

Property Council New Zealand

Submission on the Building (Earthquake-prone Buildings) Amendment Bill

16 February 2026

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Transport and Infrastructure Select Committee

Via online: [NZ Parliament](#)

Submission on the Building (Earthquake-prone Buildings) Amendment Bill.

1. Summary

- 1.1. Property Council New Zealand (“Property Council”) welcomes the opportunity to submit on the Building (Earthquake-prone Buildings) Amendment Bill (“the Bill”).
- 1.2. Property Council strongly supports the intent of the Bill. There has been a need for reform of the earthquake-prone building system for some time now, given the uncertainty and challenges associated with the current approach to managing seismic risk in existing buildings.

2. Recommendations

- 2.1. At a high level, Property Council recommends:
 - The establishment of a technical advice panel lead by MBIE, to assist with complex or ambiguous determinations in determining buildings in scope;
 - That the Bill clarify how section 115 is to be applied where a change of use results in significantly higher occupancy or vulnerability;
 - That Property Council be included in public consultation on the earthquake-prone building methodology as “persons or organisations that appear to the chief executive to be representative of the interests of persons likely to be substantially affected by the setting of the methodology”; and
 - The Government considers introducing a fast-track or simplified assessment pathway for buildings changing ownership during the transitional period.

3. Introduction to Property Council New Zealand

- 3.1. Property Council is the leading not-for-profit advocate for New Zealand’s most significant industry, property. Our organisational purpose is, “Together, shaping cities where communities thrive.”
- 3.2. The property sector shapes New Zealand’s social, economic and environmental fabric. Property Council advocates for the creation and retention of a well-designed, functional and sustainable built environment, in order to contribute to the overall prosperity and well-being of New Zealand. We aim to enable opportunities to build sustainable and resilient communities, capable of meeting future needs.
- 3.3. Property is New Zealand’s largest industry and fastest growing source of employment. There are nearly \$2.2 trillion in property assets nationwide, with property providing a direct contribution to GDP of \$50.2 billion (15 per cent) and employment for 235,030 New Zealanders every year.

- 3.4. Property Council is the collective voice of the property industry. We connect over 10,000 property professionals and represent the interests of over 585 members organisations across the private, public and charitable sectors.
- 3.5. This document provides Property Council’s feedback on the [Building \(Earthquake-prone buildings\) Amendment Bill](#), with comments and recommendations on issues relevant to our members. Reflecting the diversity of our membership, Property Council members may wish to comment in greater detail on issues specific to their business. Accordingly, we support individual members providing separate submissions addressing those matters.

4. General comments

- 4.1. Property Council applauds the Government for the release of the Bill and welcomes the opportunity to provide feedback. We acknowledge and thank Minister Chris Penk for his leadership in recognising the need for change and for engaging constructively with the property sector to better understand the impacts of the current system and how a more effective and workable framework could be developed.
- 4.2. We support the overarching objectives of the Bill and offer recommendations to further refine certain provisions as currently drafted.

5. A targeted approach to regulating earthquake-prone buildings

- 5.1. Property Council supports the Government’s approach of mandating seismic remediation requirements only in medium and high seismic zones. This appropriately prioritises areas of greatest risk and supports the protection of life through targeted strengthening of vulnerable buildings.
- 5.2. Property Council acknowledges that building owners in low seismic zones retain the full ability to carry out voluntary strengthening, and the legislation does not prevent them from taking action to enhance the safety of their buildings.
- 5.3. Property Council supports the introduction of an accessible digital map that clearly shows which seismic zone a property sits within. Being able to easily view and zoom in on this information will improve certainty and transparency for building owners.

6. Clause 133B: Buildings within scope

- 6.1. Property Council members generally support the proposed buildings in scope, particularly the clarity given by the typology-based risk approach.
- 6.2. However, they are unable to provide further detailed comments at this stage, as the earthquake-prone building methodology (“EPB methodology”) is currently being developed and this information is needed to meaningfully assess the scope thresholds set out in Clause 133B. For instance, there is currently some uncertainty around how

key concepts, such as what qualifies as a “3-storey building”, will be defined and applied in practice.

- 6.3. We understand that public consultation on the EPB methodology is scheduled for later this year and Property Council looks forward to participating in that process and providing further feedback at that time.

A mechanism to help with ambiguous cases

- 6.4. Under the current system, Property Council members note that a key weakness of it is its “set and forget” nature. Territorial Authorities apply the EPB methodology, but there is limited central oversight or support from Ministry of Business, Innovation and Employment (“MBIE”) in cases where the methodology was not clear-cut. This has resulted in unintended outcomes, such as buildings being captured where this was not anticipated or appropriate.
- 6.5. To address this, Property Council recommends the establishment of a technical advice panel led by MBIE, to assist with complex or borderline determinations. This will be particularly important during the transition period, when new definitions and thresholds are being applied for the first time, and timely technical guidance will be critical to ensure consistent and proportionate decision-making.

7. Removal of earthquake ratings

- 7.1. Property Council welcomes the removal of earthquake ratings under the Bill. While percentage-based ratings have historically been used to describe seismic performance, they have created significant uncertainty for building owners and occupiers. Small differences in a building’s assessed rating have created a disproportionate impact on perceptions of safety, insurability, financing, and tenant demand.
- 7.2. In practice, earthquake ratings have increasingly taken on a quasi-regulatory role beyond their intended purpose. Market expectations have frequently exceeded statutory thresholds, creating situations where buildings are legally compliant but still regarded as undesirable or untenable.
- 7.3. By removing reliance on these ratings, the Bill helps reduce unnecessary uncertainty, supports better-informed investment decisions, and allows the focus to remain on proportionate life-safety outcomes.

8. Required mitigation requirements

- 8.1. Property Council supports the required mitigation measures proposed under Clause 133D of the Bill. By focusing regulatory intervention on buildings and elements that present genuine life-safety concerns, rather than those that simply fall below an arbitrary scoring threshold, the approach is viewed as more proportionate, risk-based, and better targeted to achieving public safety outcomes.

9. Clause 133F: Meaning of priority building

- 9.1. The definition of priority building will be narrowed under the Bill so that it only includes buildings that could fall onto or impede thoroughfares or emergency routes. Property Council is supportive of this narrowed definition as it will ensure that remediation is prioritised for buildings that pose a higher risk to the public.

Clause 133I: Identification of buildings beyond the expiry

- 9.2. We are generally supportive of Clause 133I which allows Territorial Authorities to identify certain post-1976 buildings as earthquake-prone, recognising that this enables risk to be managed beyond the pre-1976 building stock.
- 9.3. However, we note that a territorial authority may only identify a post-1976 building as earthquake-prone if it has “reason to suspect” the building meets the EPB criteria. While this provides a mechanism in principle, its practical application is unclear, particularly as it is uncertain how concerns about post-1976 buildings would typically come to the territorial authority’s attention.
- 9.4. In many cases, this may rely on an occupant or owner raising concerns, which would likely require obtaining engineering advice first. Given the cost involved, this may present a practical barrier and limit how often this pathway is used. As a result, there is some uncertainty among Property Council members as to whether this identification process would be utilised in practice.

10. Clause 133ZG: Seismic work alteration to buildings subject to EPB notice

- 10.1. Clause 133ZG provides that, where an application is made for a building consent to alter an earthquake-prone building subject to an EPB notice requiring seismic work, the Territorial Authority must grant the consent without requiring compliance with the building code provisions relating to escape from fire or access for persons with disabilities, provided specified conditions are met. However, the Territorial Authority is required to draw those provisions to the building owner’s attention.
- 10.2. Currently, a Territorial Authority has the discretion to require the building owner to comply with fire and disability provisions as a condition of granting a building consent for an alteration to the building to meet seismic requirements.
- 10.3. Property Council supports this approach as it reduces upfront costs and allows regulatory focus on addressing urgent seismic risk, providing practical flexibility for building owners undertaking seismic work.

11. Clause 6, section 115 amended

- 11.1. The proposed amendment to section 115 will mean that earthquake-prone buildings undergoing a change of use will only be required to meet their mitigation requirement

under the earthquake-prone building system rather than be strengthened to a higher standard.

11.2. Property Council has concerns with the proposed amendment. While the intent of the amendment is acknowledged, there is concern that its practical application has not been fully considered. Where a building owner seeks to change the use of a building to one with significantly higher occupancy, for example, converting an office into a school or hospital, meeting only the minimum seismic strengthening requirements under the Bill may not provide an appropriate level of protection for the increased number or vulnerability of occupants. This could lead to unintended outcomes, potentially leaving some buildings less resilient and occupants exposed to greater risk.

11.3. Property Council recommends the section 115 be clarified to illustrate how it is to be applied where a change of use results in significantly higher occupancy or vulnerability, to ensure that seismic performance expectations appropriately reflect the risk profile of the new use.

12. Clause 133X: Owners of certain buildings may apply for extension of time to complete seismic work

12.1. New section 133X allows a Territorial Authority to issue a written notice to a building owner granting an extension of up to 15 years for the completion of seismic strengthening work.

12.2. Property Council supports the extended timeframe, particularly as a number of existing earthquake-prone building remediation deadlines are approaching or beginning to expire under the current regime. The extension will provide building owners with greater flexibility to plan and deliver on seismic remediation.

13. Setting EPB methodology

13.1. Under Clause 133ZJ, the Bill states that the Chief Executive of MBIE must do “everything reasonably practicable on their part to consult Territorial Authorities and any other persons or organisations that appear to the chief executive to be representative of the interests of persons likely to be substantially affected by the setting of the methodology”.

13.2. Property Council falls within this category and should be consulted in the development of the EPB methodology. Given the direct and significant impact that the EPB methodology will have on the property sector, including building owners, developers, and tenants, engagement with Property Council will help ensure that practical, industry-informed perspectives are considered in the development of the methodology. Inclusion in this process will support a more effective and workable framework that reflects real-world operational and market considerations.

13.3. We therefore recommend that Property Council be consulted when public consultation on the EPB methodology takes place.

14. Transitional period to the new system

14.1. Property Council notes that the transitional arrangements under the Bill may have significant implications for the property market, particularly during the period immediately following commencement. The Bill appears to assume that building owners will retain assets long-term, but in practice, properties are frequently bought and sold. Each transfer of ownership could trigger assessments under the new EPB methodology, creating potential uncertainty for buyers, lenders, and investors.

14.2. Furthermore, Territorial Authorities will be required to assess existing buildings under the new regime. Without mechanisms to manage workload or streamline processes, this could result in delays and create bottlenecks, potentially slowing market activity and increasing transactional risk.

14.3. Property Council recommends that the Government consider introducing a fast-track or simplified assessment pathway for buildings changing ownership during the transitional period. Such a mechanism would allow the property market to continue functioning efficiently while ensuring that seismic and safety requirements are appropriately applied. This approach would balance the objectives of public safety with the practical realities of a dynamic property market.

15. Amendments to other legislation – Health and Safety at Work Act 2015

15.1. Property Council welcomes the introduction of the amendment bill to the Health and Safety at Work Act 2015 (“the Act”) on 9 February 2026, which aims to provide greater clarity on how the Act interacts with other legislative regimes, such as those under the Building Act.

15.2. Property Council members consider it essential that building owner obligations under the Act and the proposed seismic reforms be clearly understood, given the Act’s influence on market behaviour and expectations around life safety.

15.3. We are pleased that the Bill recognises that where a person complies with relevant requirements under other legislation to manage a risk, they are treated as having complied with the corresponding duty under the Act for the same risk. This clarification is important in reducing uncertainty for property owners and occupiers about the scope of their obligations.

15.4. While we support this aspect of the amendment bill at this stage, we have not yet reviewed the amendment bill in its entirety at the time of writing this submission and will do so in the coming weeks. Property Council will engage in the public consultation process on this aspect, providing feedback from the property sector.

16. Conclusion

- 16.1. Property Council supports the overall intent of the Bill and thanks the Government for taking steps to enable meaningful change in this area.
- 16.2. Property Council members have long advocated for reform in this space, and it is encouraging to see many of their concerns addressed in the Bill. The shift to a risk-based, proportionate system ensures that efforts are focused where the risk is greatest, protecting lives by prioritising the strengthening of the most vulnerable buildings.
- 16.3. Property Council members invest, own, and develop property across New Zealand. We thank Transport and Infrastructure Select Committee for the opportunity to submit our views on the Building (Earthquake-prone Buildings) Amendment and **wish to appear before the Transport and Infrastructure Select Committee to speak.**
- 16.4. For further enquiries, please do not hesitate to contact Sandamali Ambepitiya, Senior Advocacy Advisor, via email: sandamali@propertynz.co.nz

Yours Sincerely,



Leonie Freeman

CEO Property Council New Zealand