

# On-sold support package: Project management services



The information in this factsheet applies only to homeowners who have applied for and been advised they are eligible for 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.

The On-sold programme is homeowner-led. That means you engage your own contractors to carry out repairs to your home. If you feel unable to oversee this process yourself or would like professional advice, we recommend you engage an independent project manager to support you.

This factsheet outlines how we cover reasonable project management costs requested by homeowners in the On-sold programme. There has been a change to the limit on the pre-settlement project management costs that we can pay, so please talk to your settlement specialist about your circumstances and options.

## What is project management?

Project management in the On-sold programme involves the planning, coordination, budgeting and scheduling of your repair or rebuild. This includes working with your builder and any other experts, such as an engineer, designer, architect, contractor or subcontractors to oversee the scope, cost, time and quality of your repair or rebuild.

Communication is an important aspect of the work, and your project manager will need to keep you, and your settlement specialist informed of everything that is happening to keep your project on track and meeting deadlines.

### Project management stages

Pre-settlement project management includes:

- assistance with specialist engagement and earthquake damage assessment
- assistance with scope management
- design and consent management (this may be in conjunction with the main contractor). This step may also be completed post-settlement.

There are limits to the project management costs we can pay in the pre-settlement phase. This is capped at up to 4% of the total repair costs confirmed at settlement.

If your total repair costs have not yet been confirmed, NHC will reimburse your project management costs up to the approved contract with your project manager (short form agreement) or \$13,000, whichever is higher.

Post-settlement (construction) project management includes:

- ensuring the project is completed within the given timeframes, as per the main contractor's schedule of works (also known as a Gantt chart, which sets out the timeline of the repair)
- scheduling in regular meetings with all people involved and providing regular reports
- tracking all invoices and costs
- ensuring all regulatory inspections are scheduled (such as local council inspections)
- ensuring that works are completed as per the consented documents and/or scope of works.

# Request for project management services

We will cover reasonable costs up to a set limit for project management services where additional support is requested by a homeowner to guide them through the On-sold programme. For pre-settlement project management services this is now up to 4% of the total repair costs confirmed at settlement.

Requests can be made to your settlement specialist and the costs will need to be:

- fair and reasonable
- provided by a third-party project management company.

A third-party project management company must be independent from the homeowner, the main builder and the Natural Hazards Commission Toka Tū Ake.

## Pre-approval required for project management costs

Prior to project management services starting, pre-approval for these costs is needed from your settlement specialist.

For this, you will need to provide a short form agreement from your chosen project management company to your settlement specialist. They will determine the costs outlined are reasonable for the services that will be provided.

A short form agreement is a common document used to clarify the services provided and clearly breakdown the cost structure. A short form agreement should include:

- details of who the project manager is and their qualifications
- the stages of work that project management services will be engaged for
- a breakdown of the services provided at each stage
- timeframes for each stage of work
- the benefits of having their services
- a quote for these services detailing the estimated hours required at each stage, and the cost per hour.

Items not considered for funding include:

- having an advocate/representative to act on your behalf
- project management services that only offer communication services
- contractors providing additional project management fees. Project management must be provided by a third party and be independent from the main licensed builder practitioner and the homeowner.

If prior approval isn't obtained for the costs from your settlement specialist, we may not be able to cover them. If this happens, you may have to fund the unapproved costs.

## Invoices for project management services and costs

Invoices for pre-approved project management services and costs must be sent to your settlement specialist if you are seeking reimbursement. Invoices need to:

- include sufficient detail of the services provided and by who
- outline the stage of work
- include hours charged.

If you have any further questions, your NHC settlement specialist will be available to discuss this with you.

## For more information

- Visit [www.naturalhazards.govt.nz](http://www.naturalhazards.govt.nz)
- Call 0800 DAMAGE (0800 326 243)
- Write to Natural Hazards Commission Toka Tū Ake via [info@naturalhazards.govt.nz](mailto: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.