

# NEWSLETTER

Brought to you by the  
Hauraki District Council, Building Control  
Authority



Hauraki District Council  
P O Box 17  
William Street  
Paeroa  
Ph (07) 862 8609

Fax (07) 862 8607

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The Building Act 2004 introduces important changes to the way the building industry in New Zealand is regulated.

With the intent of providing greater assurance to consumers, the Act is larger, both in size and scope than the Building Act 1991.

A significant part of the new act has seen the introduction of new measures such as registration of building consent authorities and the licensing of building practitioners.

## ***Measures that came into effect on 30 November 2004***

Most of the measures that came into effect on 30 November 2004 related to the regulatory framework of the Act.

These included:

- Building Industry Authority (BIA) dissolved and Department of Building and Housing (DBH) began
- Responsibility for administration of building legislation transferred to DBH
- DBH's powers to develop regulations came into force
- Start date for timeline on Building Consent Authority (BCA) registration, licensing of building practitioners and Building Code review
- Mandatory warranties to protect consumers took effect
- Restrictions to sale of household units by property developers took effect
- Territorial authorities obliged to adopt a policy on dangerous, earthquake prone or unsanitary buildings within 18 months.

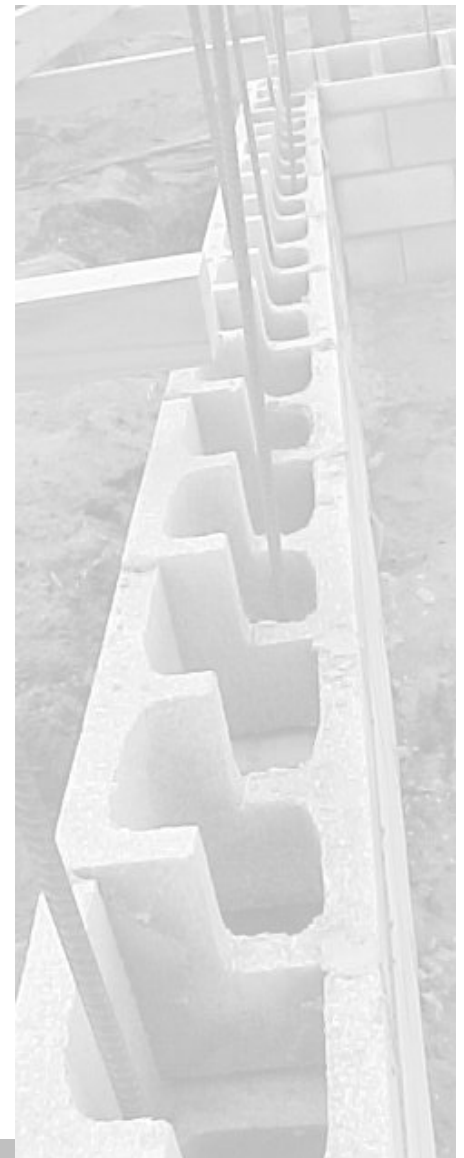
## **KEY CHANGES**

### **Mandatory compliance documents**

Certain methods that must be used to comply with the Building Code can be set by the DBH.

### **Warnings and bans**

Warning about and bans on, the use of certain building products or methods can be issued by the DBH.



## Determinations

The Chief Executive of the DBH can make Determinations on a range of issues including a building consent authority's refusal to issue a consent, Code Compliance Certificate, Compliance Schedule or Certificate of Acceptance. The Act sets out clear processes and timelines for these Determinations.



## Building Advisory Panel

The Chief Executive of the DBH must appoint a building advisory panel from whom he or she will be to seek advice on, among other things, current and emerging trends in the building industry and whether regulations are achieving their purpose. This panel will be drawn from experts in the building sector. A public process will be used in appointing the panel.



## Mandatory Warrants

The Act sets out certain warranties that are implied in all building contracts and any sale agreements made by building developers whether specified in the contract or not. These include the expectation that the work will be done competently and using suitable materials.

## IMPORTANT INFORMATION

### Building Levy

From 1 April 2005, the new building levy will be set at \$1.97 per \$1,000 of building work, for which there is a building consent, but it will only be collected on building work valued at \$20,000 or more. For most people, buying or building a home will be the biggest single investment they ever make. The regulatory framework provided by government will give people the confidence they need to make this investment. The new levy will allow the new DBH to take a stronger, more robust approach to ensuring buildings are built right first time.

Some of the specific services to be funded by the levy include:

Greater monitoring, examination of and warning about new building methods and products.

An accreditation and registration regime to ensure people inspecting buildings and issuing consents know what they are doing.

A registration regime to ensure people constructing buildings know what they are doing.

Greater capacity to crack down on people operating in the building sector who are breaking the rules.

**Next issue....** The Building Act 2004 is staged to allow time for the supporting regulations to be developed and implemented in consultation with industry, local authorities and consumers. Stage 2 and the consequential stages will be included in upcoming newsletters.

## EMAIL

We would appreciate your email if you have one so Council can communicate with you electronically the latest newsletters and bulletins.

## CONTACT

Hauraki District Council, William Street, PO Box 17, Paeroa

Phone: 07 862 8609 or 0800 734 834 (from within the District)

Fax: 07 862 8607

Website: [www.hauraki-dc.govt.nz](http://www.hauraki-dc.govt.nz)

Email: [mandy@hauraki-dc.govt.nz](mailto:mandy@hauraki-dc.govt.nz)