

On-sold support package: Post-settlement

The information in this document is for Canterbury homeowners who have agreed an ex gratia settlement with the Natural Hazards Commission Toka Tū Ake (NHC) under the Government's On-sold support package (On-sold programme).

The Government has asked the Natural Hazards Commission Toka Tū Ake (NHC) to make changes to the On-sold support package to help eligible on-sold homeowners progress through the programme. This document was updated in November 2024 to reflect these changes, please read it carefully as it contains new information.

This factsheet covers all the important things you need to know or do during the post-settlement phase, including receiving your payment and undertaking your repairs or rebuild, ensuring repairs are completed to the standard set out in the Earthquake Commission Act 1993 (the EQC Act), closing your application and what to do if you have concerns about your builder or the standard of repairs.

On-sold payments must be used as intended

You are legally required to use your On-sold settlement to repair your home, as outlined in the Settlement Deed.

The ex gratia funds are for repairs or reinstatement of residential property only.

Ex gratia payments are payable to you as the On-sold applicant and homeowner of the property. You must remain the homeowner of the property throughout the settlement and repair process to be eligible to receive an ex gratia payment. Should you wish to sell your property prior to completing the repairs, please contact your settlement specialist to understand what this might mean for you.

We're here to help you

Please read this information carefully and if you have any questions, contact your NHC settlement specialist.



New timeframes apply

You have six months from when your Settlement Deed has been signed by all parties to start construction. Please put plans in place now so you can meet the upcoming deadline. If you do not meet this timeframe, we will have a conversation with you and move to close your application and seek recovery of any amounts already paid to you. Once applications are closed, they are unable to be reopened.

Once you have received your approved consent documentation from your local council (if applicable), please provide this to your settlement specialist, along with the intended start date of your project.

This date will need to be re-confirmed once your project has started.

It's important that you keep us aware of key information, such as project timeframes, so that we can continue supporting your repair progress and ensure your ex gratia payments are there when you need them.

Receiving your payment

Payments will be administered in tranches depending on the value of your settlement. These payments will be detailed in your Settlement Deed. Each tranche will also include the individual conditions to receive the payment.

Any entitlement you have under the EQC Act will be paid separately.

Starting your repairs or rebuild

All repairs or rebuilds must be completed in line with the agreed scope of work and need to be started within six months of your Settlement Deed being signed by all parties.

Please put plans in place now so you can meet the upcoming deadline. If you do not meet this timeframe, we will have a conversation with you and move to close your application and seek recovery of any amounts already paid to you. Once applications are closed, they are unable to be reopened.

We want people to live in safe homes

We recommend you review your build contract and discuss key milestones, such as progress payments and key handovers, with your builder before the work starts. This is to ensure you both agree to the terms of these milestones.

All repairs must be completed to the standard required under the EQC Act. This means that repairs must replace or reinstate the building to a condition substantially the same as, but not better or more extensive than, its condition when it was new. Repairs must also comply with current building legislation.

You're responsible for working with your builder to make sure repairs are completed to this standard. You'll need to ensure you are satisfied with the quality of their work and that the repairs comply with council regulations and other laws.

NHC may require access to your property at certain stages of your repair or rebuild to review progress. These site visits will help NHC to confirm the stage you are at so that tranche payments are released to you at the right time.

If you have concerns about the work on your home

If you have concerns about the standard of work on your property, or any issues with your builder or other parties you've engaged, you'll need to raise your concerns with them directly.

The Licensed Building Practitioner and Building Performance websites provide helpful guides on how to do this.

You can also find out more about consumer protection measures and how to ensure there are no surprises between you and your builder in the Ministry of Business, Innovation and Employment's (MBIE) booklet, Know your rights - A homeowner's guide to the consumer protection measures when building or renovating (see Useful resources at the bottom of this document).

Here are some things to keep in mind to protect yourself as a homeowner:

- Ensure you have a written contract with your builder so everyone understands their obligations, requirements and expectations.
- Before you sign a contract, ask your builder to give you information about their skills, qualifications, licensing status and the insurance or guarantees they provide (it's called a disclosure statement). Also ask for a checklist that outlines the stages of the build and how to protect yourself.
- Once the building work has been completed, your builder must give you certain information or documents related to the building work. These include ongoing maintenance requirements, guarantees or warranties, and any ongoing insurance policies.
- You have an automatic 12-month defect repair period when builders must fix any defects you've told them about in writing. Because the repair contract is between you and your builder, the On-sold support package does not cover you during this time.
- You can take action for up to 10 years if warranties in the Building Act have not been met, even if they're not in your contract (they're called implied warranties).
- Licensed builders can be fined if they don't comply with the law.



Completion: closing your application

Final tranche payment

If your quote included any provisional sums and/or sub-contractor quotes, you will need to provide invoices to your settlement specialist prior to receiving the final tranche payment.

Once you have received your final tranche payment from NHC, your application will be closed.

Removing an encumbrance

If you had an encumbrance lodged against your property title, the encumbrance will be removed once the agreed repair or rebuild has been completed and you've sent us the documentation confirming this.

This documentation includes Producer Statements signed by your builder and other experts engaged in the repairs, such as structural engineers, electricians and plumbers. These statements confirm work has been done in line with the design specifications and agreed works. Where the works require a building consent, the documentation will also need to include a Code of Compliance Certificate.

You'll need to instruct your own lawyer to manage the process for registering and removing the encumbrance with LINZ. We'll cover the reasonable legal costs for registering and removing the encumbrance as part of the settlement payment.

Useful resources

- **[Know your rights booklet](#)**: Information for homeowners and licensed building practitioners, outlining your rights and how to rebuild with confidence.
- **Building Performance website**: Information from the Ministry of Business, Innovation and Employment (MBIE) around the building process, what to expect and how to manage a building project. [Visit the website](#) or call 0800 24 22 43.
- **Engineering New Zealand's public tools**: New Zealand's largest professional body of engineers has provided guidance, from finding an engineer to addressing concerns and specific consideration for earthquake repairs. [Visit the website](#) or call 04 473 9444.
- **Local Canterbury Councils**: Environment Canterbury has a list of local councils in the Canterbury region. [Visit the website](#) or call 0800 324 636.

For more information

- Visit www.naturalhazards.govt.nz
- Call 0800 DAMAGE (0800 326 243)
- Write to Natural Hazards Commission Toka Tū Ake via info@naturalhazards.govt.nz or PO Box 311, Wellington, 6140

If English is not your first language you can ask us for an interpreter, at no cost to you, by calling Natural Hazards Commission Toka Tū Ake on 0800 DAMAGE (0800 326 243) or request a translated version.