



1 June 2006

## **SUBMISSION: REVIEW OF THE UNIT TITLES ACT DISCUSSION DOCUMENT – OPTIONS FOR CHANGE MAY 2006**

### **About Beacon**

Beacon is a residential building industry research consortium aiming to drive sustainability outcomes consistent with New Zealand sustainable development requirements. Beacon is funded by industry, with matched monies from Government research funds from the Foundation for Research, Science and Technology. There are currently five shareholding partners – The Building Research Association of New Zealand, Scion, New Zealand Steel, Waitakere City Council and Fletcher Building.

Beacon's vision of "Creating Homes & Neighbourhoods that work well into the future and don't cost the Earth" will be realised through the achievement of the following two goals:

1. To bring the vast majority (90%) of NZ homes to a high standard of sustainability by 2012 and;
2. Every new subdivision and any redeveloped subdivision or neighbourhood from 2008 onwards be developed with reference to a nationally recognised sustainability framework. The consortium has been established to bring about significant improvement in the sustainability of the residential built environment in NZ, by carrying out research, managing resultant Intellectual Property ("IP"), and facilitating development and increased availability of products and systems via emergent markets, through working together with like minded organisations, and by lobbying regulatory organisations.

Beacon intends to develop interventions, which meet energy efficiency and sustainability goals in a manner that aligns with consumer lifestyle and choices, achieving home quality and comfort with appropriate affordability.

Beacon is committed to funding research and initiating projects on interventions that will enable a more sustainable residential built environment. This will assist New Zealand consumers to adopt more sustainable residential built environment outcomes, ensuring better returns (social, environment, cultural, and economic) for shareholders, stakeholders and the wider public.

### **Reason for Submission**

Beacon recognises that the Unit Titles Act is one of a group of key pieces of legislation which need to be amended to promote the sustainable development of the built environment if Beacon's objectives are to be achieved. An increasing proportion of the residential built environment is developed as medium and high density housing, subject to the Unit Titles Act. In addition there are large amounts of existing, sometimes poor quality, or less than optimum in terms of built environment quality, developments which exist and are in need of retrofitting to a higher quality standard which are subject to the Unit Titles Act.

## **Submission**

### **REVIEW OF THE UNIT TITLES ACT 1972 SUBMISSION FROM BEACON PATHWAY LIMITED**

**Response to specific discussion document questions.**

#### **WIDENING THE PURPOSE OF THE ACT**

**1 Do you agree with the proposal on the purpose of the Act? If you do, is there anything else we should cover?**

**If you disagree, please explain why.**

Beacon Pathway Limited supports the proposal to widen the scope of the Act, but submits that it should include considerations of environmental as well as social and economic sustainability.

#### **Reasons:**

Beacon recognises the need for maximising the sustainability potential of the built environment during the development process at all scales- including individual homes, new developments and neighbourhoods. In order to achieve a more sustainable built environment the government needs to take all relevant opportunities within legislation. The Unit Titles Act plays a significant role in how the multi unit sector of the built environment is developed and operates, therefore recognizing environmental as well as social and economic sustainability is a critical issue.

#### **FAIRER FINANCIAL AND ASSET MANAGEMENT**

**31 Do you agree with the proposals for funds and long-term management plans? Is there anything else we should consider?**

We support the proposal for a compulsory long term maintenance account and long term maintenance plans. We submit that compulsory requirements should also relate to ensuring sufficient funds are available over a reasonable time period to enjoy that the development is able to be brought up to compliance with the latest Building Code and any associated standards required by councils in relation to building sustainability, for example requirement for storage space for recyclable materials.

Many developments subject to the Unit Titles Act built before 1978 will not meet minimum insulation standards in the current building code. Developments more recently undertaken will not meet standards around energy and water efficiency, acoustics and indoor environment quality as well as fire safety and other matters which will be addressed by the new code. The Unit Titles Act should create a mechanism whereby a transition to compliance with new building regulations is provided and is mandatory. This might include requirements such as the Long Term Maintenance Plan to specifically address issues of attaining current building code compliance over a 5-10 year period and that the Long Term Maintenance Account be funded to implement such a plan.

#### **IMPROVING INFORMATION AND EDUCATION SERVICES**

**36 Do you agree with the proposals for information and education services? If you do, is there anything else we should consider?**

We support the proposals to establish an independent agency to provide information and education services. Such an agency should also provide information on improving the sustainability of multi unit developments and compliance with the Building Code and ways in which body corporates can improve the sustainability of their development. This might include things such as information on the return period for introducing energy and water efficiency measures, or on the health benefits of undertaking work to, for example, reduce airborne moisture levels within units.

**Other submission points.**

Beacon submits that the Unit Titles Act should generally be amended throughout to better promote a sustainable built environment. In particular, consideration of the issue of the need for upgrading of developments subject to the Unit Titles Act to ensure energy efficiency, water conservation, waste/pollution reduction and improvements in indoor environment quality should be addressed.