POLICY BRIEF

September 2026

When do residential repairs need coordinated support? A framework to support decision-making

After a natural hazard damages residential properties, an early and consequential decision is determining whether and how the repair process will be coordinated. The approach taken – homeowners managing their own repairs, or a more coordinated programme being put in place – shapes outcomes for repair quality, homeowner wellbeing, and community recovery.

Homeowner-led repairs are common and can work well. When insurance claims are cash settled, homeowners have the funds and the autonomy to manage their own repair process. In many instances, this approach results in repaired properties and satisfied homeowners.

However, the scale and nature of an event can make homeowner-led repairs challenging. Following the 2010-11 Canterbury earthquakes, a managed repair approach was established to handle some risks associated with a large number of residential repairs. This included cost inflation, access to tradespeople and materials, and ensuring damaged homes were repaired (Earthquake Commission, 2019). While challenges related to the managed repair attracted criticism, the 2020 Earthquake Commission Public Inquiry called for an ongoing evidence base to inform future decisions about how residential repairs are best managed following natural hazard events (Recommendations 5.1.3 and 5.1.4). The Inquiry highlighted the need to consider both homeowner-led and coordinated approaches to residential repair programmes.

Research into residential repairs following the 2016 Kaikōura/Hurunui earthquake highlighted some of the risks that homeowner-led repairs could exacerbate in a large event. This included incomplete or sub-standard repairs, and large gaps in quality assurance processes. Subsequent research into recent extreme weather events, including the Westport flood (2021), Nelson-Tasman flooding (2022), and North Island Extreme Weather Events (2023), found similar gaps in quality assurance processes and identified additional challenges specific to weather-related damage, including moisture management and inconsistent guidance on immediate clean-up actions.

The risks from homeowner-led repairs exist but are not always visible. When homeowners manage their own repairs, there is limited formal oversight of whether repairs are completed and to an adequate standard. Homeowners who lack the capability and/or capacity to manage complex repairs can be particularly vulnerable, as they navigate an unfamiliar process while managing the wider impacts of the event on their lives. These risks increase following a large event, with pressure on qualified contractors and an influx of less qualified or opportunistic contractors entering the market. Other factors such as complex structure or land damage, and damage extending over properly boundaries can put further pressures on resourcing and add complexity to homeowner-led repair processes. Poorly repaired properties can also contribute to poor health outcomes for occupants and increase susceptibility of property damage in future events, with consequences for both current and future homeowners.

A more coordinated approach can address some of these risks but involves trade-offs. Repair processes managed through a more coordinated approach can provide greater oversight of quality and completion and can help to manage limited resources and work through cross-boundary issues. Trade-offs for this include less homeowner autonomy in the recovery process and the potential for lengthy repair wait times, as was observed following the Canterbury earthquakes (Earthquake Commission, 2019) and the 2023 North Island Extreme Weather Events.

Approaches to residential repair are a combination of how claims are settled and how repairs are managed. These approaches sit on a continuum, from a fully claimant-led repair process to fully third-party led, with various hybrid configurations possible, such as opt-in repair coordination, pre-approved contractor lists, or targeted support for vulnerable homeowners. Figure 1 below illustrates this range.

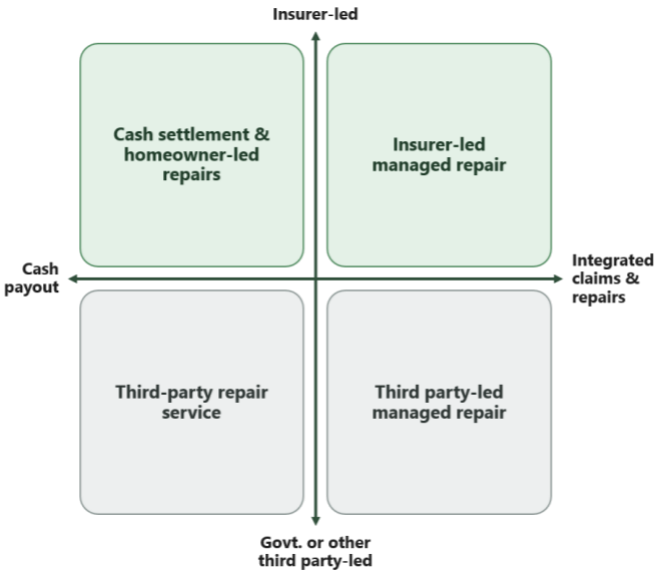


Figure 1. Residential Insurance Settlement and Repair Approaches Sit on a Spectrum

The question isn't which approach is better, but what is most appropriate for the conditions of a given event. The following framework, developed from the Kaikōura earthquake research and corroborated by the subsequent extreme weather research, identifies criteria for assessing whether a more coordinated repair approach may be needed. Where the factors below combine to indicate a high likelihood of poor outcomes for homeowners managing their own repairs and associated risks to housing quality, a more coordinated or managed approach is likely to be warranted – whether across the event as a whole or targeted to specific demographic or damage groups where risks are most likely.

A more coordinated approach to repair does not have to be insurer-led or tied to the insurance claim. Coordination can be organised by central or local government, or community organisations. These would sit alongside, or independent of, how insurance claims are settled. The framework is intended to support decision-making across all of these actors.

The factors should be considered alongside the cultural and community context of affected areas. Community preferences around autonomy and self-organisation are a material factor in determining what form any coordinated approach should take – and what is appropriate or welcome will vary between communities and individuals. The framework is a tool for identifying where coordination may be warranted and prompting early conversations about what form that coordination should take, not a prescription for any particular approach.

CRITERIA	FACTORS	PARAMETERS
1. Scale of the event	Number of houses impacted (claims)	• Number of people impacted • Total value of claims
	Geographical spread of houses impacted	• Number of Building Consent Authorities/councils involved • Contractor accessibility to affected areas
2. Nature of communities impacted	Ownership characteristics, including cross-boundary issues	• Land parcel type (e.g. cross-lease vs single title) • Density of housing • Number of multi-unit buildings and apartments • Land movement • Shared boundary walls or services
	Community characteristics, including homeowner capacity to manage repairs and relative vulnerability	• Number of displaced persons • Number of people requiring support for repairs • Socio-economic and/or cultural context • Access to and availability of support services
	Extent of insurance policy coverage[1]	• Proportion of homeowners with adequate policies to cover cost of repairs
3. Complexity of damage	Ages and types of houses most affected	• Complexity of repairs • Significant public health hazard
	Superstructure type	
	Foundation form	
	Material ingress into or beneath houses	
	Moisture management issues (i.e. drying challenges, sanitisation issues)	
	Linkages with available technical guidance	
	Nature and extent of land damage	
4. Current construction market characteristics	Sector capacity	• Market capacity to deliver the required repair work / Relativity of event-induced repair workload to base workload volume • Availability of materials and supplies
	Sector capability	• Availability of skilled labour (relative to required) • Availability of worker accommodation in or near affected area
	Capability of entities to deliver a managed repair programme	• Availability of competent operators (including experience and Project Management Office capability and infrastructure)

[1] High rates of underinsurance may make an insurer-led repair programme unviable but does not reduce the need for coordinated repair management. In such circumstances, a third party-led programme may be warranted, funded through a combination of insurance payouts, individual contributions, and other sources.

What underpins any good repair process?

Regardless of the chosen settlement approach, the following overarching features should be present in all residential claims and repair processes.

1. **Homeowner choice, autonomy, and active participation**. Homeowners should have meaningful input into decisions about their recovery, such as input into choice over contractors, repair timing, and/or how repairs are managed.



2. **Quality assessment and repair assurance**. Damage scopes should be thorough and independently checkable, with a process for reopening claims where additional damage is found (and communicating this with homeowners). Quality assurance processes should be embedded within repair processes to reduce potential for housing quality issues.



3. **Clear, timely information and support.** Homeowners and the building sector need accessible support and guidance from the outset, covering immediate post-event actions, good repair practice, consent requirements, and the consequences of inadequate delayed repairs. Setting honest expectations with homeowners about likely recovery timeframes should also be done, as much as practicable.



How should this framework be used?

Central government agencies	• Use the framework to support ongoing central government work on insurance claim settlement policy, including in response to Public Inquiry Recommendation 5.1.4. • Incorporate this framework into pre-event planning and share across relevant agencies involved in recovery planning and decision-making, to support early, consistent, and cross-agency aligned responses to future events.
Insurers	• Use the framework as a structured, evidence-based tool for early-stage claims management decision-making following significant natural hazard events. • Consider the framework criteria when designing event response programmes, including anticipating conditions that may indicate a need for a more coordinated repair approach, and what systems would need to be in place to effectively coordinate parties responsible for managing repairs (e.g. privacy and data-sharing protocols).
Recovery managers	• Incorporate the framework criteria into event response and recovery planning, including identifying conditions likely to place significant demands on homeowners and the construction market. • Use the framework to anticipate what a recovery environment may look like for a given event and plan accordingly, including community and individual vulnerabilities.

Evidence base for this document

This brief draws on survey data from homeowners about their insurance claim settlement and repair experiences, as well as interviews with key stakeholders including homeowners, insurers, engineers, building contractors, building consent authorities, real estate agents, and recovery managers.

The work spans two research projects:

- An NHC-funded study examining the impacts of claim settlements on housing repair and homeowner wellbeing outcomes, following the 2016 Kaikōura/Hurunui earthquake (*NHC contract number: 4004*), and
- A subsequent NHC and BRANZ co-funded study examining these impacts following extreme weather events (2021–2023) (*NHC contract number: 4372*).

The framework presented in this policy brief updates the draft decision criteria originally developed by Brunsdon & Bird (2023), from the Kaikōura earthquake study. Cross-hazard validation with data from the subsequent extreme weather study confirmed the framework's criteria and principles as broadly applicable across hazard types.

The cross-hazard validation process found that the original criteria and principles were broadly applicable to extreme weather event recovery.

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