

Key changes next year (from 1 January 2015)

New consumer protection measures come into effect from 1 January 2015. The aim is to encourage a professional, no-surprises relationship between you and your customers, and enable homeowners to make informed decisions about building work on their homes. The regulations include:

- You will have to have a written contract for building work over \$30,000;
- You will be required to give customers information about your credentials - skills, qualifications, licensing status etcetera.
- You can be fined if you don't comply with the law.
- There will be an automatic 12 month 'defect repair period' when you will have to fix any defects that the customer has told you about 'no questions asked'.
- There are new remedies for breaches of implied warranties in the Building Act i.e. if the breach is substantial the customer can cancel the contract immediately.

Watch out for more information. Knowing your responsibilities helps you to manage risk.

Want to know more?
For more details download the fact sheet
from www.dbh.govt.nz



Ministry of Business, Innovation and Employment (MBIE)
Hikina Whakatutuki Lifting to make successful

MBIE develops and delivers policy, services, advice and regulation to support economic growth and the prosperity and wellbeing of New Zealanders.

MBIE combines the former Ministries of Economic Development, Science and Innovation, and the Departments of Labour and Building and Housing.

MB 12619 version 3 - August 2014

[New Zealand Government](http://www.govt.nz)



MINISTRY OF BUSINESS,
INNOVATION & EMPLOYMENT
HĪKINA WHAKATUTUKI

I am a building
practitioner...

**What does Building
Amendment Act 2013
mean for me?**



There have been changes to the Building Act 2004 that affect you and your work.

These changes are in Building Amendment Act 2013, which became law in November 2013.

Some changes come into force immediately and some will come into effect in 2015 .

Key changes in effect now

Changes to the types of work that do not require a building consent (under Schedule 1)

Schedule 1 lists work that does not require a building consent. It has been rewritten and reformatted, and the language is more consistent.

Some exemptions have been re-worked to exempt more low-risk work and limit potentially high-risk work. For example, all or part of a one-storey privately-owned outbuilding can be repaired or replaced without a building consent (the previous exemption was only for damaged outbuildings). Other changes include:

- Work on buildings licensed under the Hazardous Substances and New Organisms Act 1996 needs a building consent.
- Only authorised people (as defined in the Plumbers, Gasfitters and Drainlayers Act) can do certain plumbing and drainlaying work without a consent.

For full details download an information sheet or read the Act. Remember, all building work must comply with the Building Code, even if building work does not require a building consent. Building work must not adversely affect a building's level of compliance with the Building Code.

There are higher penalties for work done without the appropriate consent

The maximum penalty for building, altering, demolishing or removing buildings, without the appropriate consent, has increased from \$100,000 to \$200,000. The infringement fee for doing building work without consent has increased from \$750 to \$1000.

Some parts of the Building Act have been rewritten, to make the intention clear

Sections in the Building Act deal with the alteration, change of use, or subdivision of existing buildings and the continued compliance of the building with the Building Code. The key points to remember are:

- If the building complied with the Building Code before the alteration, change of use or subdivision, it must continue to comply with the Building Code after the work is completed.
- If the building did not comply with the Building Code before the alteration, change of use or subdivision, then:
 - the new building work must comply with the Building Code.
 - any parts not affected by the new building work (or which don't have to meet specific requirements) must continue to comply with the Building Code to the same extent as before the work began.

Check the relevant sections of the Building Act for specific requirements before you start work!

These sections are not changes to rights and obligations.

Sections have been added to make existing rights and obligations clear

Licensed Building Practitioner (LBP) liability related to Certificate of Works

If you are a licensed (LBP) designer, registered architect or chartered professional engineer, and you provide a Certificate of Work to accompany an application for a building consent, the Certificate of Work does not create any new or additional liability for you.

Designers can still be held liable for negligent or incompetent work or breach of contract.

Legal obligations of suppliers or manufacturers of building products

Product manufacturers and suppliers are responsible for ensuring their products comply with the Building Code as long as the products are installed according to the data, plans, specifications and advice supplied by the manufacturer. The new section also makes it clear who is classed as a manufacturer or supplier.

