

Submission PR251/19 by Beacon Pathway Ltd (Beacon)

Submission to Social Services Select Committee on Unit Titles Bill 212-1

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Request to appear	Beacon would appreciate the opportunity to appear before the committee in support of this submission. Mr Nick Collins, General Manager, Beacon Pathway Ltd 109 Great South Rd, Greenlane, Auckland. Phone 09 522 5170 or 021 464 252
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About Beacon

- Beacon Pathway (Beacon) is a research consortium that seeks to radically change the design, construction and renovation of New Zealand’s homes and neighbourhoods. Beacon aims to bring about a significant improvement in the sustainability of the residential built environment in New Zealand through science-based New Zealand research.
- Beacon’s shareholding partners are organisations with a considerable stake in the quality of the residential sector: BRANZ, Fletcher Building, New Zealand Steel, Scion and Waitakere City Council. Contributions from the shareholders are matched, dollar for dollar, by funding from the Foundation for Research, Science and Technology (FRST).
- Beacon believes it is only through collaboration and the sharing of knowledge that there can be a significant improvement in the performance of New Zealand’s homes.
- Beacon’s goal is to significantly improve housing sustainability through:
 - influencing policy and regulation;
 - understanding consumer and industry needs;
 - defining an appropriate high standard of sustainability; and
 - developing the tools to achieve, measure and monitor progress to achieving that standard at the house and neighbourhood scales.

A summary of Beacon’s research is annexed to this submission.

Submission

General position

- 1) Beacon welcomes the revision of The Unit Titles Act, 1972, supporting the increased transparency for owners and improved decision making processes for better management of unit title developments.
- 2) Beacon notes the increasing trend in New Zealand towards intensification and recognises the value of this to the residential built environment. Intensification ensures that neighbourhoods have enough population to keep thriving town centres and make public transport viable. This in turn reduces traffic and transport resource use. Intensification also reduces city sprawl allowing people to live closer to city centres and jobs, and needs less new roading and costly water and drainage infrastructure. While intensification can be encouraged by policy and regulatory settings, the trend of intensification is primarily market driven. This takes a variety of forms including master-plan communities, retirement villages and apartments. Many of these development currently or will use unit titles.
- 3) Beacon recognises this bill is not about building performance. However, individual owners within a unit title have limited sovereignty and therefore require greater levels of protection.
- 4) Therefore Beacon submits that owners (and tenants) of unit titles should have access to robust information on their home via performance rating of the unit (home) and building (neighbourhood).
- 5) In addition, owners (and tenants) in unit title dwellings need mechanisms to ensure adequate repairs, maintenance and renovation.
- 6) We welcome the new provisions for annually updated long term maintenance plan and dedicated fund as a significant improvement for owners and tenants of unit titles, which should have an associated positive impact on the performance of the building.
- 7) We submit that the addition of a renovation plan would fit with the philosophy of the Bill, namely effective management of multi-unit developments and greater transparency for consumers. A renovation plan would enable a body corporate to identify, plan, fund and implement improvements to the building which will lessen its overall long term impact and reduce individual owner's exposure to risk.

Detailed Comments

- 8) *Subpart 12. Financial and Property Management. 101 Long-term Maintenance Plan.* Beacon would like to see a requirement for a renovation plan in addition to the maintenance plan for the reasons identified above.
- 9) *Subpart 12. Financial and Property Management. 104 Optional Capital Improvement Fund.* Beacon would propose this fund be mandatory to support a renovation plan for the unit title development.
- 10) *Subpart 13. Disclosure of information. 130 Pre-contract disclosure.* Beacon would like to see a requirement for a performance rating to be part of the information provided to prospective buyers of a unit title. Similarly, we would like to see the addition of the renovation plan to the list of documents required under this disclosure.

Beacon's research

Reports and further insight can be found at Beacon's website: www.beaconpathway.co.nz

National Value Case

Beacon believes there is a significant role for Government to drive the necessary upgrade of the existing housing stock to a higher standard of sustainability as well as substantially raise minimum standards in the Building Code for new houses. Furthermore, our research indicates a strong value case at a national level to transform a significant proportion of the New Zealand housing stock to Beacon's HSS High Standard of Sustainability® with beneficial social, health, environmental and economic outcomes.

- [National Value Case for Sustainable Housing Innovations](#) (PDF 2MB)

Large-scale renovation is big on job creation

Prudent investment by the Government in New Zealand's residential infrastructure, in partnership with local government and industry, will maintain employment and critical mass in the building, building product manufacturing and building retail industries. Beacon's submission to the Government's Job Summit showed that, for every 1,000 houses retrofitted, a total of 151 full-time equivalent jobs would be required for delivery solely of on-site retrofitting services; a total of 392 full-time equivalent jobs would be required to provide the products and services involved in the renovation activity.

HomeSmart Renovations

The HomeSmart Renovation project involves the assessment and evaluation of renovations undertaken by approximately 600 homeowners across New Zealand to improve their building performance. Each home will receive an individually tailored renovation plan (based on our research so far) which shows participants how to get the best return on their investment, by drawing up a detailed pathway to improve the sustainability of their home. Through the project, we're developing tools which will assist homeowners in making good choices when they make changes to their homes, and collecting information to assess the benefits of renovating homes and the best ways to do this. The research outputs from the project will be available late 2010.

Barriers to sustainable building

Beacon has conducted detailed work looking at the barriers to sustainable building within local government and that this has resulted in the development of a Local Government Resource Manual which provides the detailed rationale, suggested solutions and case studies for best practice policy measures to support sustainable building. In 2009, this Resource Manual is being launched through a series of workshops in Christchurch, Wellington, Rotorua and Auckland. This resource will be available through our website to all councils.

- [Best Practice Policy Approaches to Encourage Sustainable Residential Building and Retrofitting: Evaluation and shortlist of initiatives](#) (PDF 118 KB)

- [Best Practice Policy Approaches to Encourage Sustainable Residential Building and Renovation: Survey and Literature Review Results](#) (PDF 820 KB)

Neighbourhood research

Beacon's neighbourhood research team have developed a framework which could be used to measure the sustainability of New Zealand's neighbourhoods. Our aim is to create a tool for developers, planners and local government which both measures neighbourhood sustainability and suggests improvements. The goal is how to design, construct, and manage neighbourhoods which: are adaptive; are resilient; allow people to construct rich satisfying lives; and, respect the limits of the environment.

Water research

Beacon has undertaken a significant amount of research over the past two years related to water. Our premise is that increasing cost and decreasing availability of water supply will require a more efficient and conservation-orientated approach if New Zealand is to achieve widespread household sustainability. During 2008 Beacon ran workshops with six councils across the country in order to influence and help councils to intensify their water demand management approaches. Key water reports are:

- 2008 [Slowing the Flow: A Comprehensive Demand Management Framework for Reticulated Water Supply](#) (PDF 1.4MB)
- 2008 [Best Practice Water Efficiency Policy and Regulation](#) (PDF 1.4MB)
- 2007 [Demand Management Through Water Retrofit Projects \(Public report\)](#) (PDF 737KB)
- 2007 [Making Policy and Regulations Rain Tank Friendly](#) (PDF 234KB)
- 2006 [Water Efficiencies: Report on Existing Technologies/Expertise in New Zealand](#) (PDF 116KB)

Energy research

Our Energy Retrofit research will provide robust information to inform decision makers and actors in the value chain on how to cost effectively renovate New Zealand homes to a high standard of energy sustainability. We're tackling this in three ways.

- 11) We're looking at how hard or easy it is to renovate the energy performance of **different types** of existing homes. Our houses were built significantly differently over the last century and each type poses different problems for energy retrofits.
- 12) We want to understand how **different consumers** see the energy performance of their home and respond to retrofit opportunities. Specifically we've focused on landlords, high energy users and recent home buyers.
- 13) We're using what we learned along with our experience in the HomeSmart Renovations project to build a series of **energy retrofit packages** that will provide effective improvements for each type of home and different consumer groups.

- 2008 [New Zealand House Typologies to Inform Energy Retrofits](#) (PDF 651KB)
- 2008 [Housing Typologies: Current Stock Prevalence](#) (PDF 392KB)