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# Introduction

## Design Toolkit

Ensure that the final product meets the initial design

Handover\_Evaluation\_Checklist.pdf

In this stage a completed house, constructed according to the design, is handed over to you by the builder. This marks the end of the construction project and the beginning of the building's long life as a home.

## How a successful handover completes your objectives

When the building is handed over to you, it is important to review the final product against the building contract prepared in the Engage Build Team stage. This will determine if the builder's obligations have been met, which will affect whether the finished house fulfils your aspirations, adapts to the needs of the people that will live in it, and performs in a healthy and comfortable way all year round.

# Key Activities

## Contract administrator

### Certify practical completion

Once the building work has been completed, the builder will arrange a site visit with the contract administrator to certify practical completion. As they go through all the elements of the building work, the administrator will write down defects and outstanding works in a Snagging List. A timeframe for fixing these issues should be set and major ones will need to be amended before you formally accept the building.

### Arrange final payments

Once the project is completed to satisfaction, some or all of the final payments to the main contractor, subcontractors and contract administrator should be made. This will vary according to what was established in the building contract (e.g. where retentions were part of the contract, they may be part-paid at practical completion and part-paid at the end of the Defect Liability Period).

### Client and contract administrator

The contract administrator should work with you on the following activities. If you have followed a Custom Design process but have not engaged the designers to administer the contract, it is recommended that the designers are

invited to participate in the handover inspection and that they hand in any important information they may have.

## **Attend handover inspection**

Once the construction process is complete a handover inspection should take place where the building is formally accepted and you become responsible for insurance, security and maintenance. During a thorough site visit the builder, contract administrator and designer should give you a comprehensive explanation of all the house's features and demonstrate how systems function so that you can operate them properly. Do not refrain from asking any questions, no matter how obvious they may seem, it is essential you understand how the house works.

Also ask how transformations can be done in the future. Even though a client who has carefully followed the design process may have indicated requirements for future adaptation, it is always useful to be reminded of what elements of the house are easier to modify than others (e.g. load-bearing walls vs. partition walls).

## **Ensure all the necessary information is received**

In addition to you understanding how the house works, a complete set of documentation should be received from the builder and the designers. This can include a full copy of as-built drawings produced by the designer and their sub-consultants. These will be essential for repairs and modifications in the future. You should also ask for copies of construction records and health and safety files.

Guarantees and warranties for installed systems, appliances and other products are required for final handover completion. It will be useful to ask the builder whether the products have specific use conditions that may affect their validity. All exterior materials and cladding will require regular maintenance to meet the conditions of their warranty or guarantee.

## **Define procedures for reporting defects**

The Defect Liability Period is a period of time during which builders are responsible for fixing any failures that come to light after the house has been received. You should check your contract before signing it to ensure a Defects Liability Period is included. You are responsible for reporting any issues and it is recommended that incentives and penalties are in the contract to motivate builders to deal with them speedily.

## **Outline feedback and assessment mechanisms**

Monitoring the house's performance when people are living in it is essential to determining whether sustainability objectives and targets set at the beginning of the process have been met. Your electricity, gas and water bills will be the simplest way of verifying if your resource use and associated costs are as expected. A performance monitoring system can show your home's performance in real time, allowing you to see temperatures and energy and water use. Real-time performance information means you can identify faults or leaks, fine-tune systems, and understand how your behaviour affects the performance of your home.

Some rating tools require inspections or detailed monitoring and reporting of the house's performance in order to finalise the certification process. If you have chosen this path, make sure you keep in mind the requirements of the tools so that the process can be successfully completed.

You should implement a process or system for assessment that will help you communicate ongoing results and report on aspects that could be improved. This is not only useful when reporting issues to builders, but also as a way to better understand how the house works.

Clients are also encouraged to communicate outcomes and share the experience with others, to help new projects at the early stages. Such communication is essential for raising the bar in the housing industry, as mistakes made by others can be avoided and positive results can be replicated with higher chances of success.

### **Builder**

## **Ensure everything is in place**

After construction work has finished, time should be devoted to ensuring the building is completed to the design and that all systems within the house are performing according to their expected standards. This is applicable to ordinary systems such as water pipes and electrical circuits, but also to alternative systems like solar energy or under floor heating. Although it is your responsibility to maintain these in future, it is the builder's job to verify they are working

properly at the outset. Additional tests may be required if specified in the contract, the Building Code, or if the project is aiming for any certifications (e.g. Passive House (<http://www.phinz.org.nz/>) , Homestar (<http://www.homestar.org.nz/>) ).

Clauses should be included in the contract for builders to commission and fine-tune the systems in the house periodically. Ideally, performance should have been modelled and calculated from previous stages; however actual functioning may have slight variations and require adjustments to accomplish the expected goals.

### **Transfer meters to new owners**

Upon finishing the house, builders should notify water and electricity providers about completion. After a final reading, meters are then transferred to the new owners who will be responsible for expenses from this moment onwards.

## Deliverables

### **Handover documentation**

In addition to explanations about how the house and its systems function, you should also receive a set of documents that will help you use and understand your house at the handover inspection. These documents will be helpful if you undertake future alterations or renovations. This set of documents should include:

- as-built plans
- specifications
- supplier lists
- equipment instructions
- construction records
- health and safety files
- guarantees and warranties
- energy work certificates
- contact list (contractors and subcontractors)
- final council sign-off in the form of Code Compliance Certificate.

An essential part of this documentation is the Building Owner's Manual, which includes instructions for the house's operation and maintenance, including landscape needs and provisions for demolition or deconstruction.

### **Certification documentation (if applicable)**

Depending on the certification system you have pursued, you should receive design and building ratings, along with the documents that were submitted for certification (they might overlap with the ones mentioned above). Some schemes will only certify your building after it has been used for a set period of time. In this case, request design documentation and implement a monitoring and control system that will allow you to demonstrate compliance when that period is completed.

## Who should you be talking to?

### **Auckland Council**

It is your responsibility to apply for a Code Compliance Certificate (<http://www.aucklandcouncil.govt.nz/EN/ratesbuildingproperty/consents/buildingconsents/Pages/certificatescompliance.aspx>) (CCC), which will be issued if work is completed and complies with the building consent. The CCC is an assurance that building work was finished according to applicable standards and should be obtained before the building consent period expires otherwise you will need to apply and pay for an extension.

A house that has been built in accordance with the drawings approved in the building consent has a better chance of providing a healthy and safe environment for the people who will live in it. If you decide to sell the house, the CCC provides future owners with the assurance that the house was built to at least code standards. If the house is built by a residential property developer and will be sold immediately, the CCC needs to be approved before completing the sale. The certificate may also be required for insurance.

Resource consents may sometimes require ongoing compliance and monitoring since they are related to the impact of various activities on the land. This usually applies to bigger projects, however it is advisable to reread the consent conditions to check if any further activities are required and how often they should be carried out.

## **Insurance**

Coverage of the contract works insurance finishes after **practical completion** of the house, when the house is handed over by the builder to you. You should make sure insurance is transferred or a new policy is in place as soon as possible. Some insurance companies may not offer home insurance without a CCC or may place some restrictions on the coverage.

# What to look out for?

## **Not carrying out a full handover inspection**

Failing to remember that the Building Act places ultimate responsibility on clients may result in you underestimating the importance of involvement throughout the handover process. Ideally all builders should ensure their work is of the highest standard and that it complies with all applicable regulations. However, if the work is signed off at **practical completion** without a thorough inspection and anything goes wrong in the future, you could be liable for the damage depending on who the main contractor was and how long it happens after building completion. Any costs incurred by you after final sign-off are not the builder's responsibility.

## **Not understanding lifetime costs**

You also need to be aware that the cycle of design and construction is very short compared to the whole life cycle of the building. This means that significant costs of a building are incurred after it is completed, on maintenance, repairs, utility bills, etc. Becoming a knowledgeable user, monitoring performance, and committing to constant maintenance and improvement are essential to reduce the running costs of the home and improve the life of systems and materials. See 'Lifecycle Costs' in the Sustainability hub for more information.

## **Not properly defining the end of the contract**

The contract needs to give you the ability to ensure that the builder and subcontractors finish everything to your satisfaction and in a timely manner.

In some forms of contract you withhold a percentage of all the payments made to the contractor through the course of the contract - 10% is an accepted sum. At **practical completion** you would release half the money and hold the rest for the duration of the defects period. This could be 3 - 6 months after **practical completion**. At the end of this period all parties meet and if all outstanding matters have been addressed the rest of the money will be released. It is very important to define in the contract what is expected at each point.