

In the matter of the Resource Management Act 1991

and

In the matter of a submission under Clause 14 of the First Schedule to the Resource Management Act 1991

between

The House Movers Section of the New Zealand Heavy Haulage Association Inc

and

Queenstown Lakes District Council

Statement of Evidence of Graham Scobie

I, Graham Scobie, state:

Introduction

1. I am the Manager and a Director of Scobies Transport (Scobies). Scobies moves houses and relocatable buildings all over the South Island.
2. The company was established in the 1960's, and now has a staff of 10 and 15 vehicles. Scobies has its head office in Wyndham Southland, and operates from here. Scobies is a member of the New Zealand Heavy Haulage Association. I am authorised by the Association to give evidence on its behalf.
3. Scobies are familiar with the circumstances applying throughout the Queenstown Lakes District having relocated and removed dwellings and buildings throughout the district over the years.

4. The New Zealand Heavy Haulage Association is the national trade association for member companies that transport overweight or over dimension loads. The Association is a small but specialised trade association incorporated in 1965. The Association is associated with the Road Transport Forum, and the New Zealand Contractors Federation. It employs a full-time executive officer based in Wellington.

Purpose of Evidence

5. I support the Association's case. In my view there is no good reason why management through standards (as a permitted activity) cannot address issues, as decided in the *Central Otago* case.
6. Resource consent requirements can be a disincentive to people considering relocation.
7. In my experience permitted activity status is efficient, ties in well with Building Act processes, and results in prompt reinstatement of buildings.

Overview of building relocation industry

8. The house relocation market competes with construction of new dwellings and with existing dwellings. There is a variety of choice available to purchasers.
9. If the house is in poor structural repair it will usually then be uneconomic to relocate, and require demolition. A relocated house will typically be in sound structural condition but need updating to the interior to provide modern living amenity, and sometimes to the exterior of the dwelling.
10. Although this submission is focused on plan controls concerned with residential housing, by volume the largest market for relocatables is the government/state housing/education sector, particularly the movement of prefabricated classrooms to meet changing school population

demand. The changing requirements of the New Zealand Defence Force are also a factor in the central North Island.

11. A number of family-run transport companies involved in relocation have extended their operations into property development. This has seen innovation occurring within the relocation industry in a variety of ways. For example:
 - a. Some companies specialize in the construction of new transportable dwellings.
 - b. One Association member purchased a street of ex-state houses in South Auckland, cutting them up for transportation, then barged them to the Bay of Islands, and reassembled them at a new coastal subdivision by adding additional wings, and large balconies. These proved popular.
12. Typically relocation will also provide an opportunity to update the internal amenities of the dwelling, with the extent of renovation works depending on the budget.
13. Members of the Association are typically very proud of being able to assist people and families into cost-effective housing, though in saying this not all relocatables are aimed at the affordable end of the housing market.

The process of relocating houses

14. The shifting of a typical dwelling (both the removal, and the relocation) involves a large number of steps:
 - a. Land purchase for the destination (relocation) site.
 - b. Building purchase. The house will have either been purchased privately or purchased from a relocation company.
 - c. Building Consent obtained to relocate to new location.

- d. Removal of the building to the site.
 - e. Disconnection of services (power, phone, gas, water, drainage).
 - f. Possible structural bracing.
 - g. Possible cutting into sections.
 - h. Possible removal or partial roof removal. (requiring tarpaulins).
 - i. Loading onto transporters.
 - j. Securing to the transporter, lighting if night travel applicable.
 - k. Uplifting of any necessary consents from Road Controlling Authorities, NZTA, Police, telecom, power companies, rail, any other utility companies.
 - l. Road transport in compliance with Vehicle Dimension and Mass Rule.
 - m. Placement of the building on the new site in its correct position as given in the building consent.
 - n. Unloading onto house jacks.
 - o. Installation of foundations.
 - p. Placement of the building onto foundations.
 - q. Rejoining building sections, reinstatement of the roof, replacement of doors, windows, ceilings removed(as necessary).
 - r. Upgrading of ceiling or floor insulation (as necessary).
 - s. Installation of base boards, steps, decks and landings.
 - t. Connection of services.
 - u. Any necessary remedial works, painting and decoration etc (some can be done prior to relocation).
 - v. Driveway, fencing, footpath, garaging, landscaping.
 - w. Code of compliance certificate obtained under Building Act.
15. Time issues are important to both the removal, and the relocation. To be financially viable any project must be done within a time frame. For removal, the source of the relocatable building will affect the timing.
16. Regardless of the size of the relocation, a house mover will try to complete the removal and the relocation in the same job. This is so that we don't have to end up storing the house in another site, or at a

storage yard, and we can shift it direct to the final destination (i.e. the relocation) site. If the house has to be stored between its "removal" from one site, and its "relocation" to another, then there are added costs and risk due to double handling and storage. Also, if the house has to be stored there is added risk of damage from the rain or wind.

17. If there is a delay at the relocation site caused by a planning consent application, or a hold-up in obtaining neighbours approvals, then this will increase the likelihood that the house may need to be stored, and increase the costs with little or no environmental gain.
18. Factors that a potential buyer of a relocatable home must consider are:
 - a. The budget of the overall project.
 - b. Where to purchase.
 - c. Obtaining finance.
 - d. The condition of the building.
 - e. The suitability of the destination site to accept a relocatable home.
 - f. The contractor to relocate the home.
 - g. Building and resource consent requirements.
 - h. Contractual requirements.
 - i. Subcontractors to install services and undertake remedial or modification works.
19. For anybody to make a safe and balanced decision initial investigations should be made. If Council planning requirements are difficult, or have an uncertain outcome, this will affect whether an interested person will proceed with purchase of a home for relocation.

Resource consent issues

20. Provided the relocation is properly carried out, in my opinion relocation will typically cause less overall construction disturbance to neighbours than construction of a new dwelling, because the construction process is much shorter in duration.

21. When a relocatable home arrives on site it may (depending on size) arrive in two sections. Generally the aim will be to get the house to the section around daybreak. The roof may have been lowered and draped with tarpaulins. This initial visual impact can be unexpected for neighbours. It can trigger calls to Councils. However this is temporary, and typically within a few days the home will have been placed on a new foundation, rejoined and the roof reinstated. There is a need to get this work done quickly so that the house is made weatherproof.
22. While the initial relocation on to a site is generally more machinery intensive than construction of a new dwelling, the benefit is that the project is generally quicker. Any remedial or refurbishment work can begin on the home straight away (or beforehand) and the project can be finished well ahead of a new building project. I mention these benefits also apply to transportable new dwellings, because work at the factory can commence ahead of the issue of building consent for the destination site.

Performance bonds?

23. Most people purchasing a house require a mortgage. People purchasing second-hand houses typically cannot draw down on the mortgage to pay for the house until the house is on the site as there is no security for the bank. If a purchaser has budgeted for a 90 percent mortgage, and allowed a budget for refurbishment, then there often will be no money in the kitty to meet the cost of a performance bond, especially if the performance bond is large. The bank will not cover any bond guarantee without having security within its lending limit. I am not sure Council planners always understand this. A performance bond imposes a significant additional cost on people wanting a relocated home. The Association does not support this.

Relocation - a permitted activity

24. In my view there is no good reason why management through performance standards (as a permitted activity) cannot address all potential problems, as decided by the Environment Court in the *Central Otago* case.
25. It is open to specify the reinstatement, and a timeframe in which it is to occur, to avoid unsatisfactory situations such as a house being left on blocks or unconnected to services for an extended period of time.
26. The reinstatement work should "work in" with the Building Act controls, which the Council also administers. Building consent is required for both the removal and the relocation. Typically conditions will be imposed on the building consent granted for the relocation.
27. Before granting building consent for the relocation most Councils have developed the practice of requiring a building inspection report. This practice varies from Council to Council. Many Council's will allow for an inspection report to be completed out of the district. This inspection report should be the basis for any building consent conditions and should also address any safety or sanitary issues.
28. When applying for a building consent it is necessary to give an estimate of the value of works to be carried out. It is practical for applicants to certify to the Council that they are able to do the job within the specified reinstatement period.

Conclusion

29. In the Industry's view permitted activity standards work well to make sure that buildings are reinstated at their destination site promptly.

Graham Scobie

15 September 2016

