



# Development and Construction **matters**

New Zealand is now at COVID-19 Alert Level 2, having moved there from Alert Level 3 on Thursday 14 May. Health and safety remains the top priority for Kāinga Ora – Homes and Communities to ensure our people and customers are safe, as well as our valued partners, suppliers and contractors.

As a result of moving to Alert Level 2, there are some changes to the health and safety, contact tracing and physical distancing measures now in effect for all Kāinga Ora sites. These adhere to the **Construction Health and Safety New Zealand (CHASNZ) COVID-19 Construction Protocols**, which have been updated for Alert Level 2.

If you have not already done so, please go to this website and download the latest version of the protocols.

Also yesterday, the Government released its **Rebuilding Together budget**. This budget is significant for Kāinga Ora as it gives us certainty on the public housing construction and customer work programmes we will be expected to deliver on over the next four years.

ISSUE 6 | 15 MAY 2020

The budget will see a significant increase in the public housing build programme by committing to an extra 8,000 houses over the next four years. These will be split between approximately 6,000 public housing homes and 2,000 transitional homes to be delivered by Kāinga Ora and community housing providers.

This will see over \$5 billion invested into these homes over the coming years, sending a strong signal to the construction sector so it can plan with certainty to secure investment, retain staff and further develop the skills of its workforce.

Yesterday's announcement is in addition to the 6,400 public housing homes that are currently being delivered.

Kāinga Ora will have an important role to play in delivering many of these 8,000 new houses and more information on the delivery of the homes and locations is being worked through. You can expect to hear more information about this in the coming months.

# Our priorities

- > 2020 Budget announcement
- Accelerating provision of homes
- > Moving to Alert Level 2
- > Keeping you informed

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

We want to thank our 'Kāinga Ora team' of development and build partners and contractors, as well as our own staff, for working with us so constructively over the past seven weeks through Alert Levels 3 and 4, and now into Alert Level 2.

We are moving in the right direction for the benefit of those Kiwis who need homes, and the construction industry, which is such an important part of our economy.

However, we are seeing some pressure on existing development deals as a consequence of COVID-19, particularly in funding, and we're working with these partners to understand the issues and see how we might be able to help. If this is your situation, please get in touch as Käinga Ora may be able assist you to keep building. You can do this directly or via **updates@kaingaora.govt.nz**.

Kāinga Ora has started work on revising our consultancy agreements, to align them with the Crown Agency Collaboration Core Amendments to the standard IPENZ CCCS, and would like feedback from you on what does and doesn't work. We will contact you in the next few weeks to get your views.

Käinga Ora is part of the Construction Sector Accord, which is leading the Government-industry COVID-19 response through the **Construction Sector COVID-19 Response Plan.** Included in the plan is the aim of keeping cash flowing in the sector. This week the Accord team shared additional guidance for contractors on the shared Government position on how to treat costs created by the Alert Level 4 lockdown.



Patrick Dougherty Construction and Innovation, Deputy Chief Executive



The **new guidance** includes a set of principles, and factors to be taken into account, for parties to follow when negotiating the cost of any variation. It lists the types of costs contractors can claim and what documentation is required.

As outlined in the above message, the CHASNZ protocols for residential construction have been revised for Alert Level 2 to include updates on physical distancing, how tradespeople can work, non-essential visitors, inter-regional travel, workers' movements for lunch breaks, and the important industry issue of mental health.

To support the mental wellbeing of workers during this time, the MATES in Construction mental health guidance for the sector is now included in the CHASNZ protocols. Kāinga Ora has been working with the MATES in Construction mental health charity since late last year. For more information, visit the **MATES website** or contact Relationship Development Manager Taylor Norman at taylor.norman@kaingaora.govt.nz.

Turning to business activity, over the last week Kāinga Ora entered into one new construction contract, and issued seven new work orders and 35 consultant contracts. That takes the recent total to:

New work initiated
1 April to 10 May
7 construction contracts
27 work orders
212 consultant contracts
Total = 246

Please continue to refer to the **CHASNZ website** and **building.govt.nz** for latest COVID-19 industry-related updates.

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



Katja Lietz Urban Development – Planning, Deputy Chief Executive



### Piritahi rolls out online site inductions

**Piritahi** is an alliance of civil design and construction companies responsible for preparing the land, pipes, roads, reserves and other infrastructure within our **large scale developments** in Auckland. The alliance reports on the work undertaken to mobilise sites at Alert Level 3.

After swiftly closing civil construction sites to leave them safe and secure at Alert Level 4, Piritahi turned its focus to preparing to operate at Alert Level 3.

This included forming a comprehensive back-to-work plan, with the establishment of new site facilities, health and safety protocols, and general ways of working.

The purpose of this plan was simple – to keep workers and communities safe from the spread of COVID-19. A key challenge was how to train people to work in this new environment during lockdown. An induction was designed for all workers who had a potential requirement to be on a Piritahi site at Alert Level 3. Videos delivering six training modules were produced remotely and recorded from home by project managers. A formal learning management system was procured to facilitate the rollout of the online induction. Over 900 employees, contractors and suppliers were inducted to the new ways of working by the first day of Alert Level 3.

Turning this around in such a short space of time was a hugely collaborative effort across many areas of the Piritahi alliance. Its success is testament to the care that Piritahi and Kāinga Ora have for its people and communities, and the commitment to getting back to work quickly to support the economy, the construction sector and the wider **Auckland Housing Programme**.



Piritahi workers at the Roskill Development



Trenching at a Piritahi site in Hendon Avenue, Ôwairaka, to upgrade the existing stormwater and wastewater systems

## **Building a pipeline of apprentices**

Budding sparky Matt Sauni has just celebrated his first year under the Kāinga Ora apprenticeship programme, and couldn't be happier.

"It's great to be in a job where I'm learning all the time," the 29-year-old says.

Based in Christchurch, Matt entered work experience early last year, and initially had his heart set on becoming a builder.

"I got a two-week placement doing electrical work and found out I enjoyed it a lot more than building. After that I started an apprenticeship with Wright Wire Electrical."

His boss, Craig Wright, Director of Wright Wire Electrical, says he's extremely pleased with his apprentice.

"Matt's brilliant. I think he just needed an opportunity to prove himself, and he's done that far and beyond."

Like many employers, Craig says the Alert Level 4 lockdown brought its challenges, but he prefers to look on the bright side.

"It's given us a chance to pause and reflect on what's really important – family, friends and finding balance."

Matt is one of more than 70 people Kāinga Ora has helped into an apprenticeship with the assistance of training and pastoral care providers. These include the Building & Construction Industry Training Organisation, Skills, Ministry of Social Development, Ministry of Business, Innovation and Employment and the New Zealand Institute of Skills and Technology.

Now into its second year, the apprenticeship programme continues to grow, with 32 Kāinga Ora build partners and subcontractors now employing dozens of cadets and apprentices across public housing building sites.

The apprentices come from a range of backgrounds, including graduates from trades academies, casual work and labouring. The first cadet from the Kāinga Ora partnership with the Department of Corrections has also recently upped tools.

For more information about the programme, contact Kāinga Ora Social Outcomes Lead George Ellis at **george.ellis@kaingaora.** govt.nz.



Matt Sauni at work with Wright Wire Electrical



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