

# Cautious by design:

## How local authorities in New Zealand are approaching NZS 3910:2023

Insights from Simpson Grierson's survey of New Zealand local authorities





## Executive Summary

NZS 3910:2023 was published in late 2023 to replace the NZS 3910:2013 standard construction contract. Simpson Grierson's survey of local authorities shows that, two and a half years on, adoption of the new standard is progressing cautiously.

### Adoption remains cautious

NZS 3910:2013 continues to be the default construction contract for most local authorities. Around one third of respondents have adopted NZS 3910:2023 either in full or on selected projects, reflecting a gradual and selective transition rather than a sector-wide shift. Use of the new standard is commonly dependent on project type, value or risk profile.

### Scale drives adoption

Larger local authorities procuring higher volumes of construction contracts are significantly more likely to have already adopted the 2023 standard, or to have a clear plan in place. Smaller councils are more inclined to take a 'wait and see' approach, preferring to observe wider market uptake before committing limited resources to transition.

### Practical barriers outweigh policy concerns

The primary roadblocks are cost and resourcing, uncertainty around the Contract Administrator and Independent Certifier roles, and the perception that NZS 3910:2013 continues to operate effectively. For many local authorities, the changes introduced in 2023 are viewed as incremental, and not a significant departure from the 2013 standard.

### Momentum is building, gradually

Most local authorities who are yet to adopt NZS 3910:2023 expect this to take place on a staged basis, supported by training, guidance and growing confidence across the sector.

The sections that follow provide the context for these findings, setting out how adoption varies by scale, planning intent and perceived barriers.

Drawing on responses from local authority professionals across New Zealand, including procurement, legal and senior leadership roles across organisations of varying size and scale, from smaller district councils to large metropolitan councils and council-controlled organisations.

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## Section 1

### Framing: why this matters now

NZS 3910:2023 was published in November 2023 at a time when local authorities were facing heightened delivery pressure, resourcing constraints and increased scrutiny of procurement and risk allocation. Two and a half years on, adoption across the local government sector has been cautious rather than wholesale. That caution is understandable in the context of competing infrastructure demands, fiscal constraints and the need to manage procurement risk carefully.

This survey was undertaken to better understand how local authorities are engaging with NZS 3910:2023 and the related NZS 3916:2025 and NZS 3917:2025 standards. In particular, it explores where adoption has occurred, where it has not, and the practical considerations influencing those decisions.

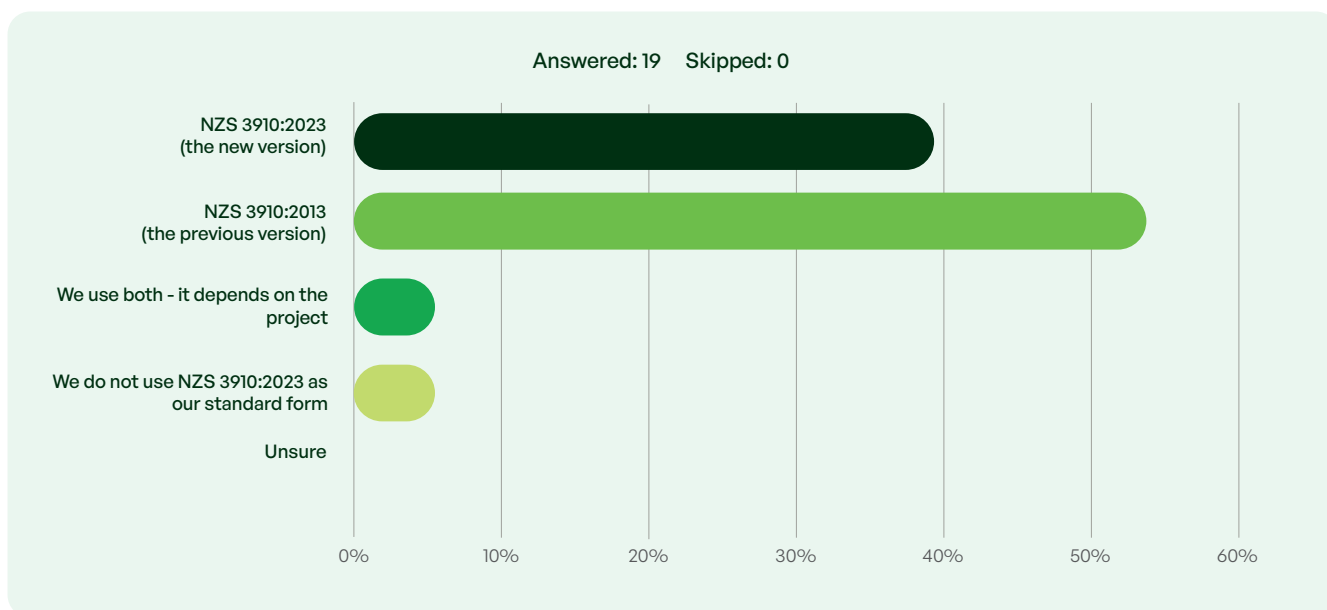


## Section 2

### Adoption snapshot - what local authorities are doing

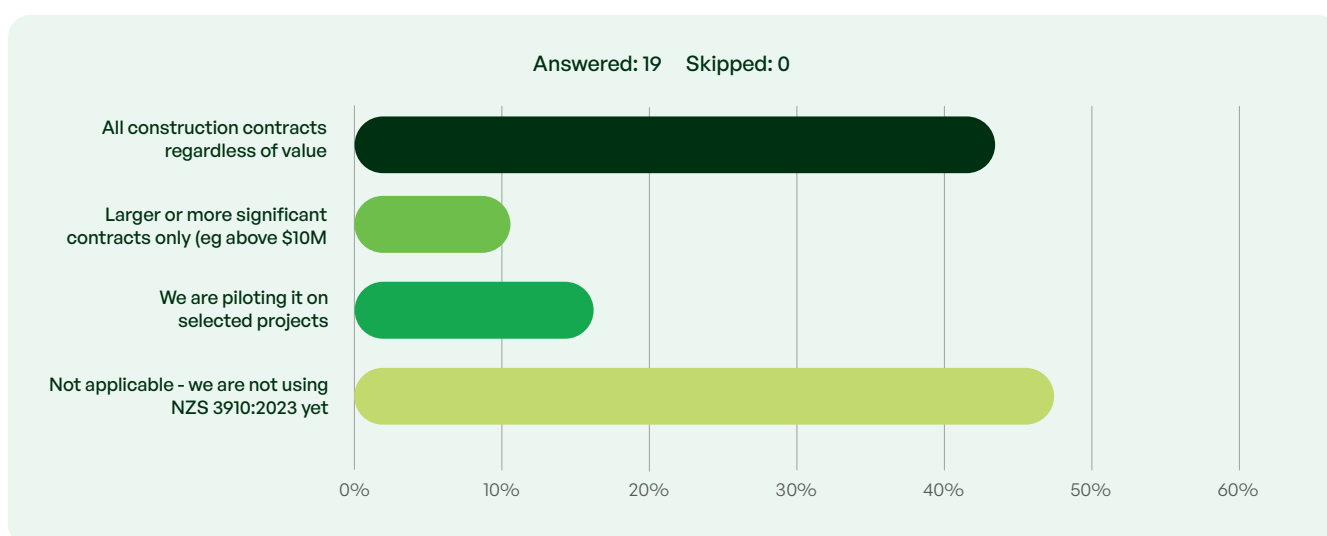
The survey confirms that, overall, local authorities continue to favour NZS 3910:2013 over the 2023 standard. Just over 50% of respondents identified NZS 3910:2013 as their preferred standard construction contract, compared with approximately 35% using NZS 3910:2023.

#### Q3 Which version of NZS 3910 does your council currently use as your standard construction contract?



Less than 10% of local authorities reported either piloting NZS 3910:2023 on selected projects only, or not using either NZS 3910 standard as their standard construction contract at all. Adoption is therefore uneven, with local authorities applying the new standard selectively rather than universally. As might be expected, the largest organisations are showing the highest levels of adoption, or have plans in place to adopt the new standard.

#### Q4 If you are using NZS 3910:2023, which types of projects are you applying it to? (click all that apply)



*NZS 3910:2013 remains the default for most councils, with NZS 3910:2023 adopted by a material minority.*

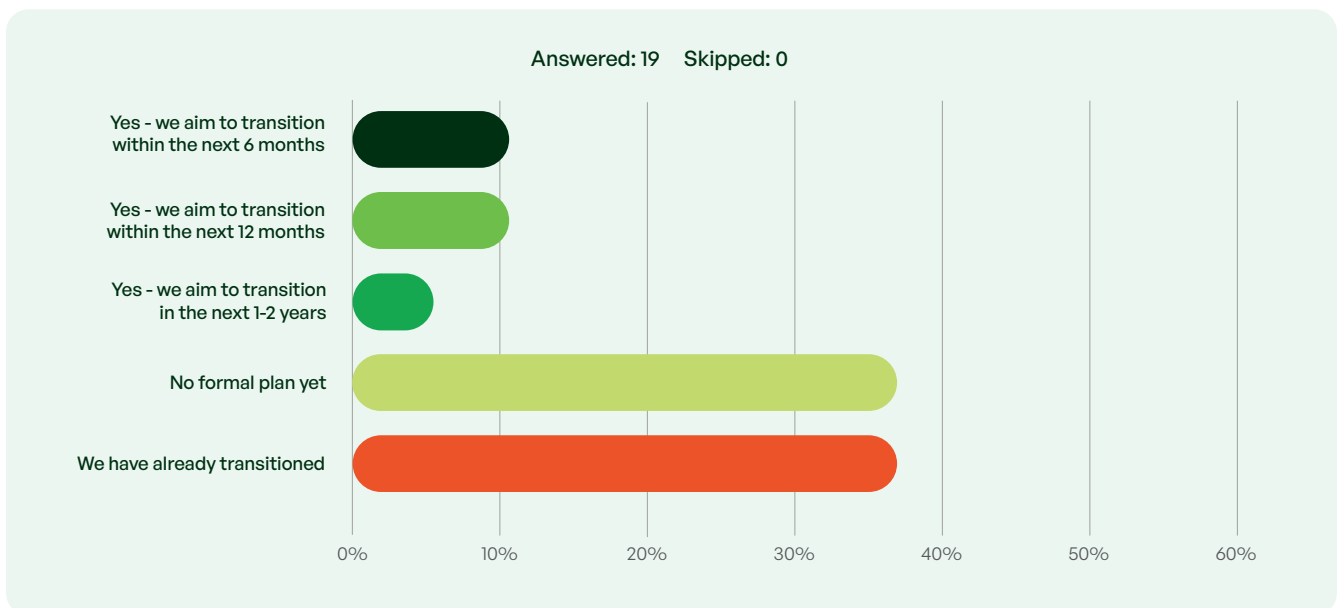
## Section 3

### Transition planning - pace and intent

For local authorities that have not yet transitioned to NZS 3910:2023, more than half of respondents indicated that they do not currently have a formal plan or target date to do so. A recurring theme from respondents is that NZS 3910:2013 is regarded as tried and tested, with established templates, processes and internal familiarity.

Against that backdrop, NZS 3910:2023 is often viewed as an incremental evolution rather than a sufficiently significant departure to justify immediate transition. In addition, local authorities are cognisant of the cost and effort involved in preparing new templates, updating special conditions and training staff to operate the new processes and roles.

#### Q8 Does your council have a target date or plan to transition to NZS 3910:2023? (select one)

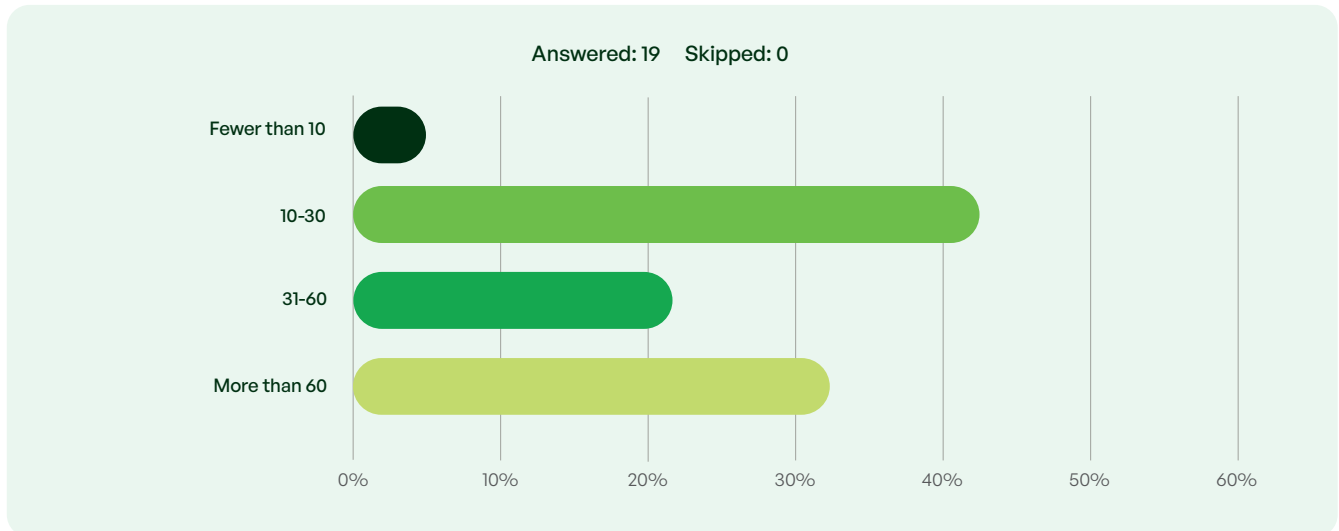


## Section 4

# Scale and complexity as influencing factors

Scale is a clear differentiator in local authorities' uptake of NZS 3910:2023.

### Q2 Approximately how many construction contracts does your council procure annually? (select one)



Larger local authorities have adopted the new standard in greater numbers. Among organisations procuring more than 60 construction contracts per year, over 80% have either already adopted NZS 3910:2023 or have an active plan to do so.

This pattern reflects resourcing and organisational capacity. Larger local authorities are generally better placed to absorb the upfront costs associated with transition, including updating templates, training staff and embedding new roles and processes. The efficiencies of standardisation are also more obvious where contract volumes are high.

Smaller local authorities, by contrast, are more likely to adopt a 'wait and see' approach. Many respondents indicated a preference to observe how the new standard beds in across the market before committing to change, particularly where their existing templates under NZS 3910:2013 continue to perform adequately.

Uncertainty around the Contract Administrator and Independent Certifier roles also emerged as a concern, alongside the perceived cost of operating those roles in practice. For some local authorities, adoption was further influenced by the timing of the roll-out of the broader NZS contract suite, with deliberate delays until the aligned standards became available.

### What councils told us:



*“NZS 3910:2013 works well for us. We have spent time aligning and creating council specific templates and at the moment this is not a priority. The case for change is not compelling enough yet.”*

*“The formalised split in the CA and IC roles has caused a fair amount of concern. On most projects, due to budgetary issues, the CA and IC role will be performed in-house by the same person, which does not address the independence concern.”*

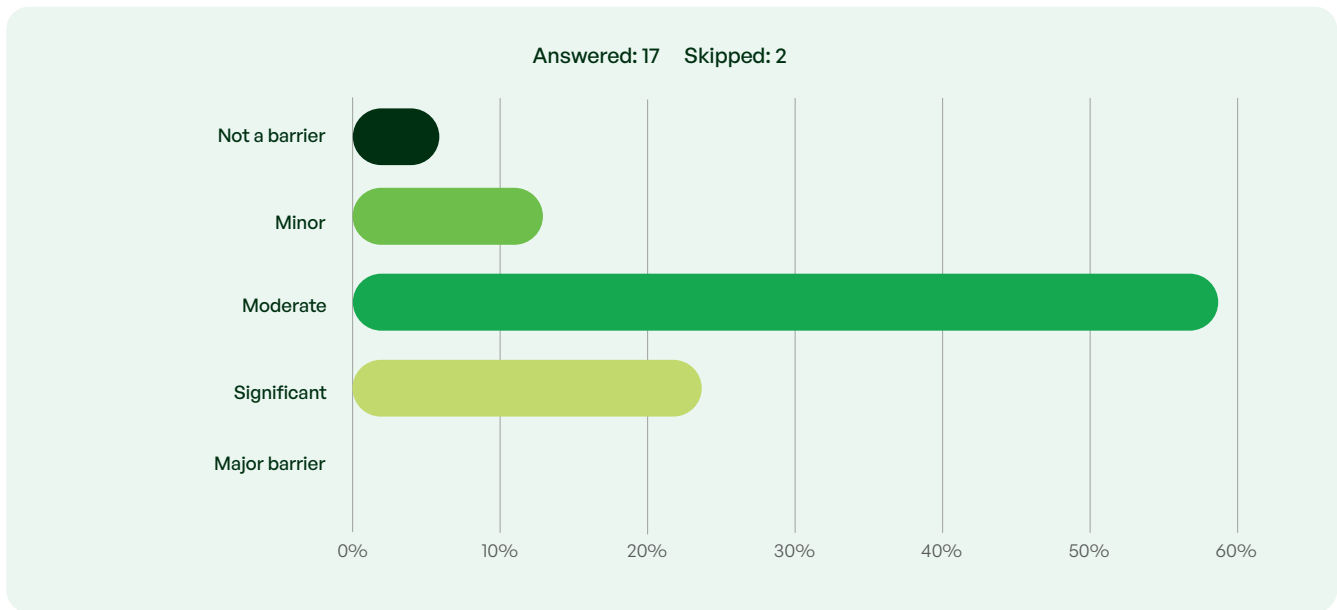
*“Greater support from the legal and insurance industry would help. Current feedback has not pushed the 2023 version, which leaves councils unsure whether there is a benefit in changing.”*

## Section 5

### Barriers to adoption - what is really getting in the way

The barriers identified by respondents align closely with the themes above: resourcing and cost, uncertainty around revised roles and processes, and a perception that the existing standard continues to function satisfactorily.

#### Q6 How significant a barrier is the cost of implementation - including updating templates, training, and procurement processes - in your council's decision?



## Section 6

### What would accelerate adoption

Respondents identified several elements that would help local authorities in adopting the new standard. These broadly fall into three categories.

**Peer evidence and practical confidence.** Some respondents noted that local authorities are influenced by observing what their peers have done. Surveys such as this one will contribute to this peer evidence, but further sharing of experience between local authorities and through sector bodies will be likely to reinforce this message.

**Training and accessible guidance.** Training was the most consistently cited need, with respondents specifically calling for webinars, worked examples of the Contract Administrator and Independent Certifier roles in practice, and clarity on how those roles differ from the familiar Engineer's role under the 2013 standard. Online access to resources and standard templates was also mentioned. The demand here is not just for high-level orientation but for practical, applied guidance that will help local authorities understand how the new roles and processes work in real projects.

**A clearer case for change, made more openly.** Some respondents expressed frustration at the lack of an honest, sector-facing conversation about the merits and limitations of NZS 3910:2023.



## Section 7

### Methodology

This report is based on findings from a Simpson Grierson survey of New Zealand local authorities conducted between March and April 2026. The survey was distributed to procurement, contracts, legal, risk and senior leadership professionals across the local government sector.

Results are based on 19 responses from local authority participants. Respondents included organisations procuring fewer than ten construction contracts per year through to those procuring more than sixty, spanning regional councils, city councils, district councils and council-controlled organisations.

The survey was voluntary and anonymous for those who chose not to identify themselves. Responses were collected via an online survey tool and have been reported in aggregate. Where individual comments are referenced in this report, they have been lightly edited for readability and to remove identifying detail where relevant.

Given the sample size, the findings are indicative rather than statistically representative of the local government sector as a whole. They are, however, consistent with the practical experience of Simpson Grierson's construction team in advising clients on NZS 3910 contracts, and are offered as a useful contribution to sector understanding rather than as a definitive market census.

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## Section 8

### Where to from here

NZS 3910:2023 is expected to become the standard construction contract in New Zealand, much like the 2013 standard replaced the 2003 version. Local authorities yet to adopt the new standard should consider putting a plan in place. As can be seen in the survey results, this does not necessarily mean a total change for all projects overnight. For local authorities where resourcing may be limited, or there is hesitation/scepticism towards the new standard, suitable pilot programs or staged approaches can be adopted.

Simpson Grierson's construction team is advising on the new NZS 391X contracts across the full spectrum of local government procurement. We work regularly with principals, contractors and consultants across the lifespan of projects, including the preparation of contracts, guidance on administering the contract and dispute resolution.

If this survey prompts questions about your organisation's approach to adopting NZS 3910:2023, we welcome the conversation. Whether you are at the beginning of a transition plan, working through specific contractual issues, or simply looking to understand what others are doing and why, we are well-placed to assist.



## Contacts



**Shanti Frater, Partner**  
+64 9 977 5273  
shanti.frater@simpsongrierison.com



**Caleb Smith, Senior Associate**  
+64 9 977 5012  
caleb.smith@simpsongrierison.com



**Jo-Anne Knight, Partner**  
+64 9 977 5340  
jo-anne.knight@simpsongrierison.com



**Edward Colenbrander, Senior Associate**  
+64 9 977 5223  
edward.colenbrander@simpsongrierison.com



**Lisa Curran, Partner**  
+64 9 977 5194  
lisa.curran@simpsongrierison.com



**Lily Kennedy-Perkins, Senior Associate**  
+64 9 977 5098  
lily.kennedy-perkins@simpsongrierison.com



**Sonia Vitas, Special Counsel**  
+64 9 977 5317  
sonia.vitas@simpsongrierison.com

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**Auckland**

**Visit** L27, 88 Shortland Street  
Auckland 1010

**Call** +64 9 358 2222

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**Wellington**

**Visit** L5, 40 Bowen Street  
Wellington 6011

**Call** +64 4 499 4599

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**Christchurch**

**Visit** L1, 151 Cambridge Terrace  
Christchurch 8013

**Call** +64 3 365 9914