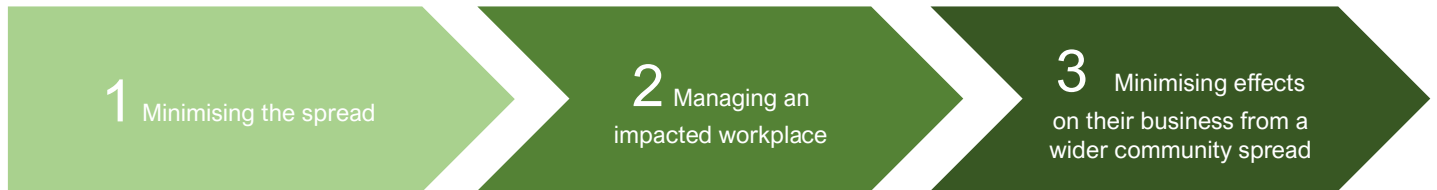


***UPDATED* COVID-19 (coronavirus) Building and Construction Industry Advisory**

This document has been prepared as a general Toolbox Talk for building and construction workers and supervisors. It supplements but does not replace information from the government and Ministry of Health which will always be the primary source of advice in this matter. [Please see the MOH website for further information](#)



New Zealand will be moving to level 2 on Thursday, 14 May. Building and construction work will continue with physical distancing and contact tracing. The economy is opening up and we will have fewer restrictions on our lives, but we must remain vigilant.

COVID-19 alert level 2 – what it means for business in Construction and Building

Yesterday the Prime Minister announced New Zealand will step down to COVID-19 alert level 2 on Thursday, 14 May following another week of single-digit increases in new cases including some days with zero increases. The government has been under increasing pressure to further open the economy, balancing that against advice from some health experts who were urging a more cautious approach. At alert level 2, health and safety remain the top priority for all businesses and workers.

The **CHASNZ Protocols** have been updated with assistance from industry leaders. Key changes at level 2 include:

- Physical distancing: The protocols specify that appropriate physical distancing is maintained when possible. In instances where work requires less than 1m physical distance for safety or ergonomic reasons, a risk assessment detailing the extra measures employers use such as PPE, sanitation, and recording instances of work and the people involved.
- Interregional travel: In accordance with alert level 2 rules, the protocols allow for more flexibility on interregional travel. **See more information on alert level 2 rules for travel.**
- People on site: The protocols specify that visitors to sites such as clients, engineers, architects or auditors are allowed, but must comply with site requirements. They must follow site entry, induction, track and trace, hygiene and physical distancing requirements.
- Mental health: To support the mental wellbeing of workers during this period, guidance for the sector has been incorporated directly into the protocols in conjunction with **Mates in Construction.**

The protocols represent current best practice, and the expectation that all construction sector businesses and workers will apply them and do the right thing.

The protocols are a 'living document' and will be updated regularly as new information emerges. The current version will always be available on the **CHASNZ website**.

This work is part of the Construction Sector Accord's **Construction Sector COVID-19 Response Plan**.

Updates from the Construction Sector Accord

Variation claims

The Construction Sector Accord (CSA) worked with the government to develop guidelines on a consistent official position for contractors facing additional costs created by the COVID-19 alert level 4 lockdown. These guidelines state that in most cases contractors would be entitled to claim costs as a variation to the contract. Additional guidance on the process of establishing the fair value of these variations has now been released. [Read the Guidance for dealing with variation claims](#)

The new guidance includes principles to follow when negotiating the cost of the variation and outlines the factors that need to be considered. It lists the types of costs claimable by contractors and notes that costs must be demonstrable. The guidelines also advise that the contractor must have mitigated the costs as far as practicable. There's also guidance on a fair approach to 'idle labour' costs.

These guidelines have been developed for use by government agencies. While not legally binding, they are viable for negotiations on private contracts. Variations should be negotiated in good faith rather than through litigation whenever possible.

The Ministry of Education, as a Construction Sector Accord partner, has already released its guidelines for valuing COVID-19 project variation claims on school property projects. These have been based on the Construction Sector Accord guidelines, and are available on the [Ministry of Education website](#).

The Construction Sector Accord is continuing work to develop further procurement guidance. This includes advice on the fair risk allocation for COVID-19-related disruptions in new contracts.

Rapid mobilisation of government projects

The COVID-19 Response Plan includes getting construction projects up and running quickly to support New Zealand's economic recovery. A Construction Sector Accord working group has identified and analysed several existing rapid mobilisation models, such as those used after the Christchurch and Kaikoura earthquakes. They've also examined approaches being taken by NZTA, Ministry of Education, and a group of Waikato councils.

The Construction Sector Accord has produced guidance for local and central government agencies using these models. They've provided a range of delivery models in both horizontal and vertical construction, and offered suggestions for matching models with project complexity and agency capability. It includes analysis on what does and doesn't work in specific situations, and ways to streamline procurement, consenting, governance, and funding approvals.

The guidance will be used to support delivery of the pipeline of government construction projects across the country, as well as the 'shovel ready' programme that the Construction Sector Accord is working on with Crown Infrastructure Partners and the Infrastructure Commission.

[Read the Construction Sector Accord's advice document - Rapid mobilisation models to support post COVID-19 recovery](#)

Further updates

The COVID-19 crisis has caused unprecedented social and economic disruption to our industry, the country, and the world. While New Zealand is transitioning down from full lockdown and will soon be entering COVID-19 alert level 2, we're a long way from business as usual. Many facets of how we work and live may change forever.

We'll be navigating the social and economic impacts of COVID-19 for months and possibly years. However, we must still hold true to our core values and aspirations. The Construction Sector Accord is reviewing the Construction Sector Action Plan that was released in January, and looking at how this may change as a result of the coronavirus crisis. NZCIC is resuming our pre-COVID-19 workstreams in addition to working on the COVID-19 response. We'll continue to be the cohesive voice driving industry well-being and performance for a better built environment for New Zealand.

NZCIC will reduce our weekly publication of the COVID-19 updates to fortnightly. This will be reviewed monthly or at the next change of alert level.

For any media inquiries or if you're interested in becoming a member of the NZCIC, please contact the NZCIC Chair, Graham Burke at graham@grahamburke.co.nz or 021 249 3459.