DUNEDIN CITY COUNCIL | kaunihera a-rohe o Ōtepoti

5 November 2026

Transport and Infrastructure Committee
Parliament Buildings
WELLINGTON

Via email: ti@parliament.govt.nz

Tēnā koe

DUNEDIN CITY COUNCIL SUBMISSION ON THE BUILDING AMENDMENT BILL

1 Thank you for the opportunity to submit on the Building Amendment Bill (the Bill).

2 The Dunedin City Council (DCC) makes this submission in its roles as a territorial authority and Building Consent Authority (BCA). Its comments and recommendations follow.

Building (Forms) Regulations 2004 – 10-day Project Information Memorandum (linked to proposed section 34 of the Building Act)

3 DCC recognises that Project Information Memoranda (PIMs) provide important information that assists BCAs in the efficient processing of building consent applications. We also acknowledge that property owners and designers benefit from access to PIM information during the planning and design stages, prior to submitting a building consent application.

4 Form 2 of the Building (Forms) Regulations 2004 facilitates combined building consent and PIM applications. In practice, many applicants interpret this as an expectation that both applications be lodged simultaneously. However, there are clear advantages in applicants obtaining a PIM before submitting a building consent application, enabling site-specific and regulatory matters to be identified and addressed earlier in the design process.

5 Now that PIM and building consent applications will operate under separate statutory timeframes, DCC recommends separating the application processes and introducing dedicated forms for each. This would better reflect their distinct purposes, encourage applicants to obtain PIM information earlier, and ensure that separate PIM plans are provided for the property file.

10-day building consents for solar and sustainability (proposed section 48 of the Building Act)

6 DCC supports the proposal to reduce the statutory processing timeframe for building consent applications from 20 working days to 10 working days for whole-building projects that meet prescribed sustainability and solar generation criteria. It is of the view this measure will encourage the delivery of more sustainable buildings and contribute to positive environmental outcomes across New Zealand.

7 DCC notes that the successful implementation of this proposal will depend on BCAs being adequately resourced to meet the shortened processing timeframes while maintaining the quality and consistency of assessments.

8 To support efficient and consistent decision-making, we recommend that the sustainability performance criteria be clearly defined, objective, and straightforward to assess. This will assist BCAs in applying the provisions consistently and provide greater certainty for applicants.

9 DCC also notes that the proposed provisions may create opportunities for unintended use of the expedited consent pathway. For example, an applicant could include sustainability or solar generation features in an application to qualify for the reduced processing timeframe and subsequently seek an amendment to remove those features following the granting of consent.

Proportionate liability (proposed section 393D of the Building Act)

10 DCC supports the proposed move to proportionate liability. It is of the view that this approach will better align liability with responsibility and reduce the risk of ratepayers being exposed to significant financial costs resulting from the failures of private parties involved in the design and construction of buildings.

11 DCC notes that proportionate liability will not apply retrospectively to building work already completed, meaning that councils' risk exposure will continue for those buildings.

Requirement for designers to hold professional indemnity insurance (proposed section 393L of the Building Act)

12 DCC supports mandatory professional indemnity insurance for designers. As design decisions are a critical factor in the successful delivery of building projects, designers should have the financial capacity to meet their share of liability where design errors contribute to building defects. This is particularly important under proportionate liability arrangements, where owners may otherwise face difficulties obtaining redress from all liable parties.

Mandatory home warranty (proposed sections 393R to 393ZE of the Building Act)

13 DCC supports the introduction of mandatory home warranties as a means of improving consumer protection and increasing confidence in the residential building sector.

14 However, the DCC notes that the proposal is likely to create additional administrative obligations for BCAs, including the assessment of warranty documentation, the provision of notifications, and the issuing of certificates. These functions will require additional time and resources.

15 The DCC view is that responsibility for verifying and administering private home warranty arrangements should rest with the parties directly involved in the building contract, rather than with BCAs. As home warranties are fundamentally private insurance products, their administration and enforcement should not form part of a council's regulatory role. If BCAs are responsible for verifying that home warranties are in effect, owners may incorrectly assume that BCAs hold a level of responsibility, resulting in increased public enquiries about warranty coverage and disputes.

16 DCC is also of the view that the proposed one-year warranty period for general defects is insufficient. Many significant building defects do not become evident within the first year following completion, particularly where defects develop gradually over time. Weathertightness failures are a common example, often not becoming apparent until moisture ingress has caused measurable damage.

Transfer of functions (proposed sections 233 to 236 of the Building Act)

17 DCC supports the introduction of more comprehensive legislative provisions governing the transfer of functions under the Building Act. Clearer requirements and processes will provide greater certainty for all parties involved and help ensure accountability where functions are transferred between organisations.

18 However, the DCC notes that transfer arrangements may be terminated at any time by the transferor, and that the transferor is required to reassume those functions if the transferee is unable to continue performing them. While this provision may be necessary to ensure continuity of service, it could create significant practical challenges for councils. In particular, where a function has been transferred for an extended period, the specialist teams, resources, systems, or organisational capability previously used to undertake that work may no longer be in place.

Exempt granny flats can be constructed off-site (proposed change to schedule 1A of the Building Act)

19 DCC supports the proposed extension of the building consent exemption for small standalone dwellings to include those constructed off-site. Council recognises that off-site manufacturing can deliver significant benefits, including improved build quality, greater construction efficiency, and reduced material waste.

20 Small standalone dwellings, commonly referred to as granny flats, have been identified as a relatively low-risk building activity. Where these dwellings are constructed within a controlled manufacturing environment, the risk of defects and construction-related issues is further reduced through improved quality assurance processes and greater consistency in workmanship. The DCC therefore supports the proposal as a proportionate and practical approach to facilitating the delivery of additional housing.

Changes to the payment of building levies (section 53 of the Building Act)

21 DCC requests that guidance be provided to assist with the transition between levy systems and to clarify the process when an older building consent is amended resulting in an increase or decrease of levies.

Conclusion

22 Thank you again for the opportunity to provide feedback on this consultation.

23 The DCC would welcome the opportunity to speak to its submission at any hearings.

Nāku noa, nā



Cr Cherry Lucas
DEPUTY MAYOR OF DUNEDIN