



Building Amendment Act 2013: Changes that come into effect in 2014

The Building Amendment Act 2013, which was enacted in November 2013, is the result of a comprehensive review of the Building Act 2004. It is part of a package of changes that introduce new measures to improve the building and construction sector. The aim is to deliver good quality, affordable homes and buildings and contribute to a prosperous economy.

The focus of the amendments in Building Amendment Act 2013 is:

- Clearer accountabilities for consumers, building practitioners and building consent authorities.
- Consumer protection and stronger obligations to "put things right".

Some amendments come into force immediately and some will come into effect in 2014, after regulations come into force.

Consumer protection,
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What are the changes that will take effect in 2014?

Changes to the dam safety scheme

Changes have been made to the requirements and obligations in relation to dams, which improve the efficiency and effectiveness of the dam safety scheme. The changes increase the size thresholds for dams requiring automatic inclusion in the scheme and give regional authorities the power to refer dams for classification based on a dam's location. The changes will primarily affect dam owners, recognised engineers and regional authorities. These changes will take practical effect when the Building (Dam Safety) Regulations come into force on 1 July 2014.

New consumer protection measures

New consumer protection measures will come into effect in late 2014. The date will be set in regulations, which will be written in coming months. The aim of these changes is to encourage a professional, transparent relationship between consumers and building practitioners, based on good information and written contracts for building work. This will reduce the potential for misunderstanding and ensure each party is aware of their rights and responsibilities.

Read more about what these measures will include on page 2.

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Building
Amendment
Act 2013

Changes in 2014

New consumer protection measures (continued)

The new consumer protection measures will include the following:

- Written contracts for building work over a certain value will be mandatory. This will help to protect the interest of both parties.
- Practitioners will be required to disclose certain information to consumers, for example information about skills, qualifications and licensing status. Providing good information to consumers will give them confidence in the practitioner they are dealing with.
- Building practitioners who don't supply contracts or give a consumer false information could be fined.
- There are new general remedies for breaches of implied warranties e.g. if the breach is substantial the consumer can cancel the contract immediately.
- A new 12 month "defect repair period" during which the onus is on the building contractor to remedy any defects notified by the consumer without question.

MBIE will provide comprehensive information to practitioners before the consumer protection regulations come into effect. Practitioners and people contemplating doing building work from late 2014 onwards should watch out for the information.



Want to know more? www.dbh.govt.nz



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