



**Why Site Selection Matters:  
Fred and Freda's Story of Loss**

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## 1. INTRODUCTION

The *Resilient Communities: Doing Better in Bad Times* research programme is all about enabling people and communities to be more resilient in the bad times associated with adverse natural events. At the heart of individual and community resilience lie the homes we live in.

When we started doing work with communities and older people affected by or vulnerable to weather events like storms, slips and floods, we were very much focused on dwellings. But it became very clear that the land on which dwellings are built and the choices people make about sites are equally important for resilience.

A resilient home is a home that will protect in an adverse event. It is a home that is resistant to damage. It is a home that can be recovered quickly and affordably and helps people to recover their lives. Some sites make protection and recovery very difficult.

One of the lessons we took away with us from talking with older people affected by weather events was how little we are supported to make well-informed choices about the sites of our dwellings. The experience of Fred and Freda who tell their story below illustrates how important site selection is for resilient homes and how easily the rewards of a life of hardwork can be destroyed.

Their experience and that of the many older people who shared their experiences with us, prompted the development of the ‘Selecting a Site for Your Home’ tool. That tool helps older people to ask the right questions about, do some research about, and look at their site to be better informed about their site selection choices.

The site selection tool does not replace professional advice. But it will help people to think about the places they want to live and the sites on which dwellings are built.

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## 2. WEIGHING UP CHOICES

Older people often think about access to services like shops, health and public transport. Some older people choose to live close to services and others far away. These are obvious choices and people balance in their own minds what level of access they feel that they want and need. Some individuals might later feel that their decisions around proximity to services were not ultimately the right ones for them, or personal circumstances might change which means different decisions might need to be made. But those can usually be sorted, although moving is always stressful.

It not as common for people to think about the vulnerability of their house site to storms or heavy weather, floods, slips or debris flows. Unfortunately vulnerable sites can have all sorts of implications for people during and after an adverse natural event such as a big storm, storm surges etc. Vulnerable sites are, moreover, often very attractive to older people looking to retire, often in places where they had holidays in the past such as beside a beach, on hills with seas views, on near rivers and so forth. Even if older people do think about those issues, they often rely on information on the LIM<sup>1</sup> or the fact that a subdivision has been completed as if those will indicate whether a site might be vulnerable to adverse natural events, or not.

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<sup>1</sup> LIM = Land Information Memorandum.

The vulnerability of sites in vulnerable landscapes are not always noted on LIMs and sometimes not even in district plans or consents. But such sites can be expensive to buy and build on and if they are lost because of an adverse natural event such as a flood or debris flow which destroys a house, or even the site itself, householders can be left facing significant financial losses. They can also be stressed and their health affected. This is true for anyone, but for older people who have retired believing that they have a secure future in retirement, these impacts can be very profound. They often have limited financial resources to 'make up' for the loss. They often feel they have limited time to re-establish themselves and some feel that they are limited by frailty, injury or ill-health in their ability to 'start again'.

Research internationally including research subsequent to the Canterbury Earthquakes reinforce the length of time recovery takes and the particular impact adverse natural events can have on older people.<sup>2</sup> Earthquakes impress by the awful power and widespread nature of the devastation. But earthquakes are only one natural risk in New Zealand. New Zealand's geography, with its steep hills, rapidly rising rivers, and plains which have been relatively recently in geological time set down and are exposed to storm surges, all contribute to vulnerabilities to weather related events. Those weather related events can be very quick and often localised. New Zealand's dispersed population and its low densities also mean that some events can lead to devastating and traumatic losses for a relatively few number of people, often in communities which are isolated from the daily lives of most New Zealanders.

That sense of being out of the 'rat-race', the pristine or natural beauty of these places are, of course, what makes them so attractive to people looking for a place to retire. But it also means that recovery from those events may be hampered. Certainly the sheer weight of devastating earthquakes can stretch services and organisations. This is quite evident in the Christchurch rebuild. At the same time, however, those events also mobilise enormous resources. Central government and councils become preoccupied by community recovery and those efforts are supported by special legislative powers. Private companies both inside and outside affected communities gear themselves to delivering services from insurance to repairs and building. Whether they do so effectively and are able to cope with demand becomes the issue where there is a significant mass of new demand. In small towns and rural areas which are already distanced from private and public service provision, the needs of a small group of people, albeit ones who may be severely affected, may not be enough to trigger a concentration of effort. The limited numbers involved may have quite different consequences: effective and quick resolution of claims and action to aid recovery, or a struggle to get agencies, public or private to focus and resolve issues. In this less does not always mean more.

Individuals can also find themselves caught in a loop of contingencies which can exacerbate the impact of the event itself and undermine the ordinary protections that people believe they have. Take for instance, the situation of Fred and Freda – not their real names, but names they have chosen for this report.

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<sup>2</sup> Greenberg, M., 2014, *Protecting Seniors Against Environmental Disasters: From Hazards and Vulnerability to Prevention and Resilience* Routledge, London and New York.

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### 3. FRED AND FREDA'S STORY

*Fred and Freda retired from jobs in Wellington. They were not well off, but had saved and were mortgage free. They first retired to a small provincial town, in the north of the South Island before purchasing a site on a subdivision in a bay looking over the Tasman Sea. The site they bought was sloping, but not steep, and about half an acre in size. It was bounded on one side, quite distant from their house, by a stream, that also bounded the sections above and below them. The stream was in a fairly deep cutting and came from a steep-sided gully above the sections. The section cost them around \$280,000. It was a price lifted by the overheated property market. The site was valued at \$125,000 when it was valued in 2004/5 after the subdivision of the land from farming with low returns.*

*They built a house using the money from selling their previous house and some of their savings. They then developed their garden with a range of garden buildings and sheds.*

*Then a big rain occurred. Their property was at that time valued at around \$600,000 and they were paying around \$3000 a year in rates. Just before dark a neighbour called them out of the house because a torrent of water, mud, debris, and logging slash which had backed up high in the narrow gully above the sections had broken and was surging down the valley, across the subdivision. Multiple slips on the hillsides behind the subdivision cascaded into the gully and exacerbated the situation. With nothing but the clothes they were wearing, they left the house. They and many others in their bay and neighbouring bays were cut off from services, unable to use roads, and found in the light of the next day that their home had been filled with silt and debris. The back of the house was bashed in and uninhabitable.*

*Civil defence swung into action, red-stickered the house, and were quickly followed by the local council issuing a section 124 notice, deeming the property as dangerous and unsanitary. The notice gave them 12 months to rectify the situation and also reminding them that...*

*Quote ....*

*".... failure to comply with this notice is an offence ..... and is currently punishable by a fine not exceeding \$200,000."*

*Having seen your home destroyed, how helpful was that????*

*Fred and Freda think that they were lucky. They were alive and unhurt; they had family staying for the holidays supporting them over the initial shock; they were able to salvage some of their contents; they were able to find a place to rent from family in the bay which was secure unlike some other people who continually had to shift rental over the next couple of years; and, they were insured.*

*But there were bad things. Not only was their house uninhabitable and they had lost many things that they cared for, there was the uncertainty. Would the house be salvageable? If it wasn't, would they be able to rebuild on the site? Could the site be cleared of silt and debris? Why wouldn't the toilet in their rented dwelling work? The answer to the latter was the easiest and quickest to solve. The sewers were blocked with silt and needed to be cleared. But that raised issues of who was responsible for clearing the sewer lines? And there was the rates bill to pay on their property on which they could not live and for a house that they could not live in. It took many, many months for the council to establish a policy around rate relief. How could they juggle the cost of rent as well as rates?*

*The greatest uncertainty was dealing with the insurance around their house and land. What was the role of EQC here, and how would they work with the insurer? Was the house salvageable? How could it be assessed if it was full of silt? Should they remove the silt? Over a year went by while those decisions were being made. Eventually, after what felt like interminable and numerous distressing conversations with insurers and EQC to get some action, and numerous assessments from both parties, the insurers decided the house was not salvageable, that the costs of removing the silt and debris would be too high, and even if it was removed the costs of repair would be excessive relative to replacement.*

*This was not the end of the story. The insurers were prepared to rebuild but would they be allowed to rebuild on the site they had purchased for \$280,000? More uncertainty. And, if they could not rebuild on that site, although the insurer would allow them to build on another site, could they find and now afford to buy a new, safer site for a new home? They were already finding paying rent and rates difficult.*

*Again, Fred and Freda faced a gruelling process of trying to get clear decisions. It was a relief that 12 months after having to escape from their home, and having been informed that without some considerable expensive protective measures they would not be allowed to rebuild elsewhere on their land, that the insurer would pay for a rebuild on another site.*

*The problem then was finding a site that they felt safe on and that they could afford. The site they found eventually had just a slight slope, no stream, no forestry on high surrounding hills, but was still in a tiny settlement. They had been helped by the council eventually relieving them of the rates on their now unusable property. They were also able to sell their original site, still not able to be built on. And, of course, the rebuild on this new site was paid for, or at least most of it, by their house replacement insurance.*

*Despite being well insured there has been a financial toll, their sense of well-being has declined and health conditions have worsened. Fred and Freda know it could have been worse – one or both could be dead. And what would have happened if the insurance company had decided their old place was repairable? They would not have been able to build on a new site, and the council would not allow a repair on the old site.*

*You can't get your insurance to rebuild a house if you have nowhere to build it on!!*

*Nightmares and suicidal thoughts start here.*

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## 4. SO SITES MATTER

When buying the site in the bay Fred and Freda did all the things people are advised to do. They bought a property which was in an establishing subdivision. It wasn't on low lying swampy land or a really steep slope. They looked at the LIM.

Fred and Freda are not the only people with similar experiences of loss from heavy weather and slips, debris flows and coastal erosion. They, like others, had to leave their community and their family connections there. They had developed the property to a considerable value then the heavy rain came. After that event the property lost 96 percent of its value.

New Zealand has a vulnerable terrain, we are earthquake prone and volcanic in some places. Being a long, narrow country we have wild weather. We also suffer from overheated land and house prices. All of these together mean that everyone, but especially older people with few prospects of 'making up a loss' need to weigh up all the aspects of their investment into a home, think about the resilience of the home itself and think in particular about the site.

Fred and Freda have done a lot of investigation since they lost their house and their land. They now realise that there were some signs that it might have been vulnerable. Some of that information is in local museums, libraries and old newspapers. Some of it is indicated by the landscape itself. No one can read landscapes perfectly, or estimate risk and vulnerability perfectly. But there are some signs that indicate a site might have some risks attached to it.

The *Selecting a Site for Your Home* Guide does not replace professional advice. But it has been developed with the help of Fred and Freda as well as other older people and people with expertise in planning to assist older people to think about the sites they might be considering buying, whether on their own account or in a retirement village. It is a quick guide to:

- Raise householders' awareness and encourage people to do a lot of digging around before they buy about the history of the site and its vulnerabilities;
- Enable householders to ask the right questions about a site they like before they make decisions; and,
- Encourage people to get professional advice not only about the condition of a house they might think about buying but professional advice on its site or the site they might think about building on.

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## 5. PROGRAMME TOOLS

*Resilient Communities: Doing Better in Bad Times* research programme tools:

\* *Selecting a Site for your Home: quick assessment of site vulnerability, storms, floods, slips and heavy weather.*

\* *Resilient Homes: Storms, Floods and Heavy Weather: Household tool.*

These and other tools to help people with their homes can be found in [www.goodhomes.co.nz](http://www.goodhomes.co.nz).