

LGOIMA Response to Mark Dray – ACT Local Government

Tuesday 3 December 2024

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Dear Mark,

Thank you for your request for information under the Local Government Official Information and Meetings Act dated Wednesday 6 November. You asked for the following:

- 1. The liabilities the Council has in its role as a BCA?*
- 2. The total financial exposure the Council faces in its role as a BCA?*
- 3. The insurance coverage, or any other form of liability cover such as insurance bonds, if any, The Council maintains for BCA-related liabilities.*
- 4. The annual cost to ratepayers to maintain BCA related liability cover.*
- 5. The portion of rates allocated to cover potential BCA liabilities.*
- 6. The reserves maintained specifically for BCA related claims.*
- 7. The details of any excess or similar that is required to be covered by the Council before any insurance or other liability cover is paid out.*
- 8. The amount the Council has spent on BCA liability related claims in the past 3 financial years, including but not limited to, legal fees, settlements, negligence costs, etc.*

Council has reviewed your request and provides the following responses:

1. NZ currently has a system of joint and several liability, so if an issue arises, the BCA may be subject to a disproportionate share of damages if other parties are absent.
2. This is not something we track.
3. The Council does not identify and have specific BCA-related insurance coverage, rather it has organisation-wide insurance cover for Professional Indemnity, Public Liability and Statutory Liability.
4. The Building Control activity centre was allocated \$20,549 of the total cost of the Council's Public Liability insurance premiums in the 2023/24 financial year.
5. The portion of rates allocated to cover this was \$5,591 (approx. 27% of the cost is covered by rates).
6. The Council does not maintain any reserves specifically for BCA related claims.
7. Excess = \$10,000 plus GST.
8. Nil.

If you are unsatisfied with the response, you are entitled to lodge a complaint with the Office of the Ombudsmen. You can find more information on its website <http://www.ombudsman.parliament.nz>.
If you wish to discuss this decision with us, please feel free to contact me on 209-0330.

Kind regards

A handwritten signature in blue ink, appearing to read 'L. Straith', with a stylized flourish at the end.

Lorna Straith
General Manager Corporate Support / Chief Financial Officer