

April 2014



## The Presbyterian Church Property Trustees

### ***UP WITH THE PLAY ON HEALTH & SAFETY.....REALLY?***

As Trustees, Presbyteries and Congregations – as a Church – we all need to understand what earthquake-prone and earthquake safety mean for us in relation to the Health and Safety in Employment Act 1992 (HSE Act) and the Building Act 2004.

The HSE Act requires **owners of buildings** that are places of work, **employers** and **persons in control** to identify and effectively manage hazards in work places, including building-related hazards. They are required to take all practicable steps to mitigate harm to building users. Requirements under the Building Act include compliance with earthquake resilience standards.

A recent legal opinion has stated that while the HSE Act is primarily aimed at employers and places of work, **a church**, with its characteristic as a place of worship and a gathering place for large numbers of people **can be similarly regarded**. WorkSafe New Zealand has recently issued a statement as to how it will enforce these obligations in respect of earthquake safety. The key points from this statement as they would relate to our church buildings are:

- **If you're not doing what you're supposed to be doing under the Building Act and someone is seriously harmed following an earthquake, you could face enforcement action under the HSE Act.**
- **The HSE Act applies to how you manage hazards arising from objects in and around workplace buildings (for our purposes – church buildings). These hazards are not covered by the Building Act. You are expected to proactively identify and manage these types of workplace hazards on a regular and ongoing basis. Failing to do so will receive attention from WorkSafe New Zealand as the regulator, and it could also result in serious harm.**
- **Preparing your workplace to deal with an earthquake is not a new requirement. You are not being asked to do anything above and beyond what you're already expected to do under the HSE Act – that is to identify and manage hazards. However, you do need to continue to be mindful about new or emerging information. When in doubt, get professional advice.**
- **Owners of buildings, employers and persons in control need to prepare for emergencies. All need to work together to ensure emergency plans work and people are safe during emergencies.**

#### **What is required?**

Building owners, employers and persons in control (e.g. Boards of Managers) are required to provide a safe environment. A vital part of this process as it relates to your church buildings, is to obtain a professional assessment of the earthquake rating of your buildings.

- Church buildings must meet the minimum 34% of New Building Standard (NBS) as required under the Building Act (and also under the Church Property Trustees' Policy on Earthquake-prone Buildings). An Initial Evaluation Procedure (IEP) is the first step to finding out your building's earthquake rating.
- You must take action as promptly as possible to obtain a Detailed Seismic Assessment (DSA) if your buildings are rated at less than 34% NBS.

This is an important part of what is meant by ***“doing what you're supposed to be doing under the Building Act”***

## Things we have learnt along the way

- The IEP is a basic assessment that will usually identify and explain any critical, structural weaknesses. The IEP can help in determining the focus of a more detailed report formerly called a Detailed Engineering Evaluation (DEE), now known as a Detailed Seismic Assessment (DSA).
- It may be that a specific critical weakness, and not the entire structure, is responsible for the low rating. Focussing on identified critical weaknesses may help to reduce the cost of the DSA.
- Because of the particular skills required to produce a meaningful and dependable IEP, there are risks in using a sole practitioner to do the assessment. If you engage a sole practitioner, it is important that you ask him or her, as part of their contract, to have their report peer-reviewed by a suitably qualified and experienced engineer. This is best practice and what professionals should expect.



The Trustees' 2012 Policy on Earthquake-prone Buildings remains unchanged and is reinforced by the importance and the powers of the Health and Safety in Employment Act and the Building Act.

### **Does your parish already have its IEP, DEE or DSA?**

If so, please make sure you have provided a copy to Presbytery and to the Church Property Trustees' office so that we can keep our information on your progress up to date. Our thanks to the many parishes that have already obtained their reports and provided us with copies.

We are in the process of following up on IEP's that should have been received by now in accordance with the timelines in the Trustees' policy. Please contact us if you would like a further copy of the policy.

**A death or serious injury as a result of a "head in the sand" or "she'll be right" attitude is legally and morally indefensible. We must all make every possible effort to ensure our church buildings are safe for our congregations and communities.**

The full WorkSafe New Zealand statement can be directly assessed at:

<http://www.business.govt.nz/worksafe/information-guidance/all-guidance-items/position-statement-dealing-with-earthquake-related-hazards>

### **PIF Interest Rate and Parish Budgets**

We have been fortunate that since February 2012, the Trustees have been able to provide a significant premium above the Official Cash Rate and hold the PIF interest rate steady at 5.00% pa. This has more than favourably compared with bank on-call and term deposit interest rates and provided parishes with a much better than average return on their funds over that period.

While interest rates are starting to rise following the latest Reserve Bank decision, it is unlikely the PIF rate will be lifted above 5.00% pa for a while. Equally, it is unlikely that the Trustees will drop the rate and it is suggested that parishes budget on receiving a PIF interest rate of 5.00% pa for the year ending 30<sup>th</sup> June 2015. Of course, as with all crystal ball gazing, we can't give any guarantees and provide this only as guidance rather than a certainty.