



## COVERSHEET

<b>Minister</b>	Hon Jenny Salesa	<b>Portfolio</b>	Building and Construction
<b>Title of Cabinet paper</b>	<b>Streamlining processes for Crown built housing</b>	<b>Date to be published</b>	14 July 2020

<b>List of documents that have been proactively released</b>		
<b>Date</b>	<b>Title</b>	<b>Author</b>
27 May 2020	Cabinet Paper: Streamlining processes for Crown built housing	<i>Office of the Minister for Building and Construction</i>
27 May 2020	Minute of Decision: Streamlining Processes for Crown Built Housing DEV-20-MIN-0088	<i>Cabinet Office</i>

<b>Information redacted</b>	<b>YES / NO</b> <i>(please select)</i>
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# Cabinet Economic Development Committee

## Minute of Decision

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### Streamlining Processes for Crown Built Housing

**Portfolios**                      **Housing / Local Government / Building and Construction**

On 27 May 2020, the Cabinet Economic Development Committee:

#### Background

1            **noted** that on 28 April 2020, Cabinet:

- 1.1        agreed to develop legislation to fast-track consenting and designations processes for specified development and infrastructure projects;
- 1.2        invited the Minister of Housing, Minister of Local Government and Minister for Building and Construction to report back on possible changes to the building consent model, risk and liability, and payment of development charges to support Crown-built housing;

[CAB-20-MIN-0182]

#### Building consent model

2            **noted** that Kāinga Ora has had a number of standardised housing solutions approved through the existing MultiProof system in the Building Act 2004 to support a streamlined consenting process for developments using these designs;

3            **noted** that:

- 3.1        the Building (Building Products and Methods, Modular Components, and Other Matters) Amendment Bill was introduced into the House on 8 May 2020;
- 3.2        once passed, the legislation will allow for faster, more consistent building consents for manufacturers that are able to meet quality and performance standards and have demonstrated an ability to produce buildings and components that comply with the New Zealand Building Code;

4            **noted** that the Ministry of Business, Innovation and Employment (MBIE), the Construction Sector Accord leadership group, and Local Government New Zealand are working together to develop a new model for building consenting;

5            **noted** that more up-to-date evidence about the effectiveness, efficiency and consistency of building regulatory processes as they apply to Crown-built housing would be beneficial in identifying issues that future reform could look to address;

- 6 **noted** that MBIE, in consultation with the Ministry of Housing and Urban Development, will report back to the Minister for Building and Construction by the end of June 2020 on a proposal for monitoring and evaluating building regulatory processes for Crown-built housing, and that this could include having some real-time oversight over end-to-end building regulatory processes to which Crown development proposals are subjected;
- 7 **noted** that in light of the existing MultiProof option, the pending legislation, efficiencies being driven by Building Consent Authorities, and the work between MBIE and the Construction Sector Accord, no immediate additional changes to the building consenting system are proposed at this stage;

### **Risk and liability settings**

- 8 **noted** that the risk and liability settings in the construction sector should be considered in the context of finding ways to streamline the system-wide consenting model;
- 9 **noted** that in considering issues of risk and liability, it is important to consider the impact of an effective insurance market, and that such a market does not exist in New Zealand;
- 10
- 11 **noted** that Kāinga Ora is currently working through the process to become a Building Consent Authority (BCA), with a focus on public housing of limited complexity;
- 12 **noted** that Kāinga Ora will need to manage risks and liabilities (like all other BCAs) if it becomes registered as a BCA;
- 13 **noted** that if Kāinga Ora becomes a BCA, this has the potential to improve efficiency, innovation and consistency in the building consent processes for Crown-built houses consented by Kāinga Ora;
- 14

### **Development contributions**

- 15 **agreed** that Kāinga Ora should continue to meet development contributions as set by local government.

Confidential advice to Government

Janine Harvey  
Committee Secretary

**Present: (see over)**

**Present:**

Rt Hon Winston Peters  
Hon Kelvin Davis  
Hon Grant Robertson (Chair)  
Hon Phil Twyford  
Hon Dr Megan Woods  
Hon Chris Hipkins  
Hon David Parker  
Hon Nanaia Mahuta  
Hon Stuart Nash  
Hon Jenny Salesa  
Hon Damien O'Connor  
Hon Kris Faafoi  
Hon Shane Jones  
Hon Willie Jackson  
Hon James Shaw  
Hon Eugenie Sage

**Officials present from:**

Office of the Prime Minister  
Officials Committee for DEV