

Building Momentum

14 May 2021

Christchurch Ōtautahi Event

Building Momentum Update

Rohan Bush – Director, Building Innovation + Standards

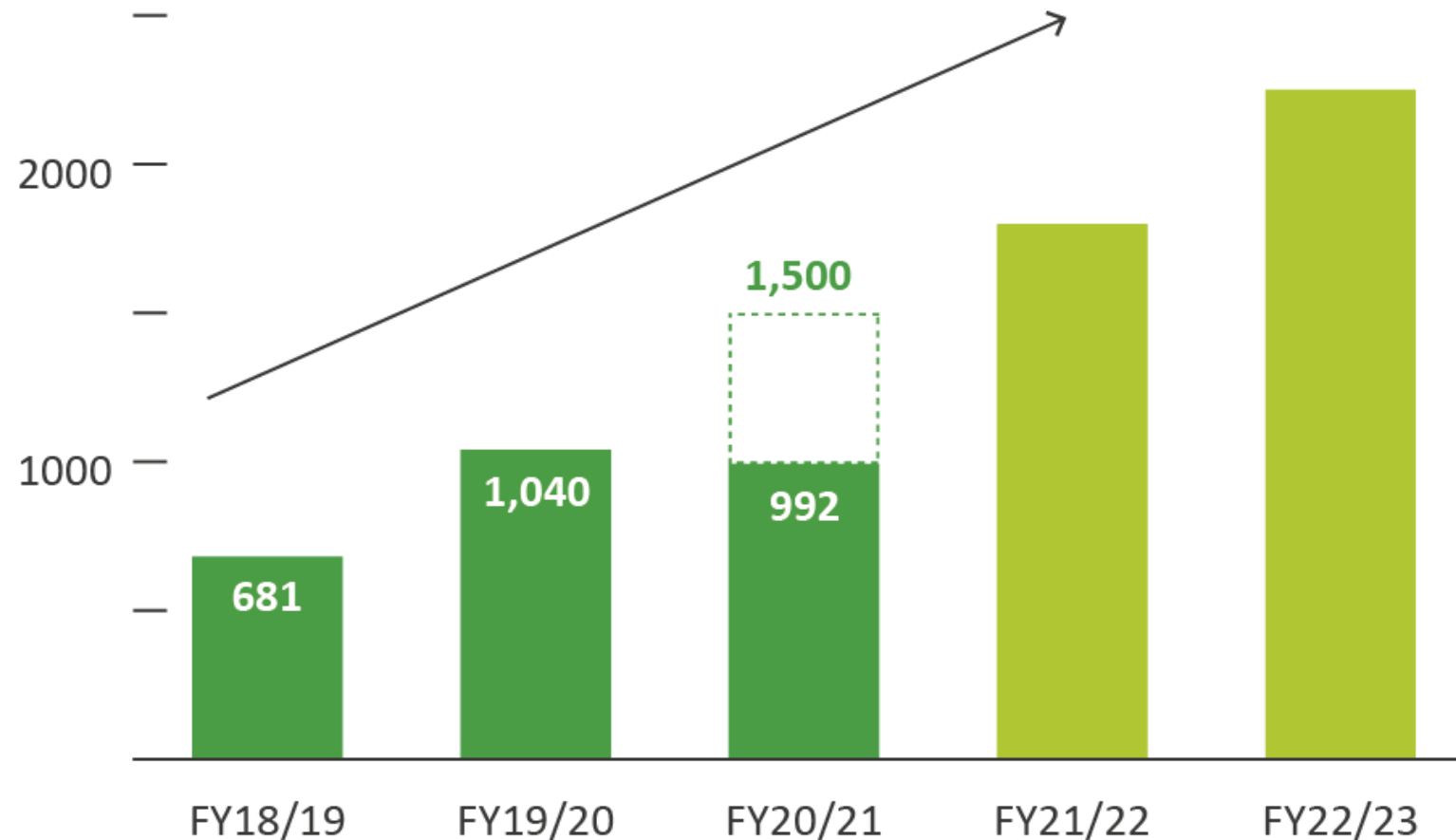
Ken Lotu-liga – Director, Delivery



OUR CONSTRUCTION
PLAN FOR FUTURE HOMES



Why we are here today: growing demand + better delivery



- Speed of delivery
- Value for money
- Health and Safety

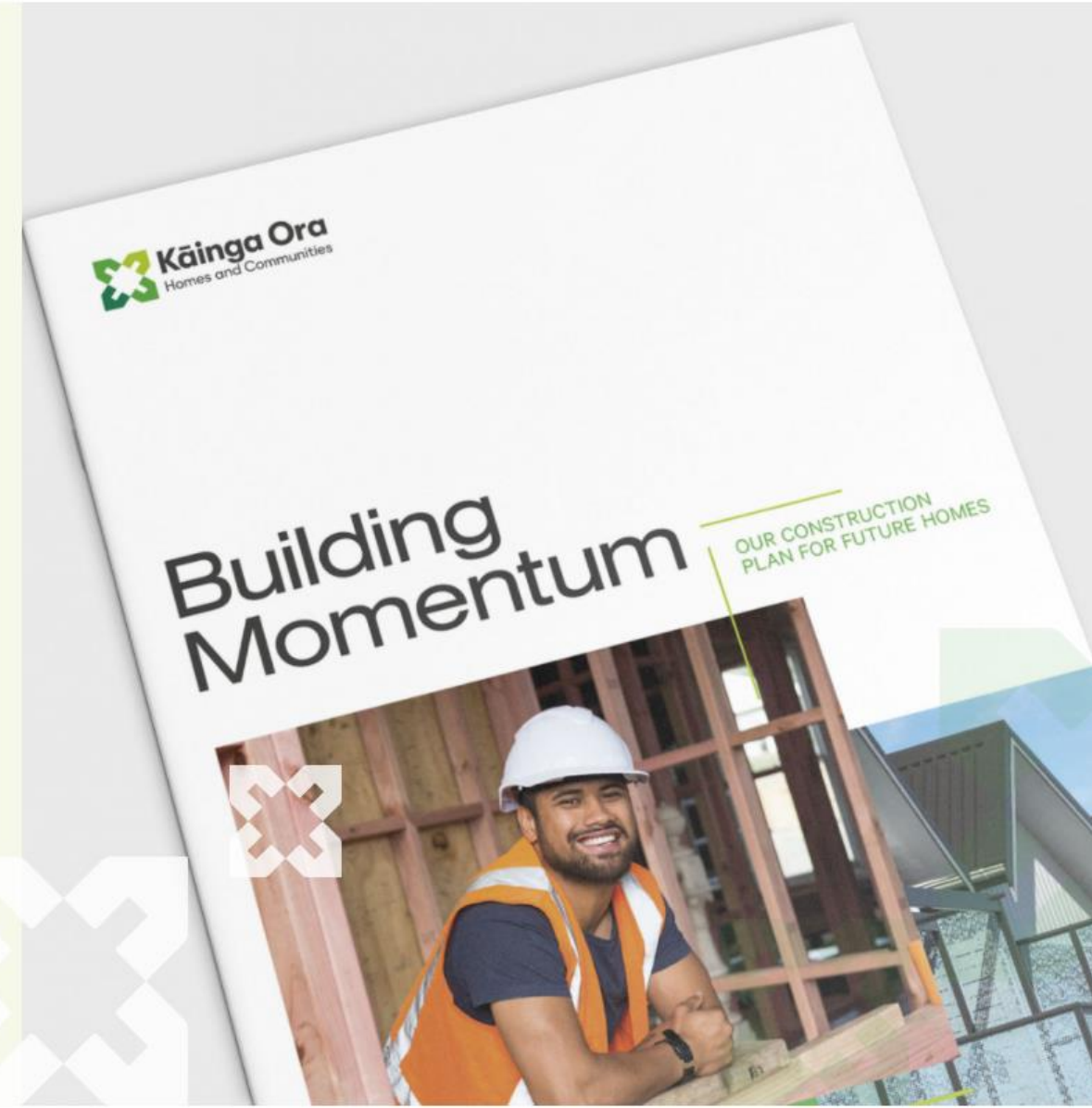
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- Outcomes for Māori
 - Community and social outcomes
 - Quality design and wellbeing
 - Environmental impact

-
- System transformation for NZ

Home / Working with us /

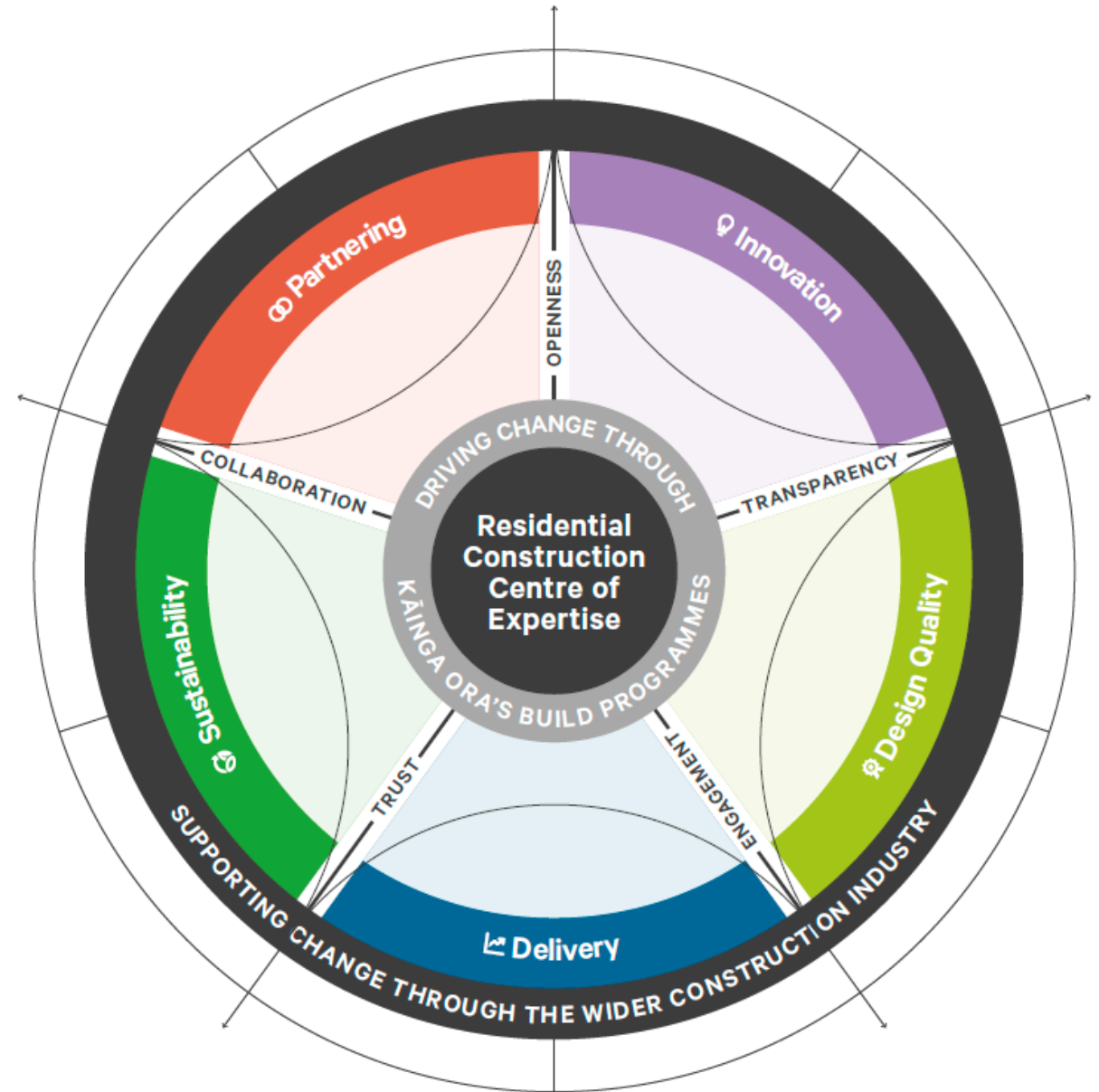
Building Momentum - our construction plan for future homes

It's time to change. Housing more New Zealanders means we have to think differently to deliver quality state homes, at a faster rate, and with better outcomes for our customers, the communities in which we work, and the wider construction industry.



Building Momentum overview

- 1 Shift in behaviours** – towards greater trust, transparency and genuine partnership
- 2 Industry leadership** – to influence and change the housing and construction industry
- 3 Delivering more with better outcomes:**
 - Priority 1 – Partnering
 - Priority 2 – Innovation
 - Priority 3 – Design Quality
 - Priority 4 – Delivery
 - Priority 5 – Sustainability



Building Momentum implementation – refer handout

Building Momentum

Our construction plan for future homes

Housing more New Zealanders means we have to think differently to deliver quality state homes, at a faster rate, and with better outcomes for our customers, the communities in which we work, and the wider construction industry.

Our challenge that we invite you to work with us on:

Kāinga Ora – Homes and Communities is charged with delivering ever increasing numbers of new state homes and either replacing or retrofitting a significant portion of our existing, aging housing portfolio. We are focused on improving the efficiency and effectiveness of residential construction in New Zealand, beginning with our own performance.

Building Momentum – our construction plan for future homes is a two-year outline for how we will work with you and the broader construction industry to improve the way state housing is delivered throughout the country.

1

Behaviour change looks like ...
high trust, open transparency, curious minds, humble listening, engagement and collaboration.

2

Industry leadership looks like ... leading by example with upskilling our processes, best-practice operations, and excellent knowledge-sharing both internally and externally.

3

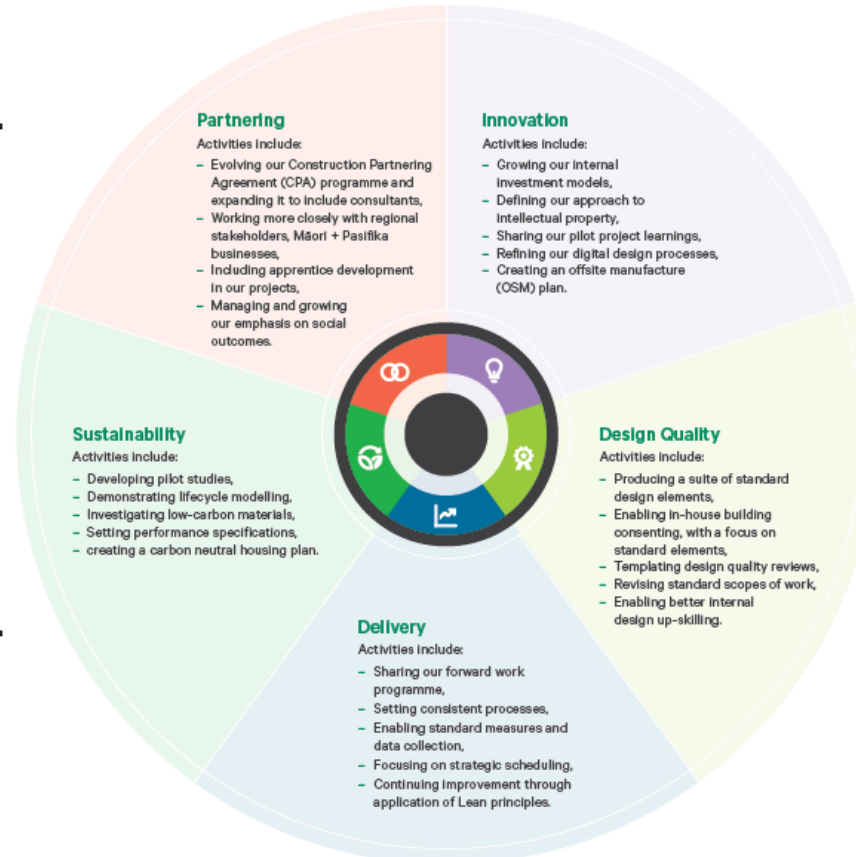
Delivering more and better homes looks like ... focusing on priority areas to drive real change and outcomes through Partnering, Innovation, Design Quality, Delivery and Sustainability.

The areas we would like to work with you:

Building Momentum sets out our intentions in relation to the three areas of work below. However, the opportunity to create positive change in the industry is much wider.






- Designing and developing **New State Houses** with our consultants and build partners
- Refurbishing and upgrading **Existing State Houses** with our consultants and build partners
- Specifying and purchasing **New State Houses** from developers on private land who work with their own teams

How we would like to work with you:



What's happening in our Priority Focus Areas



	Activities:	Outputs:
 Partnering	Expanding construction partnering agreements Apprenticeship programmes	✓ CPAs for consultants
 Innovation	Creating innovation programme + processes Mainstreaming offsite + digital designs	✓ OSM Plan
 Design Quality	Repeating standardised design components Designing for whole-of-life	✓ Elemental Typology Suite (ETS)
 Delivery	Sharing our forward growth programme Consistent + streamlined programmes	✓ Construction Intentions
 Sustainability	Reaching towards carbon neutral Reducing waste in design + construction	✓ Carbon Neutral Housing Plan

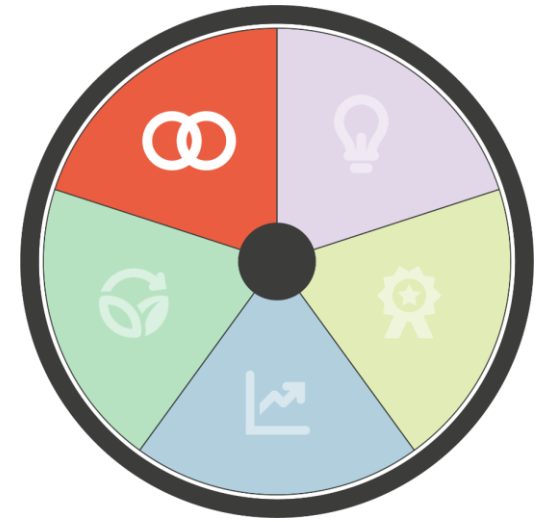


Partnerships update



Partnerships update

- **Apprenticeships programme:**
 - Growth in Auckland (26 new + 82 year to date)
 - Set-up phase in Christchurch
 - Opportunities progressing in Northland
- **Construction Partnering Agreements with consultants** – in dialogue with industry groups
- **Maori Partnership targets** – in development
- **Social outcomes** – Mates in Construction delivered to sites
- **REMINDER on employment conditions and our expectations of our partners** –
 - Being paid on time, paid lawful and rightful wages or salaries
 - Treated properly on site and gets home safe and well at the end of every day

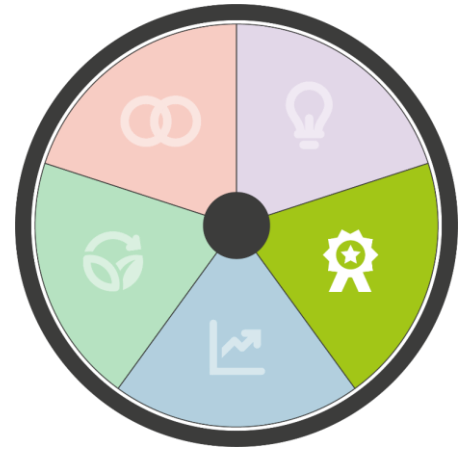




Performance Based Design update



Performance Based Design – consultation now open



Kāinga Ora are looking to introduce a **performance based regime for the design of our new homes** and the products that we use. Two resources have been drafted that outline the proposed performance-based standards:

- **M-134** Design Performance Requirements
- **M-135** Product Performance Requirements

Consultation with stakeholders who have an interest in or use the M-255 is critical to ensure that the documentation is fit for purpose, this includes internal and external stakeholders.

The consultation is now open for submissions and closes on **Friday 4 June 2021**
<https://kaingaora.govt.nz/kainga-ora-performance-requirements-consultation>

If you have any questions about this project or the consultation, please contact the project team at performancerequirements@kaingaora.govt.nz



Innovation + Sustainability update



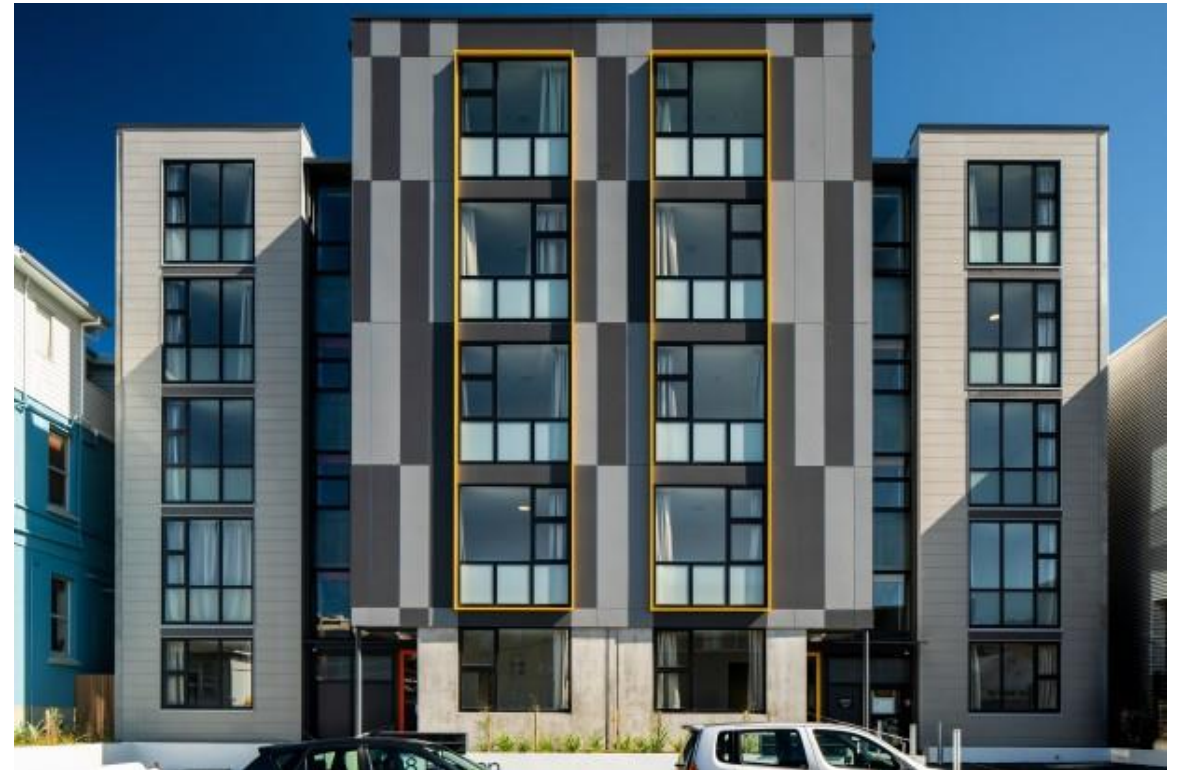
Kāinga Ora
Homes and Communities



Innovation + Sustainability update



- **Four major change programmes:**
 - Carbon neutral housing
 - Waste minimization + deconstruction
 - Offsite manufacturing + design for manufacturing and assembly
 - Digital + BIM
- **Innovation programme – next phase launch:**
 - Piloting programme
 - Knowledge transfer – to industry + internal
 - Invest in innovation partnerships
 - Measure impact of innovation



Kāinga Ora, Hanson Street by Herriot Melhuish O'Neill Architects.
Photo by Andy Spain



Construction Intentions update



Kāinga Ora
Homes and Communities



Our major housing programmes

Kāinga Ora invests in a range of programmes to meet the housing needs of New Zealanders. Our biggest contributions are through the provision of public and supported housing, followed by the supply of affordable homes and land for market housing.

The following high-level overview of commitments in these categories show this:



- We invest across the housing continuum to achieve housing outcomes for New Zealanders.
- Our biggest contributions are through the provision of public and supported housing.
- We also contribute to the supply of affordable homes and land for affordable and market housing.
- Our focus for our construction intentions is on public and supported housing.

Glossary of major housing programme terms



Construction intentions by regions

Construction intentions for the new public and supported homes Kāinga Ora is planning to build from 2021-2024 by region, housing type and delivery status.

View our [Construction intentions by region](#) page for a full break-down of this data.

Frequently asked questions on our construction planning intentions

What is changing at Kāinga Ora?



Why is Kāinga Ora making this new information available?



What benefits will this information have for industry partners?



What will the information show?



Our Pipeline of Construction Starting 2021-2024

All of New Zealand

\$7.0 - 7.2b indicative investment	IN PLANNING	CONSENTING & PROCUREMENT	UNDER CONSTRUCTION	
	10,770	3,310	-	2,620

Auckland

\$4.2 - 4.3b indicative investment	IN PLANNING				CONSENTING & PROCUREMENT		UNDER CONSTRUCTION	
	4,700				2,300		1,600	
CONSTRUCTION STARTING				Building Type				
2021	2022	2023	2024	TOTAL	House	Walkup	Appt	
2,400	3,450	850	250	6,950	1,820	2,400	2,730	

Hamilton

\$300-325m indicative investment	IN PLANNING				CONSENTING & PROCUREMENT		UNDER CONSTRUCTION	
	700				50		140	
CONSTRUCTION STARTING				Building Type				
2021	2022	2023	2024	TOTAL	House	Walkup	Appt	
100	200	250	175	725	689	36	-	

Rest of South Island

\$200-225m indicative investment	IN PLANNING				CONSENTING & PROCUREMENT		UNDER CONSTRUCTION	
	494				45		49	
CONSTRUCTION STARTING				Building Type				
2021	2022	2023	2024	TOTAL	House	Walkup	Appt	
158	177	144	60	539	539	-	-	

Rest of North Island

\$1.2 - 1.2b indicative investment	IN PLANNING				CONSENTING & PROCUREMENT		UNDER CONSTRUCTION	
	2,966				262		256	
CONSTRUCTION STARTING				Building Type				
2021	2022	2023	2024	TOTAL	House	Walkup	Appt	
837	1,278	796	315	3,226	3,122	104	-	

Porirua & Hutt Valley

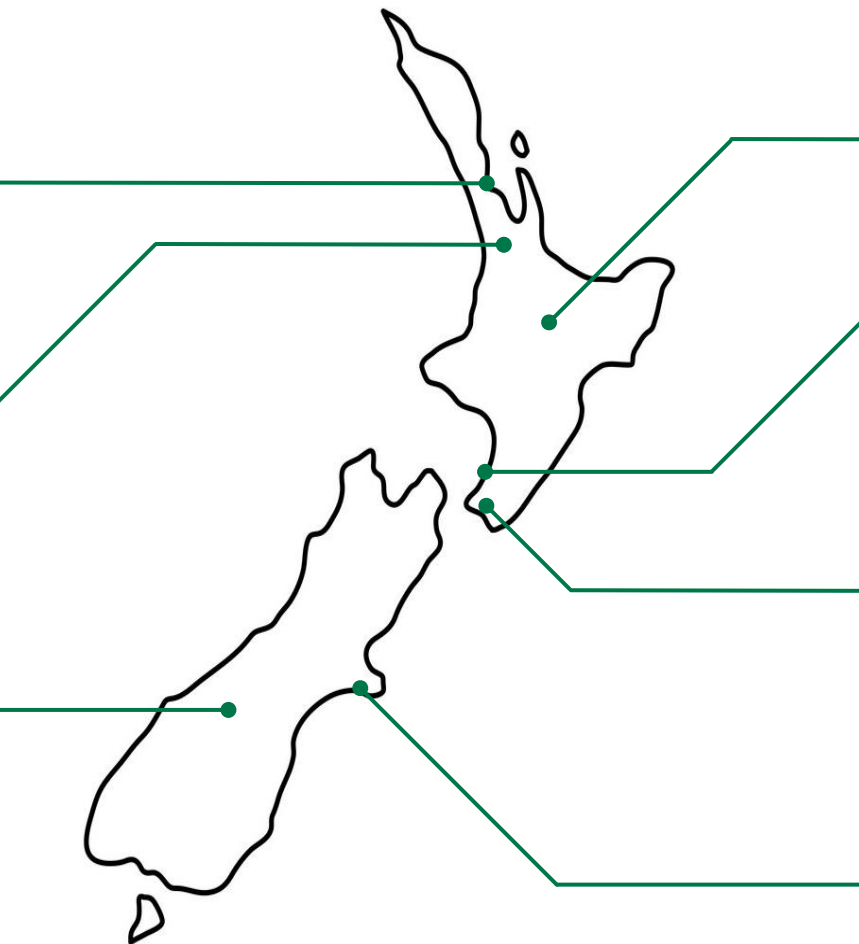
\$450-500m indicative investment	IN PLANNING				CONSENTING & PROCUREMENT		UNDER CONSTRUCTION	
	790				143		130	
CONSTRUCTION STARTING				Building Type				
2021	2022	2023	2024	TOTAL	House	Walkup	Appt	
210	310	220	190	930	746	184	-	

Wellington

\$300-350m indicative investment	IN PLANNING				CONSENTING & PROCUREMENT		UNDER CONSTRUCTION	
	380				260		115	
CONSTRUCTION STARTING				Building Type				
2021	2022	2023	2024	TOTAL	House	Walkup	Appt	
200	350	50	40	640	315	80	245	

Christchurch

\$350-400m indicative investment	IN PLANNING				CONSENTING & PROCUREMENT		UNDER CONSTRUCTION	
	740				250		330	
CONSTRUCTION STARTING				Building Type				
2021	2022	2023	2024	TOTAL	House	Walkup	Appt	
380	260	200	150	990	966	24	-	



- The volumes are limited to construction planned to start from January 2021 – December 2024 in new construction and redevelopment and construction on land which we currently own or intend to procure. information correct as at 31/1/2021
- 'Indicative investment' is an indicative value of the proportion of the total development costs for our intentions in that region. This is subject to budgets being confirmed in future years, but are shown here for planning purposes

Construction & Innovation - Construction Starts 2021+

Priority Investment Location	STAGE IN THE DEVELOPMENT PROCESS			CONSTRUCTION STARTING					BUILDING TYPE		
	In Planning	Consenting & Procurement	Construction	2021	2022	2023	2024	TOTAL	House	Walkup	Appt
Kaitia	90	19	8	35	50	20	-	105	105	-	-
Whangarei	300	40	10	80	220	50	-	350	338	12	-
Auckland	4,700	2,300	1,600	2,400	3,450	850	250	6,950	1,820	2,400	2,730
Hamilton	700	50	140	100	200	250	175	725	689	36	-
Taupo	40	-	-	10	25	5	-	40	40	-	-
Tauranga	335	-	10	80	120	90	45	335	335	-	-
Whakatane	100	-	16	10	30	35	25	100	100	-	-
Rotorua	280	30	25	110	120	70	10	310	310	-	-
Gisborne	220	20	30	100	60	40	40	240	228	12	-
Napier	485	15	25	115	170	140	75	500	476	24	-
Hastings	310	120	75	210	150	40	30	430	430	-	-
New Plymouth	170	5	10	40	50	40	45	175	169	6	-
Whanganui	125	5	-	25	40	50	15	130	130	-	-
Palmerston North	410	5	45	20	220	160	15	415	365	50	-
Wellington City	380	260	115	200	350	50	40	640	315	80	245
Hutt Valley	350	140	65	180	180	100	30	490	320	170	-
Porirua	440	3	65	30	130	120	160	440	426	14	-
Nelson	165	-	7	20	70	50	25	165	165	-	-
Blenheim	50	25	20	35	20	20	-	75	75	-	-
Greymouth	14	-	3	3	7	4	-	14	14	-	-
Christchurch	740	250	330	380	260	200	150	990	966	24	-
Timaru	20	-	-	5	10	5	-	20	20	-	-
Ashburton	20	-	3	10	5	5	-	20	20	-	-
Dunedin	180	20	2	70	50	50	30	200	200	-	-
Queenstown	-	-	-	-	-	-	-	-	-	-	-
Invercargill	45	-	14	15	15	10	5	45	45	-	-
Unallocated	101	3	2	2	23	56	15	96	96	-	-
TOTALS	10,770	3,310	2,620	4,285	6,025	2,510	1,180	14,000	8,197	2,828	2,975



Construction Intentions reporting

The first release is information on construction activity (2021-2024) by calendar year:

- **Location:** Region for build intentions
- **Typology:** Houses, apartments or 3-level walk-ups
- **Scale:** Number of units intended to be started and when construction starts
- **Status:** Stage the project is at – eg. in planning, in consenting and procurement, or under construction

In future releases there will be more detail:

- **Location:** Suburb and city within the region
- **Typology:** Apartments 4-storeys and above
- **Status:** When it is planned to issue a Request for Pricing (RFP) by month, year, size of project, and when it is intended to submit resource consents
- <https://kaingaora.govt.nz/working-with-us/our-major-housing-programmes/>
- <https://kaingaora.govt.nz/working-with-us/construction-intentions-by-region/>


Development + Construction Matters bulletin



Development + Construction matters

You can keep in touch and sign your colleagues up to receive the bulletin by emailing updates@kaingaora.govt.nz





Let's keep in touch
updates@kaingaora.govt.nz

Development and Construction matters

Kāinga Ora – Homes and Communities has accelerated the delivery of transitional homes over recent months as part of the Government's commitment to build more of this housing category under the [Aotearoa New Zealand Homelessness Action Plan](#) (HAP).

Families have this week begun moving into 83 new transitional homes in [Atkinson Avenue](#), Ōtāhuhu (pictured at the end of this bulletin). This is the fourth transitional housing project delivered in the Auckland region recently.

Transitional housing is managed by third-party housing and support services providers and offers temporary accommodation for around 12 weeks, along with wrap-around support services and assistance to help households transition into long-term accommodation. It differs from emergency housing,

Our priorities

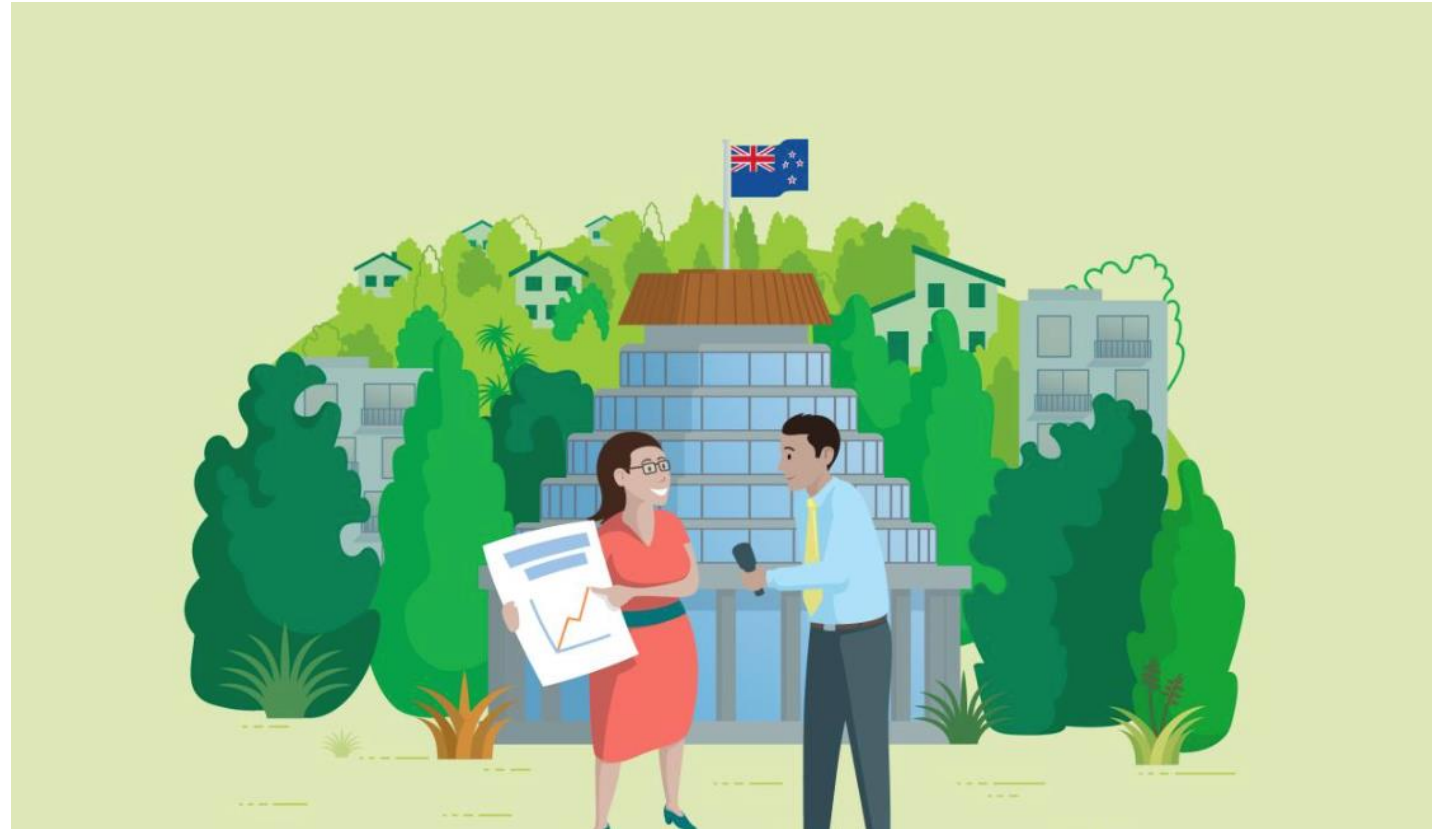
- > Delivering transitional homes
- > Ensuring fair worker conditions
- > Monitoring materials supply
- > Keeping you informed

Thank you for coming on this
journey with us

We are **transforming ourselves**
+
together **we will transform**
the construction system

Building Momentum next steps

- **Next Event** – Friday 13 August, Wellington + online
- **Building Momentum updates**
 - Elemental Typology Suite
 - Passive House
 - Offsite Manufacturing (OSM) Plan
 - Five Systems Pilot
 - Project Velocity



Feedback welcome



BuildingMomentum@KaingaOra.govt.nz

