

On-sold support package: Process guide and timeframes

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 information in this document is for Canterbury homeowners who have applied, and been advised they are eligible, for ex gratia payments from the Government's On-sold support package (the programme). It provides an overview of the steps your application will take as you move through the programme. We recommend reading this alongside the Homeowner's Guide.

Please read through each step to ensure you are aware what needs to happen within each stage of the process and the timeframes associated with this.

Your settlement specialist will contact you regularly for an update on your progress, but you can also contact them any time you need to.

Please note that it is important to seek agreement and confirm costs with your settlement specialist before engaging other specialists through the process.

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.

Pre-settlement: engagement, assessment, costed scope of works

You have 20 business days to provide your pre-settlement expert reports, such as an engineer's report. Once the extent of the damage has been confirmed by us in writing, you have a further 40 business days to provide your costed scope of works. If you do not meet these timeframes we will close your application and it will not be able to be reopened.

1. Engagement: finding a licensed building practitioner

One of the first things you'll need to do is choose a licensed building practitioner (builder) with the skills and expertise to identify earthquake damage and complete repairs on your home. They'll also cost and lead the repairs, manage the process, and ensure repairs are completed properly.

2. Assessment: getting your property assessed

To determine the repairs needed to bring your home up to the standards of the Earthquake Commission Act 1993 (the EQC Act), which was the legislation in place at the time of the Canterbury earthquake sequence, you'll need to provide us with an assessment from your builder confirming the extent of the earthquake damage.

Your builder may indicate you also need an expert report(s) from a specialist, such as a structural or geotechnical engineer, as part of your damage assessment. If this is the case, you'll need to engage a qualified expert to compile this. You will need to deliver these expert reports to us within 20 business days.

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. There is a limit on the pre-settlement project management costs that we can pay, so please talk to your settlement specialist about your circumstances and options.

3. Costed scope of works

Once we have confirmed the extent of the earthquake damage in writing, your builder needs to provide a scope of works that outlines the method and cost of repairs for resolving the confirmed earthquake damage.

You also need to provide information around temporary accommodation, contents removal and storage requirements for consideration at this step. We need to receive this within 40 business days.

More information about the information we need to receive can be found in the Homeowners' Guide.

Helpful information:

[Find a Licensed Building Practitioner](#) (builder) to carry out the earthquake damage assessment.

[Find a Structural Engineer](#) to assist you and your builder with identifying earthquake damage.

Settlement: making and accepting your offer

The settlement stage is where we review your costed scope of works and make you a settlement offer, which is the amount the programme can provide you to complete your repairs. We will provide your settlement offer following our written confirmation of the scope of works.

Once you receive your settlement offer, you have 30 business days from the date of offer to accept and return your signed Settlement Deed and Statutory Declaration. If you do not meet this timeframe, we will have a conversation with you and move to close your application. Once applications are closed, they are unable to be reopened.

4. Costs reviewed and confirmed

Your settlement specialist and our quantity surveyor will review your quote(s) and may have some questions for your builder. We'll send these to you to discuss with your builder or organise a time to discuss them with you and your builder together.

Once your scope of works has been confirmed, we will let you know and start to prepare your settlement offer.

While we are preparing your settlement offer, your builder can begin any design and consent preparation work needed.

5. Your settlement offer

Your settlement specialist will send you an offer of settlement once the quote and other relevant information has been finalised and we have completed our internal review. This will outline how the settlement has been calculated.

You will receive a Settlement Deed, Statutory Declaration, and where your ex gratia payment is more than \$150,000, instructions for your lawyer regarding an encumbrance over your title.

The Encumbrance Factsheet has more information about what an encumbrance is and what it means for your property.

6. Accepting your settlement offer

We recommend you seek legal advice on these documents. You must sign and return your Settlement Deed and Statutory Declaration within 30 business days of receiving your offer. If you do not meet this timeframe, the offer will expire and we will have a conversation with you and move to close your application. Once applications are closed they are unable to be reopened.

Post-settlement: receiving payment and undertaking your repairs

You must start construction within six months of your Settlement Deed being signed by all parties. 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.

7. 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.

8. Starting your repairs or rebuild

Once your building consent has been issued and you have signed a build contract with your builder you will be able to begin construction. Please provide your intended start date to your settlement specialist. This date must be within six months of your Settlement Deed being signed by all parties.

If your builder or project manager advises you of any variations to the work previously agreed, and your Settlement Deed allows for variations, you will need to contact your settlement specialist immediately.

All repairs must be completed to the standard required under the Earthquake Commission Act 1993, which was the legislation in place at the time of the Canterbury earthquake sequence.

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.

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.

Completion: closing your application

9. 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.

10. 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.

You'll need to instruct your own lawyer to manage the process for registering and removing the encumbrance with Toitū Te Whenua Land Information New Zealand (LINZ). We'll cover the reasonable legal costs for this as part of the settlement payment.

For more information

Visit:

www.naturalhazards.govt.nz

Call:

0800 DAMAGE (0800 326 243)

If English is not your first language and you need support to understand this document or you would like a translated version, please contact your settlement specialist.

Write to:

Write to Natural Hazards Commission Toka Tū Ake:

info@naturalhazards.govt.nz or PO Box 311, Wellington, 6140