



# Development and Construction matters

We have been in COVID-19 Alert Level 1 for more than two weeks and Kāinga Ora – Homes and Communities continues to work with our build and development partners, as well as suppliers and sub-contractors, to ensure everyone understands how we work together at this level.

Revised **Construction Health and Safety New Zealand (CHASNZ) COVID-19 Construction Protocols** came into effect on 9 June. Please continue to check this website regularly for the latest information on how to keep your teams safe.

As you'll be aware, the key change to the protocols is that physical distancing of one metre between workers is not a requirement, although it's still encouraged. This will mean our build and development partners can continue to increase productivity in our state housing programme, something which is more important

than ever in the current climate where demand for housing continues to rise.

However, remaining vigilant is also important and our build and development partners must ensure they have a plan that can be adopted quickly should we see a second wave of COVID-19 in New Zealand. We still need to keep up the other additional health and safety measures, which should become our normal hygiene practices.

Despite the many challenges of this environment, it's great to have made it to Alert Level 1. Let's work together to do everything we can to ensure we stay at this level, while also looking after one another, and getting on with the important job of providing homes for New Zealanders.

Please refer to [building.govt.nz](https://building.govt.nz) for latest COVID-19 industry-related updates.

## Our priorities

- Health and safety
- New maintenance and supply contracts
- More funding for apprentices
- Keeping you informed

## Message from our land development, construction and urban planning leaders

We continue to be impressed by the efforts and adaptability of all our suppliers, partners and subcontractors over the past couple of months. Please let your teams know that mental health charity, and Kāinga Ora partner, MATES in Construction, offers free mental health guidance for the sector and this has been incorporated directly into the CHASNZ protocols to provide support to workers who may be struggling.

In an encouraging sign on market activity, applications for the **First Home Grant** were the highest we've seen all year in the week ending 14 June, coinciding with our marketing campaign. The grant is available to first-time home buyers, or previous home owners, who have been making regular KiwiSaver contributions for 3-to-5 years. Grant approvals and grants paid (where applicants have met the criteria and are awaiting settlement on a home) continue to rise and are almost back at pre-COVID levels. First Home Loan approvals are slightly higher than pre-COVID levels.

### New maintenance contracts

Our new contracts for the maintenance of existing homes commence on 1 July 2020 for both maintenance partners and materials supply.

The new maintenance partner contract is for a maximum contract term of up to 10 years and includes:

- a range of customer service enhancements
- improved use of technology
- embedding contract management philosophies along with a strong relationship management focus.

The award of the new 11 contract regions has been made to five organisations, all of which currently deliver maintenance services for Kāinga Ora. In addition, new materials supply agreements have been established for a term of four years.

Maintenance activities account for approximately 35 percent of our annual operating budget (approximately \$500 million per annum).

### Apprenticeship Boost scheme available

The Government's new Apprenticeship Boost scheme means more Kiwis can learn trades on Kāinga Ora building sites. **The newly-announced wage subsidy** will pay employers up to \$16,000 to help cover the costs of training apprentices.

The scheme will run from August 2020 until April 2022. In another move to attract more apprentices into trades, the Government has also waived tuition fees, under the recently announced Targeted Training and Apprenticeships Fund.

Build partners and sub-contractors who want to take advantage of the scheme should get in touch with our Building Social Outcomes Lead, George Ellis, on [georgina.ellis@kaingaora.govt.nz](mailto:georgina.ellis@kaingaora.govt.nz).

Now into its second year, the Kāinga Ora apprentice programme has seen 32 build partners and sub-contractors employ about 70 cadets and apprentices across public housing construction sites.

## Changes to Auckland supplier panel

Kāinga Ora would like to inform all prospective applicants and current panel members to the 100% HNZ Redevelopment Panel (Auckland) that applications to the panel have been extended by a further 12 months to 30 June 2021. This is to give certainty to our build partners due to the impact of COVID-19 on the construction sector.

However, some building categories for this panel are now suspended as they have reached capacity; these are the Medium, Large and Three Level Walk up Apartment work categories. Please note that the Multi-storey Apartments category, for 4 or more storeys, remains open.

Please refer any questions on the panel to [procurement@kaingaora.govt.nz](mailto:procurement@kaingaora.govt.nz)



**Patrick Dougherty**  
Construction and Innovation,  
Deputy Chief Executive



**Caroline McDowall and Mark Fraser**  
Urban Development – Delivery,  
Deputy Chief Executives (Joint)



**Katja Lietz**  
Urban Development – Planning,  
Deputy Chief Executive

## Kāinga Ora joins Lakeside development

Kāinga Ora has entered into a partnership agreement with Winton to deliver more than 1300 homes over a 7-8 year period at Lakeside, in Te Kauwhata, Waikato.

Kāinga Ora Deputy Chief Executive of Urban Development Delivery, Caroline McDowall, says the Lakeside development presents an opportunity to build on Winton's vision for a well-thought out, master-planned community with housing choices for a wide range of people and families, including more affordable housing. The development will deliver homes consistent with affordable price points and master-planned community outcomes in the development, starting at \$480,000.

The Lakeside development is situated in a growth zone, in a strategic southern corridor location, and is fully consented, and ready for immediate delivery to the market in 2020.

Lakeside is already underway with civis and construction, and Kāinga Ora has settled on the first new lots. Shortly Kāinga Ora will commence engagement with potential build partners about opportunities at Lakeside, Te Kauwhata.

The delivery approach for this greenfields development will be similar to the Kāinga Ora development at **Hobsonville Point**, where we will be releasing lots to builder partners on our Invitation to Participate list. For more information about getting on the list, click [here](#) or email Rachael Hurzeler at [Rachael.hurzeler@kaingaora.govt.nz](mailto:Rachael.hurzeler@kaingaora.govt.nz).

The full announcement can be read [here](#).



Construction is underway at the Lakeside development, Te Kauwhata.

## Offsite manufacturing – building better homes faster

A Kāinga Ora redevelopment project at Busby Street, Blockhouse Bay project is being delivered using tested state-of-the-art building technologies.

Deploying the “platform based approach” to offsite manufacturing, the project combines cross-laminated timber (CLT) panels, engineered light timber frame panels and pod bathrooms/laundries.

Busby is the first of a four-project programme that will combine these technologies to enable the delivery of homes manufactured to a factory level quality which are assembled safely and with pace on site.

This initiative forms part of a research and development programme that could further advance the capabilities of Kāinga Ora as New Zealand's largest residential builder, meaning more people in the homes they need.

“Kāinga Ora is responsible for the delivery of a very large build programme in a highly competitive and congested construction sector,” says Tim Campbell, Kāinga Ora Business Innovation, Research and Design Director.

“We are working closely with industry to grow our offsite manufacturing capability because we believe that OSM has a really important role to play in improving productivity across the industry.”

The purposeful use of offsite manufacturing methodologies and sustainable materials will deliver a quality product to our customers with a lower impact on the environment.

The CLT is from Xlam, the engineered panels and pods from Concision, and the building is being assembled by Miles Construction. RM Design is the architect.



Progress at Busby Street on 3 June 2020, 18 of June then 26 of June.



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