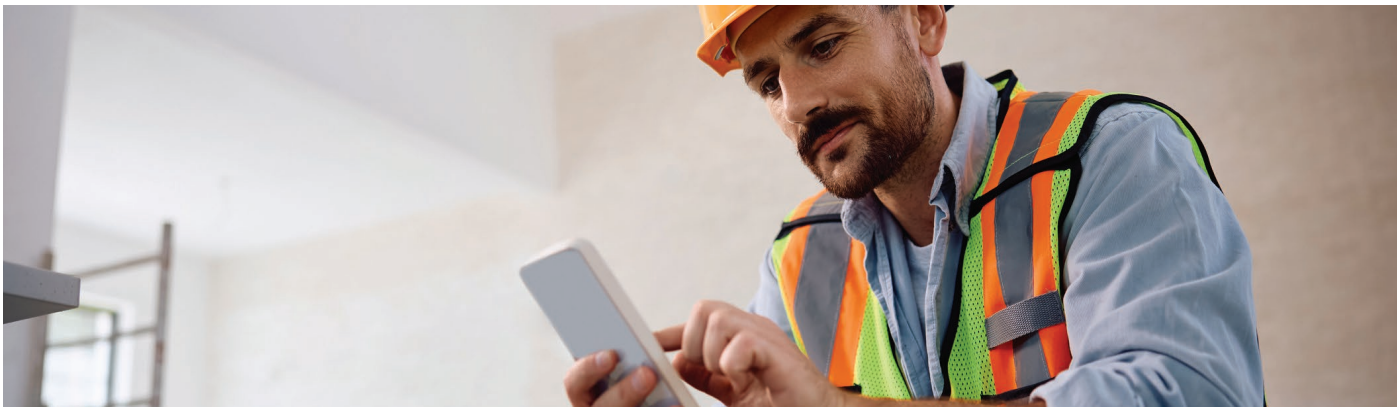
We'll also be setting up a tool register and making sure we keep that up to date. Cyclone Gabrielle made it clear to everyone that claiming insurance was a lot easier if businesses kept thorough documents!

Touch wood, we haven't had any thefts yet, but it always helps to be prepared and make sure you limit your exposure if something bad does happen. ■

Please note: We have removed builders' identification for security reasons

PLACEMAKERS NEWS

LBP, PROFESSIONAL DEVELOPMENT & INDUSTRY UPDATES – A NEW ERA



Read, listen or watch when & where you want, says General Manager Digital & Marketing Wayne Armstrong

It's no secret that the only constant in life is change – and that certainly applies to the building industry. Since we started publishing *Under Construction* magazine to support our builders' skills development in 2011, the changes have been ongoing – as has our commitment to conveying their implications and sharing advice on how to best deal with them.

During that time, our primary *Under Construction* format has been print, with 15,000 copies distributed through stores nationwide. In 2014, we added the *Under Construction* website – where users can read articles and record their learning. In recent years, we've invested significant time and energy in understanding how our builders prefer to consume information, and the move away from print is evident – mostly due to the popularity of online mediums and concern around the environmental implications of print. While PlaceMakers transitioned to recycled paper as it became available, the impact of printing and distributing such large volumes remains significant.

As such, we are moving with the times and instigating our own change – a transition away from print to a fully digital skills maintenance and professional development offering, with weekly updates (not every two months) delivered to your inbox, complete with increased options, enabling you to consume the content how you want!

Would you like to listen to the latest *Codewords* articles on the way to work? Or start your toolbox talk with the audio version of upcoming building regulation changes? No matter your preference, our new audio articles provide that option.

Still prefer reading articles online but hate not knowing how long they will take? Going forward, online and audio articles will include reading and listening time. Didn't quite finish the article? Log in and click 'save article' to make sure you finish it later.

Need reminders to help you stay up to speed with updates, news and views from your sector? No stress. Going forward, we will be promoting our articles through video on social media and sending out skills development-focused emails more regularly.

Long story short, we remain absolute in our commitment to helping our builders navigate the ongoing changes and building successful businesses.

If you have any questions or concerns, don't hesitate to get in touch! ■

MAKE SURE YOU STAY UP TO DATE BY SIGNING UP TO UNDER CONSTRUCTION ONLINE HERE!

Wayne Armstrong
General Manager
Digital & Marketing

WHAT'S ON

PLACEMAKERS PRODUCT PICKS

HUME PINE PINECLAD TMT CLADDING

Hume Pine is proud to introduce its Pineclad TMT Cladding range. Durability is achieved through thermal modification, rather than chemical preservatives. The Radiata Pine is FSC® certified, which means it's sourced from responsibly managed forests that are independently audited and processed, and thermally modified at source in NZ.

It's a Codemark-certified, environmentally friendly substitute for chemically treated timber and exotic hardwoods, in terms of appearance, performance and construction.

Cladding is supplied as Dual Primer Coated and ready for top-coat application, or with an initial coating of Dryden Oil offered in an extensive range of colours. The likelihood of resin bleed and dimensional distortion is significantly decreased, making Pineclad TMT ideal for darker paint and stain colours. Custom profiling is also available to really personalise your client's cladding design.

For more information visit **https://humepine.co.nz/product/pineclad-tmt/**

RAYMOR CAMDEN/CRAWFORD CUSTOM COLOUR VANITIES

Raymor's new Camden and Crawford vanity ranges elevate your client's space with style.

The **Crawford** vanity features soft curves and is available in matte custom colours or matte white, with options for a ceramic top with an integrated basin or a Kordura top with a separate basin.

The **Camden** vanity showcases a modern tongue and groove design, with clean lines and finishes in matte white or custom colours. Both vanities offer various sizes and configurations, effortlessly complementing different styles and making them a perfect choice for your design-conscious client.

STYLUS BASIS BUILDERS RANGE – TAPWARE/TOILET

With more than 20 years' experience in the innovative design and manufacture of bathroom and kitchen products, Stylus is the perfect choice for your client's home.

Stylus products are designed with individual needs in mind, include a variety of style options, and are manufactured to the highest standards, using quality materials and craftsmanship. Stylus mixers and showers are easy to use, durable and feature beautiful contemporary finishes: chrome, matte black and brushed nickel.

Extend the functionality of your client's bathroom with matching bathroom shelves, towel rails, toilet roll holders and more.

SUNTUF EZ GLAZE™ ROOFING SYSTEM

Enable your client to enjoy the look of glass with the new advanced SunTuf EZ Glaze™ polycarbonate roofing system by PSP.

Innovative, lightweight and durable, EZ Glaze™ is a simple roofing system that gives an elegant, glass-like appearance, using flat polycarbonate sheets. Featuring a profiled rafter-fit design, the panels have ribs that are overlapped and screw-fixed to supporting rafters, without the need of supporting purlins.

EZ Glaze™ panels are 3mm thick, 673mm wide and available in 2.4m, 3.6m and 4.8m lengths, in a clear or grey tint finish. SunTuf EZ Glaze™ offers quick and easy installation, strength and durability, hail-resistance and UV protection, making it an attractive, user-friendly choice for residential applications.

Wedi is a Codemark-certified wet area waterproof system for showers and bathrooms. Wedi offers a comprehensive 15-year full replacement warranty. Each of Wedí's building boards and shower bases are 100% waterproof and replace traditional screeds, liquid membranes and linings in wet areas.

Light and stable, Wedi is available from 6mm to 50mm thick and is free from harmful HCFCs. Boards are incredibly strong and have a grab weight of 113kg/m^2, suitable for any application. Wedi even has boards designed for curved walls. Wedi shower bases have factory integrated fall and drains – with a drain kit fitting directly to the plumber's pipe with no other fittings required.

Wedi is used widely around the world, with 40 years of German expertise and experience to ensure leak-free installation. Wedi NZ trains and certifies builders to install this product and offers free first-time job assistance.

Designed to provide comfort and style, the Caroma Livewell Electronic Bidet Seat uses minimal water, while enhancing your client's hygiene with thorough washing and drying features – all controlled by an intuitive remote control.

Ideal for care, commercial and residential applications, this seat is designed to be compatible with a range of Caroma pans and can also be installed on wider market pans if required.

Protected by GermGard® to help control the spread of infection, the ergonomic seat design ensures the user is comfortably positioned.

Elevate your client's roofing projects with DriStud EcoDri FR, the innovative roofing underlay that combines exceptional performance with environmental responsibility. Made from 80% recycled materials, EcoDri FR promotes sustainability, while providing top-tier building protection and vapour permeability for internal moisture management.

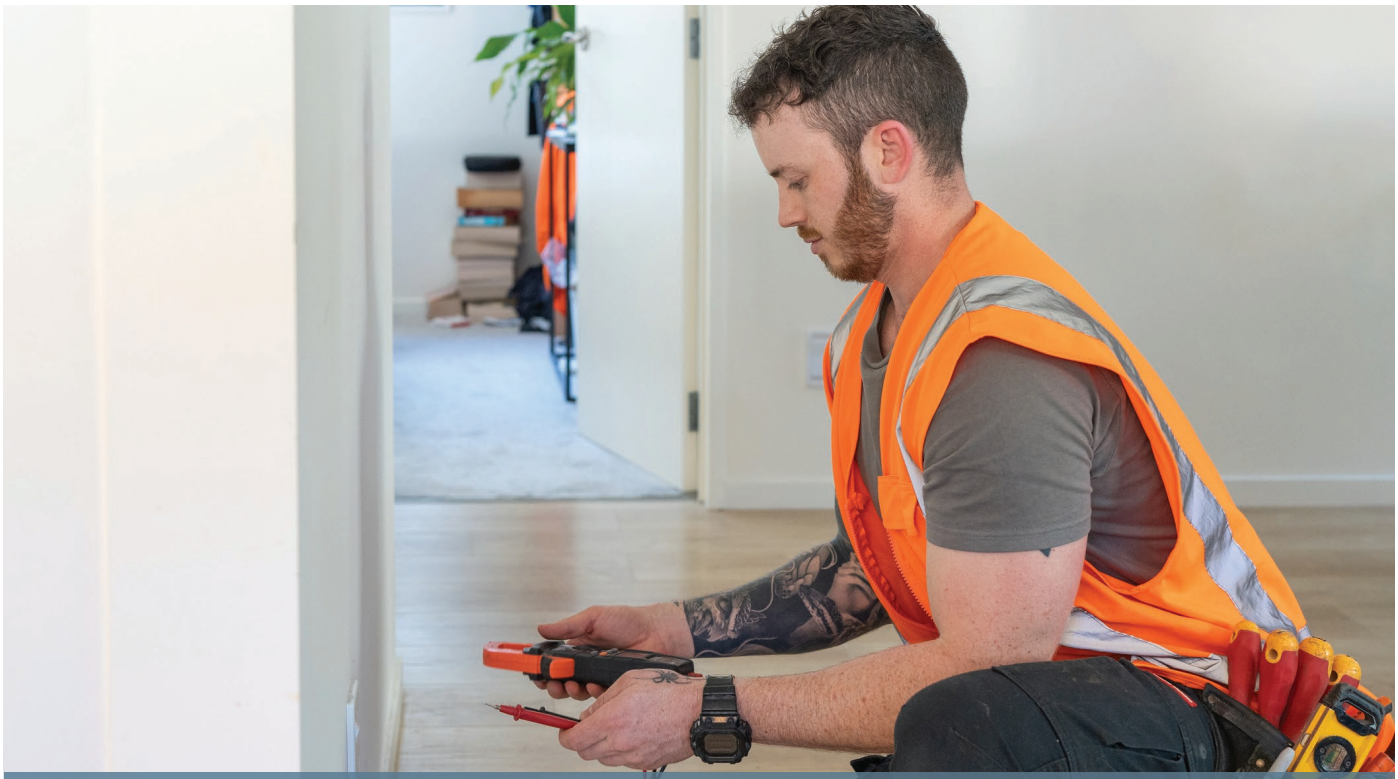
Key Features:

Eco-friendly composition: Made from 80% recycled materials, EcoDri FR is testament to our commitment to sustainability.

Fire retardant and durable: With a weight of 181gsm, this self-supporting synthetic underlay excels in managing internal moisture with its superb vapour permeability. It offers reliable fire retardancy and enhanced durability.

MBIE

SELF-CERTIFICATION OF BUILDING WORK



Could builders follow electricians and gasfitters in being able to self-certify?

The Government has proposed a new opt-in self-certification scheme for trusted building professionals and accredited businesses carrying out low-risk building work. In this article, MBIE looks at the proposal in more detail

The Minister for Building and Construction, Hon Chris Penk, has announced a proposal for further reform of the building and construction sector. The Government will look at developing a new opt-in self-certification scheme for trusted building professionals and accredited businesses carrying out low-risk building work. This is just a proposal at this stage. Until new legislation is implemented, only electricians and gasfitters can self-certify.

The industry has wanted this for many years and will soon be able to have its say. Under the proposal, building professionals, such as builders, plumbers and drainlayers, will be able to self-certify their own work, for low-risk builds, – without the need for inspection.

You will need to think about what this will mean for you as a Licensed Building Practioner (LBP). Read the Minister's Cabinet paper and his public announcement of the proposal to see what is behind the proposal, and what needs to be done.

If people view the risks associated with self-certification as being too high, or the costs of establishing the scheme are prohibitive, the Government could use the changes set out in the 'granny flats' proposal as a way of "testing" self-certification on a smaller scale with less risk involved.

As with any changes to the Building Regulatory System, there is a process including policy work and consultation prior to any updates or new legislation being implemented.

The following is reproduced from the Building Performance website:

The Government has agreed to progress work on developing a new opt-in self-certification scheme for low-risk residential building work done by qualified building professionals and accredited building companies.

Options for a new opt-in self-certification scheme are part of the Government's wider programme to streamline our building system to make it faster and easier to build in Aotearoa New Zealand.

The new scheme will remove or

reduce the third-party review role of Building Consent Authorities (BCAs) for qualified building professionals and accredited building companies carrying out low-risk residential building work. This would be done by:

- Enabling a broad range of groups to be eligible to apply for participation in self-certification, including individual practitioners and accredited companies such as volume builders.
- Requiring that participants in the scheme demonstrate an appropriate, specified level of competency and experience and be trustworthy.
- Limiting the type of work that can be self-certified to lower risk activities, for example work on a simple residential dwelling.

The new self-certification scheme has the potential to reduce the load on BCAs, shift accountability to those who are doing the work, improve the efficiency of the building consent system, and reduce costs.

Options for a new opt-in self-certification scheme are part of the Government's wider programme to streamline our building system

MBIE will now proceed with detailed policy work and engagement with the sector to explore options for the design of a new self-certification scheme including:

- Oversight and monitoring of the scheme.
- The extent to which BCAs would be removed from the assurance process and the role of insurance.
- Developing a more detailed criteria for the regime and an assessment of costs and benefits.

All changes to the Building Regulatory System undergo a thorough process, including consultation prior to any updates or new legislation being implemented.

This gives the opportunity for feedback to be provided in shaping any changes to building regulations and ensures we consider all perspectives before making any decisions to progress with proposed changes. ■

SCAN TO READ THE CABINET PAPER

SCAN TO READ THE PUBLIC ANNOUNCEMENT

This article is an excerpt from Codewords Issue 122. Reading Codewords articles that are relevant to your licence class is a mandatory requirement for Licensed Building Practitioners. These questions can be answered through the LBP portal, online on the Under Construction website or recorded on the magazine, then provided at the time of renewal.

CODEWORDS QUIZ ISSUE 122

1. Under current legislation, who is able to self-certify?
   - a) *Builders.*
   - b) *Electricians.*
   - c) *Gasfitters.*
   - d) *Plumbers and drainlayers.*
   - e) *A) and D) only.*
   - f) *B) and C) only.*

2. What are some of the options that need to be explored for the design of the self-certification scheme?
   - a) *The oversight and monitoring of the scheme.*
   - b) *The extent to which BCAs would be removed from the assurance process and the role of insurance.*
   - c) *Developing a more detailed criteria for the regime and an assessment of costs and benefits.*
   - d) *All the above.*

3. Is an LBP able to self-certify their work now under this proposal?
   - a) *No, the proposals have not been finalised or approved by government.*
   - b) *Yes, electricians and gasfitters can self-certify, so I should be allowed to as well.*
   - c) *Both the above.*

MBIE

COMPLAINTS NOT UPHELD

Once a complaint is made against a Licenced Building Practitioner (LBP), it initiates a formal process that ends in an 'upheld' or 'not upheld' decision. In this article, MBIE looks at the process in more detail – and gives an example of a dispute that ended in favour of an LBP

Professional conduct and open communication with clients can provide evidence in response to potential complaints

The Building Practitioners Board considers complaints against LBPs. To assist the Board, the Registrar of LBPs delegates the task to the Investigations Team within Occupational Regulation, MBIE.

The Registrar will provide a report to the Board for consideration. If the Board decide to hold a hearing and an LBP has breached a ground for discipline, the complaint is upheld and the Board will then decide on an appropriate penalty

If sufficient evidence is not obtained, the complaint may be 'not upheld' by the Board. Recent 'not upheld' decisions show that professionalism, good record keeping and open communication with the client are not simply good business sense, they can also provide evidence in response to potential complaints.

In one of those 'not upheld' decisions, the respondent was contracted to build an extension on a 1950s holiday home. The build was delayed at the framing stage by weather events and insurance claims related to cyclone Gabrielle.

The Board decided to investigate whether the respondent had, contrary to section 317 of the Act:

- Carried out or supervised building work in a negligent or incompetent manner.
- Carried out or supervised work that does not comply with a building consent.
- Failed to provide a record of work (ROW).
- Breached the Code of Ethics.
- Conducted himself in a manner that brings, or is likely to bring, the regime into disrepute.

Regarding the Code of Ethics allegations, the specific points were:

- You must comply with the law.
- You must price work fairly and reasonably.
- You must conduct your business in a methodical and responsible manner.

The specific Code of Ethics matters under investigation related to the absence of a building contract (Provision 10) and his contract administration processes (Provisions 21 and 25).

THE BOARD'S FINDINGS:
Negligence or Incompetence

The complainant commissioned a report from a building consultant after a commercial dispute following the weather event. The report was to work out what stage the job was at.

The consultant's report raised compliance issues, including, among others, that there had been no inspection of the piles and foundations, and that the flooring was installed without following the manufacturer's instructions.

The respondent provided evidence that the building consent authority had issued a waiver for that inspection because there was engineer oversight.

The respondent explained that the flooring was installed in that way, so the machinery could get to the retaining wall that was being built. This would also allow the framing work to continue.

The Board noted that, while not everything was up to acceptable standards, the respondent did not act in a negligent or incompetent manner.

Contrary to a Building Consent

Building consents provide detailed plans and specifications for

building work and are issued on the understanding that the building work will meet the provisions of the Building Code.

The early designs submitted for a building consent included the engineering design of the retaining wall. However, during the Request for Information (RFI) process, the designer omitted the retaining wall design in favour of battering the slope. A subsequent change to on-site conditions meant that battering would not be sufficient, so the respondent asked for input from the designer and engineers, and construction of the retaining wall carried on.

The Board decided that there was not any building work that was different from the building consent.

Failure to Provide a ROW

An LBP must provide a ROW when they complete their Restricted Building Work.

The building work stopped because of contractual issues. The respondent provided evidence that they were attempting to return and continue the work, and there was no formal contractual termination.

The respondent said the first they heard they would not be continuing was when they received the complaint, and because of this, the Board found that work was complete when the complaint was made.

As the complaint was made before the work was complete, the respondent had not committed the disciplinary offence of failing to provide a RoW.

Code of Ethics and Disrepute

The high threshold test applied to negligent or incompetent conduct also applies to Code of Ethics breaches and disreputable conduct, in that the conduct must be sufficiently serious enough for the Board to make a disciplinary finding.

The respondent provided copies of a contract and disclosure information for the project during submissions prior to the hearing. The complainant accepted that they had been provided with those documents so the Board will not investigate the allegation further.

Regarding the respondent's contract administration processes, the issue under investigation was whether the respondent dealt with cost fluctuations and variations in the correct way. Again, the respondent provided the Board with copies of correspondence with the complainant, which showed that they were following a process and communicating with the complainant regarding those items. The Board decided that further investigation was not necessary.

The outcome

The Board decided not to uphold the complaint, as the respondent did not commit a disciplinary offence. ■

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CODEWORDS QUIZ ISSUE 122

4 What did the respondent do when a change in site conditions meant battering the bank would not be sufficient?

a) *They did it anyway because it was on the plans.*

b) *They asked for input from the designer and engineers.*

c) *They just decided to build the retaining wall.*

5 How did the respondent defend himself against the complaint that he failed to provide a Record of Work?

a) *By providing evidence that he was attempting to return and continue the work.*

b) *There was no formal contractual termination, so he believed he was still contracted to complete the work.*

c) *Both.*

6 What did the respondent provide as evidence against the Code of Ethics allegations?

a) *That a contract and disclosure information for the project was sent to the client.*

b) *They provided copies of correspondence with the client which showed he was following a process.*

c) *They were communicating with the client.*

d) *All the above.*

LEGAL

DECISION OVERRIDES 10-YEAR LONGSTOP

Duncan Cotterill

The buck no longer stops with the Building Act longstop when it comes to building claims contributions

Duncan Cotterill partner Alysha Hinton looks at a recent Supreme Court decision that sets a new precedent for including third parties in civil offence proceedings, even if more than ten years have passed since building work occurred

The Supreme Court has just released a decision, *Beca Carter Hollings and Ferner Limited v Wellington City Council [2024] NZSC 117,* resolving the longstanding question of which of the Building Act longstop or the contribution provisions of the Limitation Act takes precedence. This is a significant issue in construction litigation because of the potential for building defects to be discovered a long time after construction.

CASE SUMMARY

WCC was being sued for negligence in granting a building consent, inspecting the work and issuing a Code of Compliance Certificate for a building constructed on land owned by CentrePort Ltd (CentrePort) at Waterloo Quay, Wellington (the building).

Construction of the building was commissioned by BNZ and designed to meet BNZ's requirements – eg, those as to size and layout – and was constructed over the period between 2006–2010. BNZ leased the premises from CentrePort around February 2011.

As a result of the Kaikōura earthquake in November 2016, the building was irreparably damaged and BNZ was not able to return to the building, which was treated as uneconomic to repair and deconstructed.

BNZ filed its proceedings against WCC on 2 August 2019. Its claim focused on negligence in the design of the building's substructure and superstructure. Damages of around $101 million were sought for various losses, including those resulting from business interruption and from property damage caused by the impact of the earthquake on the building. WCC denied liability in negligence and plead various limitation defences.

On 26 September 2019, WCC filed a statement of claim against Beca and one other third party. It was pleaded that Beca had responsibility for the provision of engineering design and construction of the building. As such, if WCC was found liable to BNZ, it claimed contribution under section 17(1)(c) of the Law Reform Act 1936 and in equity from Beca as a joint tortfeasor (an individual or entity that has been found to have committed a civil offence that injures another party) with WCC.

Beca accepted it was engaged by CentrePort to, among other matters, undertake design work and monitor construction. However, it denied liability for various reasons – most significantly the protection of the ten-year longstop in section 393(2) of the Building Act 2004.

UNPRECEDENTED INTERPRETATION OF LONGSTOP

Until 2021, cases had consistently held that the ten-year longstop under section 393(2) of the Building Act applied to claims for contribution under section 17 of the Law Reform

Act 1936. This meant that third parties could not be joined to the proceedings beyond the ten-year period.

> **A claim for contribution can be brought at any time up to two years after the party seeking contribution is found liable to the plaintiff**

The High Court in this case declined to follow this line of authority. The Court decided that section 393 applied only to claims by building owners, while claims by defendants for contribution against other tortfeasors are governed by the Limitation Act 2010. The Court of Appeal upheld this decision. The Court of Appeal decided that the finality provided by the Building Act longstop is not absolute, as the cause of action for the contribution claim did not arise at the time of the building work. It instead arises when one defendant is held liable to the plaintiff. Only then can a claim for contribution for that liability arise.

By a split (3:2) decision, the Supreme Court has upheld the Court of Appeal. While accepting that the wording of section 393(2) of the Building Act – specifically "civil proceedings relating to building work" – was broad enough to capture contribution claims, the majority determined that if section 393(2) was intended to override the special regime, which existed for contribution claims, the legislation needed expressly to make that clear. As it did not do so, the majority found that the limitation period governing contribution claims in relation to building work was section 34 of the Limitation Act 2010.

This means that for building claims, third parties who are joint tortfeasors will be able to be joined to a proceeding, even if more than ten years (longstop period) have passed since the building work occurred. A claim for contribution can be brought at any time up to two years after the party seeking contribution is found liable to the plaintiff.

Insurers of parties engaged in construction work will now need to be aware that their insureds may face claims arising out of their work for a longer period than in the past. Individuals exposed to potential liability after retirement should ensure they have run-off cover for an extended period.

If you have any questions about the effects of this judgment, please contact a member of our litigation or construction law teams.

PROVE YOUR **KNOWLEDGE**

Tick the correct answers below and record what you've learnt in the record of learning on the back page!

1) What was the main reason Beca denied liability for its role in building the BNZ building?

a) *Because WCC signed off the work.*

b) *Because more than 10 years had passed since construction of the building finished, meaning the Building Act longstop applied.*

c) *Because it was engaged by Centreport, not BNZ.*

2) Until 2021, Building Act litigation cases had consistently held that:

a) *Third parties could not be joined to the proceedings beyond the ten-year longstop.*

b) *Third parties could be joined to proceedings beyond the ten-year longstop.*

c) *Earthquake damage was a shared responsibility between the landowner, BCA and builder.*

3) Given this recent case, what do those in the construction industry need to be aware of?

a) *Third parties who are joint tortfeasors will be able to be joined to a proceeding even if more than ten years have passed since the building work occurred.*

b) *A claim for contribution can be brought at any time up to two years after the party seeking contribution is found liable to the plaintiff.*

c) *Both of the above.*

NB: The questions and answers in this section have been produced by the publisher and do not necessarily reflect views or opinions of the contributing organisation.

BUILTIN

REDUCE YOUR RISK OF TOOL THEFT

Some policies won't insure tools stolen in 'open air'

Tools theft is increasingly common and if it hasn't happened to you yet, you've probably heard of someone you know who it has happened to. That's why insurance expert Ben Rickard is urging all builders to take extra measures to secure their tools

So, what can builders do to reduce their risk of tool theft? There are a number of effective measures you can take to keep your tools and equipment safe.

1A. PREVENTION OF THEFT FROM SITE

- Keep items on site only when absolutely needed.
- Keep tools and equipment secured in heavy-duty lockable containers when stored onsite. Check out **armorgard.co.nz** for some good options.
- Don't leave tools in the open, where they have a higher chance of tempting opportunist thieves.
- Mark your tools in a highly visible way as a deterrent to theft.
- Install motion-sensing cameras, alarms and/or lights that will notify you or a monitoring service of any activity.

1B. PREVENTION OF THEFT FROM VEHICLES

- Secure trailers with a towball lock and/or wheel clamp, so they can't be stolen (with all your tools on board).
- Don't park your vehicle on the street unattended and loaded with tools (and always lock it)!
- Install Armorgard-style secure drawers or boxes in your vehicle. These are a great deterrent to opportunist thieves.
- Fit your vehicle with an anti-tampering alarm.
- Place stickers on your vehicles, warning that power tools stored inside are marked and GPS tagged.

Contact **ben@builtin.co.nz** for free stickers.

2. TRACKING

- Install GPS tracking chips.

3. REPLACEMENT/RECOVERY

- Keep a register of your tools. This will help the Police if they are recovered, as well as making an insurance claim much quicker. There are useful apps to help you do this, such as **hoist.world** or **toolprotect.com.au**, although a simple Google Sheet can do the job just as well. The information that should be recorded includes:
    - Tool description.
    - Serial number.
    - Date of purchase.
    - Cost.
    - Where purchased.
    - Copy of receipt/invoice.
    - Photo of item.

Engrave your tools with your mobile, driver's licence or LBP number as an identifier. This is how the Police are able to connect recovered tools with their rightful owners, it can also act as a deterrent for opportunist theft in some cases.

> **The biggest reason for a delayed payment for a tools claim is the time it takes for the policyholder to try and dig up proof of ownership; so, if this is taken care of in advance, the process is very quick and easy**

Use tracking technology, such as SelectaDNA **selectadna.co.nz**.

Make sure you have good tools insurance. The key considerations are:

- Replacement value cover (new for old regardless of age).
- What the burglary and theft excesses are.
- Is theft from vehicles covered?
- Is the claim process going to be quick and easy?

TOOLS INSURANCE

Premiums are not as expensive as you may think, although the current high volume of claims is putting pressure on rates. Here are our top tips to make sure you're getting the cover you need:

If your tools are stolen, for a claim to go smoothly, you will need to provide:

- A completed claim form (easy).
- Police acknowledgement (easy).
- Proof of ownership of the stolen items (easy, if you have done the work up front to record all this).
- Quote to replace them (easy).

The biggest reason for a delayed payment for a tools claim is the time it takes for the policyholder to try and dig up proof of ownership, so if this is taken care of in advance, the process is very quick and easy.

REPLACEMENT VALUE VS INDEMNITY VALUE

Replacement value cover will replace stolen items with brand new ones, regardless of their age or condition when pinched. Beware, some policies that claim to be for replacement value will revert to market value on items more than a few years old, so check the fine print. With indemnity value policies, you'll only get what the item was worth when it was stolen (eg, its depreciated value) and you have to make up the difference.

> **At least one insurer won't even cover tools stolen from a locked vehicle (unless the tools are secured within a lockable container inside the vehicle)**

TRAILERS

These should be insured as commercial vehicles; they can't be insured under a tools policy.

THEFT VS BURGLARY

Tools policies make a distinction between theft and burglary. Theft is generally considered to be when an item is stolen "in the open air" – that is, without any sign of forced entry. So, it would be considered theft if tools were stolen from an unlocked van or site but burglary if locked doors were forced or a window smashed to gain entry. Some policies include burglary but not theft in the open air and you need to understand what you're getting. At least one insurer won't even cover tools stolen from a locked vehicle (unless the tools are secured within a lockable container inside the vehicle).

COVER FOR TOOLS IN VEHICLES

Some policies increasingly exclude

Story continues overleaf

BUILTIN

REDUCE YOUR RISK (CONT)

Don't leave your vehicle unattended or unlocked if loaded with tools!

cover for theft from a vehicle. This can be an issue, because often vehicles have to be accessed by multiple workers throughout the day, so they tend to stay open or unlocked while onsite. Builtin's tools cover allows for this.

KNOW YOUR EXCESS

Even if your policy does include theft in the open air, theft excesses can differ. The policy might advertise a $500 excess, but it's common to see a $1,000 excess for burglary and $2,500 for theft. You can find policies with options for lower excesses. Builtin has a $1,500 excess for theft. Builtin's burglary and theft excess drops to $500 if an Armorgard secure storage box is installed.

IN A NUTSHELL

Having your tools stolen can be a massive inconvenience, cause delays and cost money. Taking preventative measures, keeping good records and having the right insurance cover will ensure that if something does happen, you can get back to work quickly and not be out of pocket. You can get an instant quote for tools cover at: **builtin.co.nz/tools**. ■

Builtin are New Zealand's Construction Risk Management Experts. For more information visit ***builtininsurance.co.nz****, email Ben Rickard at* ***ben@builtin.co.nz*** *or call the team on* ***0800 BUILTIN****.*

PROVE YOUR KNOWLEDGE

Tick the correct answers below and record what you've learnt in the record of learning on the back page!

4) What information should NOT be included in a tool register?

a) Serial number.

b) A copy of the receipt.

c) What type of jobs you use the tool for.

5) Can trailers be insured under a tools policy?

a) Yes.

b) No.

6) What type of insurance will replace stolen tools at the cost of new replacements?

a) Indemnity value cover.

b) Replacement value cover.

c) Both the above.

NB: The questions and answers in this section have been produced by the publisher and do not necessarily reflect views or opinions of the contributing organisation.

PLACEMAKERS NEWS

LIMIT CONSTRUCTION LITTER

Construction sites can take simple steps to prevent litter escaping

Auckland City Council Senior Waste Planning Specialist Mark Roberts shares tips to help construction limit their contribution to New Zealand's litter

Litter is an irritant we all seem to see somewhere every day. We often think that litter simply consists of wrappers and cigarette butts dropped in the street. While this is a large part of the problem, building sites also play a part in the issue.

Whilst litter is generally defined as waste that is dropped, cast or deposited by someone, work done by Sustainable Coastlines and Keep New Zealand Beautiful (KNZB) provide some hints that building sites are a contributor to overall litter.

For example, the 2022 National Litter Audit identified polystyrene insulation as having the largest volume of materials identified across four regions. Polystyrene is listed in what Keep New Zealand Beautiful describes as "the dirty dozen" materials.

Other construction materials such as wood and metals also feature in the top dozen litter items by weight, identified by KNZB.

Sustainable Coastlines Engagement Manager Dan Downing deals with the raw end of construction litter escaping from sites, on the harbour and beaches with volunteers, cleaning up litter.

"We see a lot of construction waste on our beach clean-ups – from treated wood and concrete waste to zip ties and ear plugs. And because we run litter surveys alongside every beach clean-up, we have the data to back this up," says Dan.

"The data show us that by weight, construction waste makes up around 20% of what we remove from survey sites. This waste is obviously not getting to where it should be, which impacts the health of our marine environments and the ability for people to enjoy the beaches they love."

As residents move into development areas, it can also become distressing for them to be living surrounded by litter, escaped building materials, footpaths blocked by building materials and illegal dumping.

HOW TO LIMIT THE LITTER

Construction sites can take some simple steps to prevent litter escaping. Ensure staff and contractors use the waste or recycling bins provided on site to put their drink bottles and wrappers into. Use toolbox talks to reiterate to staff that dropping items like cigarette butts or wrappers off site is littering and enforceable with fines.

Maintaining a well-constructed silt fence will help prevent lightweight items and saw dust being caught in the wind and blown into local waterways. Avoid working or cutting on footpaths and berms. This promotes littering and can be inconvenient for residents. Berms also offer no options for preventing dust or cuttings from becoming litter.

Any cuttings or saw dust from treated timber should be contained and placed into waste containers to prevent it being blown into the surrounding neighbourhood or waterways.

Keeping a security fence around the site discourages illegal dumpers from using your skip to dispose of their waste. Taking a minute each day to check for litter, keeping items out of gutters and ensuring catchpit socks are maintained each week will go a long way towards making sure your building site is considerate of the local environment and prevent litter being an unwanted part of the building process. ■

> **Our data show us that by weight, construction waste makes up around 20% of what we remove from survey sites**
>
> *– Sustainable Coastlines Engagement Manager Dan Downing*

PROTECTING YOUR SITE AGAINST THEFT

Remove valuable tools and equipment from site overnight and at weekends

Thefts from building sites are a problem nationwide, with losses ranging from small hand tools to 6m shade sail poles hauled out of the ground. Here's what experts recommend doing to reduce the risk of loss and increase the chances of getting stolen goods back

Insurance companies say claims for theft of tools, equipment and materials have been rising in recent years.

Some thefts are a spur-of-the moment grab of a tool left lying around, while others are planned operations that involve angle grinders for cutting locks, diggers for removing heavy items, and flatbed trucks for carrying them away.

Materials are a big target. Whole pallets of goods have been stolen in several cases and some materials are stolen after installation. Tools, generators, batteries and fuel are also commonly taken.

Even if you are insured, you are still likely to be out of pocket after a burglary or theft because insurance excesses of $1,000 – $2,500 are not uncommon. Luckily, there is a wide range of things you can do to reduce the risk of this happening.

SITE MANAGEMENT

Ideally, you should plan site security in advance. A security plan that staff and subcontractors are aware of can help reduce the risks of theft.

Having a secure site is specified in many contracts and is effectively required in the Health and Safety at Work Act 2015. Under this law, contractors have a responsibility to care for others on the building site, even if they are not workers.

In practical terms, this means reducing risk by stopping members of the public from being able to

access the site. This generally means good fencing and warning signs.

While these are a requirement with many local authorities, there is no blanket requirement in the Building Act or Building Code for all construction sites to be fenced.

Building Code clause *F5 Construction and demolition hazards* requires barriers where work presents a hazard in publicly accessible places and requires hazards that might attract children to be enclosed to restrict their access. This can help with security too.

Locks and lighting deter thieves. Invest in good-quality locks on garages, sheds and containers.

Smart padlocks are available that you lock and unlock with a smartphone. Overnight lighting around the site perimeter and at the main entrance and close to storage areas or machinery will discourage thieves and vandals.

Remove valuable tools and equipment from site overnight and at weekends.

Where valuable items such as a new water heater or copper wiring or piping are left on site, they should be out of sight and well secured. Where trailers are left on site, fix a wheel clamp or towball lock.

In November 2023, Western Bay of Plenty Police were able to return five sets of tools valued at over $30,000 to their owners because the tools were engraved

Consider installing security cameras or contracting a security company to monitor the site. There is a wide range of options, including motion-sensor cameras and camera software that recognises known people and vehicles.

If an intruder is seen on site, floodlights and horns can be activated to scare them off.

Security companies can install continuously monitored cameras. Check that any private security firm you engage holds a company licence, any individual has an individual licence, and employees have certificates of approval.

If there are any neighbours around the site, meet them and provide them with a contact phone number to call if they notice any suspicious behaviour.

DAYLIGHT ROBBERY

Thefts can also happen in broad daylight, even with staff on site. Check the identity of anyone you don't recognise entering a worksite. There have been several cases in recent years, where thieves have brazenly entered worksites wearing work or PPE gear, pretending to be tradespeople, and driven away with valuable tools.

Where possible, arrange material deliveries first thing in the morning on the day they are due to be installed, so they aren't lying around for long.

When you have removed the packaging from materials or equipment, don't leave it in a visible location, where it might act as an advertisement that those goods are now on site.

THEFT FROM VEHICLES

Don't leave tools in a vehicle where opportunist thieves can see them, even if the vehicle is locked and

An Auckland tradesperson, who had tools worth $10,000 taken from his van, was reunited with them after Police checking tools at a pawn shop identified them through the serial numbers

even if you are insured. Insurance policy holders have a 'duty of care', which requires people to take reasonable care of their property, such as not leaving valuable items in vehicles overnight.

A robust lockable toolbox can be fixed into your truck and can have an alarm fitted to it. Park vehicles in a locked garage overnight wherever possible.

Many tool thefts from vehicles take place when the vehicles are parked on the road or even a driveway. Ideally, bring expensive tools inside your home overnight.

PROTECTING TOOLS

Police strongly encourage builders to clearly mark tools for identification. Building companies can put company names and phone numbers onto tools and individuals could put a driver licence number.

The identifier should be engraved or burnt into the tool, so it is difficult or impossible to remove. This labelling has two advantages:

1. Having a driver licence number or company name on a tool helps Police return stolen tools to their owners. In November 2023, Western Bay of

Story continues overleaf

PROTECTING YOUR SITE AGAINST THEFT (CONT)

Plenty Police were able to return five sets of tools valued at over $30,000 to their owners because the tools were engraved.

2. Thieves are less likely to steal well-branded tools in the first place because they are harder to sell or trade.

> **For high-value tools or tool kits, consider tracking equipment such as low-power GPS tracking chips that can be used with a smartphone app**

Keeping a register of your tools is a good idea and can help with tax and insurance as well as security. Keep the invoices/receipts for tool purchases. Take photographs of all your tools. Where they have serial numbers, keep a record of them.

An Auckland tradesperson, who had tools worth $10,000 taken from his van, was reunited with them after Police checking tools at a pawn shop identified them through the serial numbers.

For high-value tools or tool kits, consider tracking equipment such as low-power GPS tracking chips that can be used with a smartphone app.

Choose the right system for the purpose – a low-end device designed to find your keys in the house might not be best to give real-time location updates for a toolbox over a wider geographical area.

These high-technology options can go hand-in-hand with old-fashioned approaches, such as encouraging workers to take greater responsibility for the tools and equipment they are using. Having a system where expensive tools or equipment must be signed out when they are used can encourage this.

111 OR 105

If you see a theft or burglary in progress, or you think someone's safety is at risk, call the Police on 111. To report a theft to the Police after the event, you can call 105 from any mobile or landline. ■

Article by David Hindley, BRANZ Freelance Technical Writer. This article was first published in Issue 203 of BRANZ Build magazine. ***www.buildmagazine.org.nz***

PROVE YOUR **KNOWLEDGE**

Tick the correct answers below and record what you've learnt in the record of learning on the back page!

7) When is the safest time to arrange material deliveries?

a) *In the morning.*
b) *At midday.*
c) *At the end of the day.*

8) Which Building Code clause inadvertently helps secure sites?

a) *F7 Construction and demolition hazards.*
b) *F6 Barriers to construction and demolition.*
c) *F5 Construction and demolition hazards.*

9) True or false – having a secure site is effectively required in the Health and Safety at Work Act 2015?

a) *True.*
b) *False.*

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BUILDERS BUSINESS

A CHANGE FOR THE BETTER?

Builders' Business is a column by builders for builders. Its objective is to provide a forum, particularly for small business operators, in which to share knowledge, experience, tips and ideas

Q: *Do you think recent legislation changes will benefit the industry?*

Firm: **Stockman Builders**
Interviewee: **David Stockman**
Role: **Director**
Location: **Canterbury**
Staff: **7**

I think that the proposal to regionalise Building Consent Authorities (BCAs) would help us the most. We build all over Canterbury and different BCAs, like Selwyn District Council or Christchurch City Council, would often pick us up on completely different things – for example, we've been picked up by one BCA for using nails that were deemed acceptable by another! Having a uniform and consistent approach would make building a lot more efficient.

> **I've done a few remote inspections and they're hit and miss – it's actually hard work!**

I also know that the Government is thinking about bringing in remote inspections as the default, and I don't know how much that would benefit the industry.

I've done a few remote inspections and they're hit and miss – it's actually hard work! For example, during membrane inspections I was on the phone for an hour to an inspector and that's time that I can't be working on the job.

I've also heard from a friend in Mackenzie District, who said that some houses that received Code Compliance Certificates after a remote inspection had issues because, on video, you can't judge perspective or heights of key build elements.

In my experience, clarifying minor variations conditions may not have the desired impact. I find that inspectors don't give a site sign-off to anything that isn't specified on the plan, even if it has the same performance. Maybe the clarity will change inspectors' behaviour but I don't automatically think it will.

Firm: **Redwood Builders**
Interviewee: **Oliver Tracey**
Role: **Director**
Location: **Kapiti Coast**
Staff: **10**

I think that allowing some simple builds to progress without a consent could be a good idea but there needs to be a lot of thought put into how that actually works.

At a basic level, I don't believe you can progress house builds without any inspections at all, and I think there needs to be some documentation process built into the new rules. Off the top of my head, LBPs could be made to take progress photos of things like top plate fixings, which are then uploaded somewhere to make sure there's a paper trail during a build.

There also needs to be more regulation and strengthened punishment for builders who don't follow the Building Code, so I would support that. But I think that's another area that needs to be carefully considered, as you'll always have people trying to dodge the system. Relying on punishment to deter bad behaviour while bringing in no-consent builds could be tricky.

I wouldn't like to see a merge of BCAs. We only deal with Kapiti Coast District Council (KCDC) and, if that got swallowed into a Wellington BCA, I think it would complicate things. We enjoy a very good working relationship with KCDC, which is a smaller council, and I think if that was to be removed then we'd lose that.

I don't think the clarification to minor variations will have much of an impact. I think the process is pretty straightforward as it stands, although we process our changes through a designer or architect, which incurs some cost – so avoiding that would be good. Generally, every change we make is followed with an email to the BCA, so all our paperwork is correct and up to date.

Regarding remote inspections, I believe that you need inspectors on site for some things. I don't think you can go fully remote, and this is another area that legislation would have to be incredibly well thought out to ensure remote inspections don't miss anything.

THE IMPORTANCE OF AIR SEALS

Eliminating air leakage through the exterior envelope also improves a building's energy efficiency

Greater understanding of how to incorporate air seals in openings and penetrations in the exterior envelope of a building is necessary to prevent wind-driven water from entering

It's more than 30 years since *E2/AS1*, the Acceptable Solution for proving compliance with Building Code clause E2 External moisture, was introduced and widely adopted by the industry.

INCREASED UNDERSTANDING OF WEATHERTIGHTNESS

E2/AS1 can be credited with bringing a new understanding of weathertight design and construction principles and practices to the wider industry – resulting in more resilient and higher-performing residential dwellings.

Frequently, however, design and building practitioners don't fully understand the rationale behind some of the requirements in critical areas of performance. One area of concern is incorporating air seals in openings and penetrations in a building's exterior envelope.

Here, we look at why air seals are necessary and the key aspects of installation.

AIR PRESSURE

Even in situations with relatively low wind speed, wind acting on a building creates higher air pressure on the building's external envelope compared to the pressure on the building's interior.

If there are any gaps in the exterior envelope, no matter how small, this pressure differential can create an air flow or leakage path from the exterior of the building to the interior – from high to low pressure.

When rainwater is present on the building's exterior, it can be driven by the pressure differential along any air leakage path, which then becomes a water leakage path.

Some water leakage paths may carry water into the exterior wall assembly, but gaps around windows and doors and other openings, such as meter boxes, run continuously through the wall assembly from the exterior to the interior. They create the potential for water to be driven into the interior. This potential also exists with pipe/service penetrations through the exterior envelope.

PRESSURE MODERATION

To negate this pressure-driving effect, we need to moderate the air pressure within the trim cavity around exterior window and door joinery. This requires air seals to be installed in the trim cavity.

Installing an air seal at the interior face of the exterior wall framing allows higher-pressure air from the exterior to enter the trim cavity but, at this point, it is blocked from entering the building's interior by the air seal.

The air within the trim cavity moderates to that of the external air pressure, negating the driving effect of the pressure differential and eliminating the potential for water to enter the building's interior through the trim cavity.

E2/AS1 AIR SEALS TO EXTERIOR JOINERY/METER BOXES

Air seals need to be installed around the entire trim cavity, sealing off the gap between the rough opening frame and the reveals of the exterior joinery. With meter boxes, the seal needs to seal off the gap between the rough opening frame and the actual body of the meter box within the framing. The seal needs to be located on the internal line of the exterior framing.

Seals must be formed with either a self-expanding polyurethane foam or a compliant sealant, which is installed over a polyethylene foam (PEF) backing rod.

The backing rod ensures that, when the foam/sealant is installed, it does not migrate further into the trim cavity, where it can come into contact with water on the exterior face of the wall framing behind the cladding/window flange.

This could cause the seal to deteriorate or water to wick into the building's interior.

Both the seal and backing rod must be accurately installed, so they are continuous with no gaps. Even small gaps can create an air/water leakage path. Joinery packers need to be installed to allow a continuous run of air seal around the perimeter. The backing rod can run between any packers.

E2/AS1 AIR SEALS TO PIPE PENETRATIONS

Exterior pipe/service penetrations must be installed prior to cladding installation. The penetration must be taped with flexible flashing tape around its circumference to the flexible wall underlay or rigid air barrier on the outside face of the framing.

Air seals need to be installed around all pipe/service penetrations, effectively sealing off the gap between the penetration and the external cladding. The sealant used needs to be compliant and accurately installed. This is then followed by the installation of a flange plate over the penetration, which is then sealed to the outer face of the cladding.

BUILDING ENVELOPE AIRTIGHTNESS

Another benefit of air seals around openings in the exterior envelope is that they contribute to the overall airtightness of the building. Although this may not have been a consideration at the time *E2/AS1* was introduced, sealing off these air leakage paths has a large impact on our ability to manage the temperature of the building's internal environment.

Eliminating air leakage through the exterior envelope also improves a building's energy efficiency, as it removes the potential for heat loss in the cooler months and heat gain in the warmer months. This ensures that heating and cooling of the building are more efficient and that the benefits of increased insulation are realised.

> **Air seals need to be installed around the entire trim cavity, sealing off the gap between the rough opening frame and the reveals of the exterior joinery**

The key to effective air seals in exterior penetrations is directly related to the accuracy of installation of the seals. There is evidence that seals are, at times, being poorly installed. The challenge is to understand the importance of these seals and give due regard to their accurate installation. ■

Article by Greg Burn, Building Consultant, Structure Limited, Auckland. This article was first published in Issue 204 of BRANZ Build magazine. ***www.buildmagazine.org.nz***

PROVE YOUR **KNOWLEDGE**

Tick the correct answers below and record what you've learnt in the record of learning on the back page!

10) True or false – wind acting on a building creates higher air pressure on the building's external envelope compared to pressure on its interior?

a) True.

b) False.

11) Which Acceptable Solution relates to compliance with Building Code clause for external moisture?

a) E1.

b) E2.

c) E3.

12) Exterior pipe/service penetrations must be installed prior to cladding. How must they be installed?

a) The penetration must be taped with flexible flashing tape around its circumference to the flexible wall underlay.

b) The penetration must be taped with flexible flashing tape around its circumference to the rigid air barrier on the outside face of the framing.

c) Both methods of installation are acceptable.

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WORKSAFE

APPRENTICE DEATH PUTS SAFETY IN FOCUS

WORKSAFE
Mahi Haumaru Aotearoa

Whenever reasonably practicable, WorkSafe suggests using a crane to assist with frame installation

Following sentencing of those found responsible for the death of a teenage apprentice on a Bay of Plenty building site, WorkSafe says the construction sector needs to continue stepping up its health and safety game

Ethan Perham-Turner was killed when timber framing weighing 350kg fell on him at a residential building site in Ōmokoroa in March 2022. The 19-year-old was just four months into an apprenticeship with Inspire Building Limited at the time of the accident.

A WorkSafe investigation found the risk was heightened by the framing being manually installed around the site and a temporary support brace being removed just prior to the fatal incident. When one frame knocked another, it fell on the teenage apprentice.

HIGH RISK WORK

Inspire was providing building labour for the main contractor, Thorne Group. Both were charged for health and safety failures in relation to the death. The businesses should have consulted each other on the framing installation plan and ensured a mechanical aid (such as a Hiab crane truck) was used.

"The death of a worker so young is an indictment on the construction sector. Ethan was new to the job and new to the task of manoeuvring framing. He should have been provided with what he needed to be safe," said WorkSafe Area Investigation Manager, Paul West.

"The safest way would have been to mechanically lift the framing into place, given its weight. This can come at little to no extra cost. In this case, the supplier delivering the framing had a Hiab and could have lifted it into place if asked.

"The high number of deaths and injuries tell us construction is a very dangerous industry. WorkSafe has seen other similar incidents, where workers handling large or heavy frames have been paralysed or killed.

"It is unacceptable that companies are not identifying the risks and providing workers with a safe workplace. We can only hope the death of a very young apprentice might motivate the step change required to improve the sector's health and safety performance," said West.

CHARGED AND FINED

Following the incident, Inspire and Thorne Group were sentenced at Tauranga District Court. Inspire was fined $30,000 due to financial incapacity and Thorne Group was

fined $210,000 – with reparations of $130,000 paid to Perham-Turner's family and $15,072 to a co-worker.

Both entities were charged under sections 36(1)(a), s 48(1) and (2)(c) of the Health and Safety at Work Act 2015.

The charge was: "Being a Person Conducting a Business or Undertaking (PCBU), having a duty to ensure, so far as is reasonably practicable, the health and safety of workers who work for the PCBU, including Perham-Turner, while the workers were at work in the business or undertaking, namely erecting prefabricated timber frames, did fail to comply with that duty, and that failure exposed workers to a risk of death or serious injury."

RISK MANAGEMENT WHEN INSTALLING FRAMES AND TRUSSES

Risk can be reduced by PCBUs in the following ways:

- Planning how the work will be carried out safely – as required in consultation with other PCBUs.
- Involving their workers in the discussion or task analysis of how the trusses will be installed safely.
- Taking advantage of readily available mechanical equipment, such as cranes to assist in installing trusses.

Before starting the task, PCBUs must complete a risk assessment and review their controls. It is strongly advised PCBUs eliminate the risk of manual work through engineering controls.

Whenever reasonably practicable, a crane should be used to assist with frame and truss installation. Most PCBUs already use cranes to transport materials to construction sites and the cost of further hire is minimal next to the safety and productivity benefits.

Further minimisation controls include ensuring the team responsible for the erection of trusses has the relevant experience and training and that the work is supervised by a competent person.

> **"The safest way would have been to mechanically lift the framing into place, given its weight. This can come at little to no extra cost**
>
> *– WorkSafe Area Investigation Manager Paul West*

If the use of a crane is not reasonably practicable then risk of harm can be minimised by:

- Using an adequate number of workers to install the trusses, so the heavy trusses aren't left to be handled by an inadequate number of people.
- Have adequate scaffolding and safety netting properly installed to enable trusses to be placed and secured safely. Planning how the trusses will be erected and braced. ■

This article is a summary of WorkSafe news and advice, and is reprinted with permission from WorkSafe New Zealand. For more information, visit ***worksafe.govt.nz***

PROVE YOUR **KNOWLEDGE**

Tick the correct answers below and record what you've learnt in the record of learning on the back page!

13) If the use of a crane to assist with frame installation isn't reasonably practicable, how can builders minimise risk of harm?

a) *Use an adequate number of workers to install trusses.*
b) *Have adequate scaffolding and safety netting property installed.*
c) *Have a plan in place for how trusses will be erected and braced.*
d) *All of the above.*

14) What are PCBUs advised to do before installing or adjusting frames and trusses

a) *Complete a risk assessment and review their controls.*
b) *Contact a health & safety officer.*
c) *Stop all other site work.*

15) When should a crane be used to assist with frame and truss installation?

a) *Whenever reasonably practicable.*
b) *Always.*
c) *Never.*

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INDUSTRY FEATURE

COUNCILS OPPOSE GRANNY FLAT PROPOSAL

Councils "strongly disagreed" with the Government's assessment of the associated risks of building granny flats without requiring a building or resource consent. Photo: Cafer Mert Ceyhan

Following a consultation on the Government's 'granny flat proposal', councils have responded saying they're not convinced it will achieve its stated aim of increasing housing affordability

The Government's so-called 'granny flat proposal' is intended to make it easier to build small, self-contained, detached houses of up to 60m^2 on a property with an existing home on it, without requiring a building or resource consent.

The Ministry of Building, Innovation and Employment (MBIE) consultation ran from 17 June to 12 August 2024 and received a total of 1,970 submissions. Council/ Building Consent Authorities/ Building Consent Officers (referred to as councils) made up 4% of submitters, while builders, architects and designers made up 28%. Homeowners made up 32%, and 'not identified' 25%.

The discussion document stated that regulatory compliance costs and the time it takes for homes to reach the final inspection – and then receive a Code Compliance Certificate (CCC) – is a major barrier to reducing the cost of housing.

"Council submitters generally agreed with the problem definition, stating that housing affordability was a major issue in their respective regions," stated MBIE.

"However, submitters were concerned that the proposed outcomes could not be achieved by enabling granny flats as the cost of consenting only made up a small fraction of the cost of building.

"A major theme from council submissions was that regulatory barriers to building were overstated, especially given the cost of consenting only makes up a small fraction of the overall cost of building, while providing a significant level of quality assurance to the work."

Additionally, some councils noted that the granny flat proposal may exacerbate housing supply issues by using land in an inefficient way.

DOES THE RISK MATCH THE REWARD?

During the consultation, MBIE identified a series of risks of the proposal, including:

- Building safety and performance.
- Trust in building quality.
- Environmental effects.
- Infrastructure planning.
- Infrastructure funding.
- Rating/property information.

However, councils generally didn't consider all the risks had been identified. Concerns included a 'likely' failure to notify councils of new granny flats and increased ratepayer costs for monitoring granny flats.

"Councils strongly disagreed with the assessment of the risks and long-term costs associated with the proposal as presented in the discussion document," said MBIE. "Submitters stressed that the mitigating conditions proposed were not enough to prevent sub-standard, non-compliant building work from occurring. An additional risk raised was the possible reputational harm to the industry due to increased levels of non-compliance."

CONSENT REQUIRED

Councils were not supportive of options to make it easier to build granny flats without some form of building consent.

"Councils submitted that to sufficiently manage the risk of building failure, there must be a building consent, pointing to residential inspection failure rates as evidence of this. They are further concerned about having to manage impacts of any poor-quality building after construction."

Most believed that a 'fast-track' consenting process, in which responses would have to be made within 10 days, would be a better solution and create less risk than consent-free building work.

UNNECESSARY VERSIONS OF REGULATION

Most councils thought existing district plans were more appropriate than some or all of the proposed standards. They raised concern that the proposed policy does not align with other national direction policies – such as the medium density residential standards and the National Policy Statement on Urban Development (2020) – which provide increased development opportunities. Existing standards such as site coverage rules would also apply for granny flats.

Site coverage rules in New Zealand vary by region but, generally, the maximum percentage of a site that can be covered by impermeable surfaces is about 70%. Of that, buildings can account for between 30% and 50%.

"Some councils have raised concerns with specific implementation and interpretation issues with some of the standards," said MBIE. "On building coverage, concern was raised about how this standard would interact with existing building coverage standards for other activities, such as dwellings."

NOTIFICATION MECHANISMS AND COST CONTRIBUTION CALLED FOR

Councils were generally of the opinion that, if the proposed change went ahead, notification of works should be mandatory and occur as early in the process as possible. The proposal document outlined two possible options for notification of works:

1. Create a 'Permitted Activity Notice' (PAN) tool to record a new granny flat that would not need resource consent, which would be managed under the Resource Management Act.

2. Through a 'Property Information Memorandum' under the Building Act.

"Council submitters generally preferred option 2, as it already exists, and councils were familiar with the processing requirements," said MBIE. "They echoed the statements of industry that the project information memorandum is used

"Councils submitted that to sufficiently manage the risk of building failure, there must be a building consent, pointing to residential inspection failure rates as evidence of this

to identify key information relating to the land, which is important for building, prior to construction."

A large majority of council submitters thought that granny flat development should contribute to the cost of council infrastructure like other new houses do.

POOR QUALITY HOUSING CONCERNS

The consultation document also asked whether submitters consider the proposals to support Māori housing outcomes. Generally, there was concern from councils that it would exacerbate existing issues, such as poor-quality housing.

"Councils generally considered Māori housing outcomes would be best addressed through papakāinga national direction and that many barriers exist outside of the building and resource management systems."

NEXT STEPS

Feedback received from the consultation will "help inform analysis and further policy development", which MBIE will refine and present to Ministers. ■

INDUSTRY FEATURE

CHANGES TO H1 IN WORKS

The calculation and modelling methods enable adjustment of insulation levels of different building components to optimise a building's overall energy efficiency

The Government is proposing 'commonsense changes' to H1 insulation standards designed to bring down the cost of home building. Suggested changes include removing the option to use the schedule method for calculating whether a building meets H1 requirements, adjusting minimum possible R-values for building elements and more

Building and Construction Minister Chris Penk said the changes will reduce the upfront cost of building while maintaining "robust energy efficiency standards".

"We know from a social investment point of view that Kiwis do much better when they have access to affordable, insulated, secure housing.

"However, building costs have increased by more than 40% since 2019, with devastating consequences for Kiwis locked out of affordable housing.

"That's why [...] I instructed MBIE to review the recently implemented H1 energy efficiency standards to ensure that compliance costs were not unreasonable and were well balanced with the health and efficiency gains."

At the time, concerns were also raised over whether increased insulation in the warmer parts of the country were appropriate or making housing too hot.

REVEALING REVIEW

Since Penk's request, MBIE has liaised with key building and construction stakeholders to review the current scheme and develop proposed changes to the H1 requirements. It was clear that, in general, stakeholders supported the current H1 settings and expressed the following views:

- Using the calculation or modelling compliance methods usually results in better outcomes compared to the schedule method.
- Any changes should be based on evidence. Assessment of costs and benefits should consider both upfront costs and long-term benefits. This includes energy efficiency improvements and the health and wellbeing benefits of warmer and drier buildings.
- Industry has made significant investments to meet the current H1 settings. Reversing them is unlikely to reduce upfront costs due to the sunk costs of these investments.
- Insulation does not cause overheating. Overheating is caused by poor design. It would be advantageous for the sector to collectively put more effort into providing education for designers to avoid overheating and internal moisture issues.
- MBIE should also consider updating the Building Code to help to address overheating and internal moisture risks.

MBIE also engaged with the sector and commissioned further research and cost estimates for providing current insulation levels in new houses.

COMPLIANCE METHOD MATTERS

BRANZ's cost benefit analysis suggests that meeting the current H1 insulation requirements for housing and small buildings can be cost-effective and beneficial overall, and that the long-term energy efficiency benefits outweigh the additional upfront costs.

However, the balance between costs and benefits depends on the compliance method that is used – using the calculation or modelling methods achieves the highest benefit to cost ratio overall. When using the calculation method, cost savings of between $3,712 to $9,565 can be achieved and, when using the modelling method, between $2,318 to $15,071.

This is because the calculation and modelling methods enable people to adjust the insulation levels of different building elements to optimise a building's overall energy performance in the most cost-effective way.

OVERHEATING OVERBLOWN

BRANZ also assessed whether the current H1 insulation requirements are creating overheating and internal moisture risks in housing.

The research confirmed that housing overheating is not simply caused by insulation, rather it is a combination of design factors, such as sun heat gains during the day, window shading, heat absorption properties of building materials, as well as ventilation and building orientation.

BRANZ's analysis also shows that the current H1 settings are not increasing internal moisture risks in buildings.

PROPOSED CHANGE 1 – REMOVE THE SCHEDULE METHOD

The proposal includes an option to remove the schedule method, which is one of three methods that can currently be used to see if a building meets Building Code requirements under the H1 Energy Efficiency Clause.

The rationale is that "the schedule method may lead to higher upfront costs and less cost-effective construction than the more flexible calculation and modelling methods". This is because these methods provide flexibility that enables the use of different, often lower insulation levels (R-values) than the schedule method. Therefore, it helps reduce upfront costs as well as improving the overall cost-effectiveness of the insulation in a building.

> **Using the calculation method under current H1 regulations would make a two-bedroom, 92m² house $1,334 cheaper to insulate when compared to pre-2023 standards**

However, because the schedule method is touted as the most simple to use for designers, and the easiest to establish compliance for with Building Consent Authorities (BCAs), it will likely require upskilling and create more work for designers and BCAs.

The BRANZ analysis also shows that it would lead to higher energy use, meaning increased running costs and carbon emissions, because the calculation and modelling methods often enable compliance with less insulation than the schedule method.

However, BRANZ suggests the estimated costs from this additional energy use – $53 to $236 per year when using the calculation method and $27 to $351 per year using the modelling method – are relatively modest in comparison to the savings in build costs.

PROPOSED CHANGE 2 – ADJUST MINIMUM POSSIBLE R-VALUES IN THE CALCULATION METHOD

The calculation method uses simple equations and allows a designer to customise the insulation levels between different building elements, as long as the overall performance is comparable to or better than the reference building, which is insulated in accordance with the schedule method.

In practice, this means trading off between elements, with higher R-values than those calculated in the schedule method table applied for some elements, and lower R-values for others. However, under the current H1 requirements, there are limits. For instance, using the calculation method, the minimum R-value for a floor, wall or roof building element is 50% of the schedule method R-value for that element.

The proposal is to adjust the minimum possible R-values for roofs and floors – not walls – and to specify them directly in a table instead of using a percentage of reference building R-values.

The rationale is that industry feedback and recent BRANZ analysis suggest that the current minimum possible R-values for roof and floors in the calculation method are too restrictive, resulting in unnecessarily costly and complex construction in some buildings.

Story continues overleaf

CHANGES TO H1 IN WORKS (CONT)

Current and proposed new minimum R-values using the calculation method

		CLIMATE ZONES					
		1	2	3	4	5	6
Roof	Current*	R3.3					
	Proposed	R2.6					
Walls	Current*	R1.0					
	Proposed	R1.0					
Slab-on-ground floors	Current*	R0.75				R0.8	R0.85
	Proposed	No minimum R-value					
Other Floors	Current*	R1.25			R1.4	R1.5	
	Proposed	R1.3					

*Based on 50% of the building element R-value in the reference building equations for respective climate zones.

A cited example of complex construction is the need for a raised heel roof trusses to accommodate thicker insulation in some low pitch or skillion roofs. A cited example of unnecessary cost is a slab-on-ground floor in a multi-storey house, where the only space that may be heated or cooled on the ground floor are the bottom of a stairwell and a small bathroom next to a large garage.

While designers are already able to use the modelling method (which does not have these minimum R-value requirements) in such situations, this is more time-consuming and requires access to modelling tools and specialist technical skills that not all designers have.

As a result, MBIE believes there will be less work for designers and BCAs when establishing compliance, as they will be able to use the calculation method when faced with unnecessarily costly and complex construction, rather than the more time-consuming and complex modelling method.

Other impacts noted by MBIE include a minimal reduction in thermal comfort for building occupants, no significant change to energy usage, and no change to internal moisture risk.

PROPOSED CHANGE 3 – EXEMPT EMBEDDED HEATING SOLELY USED IN BATHROOMS FROM ADDITIONAL INSULATION

Building elements that are part of the thermal envelope and have embedded heating systems, such as floors with inbuilt underfloor heating, must meet certain minimum R-values. They apply irrespective of what compliance pathway is used and cannot be reduced.

These R-values are higher than the schedule and calculation method minimum R-values. This is to ensure that heated building elements have adequate thermal resistance to prevent excessive heat loss, enable efficient and effective operation of the embedded heating system, and limit heating energy use and costs.

Achieving the minimum R-values for heated building elements typically requires more insulation and upfront building costs. Where the embedded heating is used for general space heating across large parts of a building, these additional costs are generally outweighed by the ongoing energy cost savings from the additional insulation.

However, it is common for new homes to have underfloor or undertile heating solely in bathrooms, which accounts for just a small portion of a building's floor. In this case, the additional costs required to achieve this may not be justified.

As such, MBIE is proposing to exempt buildings from the higher minimum R-values for heated building elements, where embedded heating systems are solely used in bathrooms.

Other proposed changes included in the consultation are:

- Updating requirements in the modelling method that are unclear or outdated, such as prescribing the use of the most recent NIWA weather files.
- Updating required building

framing ratios to better meet insulation specifications.

- Reducing the wall R-value in the theoretical reference building of the calculation and modelling methods from R2.0 to R1.6.
- Using overall internal dimensions to measure roofs, walls and floors.
- Amending *H1/AS1* and *H1/VM1* to clarify requirements on how to apply *NZS 4214*.
- Amending *H1/AS1* and *H1/VM1* to clarify how a mixed-use building should be classified for H1 purposes.
- Amending slab-on-ground tables in *H1/AS1* and *H1/VM1* so they apply to more situations.
- Updating the look-up table for vertical windows and door in *H1/AS1* to include more common types of glazing.
- Updating *H1/AS1* and *H1/VM1* to remove obsolete provisions and update latest editions of relevant resources.

INDUSTRY IN FAVOUR

Analysis undertaken by New Zealand Certified Builders and industry organisation EBOSS reiterated the cost savings available if the schedule method isn't used – and undermined the claims of improved insulation costing $40,000 to $50,000 for one home.

The research, with design input from architects Design Group Stapleton Elliot and quantity surveying from YourQS, found that using the schedule method, H1-compliant insulation added $10,609 to pre-2023 build costs for a three-bedroom 140m^2 house plan. These additional costs could be reduced to just $2,179 over the pre-2023 build cost by using the more sophisticated calculation method

The report also analyses a two-bedroom 92m^2 house — with results showing the increased insulation standards would add $11,417 on pre-2023 build costs if using the schedule method. Using the calculation method would actually make the home $1,334 cheaper to insulate than under the pre-2023 standards, with superior insulation.

"In our view, the debate about the costs of H1 has been hampered by a reliance on anecdotes and very rough guesses about how much these regulations add to the cost of building," said Malcolm Fleming, New Zealand Certified Builders Chief Executive, before the proposal was made public.

He has since expressed support for the detailed proposal released for consultation in December 2024.

"The proposals show the minister is not going to roll back the regulations that we support, so New Zealanders will still get warm, cosy new build homes.

"It is a good outcome and shows the minister has listened to industry, including the research we did with EBOSS that provided much needed hard data to inform the H1 cost discussion, and that's encouraging."

Matthew Duder, Managing Director of EBOSS, added that any increase in insultation cost would pay for itself, thanks to increased energy efficiency.

"We don't believe the new H1 needs to add a lot of cost to building and the expected gains in energy efficiency will offset the minimal outlay quickly.

In our view, the debate about the costs of H1 has been hampered by a reliance on anecdotes and very rough guesses about how much these regulations add to the cost of building

– Malcolm Fleming, New Zealand Certified Builders Chief Executive

"If the wider industry was to adopt this approach [using the calculation method as standard], then we don't see the need for the Government to roll back the standards or make the new standards optional. This [study] demonstrates that the industry is capable of designing buildings with higher thermal performance without the need for greater expense."

The review comes on the back of a wide range of announced proposals which seek to reduce the cost of building and increase efficiency in the sector, such as a building consent reform and increased use of remote inspections.

CONSULTATION OPEN

A consultation on the proposed changes to H1 closes on 28 February at 5pm. To have your say, visit: **www.mbie.govt.nz/have-your-say/changing-building-and-home-insulation-requirements.** ■

INDUSTRY FEATURE

OTAGO ALONE IN BUCKING CONSENTS TREND

The number of new homes consented in the year ended December 2024 dropped by 9.8% when compared to the year ended December 2023 – so why did Otago buck the trend?

There were 33,600 new homes consented in the year ended December 2024 – a 9.8% drop when compared to the year ended December 2023. Of the total, 15,780 were stand-alone houses (+0.7%) and 17,820 multi-unit homes (-17%), consisting of 14,141 townhouses, flats and units (-15.7%), 1,981 apartments (-21.3%) and 1,698 retirement village units (-25.1%).

"The number of retirement village units consented in 2024 was the lowest for a calendar year in more than a decade," said Stats NZ Economic Indicators spokesperson Michael Heslop.

Otago was the only region to consent more homes in the year ended December 2024 than it did in the corresponding period last year (2,338; +18.8%). In general, Otago punched above its weight in 2024, said Heslop.

"The increase in the Otago region was largely driven by the Queenstown-Lakes district," he said.

"Over 1,500 new homes were consented in [that] district last year. Only Auckland and Christchurch city consented more homes in 2024."

REGIONAL OUTLOOK

While Otago was the only region to consent more new homes in the year ended December 2024 than the previous 12-month period, it consented less than half of Auckland (13,939; -10%) and Canterbury (6,544; -6%).

Waikato (2,755; -22.4%) consented the third most new homes, with Otago fourth and Wellington fifth (1,833; -24.5%).

In terms of dwellings consented per 1,000 residents, the figures for the year ended December 2024 declined compared with the year ended December 2023 (6.3 vs 7.1).

Three regions consented above national levels: Auckland (7.8), Otago (9.1) and Canterbury (9.4).

MONTHLY REDUCTION BUT MULTI-UNIT UP AGAIN

There were 2,478 new homes consented in the month of December 2024 – a 0.4% reduction when compared to the month of December 2023 (2,487).

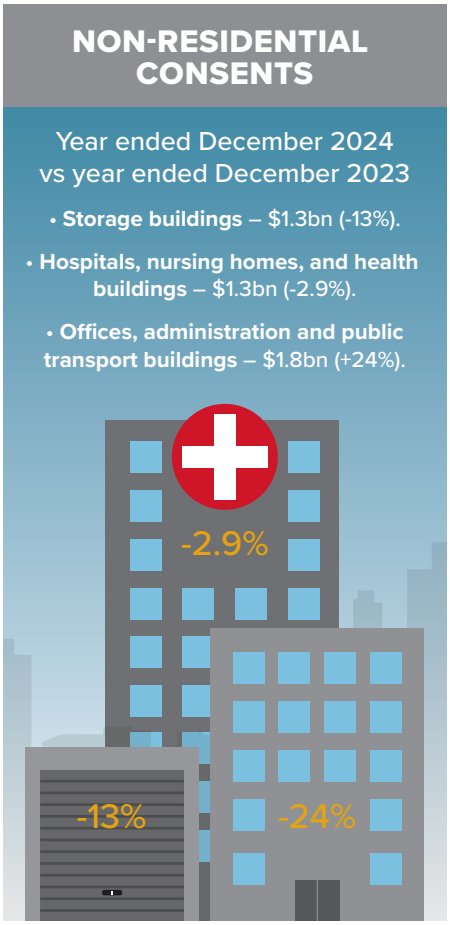
Of the 2,478 new homes consented, 1,052 were stand-alone houses and 1,426 were multi-unit homes. The number of stand-alone houses consented dropped 3.9% when compared to December 2023, while the number of multi-unit consents increased by 2.4%.

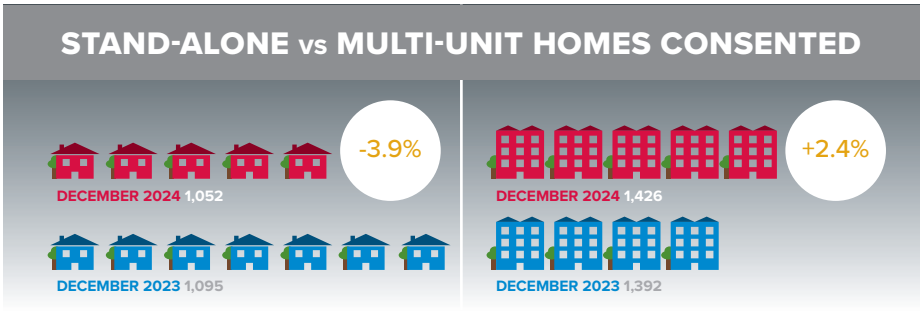
Of the 1,426 multi-unit homes, 360 were apartments, 68 were retirement village units and 998 were townhouses, flats and units.

NON-RESIDENTIAL CONSENTS DOWN

In the year ended December 2024, non-residential building consents totaled $9.3bn, down 0.9% from the year ended December 2023. The building types with the highest value were:

- Offices, administration and public transport buildings – $1.8bn (+24%).
- Hospitals, nursing homes, and health buildings – $1.3bn (-2.9%).
- Storage buildings – $1.3bn (-13%). ■





HOMES CONSENTED PER REGION

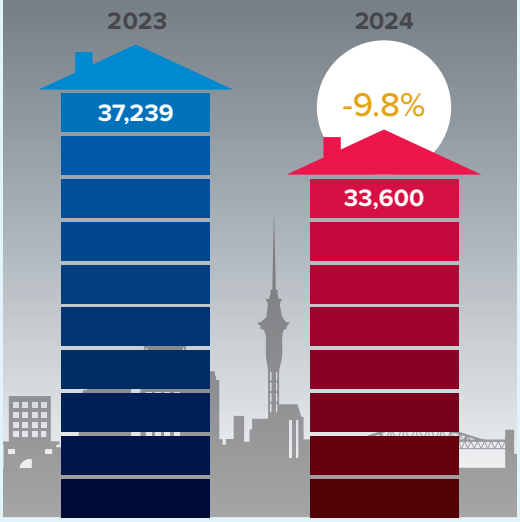
New dwellings consented year ended Dec 2023

New dwellings consented year ended Dec 2024

Percentage change from year ended December 2023 to year ended December 2024

YEAR-ON-YEAR TREND

In the year ended December 2024, 33,600 new homes were consented across New Zealand compared to 37,239 new homes in the year ended December 2023 – a 20% decrease.



NORTHLAND
1,036 | 835
-19.4%

AUCKLAND
15,488 | 13,939
-10%

BAY OF PLENTY
1,660 | 1,617
-2.6%

WAIKATO
3,548 | 2,755
-22.4%

TARANAKI
522 | 437
-16.3%

GISBORNE
183 | 177
-3.3%

NELSON
266 | 198
-25.6%

MANAWATŪ-WANGANUI
1,195 | 1,162
-2.8%

HAWKE'S BAY
822 | 708
-13.9%

TASMAN
371 | 294
-28.2%

WELLINGTON
2,427 | 1,833
-24.5%

MARLBOROUGH
259 | 237
-8.5%

WEST COAST
208 | 204
-1.9%

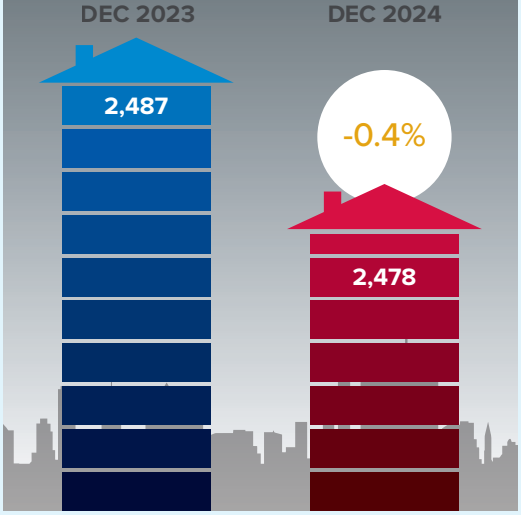
CANTERBURY
6,959 | 6,544
-6%

OTAGO
1,968 | 2,338
+18.8%

SOUTHLAND
Includes the Chatham Islands
326 | 321
-1.5%

MONTH-ON-MONTH TREND

In the month of December 2024, 2,478 new homes were consented across New Zealand compared to 2,487 new homes in the month of December 2023 – a 0.4% decrease.



THE SUCCESSFUL BUILDER

HOW TO KEEP YOUR BUSINESS STEADY

Strong communication with clients provides the foundation on which any business is built

Running your own building business is no small feat, especially when the economy remains flat. However, just as excellent workmanship depends on the condition of your tools – and your skill in using them – so your business survival relies on maintaining and using good business strategies. In this article, Builder's Business Coach Graeme Owen shares five ways you can make it work

All builders should already know how to keep their tools in great shape – but what about the business side of things? That can be more difficult. If you're struggling with that aspect, you need to read these five key strategies to keep your business in great shape. As you pick up the following tools, take a moment to reflect on the business strategy it reminds you of.

1. YOUR HAMMER: ESSENTIAL SERVICES

Your hammer is the archetypical builder's tool – reliable and necessary. You can't be a builder without one.

In the same way, your business needs to focus on essential services – things that people can't put off, no matter what happens in the economy.

Think about urgent jobs, such as home repairs, roof replacements, fixing leaks and weatherproofing. These 'must-do' projects are the nails that can hold your business together right now.

Homeowners may not be planning big renovations but smaller, essential jobs still need doing. If you focus your business on these opportunities consistently, you'll keep your schedule full.

2. TAPE MEASURE: MEASURE YOUR COSTS

You'd never start cutting a length of timber without measuring – hopefully! Your tape measure helps you ensure your building is accurate. It helps to minimise waste and save time. As a kid, I remember building a cart and cutting several pieces too short. My dad swiftly reminded me to measure twice and cut once!

Your company's finances need the same level of measurement.

Start by taking a close look at your expenses and note where your money is going. Cut out unnecessary expenses and talk to your suppliers about better deals or bulk discounts. Do you still need all those monthly subscriptions? Is it cheaper to repair rather than replace? Can the current ute last another year?

So, next time you pick up your tape, think about your costs.

3. LEVEL: MAINTAIN CLIENT RELATIONSHIPS

Ensuring the floor is level and the walls plumb is a basic building skill. You wouldn't last long in the business if you couldn't do this!

Similarly, strong and steady relationships with your current and potential clients provides the foundation on which any business is built. Clear, honest 'straight up and down' communication is key. So, update your clients on progress, offer transparent pricing, and tackle any

issues they may have quickly. Don't try to hide things!

You can go the extra mile here with almost no additional cost. Your clients will love it. For example, send a text when you reach a milestone, like putting down the concrete floor or getting a window replaced. Little communication extras can leave a lasting impression that helps to build trust.

When your clients trust you, they'll come back, and they'll recommend you to others. Much like a perfectly leveled piece of work stands out, good client relationships give your business the foundation it needs to stand tall.

4. SKILL SAW: CUT THROUGH THE MARKETING NOISE

Social media marketing is bigger than ever, but it's a crowded field and that can make it hard to cut through the noise and consistently reach potential clients.

Just as you want your saw blade to be sharp, you need to keep your marketing sharp. So, here's what to do! Showcase your craftsmanship online by sharing high-quality photos and videos of your work on Instagram and Facebook.

Tell potential clients about your guarantees and share client stories. The more you remove their fear of dealing with you, the more you'll cut through the marketing noise. And, don't overlook local online groups. They're free and can help you find jobs in your area.

Networking can also be important. Partnering with architects, designers, or real estate agents can bring you opportunities and referrals.

5. MULTI-TOOL: BE ADAPTABLE

As well as all the above, you need to be adaptable and versatile – just like your oscillating saw. It's your best friend for tackling a variety of jobs. So, be prepared to be versatile and remember, new opportunities are rarely repeats of past opportunities.

If big projects are drying up, look for smaller jobs to keep cash coming in. Deck repairs, door installations and small renovations can fill the gaps. Team up with other tradespeople to offer bundled services.

Or, if smaller work is drying up, check out the larger building companies. They may still have work for your team.

Diversifying your services ensures that no matter what comes your way, you're ready to handle it – just like your multi-tool.

BRINGING IT ALL TOGETHER

The truth is, running your business during tough times isn't much different from maintaining your tools. It's about staying sharp, focused and flexible.

You already know how to create sturdy, long-lasting work from raw materials. Apply that same mindset to your business and you'll not only survive the tough times – you'll come out stronger. Keep your tools sharp, both on the job and in your business, and you'll build a foundation that lasts. ■

*Graeme Owen is a builders' business coach at **thesuccessfulbuilder.com.** Since 2006, he has helped builders throughout New Zealand get off the tools, make decent money, and get more time in their lives. Grab a copy of his free book: The 15 Minute Sales Call Guaranteed To Increase Your Conversion Rate: **thesuccessfulbuilder.com/book-15-min-sales-call** or join Trademates and connect with builders who are scaling too: **www.facebook.com/groups/TradeMates***

PROVE YOUR **KNOWLEDGE**

Tick the correct answers below and record what you've learnt in the record of learning on the back page!

16) What are some essential services you can offer in slow times?

- *a) Home repairs.*
- *b) Roof replacements.*
- *c) Fixing leaks.*
- *d) All of the above.*

17) What is a good way to go the extra mile without almost no additional cost?

- *a) Clear, honest communication, such as regular progress updates.*
- *b) Offering a discount on your hourly rate.*
- *c) Throwing in a one-off discount at the end of the job.*

18) How is it advised you adapt to ensure a steady pipeline of work?

- *a) Take over smaller firms and absorb their work.*
- *b) Partner with architects, designers or real estate agents for referral work.*
- *c) Find out what competitors' prices are and undercut them.*

NB: The questions and answers in this section have been produced by the publisher and do not necessarily reflect views or opinions of the contributing organisation.

INDUSTRY FEATURE

STAY ON TOP OF REGULATION CHANGES

With so many legislation changes in the building industry, it can be difficult to stay on top of what you need to know. That's why we've compiled this handy list of key updates!

ANNOUNCED

BUILDING CONSENT REFORM

The Government is investigating options for a major reform of the building consent system to improve efficiency and consistency across New Zealand.

A consultation is planned for the first half of 2025.

STRICTER PENALTIES FOR BUILDERS

The Government is looking at strengthening requirements for building professionals, including penalties.

SELF-CERTIFICATION

The Government is proposing to construct a new self-certification scheme for trusted building professionals and accredited businesses carrying out low-risk building work.

FUNDING BOOST

Over the next two years, a funding boost of $3 million from the building levy will be used to improve the alignment of building and construction standards between New Zealand and Australia.

REVIEW OF PUBLIC WORKS ACT

An independent expert advisory panel has been appointed to review the Public Works Act to make it easier to build infrastructure, with a view to introducing legislation to give effect to (as yet unannounced) proposed changes by mid-2025.

CONSULTATION PHASE

BUILDING FIRE SAFETY

The Government is progressing changes to better protect Kiwis and their property from fires with a full review of the fire safety provisions in the Building Code.

REMOTE INSPECTIONS

The public consultation on plans to make remote inspections default ended on 29 November 2024.

FUTURE CHANGE

NZS 3604 UPDATE

An updated *NZS 3604 Timber-framed houses* remained a work in progress in 2023. It was hoped a revision would be published in 2023 - but that didn't happen. There is no word yet when builders can expect it to be published.

'COMMONSENSE' H1 CHANGES

The Government is proposing to remove the schedule method that sets out insulation requirements in a new build, among other things, to give builders and designers greater design flexibility.

MAKING IT EASIER TO BUILD GRANNY FLATS

The Government is proposing to make it easier to build small, self-contained and detached houses on properties with an existing home without a building or resource consent.

Consultation on the proposed legislation closed on 12 August. Feedback is being assessed and used to advise the Government.

BUILDING WARRANT OF FITNESS

Following the tragic fire at Loafers Lodge in May 2023, Cabinet agreed to introduce and enhance offences and penalties for building owners and independent qualified persons to better comply with their statutory requirements under the building Warrant of Fitness regime.

LOCAL GOVERNMENT OFFICIAL INFORMATION AND MEETINGS ACT 1987 AMENDMENT

A change to this act requires that, from 2025, regional councils share with city and district councils information they have on natural hazards. Councils must add 'understandable information' on natural hazards to LIMs.

COMING SOON

BUILDING (OVERSEAS BUILDING PRODUCTS, STANDARDS, AND CERTIFICATION SCHEMES) AMENDMENT BILL

The Bill was introduced to the House in September. This was followed by a public consultation, which closed on 14 November.

EARTHQUAKE-PRONE BUILDING REVIEW

The earthquake-prone building review has been brought forward from 2027 to 2024 and remediation deadlines have been extended by four years.

NOW LAW

BOOST FOR RESIDENTIAL CONSTRUCTION MARKET

The Government has announced a Residential Development Underwrite (RDU) to provide developers with access to finance. Interested developers can apply now via the Ministry of Housing and Urban Development website.

MINOR VARIATIONS CLARIFICATION

The new and amended building regulations – updated to clarify the definition of a 'minor variation' and create a definition of a 'minor customisation' for MultiProof approvals – came into effect on 30 September 2024.

2023 BUILDING CODE UPDATE

In November 2023, MBIE published updated acceptable solutions and verification methods, which support plumbing and drainage work, and protection from fire.

These changes are now all in effect with the exception of lead in plumbing, which has an extended transition date until 1 September 2025.

INTERCONNECTED SMOKE ALARMS

All new building work, renovations which require a consent, and homes or buildings with a change in use are now required to install interconnected smoke alarms.

BUILDING LEVY THRESHOLD INCREASE

From 1 July 2024, the Building Levy threshold increased to $65,000 from its current level of $20,444.

CONSENT REPORTING

BCAs are now legally required to submit data for building consents and Code Compliance Certificates every quarter.

MDRS CHANGE

The Medium Density Residential Standards (MDRS) are now optional for councils. Under the MDRS up to three units and three storeys can be built on most Tier 1 council sites without the need for a land use resource consent.

WASTE LEVY INCREASE

As of 1 July 2024: The rate for Class 1 landfills increased to $60 per tonne.

Class 2 construction and demolition fills increased to $30 per tonne.

Class 3/4 (managed and controlled fills) became subject to a levy of $10 per tonne.

PROVE YOUR **KNOWLEDGE**

Evidence of actual learning rather than just 'participation' is a key requirement of the LBP renewal process. Print this page and keep the completed 'Prove Your Knowledge' section with your other records of learning in case you are audited.

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MARCH / APRIL 2025

For ease of record keeping, print this page and use this coupon to collate your answers from within this issue of ***Under Construction***. Then sign and date it as proof of your own learning.

Signature

Date

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