MINISTRY OF BUSINESS, INNOVATION & EMPLOYMENT
HIKINA WHAKATUTUKI

COVERSHEET

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

List of documents that have been proactively released

<table>
<thead>
<tr>
<th>Date</th>
<th>Title</th>
<th>Author</th>
</tr>
</thead>
<tbody>
<tr>
<td>27 May 2020</td>
<td>Minute of Decision: Streamlining Processes for Crown Built Housing</td>
<td>Cabinet Office</td>
</tr>
</tbody>
</table>

Information redacted YES / NO (please select)

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Some information has been withheld for the reason of Confidential advice to Government.

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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;
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;

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

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;

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;

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;

noted that Kāinga Ora will need to manage risks and liabilities (like all other BCAs) if it becomes registered as a BCA;

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;

Development contributions

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