

## **RMBA Submission on the National Adaptation Plan**

### **General questions – National Adaptation Plan (Page 23 in National Adaptation Plan)**

**1. Climate change is already impacting New Zealanders. Some examples include extreme weather events such as storms, heatwaves and heavy rainfall which affects lives, livelihoods, health and wellbeing, ecosystems and species, economic, social and cultural assets, services (including ecosystem services) and infrastructure. How is climate change impacting you? This could be within your community and/or hapū and iwi, and/or your business/organisation, and/or your region.**

Climate change is set to be one of the biggest impacts on our sector, influencing nearly every aspect of how, where, what and the cost of the built environment. Buildings are used every day by New Zealanders. We live, work, eat, shop in, and depend on buildings for education and health services. It is our members and industry who build these buildings and communities.

The construction industry is also unique in that it sees the effects of climate change through rebuilding communities after extreme weather events and is also responsible for constructing quality buildings to persevere through these events into the future.

**2. The national adaptation plan focuses on three key areas. Please indicate which area is most important for you (tick box).**

- **focus area one: reform institutions to be fit for a changing climate. This means updating the legislative settings so that those who are responsible for preparing for and reducing exposure to changing climate risk will be better equipped.**

- **focus area two: provide data, information and guidance to enable everyone to assess and reduce their own climate risks. This means that all New Zealanders will have access to information about the climate risks that are relevant to them**

- **focus area three: embed climate resilience across government strategies and policies. This means that Government agencies will be considering climate risks in their strategies and proposals.**

**other? Please explain.**

All three of the key focus areas are important if we are going to build a New Zealand that is prepared to face the challenge of climate change. RMBA supports legislation updates that would make the construction industry better equipped to deal with the effects of climate change. The building industry has a significant role to play in meeting New Zealand's

requirements in living with climate change, however support is needed by government in order to achieve the best results.

The construction sector has a responsibility to understand and be equipped to deal with climate change, however we are not in the position that we would like to be at this present time. This is due to many factors, however, the ongoing disruption from COVID-19 on building material supplies, and the record-breaking high demand for new builds are the most pressing. These issues are not of higher importance than climate change, but these are issues that are urgent to the industry and New Zealanders now, and so have become priorities for industry leaders. It is important that any new climate change requirements are implemented with the current headwinds and challenges facing the sector. We urge the government to ensure an integrated and cross-government aligned approach, that brings together all the competing priorities and changes for the construction and housing sector.

Access to information on climate risks is additionally important for both consumers and builders. A consumer who has purchased land with the aim to build a home, needs to be able to easily understand the climate risks of doing so, and how a home could be impacted by climate change throughout its lifetime. Homes built this century are expected to have a life of over 120 years, and so they need to be designed and built to cope with any environmental change that occurs during that time. Most New Zealanders, including builders in the industry, are not well aware of what environmental changes could happen during the life of a building and do not know how to access this information in an efficient way.

Furthermore, as the building industry is often guided by government policy and strategy, such as RMA reform and the Building Code, government will need to consider climate change impacts when updating these regulations and policies. The Building Code is updated yearly, and so any proposed changes will need to consider not only the impacts on the building industry as a whole but also the further impact changes could have on communities effected by climate change and how to reduce climate risks. We understand MBIE and other government departments involved in determining housing and building policies do have climate change teams, and we would like these teams to continue to guide government strategy for construction with climate change and climate risk in mind.

RMBA believes all three focus areas outlined are important and we would like to see them work together to create the best results in tackling climate risk.

**3. We all have a role to play in building resilience to climate change, but some New Zealanders may be more affected and less able to respond. There is a risk that climate change could exacerbate existing inequities for different groups in society. Appendix 3 sets out the full list of actions in this national adaptation plan.**

**- a) What are the key actions that are essential to help you adapt? Please list them.**

**- b) Which actions do you consider to be most urgent? Please list them.**

**- c) Are there any actions that would help ensure that existing inequities are not exacerbated? Please list them.**

**-d) Are there any actions not included in this draft national adaptation plan that would enable you to assess your risk and help you adapt?**

We support the current housing policy focus on ensuring access to affordable decent housing for all New Zealanders. This includes vulnerable groups and communities, and new home buyers. It is important that new climate change requirements for building and construction do not make it harder for these groups to access housing due to rising the costs of builds to comply. We support an aligned cross-government approach that balances all the competing housing policy priorities and demands.

**4. Central government cannot bear all the risks and costs of adaptation. What role do you think asset owners, banks and insurers, the private sector, local government and central government should play in:**

- a) improving resilience to the future impacts of climate change?
- b) sharing the costs of adaptation?

There is currently a housing crisis in New Zealand. Demand has been outstripping supply for some time, keeping out vulnerable communities and first home buyers. The cost of housing has hit record levels. We support the current housing policy focus on ensuring access to affordable decent housing for all New Zealanders. It is important that new climate change requirements for building and construction do not make it harder for these groups to access housing due to rising the costs of builds to comply. It is also important that costs of adaptation and climate change requirements do not worsen the current crisis by making housing unaffordable and investing in housing unattractive. We support an aligned cross-government approach that balances all the competing housing policy priorities and demands.

**5. The National Climate Change Risk Assessment recognised that there may be economic opportunities in adapting to a changing climate.**

- a) What opportunities do you think could exist for your community or sector?
- b) What role could central government play in harnessing those opportunities?

Climate Change adaptation is increasingly an area of the building sector which is rising in popularity and doing well. Consumer attitudes have been a significant driver in this, as people understand the risks of climate change and want to do their bit to reduce climate risk and improve carbon embodiment over the lifetime of their building. We seeing these changing mindsets happen in both the residential and commercial building sector. There are certainly economic opportunities for builders who specialise in or are interested in climate resilience construction, and we predict these opportunities will continue for the foreseeable future.

Central government could further encourage this area of the industry by providing education schemes for builders who are interested in adapting towards climate risk reduction techniques. Many builders who specialise in climate change building are often self-taught and self-driven, and this has created a barrier for those in the industry who do not have time

or easy access to appropriate educational resources. Further to this, government has a role to play in providing funding schemes for consumers relating to climate resilience building work for those who cannot financially afford to make improvements to their home. This will encourage more builders to move into this area of work as demand increases.

### **Homes, buildings and places questions (Page 53 in National Adaptation Plan onwards)**

#### **19. Do you agree with the outcome and objectives in this chapter?**

**Yes**

**No**

**Partially**

**Please explain your answer.**

RMBA supports objectives that will create homes and buildings that are climate resilient and best positioned to face the challenges of our future environment. New Zealanders need to have access to homes and buildings which meet their needs, including being of good quality, secure, stable and withstand the test of time.

However, we also support the current housing policy focus on ensuring access to affordable decent housing for all New Zealanders. It is important that new climate change requirements for building and construction do not make it harder for these groups to access housing due to rising the costs of builds to comply. It is also important that costs of adaptation and climate change requirements do not worsen the current crisis by making housing unaffordable and investing in housing unattractive. We support an aligned cross-government approach that balances all the competing housing policy priorities and demands.

#### **20. What else should guide central government's actions to increase the resilience of our homes, buildings and places?**

Adapting the way many New Zealanders are used to living to create a climate resilient future requires the work of the private sector, communities, and government all working together in an aligned way. In deciding the actions needed to achieve this change, government needs to consider consumer attitudes, the role of the private sector and what can be realistically achieved. Government will need to work closely with the private sector and adopt a strong partnership model. The ambitious targets simply will not happen unless government works with the private sector, and also works in a collaborative cross-government aligned way. All agencies will need to be working together.

The construction sector often battles competing objectives, such as affordability versus quality and functionality. A building that is best positioned to deal with all the possibilities of climate change is less likely to be affordable, and any actions considered by government need to take this into account. A balance is required, to ensure everyone has access to the buildings they need but at a price communities can afford. This includes considering the housing and building market, and the boom bust cycle the sector endures. At this current



time, construction is at an all-time high, with consent numbers 24% higher in 2021 compared with 2020. However, we do not expect this increased activity to continue, as inflation and higher interest rates take hold over the next 12 months. Government should consider these market ebbs and flows and the possibility proposed actions will exacerbate pressures the industry is facing at any given time.

## **21. Do you agree with the actions set out in this chapter?**

**Yes**

**No**

**Partially**

**Please explain your answer.**

The actions set out in the National Adaptation plan covers a range of building types, including social housing, public buildings, commercial buildings, and private residential housing. RMBA supports this approach, as communities need to have access to all types of building for societies to function well and thrive.

Additionally, RMBA supports updating LIM reports to reflect the climate resilience of a home, as this will improve the education of consumers in finding long lasting, stable, and secure homes.

One of the actions listed for long term support is RMA reform. RMBA supports RMA reform in general, as the current system is not serving our housing needs, contributing to the current housing crisis. However, the National Adaptation Plan does not advise what RMA changes could be proposed, and so we cannot comment at this time whether we support any potential amendments. We would recommend working with the industry on any RMA amendments that will be made, in order to make sure any changes are suitable and workable for the industry.

Regarding future actions, many of these are due to be reported back by the appropriate government ministry by 2024. Again, RMBA would encourage any resulting actions from future reports be consulted with the construction industry to make sure they are functional and attainable. Further to this, education of the sector is needed to guide the industry in achieving future actions to ensure a smooth transition towards climate resilient building.

As the majority of materials used in building are either imported or contain an imported element, RMBA would encourage the Ministry for the Environment to engage Te Manatū Waka (Ministry of Transport) when deciding actions that could impact the availability of supply and international freight. We know Te Manatū Waka is aware of freight and supply chain issues currently facing the construction sector due to COVID-19 disruption in their current consultation document *New Zealand freight and supply chain issues paper*. It is imperative any central government actions taken to improve climate resilience in building consider impacts to the entire industry, and this is an area that has been missed out so far in the National Adaptation Plan.

## **22. Are there other actions central government should consider to:**

**- a. better promote the use of mātauranga Māori and Māori urban design principles to support adaptation of homes, buildings and places?**

Yes

No

Unsure

Please explain your answer.

No Comment

**- b. ensure these actions support adaptation measures targeted to different places and**

**respond to local social, cultural, economic and environmental characteristics?**

Yes

No

Unsure

Please explain your answer.

**- c. understand and minimise the impacts to cultural heritage arising from climate change?**

Yes

No

Unsure

Please explain your answer.

**The following questions are about existing buildings. These can include housing, communal residential (hotels, retirement village), communal non-residential (church, public swimming pools), commercial (library, offices, restaurant), industrial (factory, warehouse).**

**23. Do you think that there is a role for government in supporting actions to make existing homes and/or buildings more resilient to future climate hazards?**

**Yes**

No

Unsure

**If yes, what type of support would be effective?**

Government absolutely needs to be involved in improving the climate resilience of existing buildings. Two thirds of existing residential homes are built prior to 2000, and so were not designed or built with climate change or climate resilience in mind. Simply shifting communities away from such homes would be impossible, especially as the effects of climate change are already hitting many regions. To improve the resilience of existing



homes, especially in the short timeframe required with climate change on the doorstep for many, government will need to encourage and provide funding schemes for homeowners who are vulnerable and not financially able to make necessary improvements. This will be especially imperative for those living in older homes.

**24. From the proposed actions for buildings, what groups are likely to be most impacted and what actions or policies could help reduce these impacts?**

The most at risk communities from the proposed actions are those who are positioned in an area that will see the greatest effects of climate change, living and using older buildings, and are not well resourced to make necessary building improvements. Examples of this would be flood prone or coastal communities that have an established heritage. Buildings in these communities are more likely to be designed long before climate change ideas were widely accepted. RMBA encourages government to find solutions which will alleviate strain for those who will be highly impacted in this regard.

The building industry itself will be impacted by the actions in the National Adaptation Plan. Existing buildings will require improvements in order to withstand climate change, and the building industry will be leading these renovations. Builders will need to understand climate risks and identify climate hazards and guide consumers in rectifying these issues. The proposed action of an “assessment framework” will certainly assist the industry in understanding adaptation requirements and guiding building owners through these projects.

**25. What are some of the current barriers you have observed or experienced to increasing buildings’ resilience to climate change impacts?**

The current state of the sector is a barrier stopping the building industry in achieving the best results in climate resilience buildings. Due to disruption in the supply chain combined with high demand, the industry is facing increasing material costs and a labour shortage. These issues are immediate and are making it harder for the industry to innovate or focus on other issues that are on the doorstep, such as climate change. The cost of creating climate resilient homes is a barrier for builders when having conversations with consumers, as consumers are on budgets and the cost of materials and labour required to build with climate change is mind is out of reach for many.

Education continues to be a barrier for the building industry, as consumers are not aware how some building techniques can worsen climate change effects through lifetime carbon emissions and not withstand the effects of climate change. Builders are often not able to answer questions to the level required to satisfy the consumer, due to the information needed to do so being inaccessible for many.

Additionally, where all these barriers are resolved, the consents process at present continues to be unworkable. Building consents are required for most of the work required to ensure a building is climate resilient. However, many building consenting authorities are currently not operating efficiently and are taking longer than statutory standards. This does end up in projects being delayed or put on hold, a result not desired when time is of the essence. RMBA recognises MBIE is currently doing a review on the consenting process, however we would like to notify this as an ongoing issue in this submission as it continues to



be a barrier effecting most members of the building industry, including those working in the climate change space.

