



Cabinet 100-Day Plan Committee

Minute of Decision

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Kāinga Ora - Homes and Communities Independent Review

Portfolios **Finance / Housing**

On 13 December 2023, the Cabinet 100-Day Plan Committee:

- 1 **noted** that a review of Kāinga Ora operations is included in the 100-day plan [CAB-23-SUB-0468];
- 2 **agreed** that the Minister of Finance and Minister of Housing (Responsible Ministers) establish an independent review of Kāinga Ora operations under Section 132 of the Crown Entities Act 2004;
- 3 **agreed** that Responsible Ministers consult and consider any submission on the purpose and nature of the review from Kāinga Ora in accordance with Section 132 (3) of the Crown Entities Act 2004 in the week following this decision;
- 4 **agreed** that the proposed scope for consultation with Kāinga Ora includes:
 - 4.1 the financial viability of Kāinga Ora;
 - 4.2 asset procurement and management;
 - 4.3 tenancy management;
 - 4.4 whether the remit of Kāinga Ora is conducive to good performance on their core functions;
 - 4.5 institutional arrangements that would incentivise better performance;
 - 4.6 fiscal risks to the Crown;
- 5 **noted** that Responsible Ministers would give further consideration as to whether further refinements are needed to the scope, and will report-back to Cabinet if necessary;
- 6 **agreed** that the proposed structure for the review is three independent members appointed by the Responsible Ministers covering the key areas of:
 - 6.1 governance of major capital investment programmes;
 - 6.2 understanding of public finances and funding;
 - 6.3 finance and commercial expertise in relation to property and land development;

6.4 practical experience regarding housing and urban development activities;

7 **noted** that resources to support the external reviewers will be made available from the Treasury and Ministry of Housing and Urban Development, including secretariat support;

8 **noted** that additional external expertise as required will be agreed between Responsible Ministers upon recommendation from the lead reviewer;

9 **authorised** Responsible Ministers to finalise the terms of reference, following consultation with Kāinga Ora as outlined in paragraph 3 above on the scope and structure outlined in paragraphs 4 and 5 above;

10 **agreed** to publicly release the finalised terms of reference and structure of the review, following the appointment of the lead reviewer;

11 **noted** that the costs of the review up to \$500,000 will be met from baseline funding from Ministry of Housing and Urban Development for the 2023/24 financial year;

12 **agreed** that \$0.500 million will be provided from non-departmental appropriations in Vote Housing and Urban Development in 2023/24 to support the review;

13 **agreed** to establish the following new appropriation to give effect to the decision in paragraph 2:

Vote	Appropriation Minister	Appropriation Administrator	Title	Type	Scope
Housing and Urban Development	Minister of Housing	Ministry of Housing and Urban Development	Independent Review of Kāinga Ora - Homes and Communities	Non-departmental Output Expense	This appropriation is limited to conducting an independent review of Kāinga Ora - Homes and Communities (and any of its subsidiaries) and any immediate short term actions following the review.

- 14 **approved** the following fiscally neutral adjustment to give effect to the decision in paragraph 2 above with no impact on the operating balance and net debt:

Vote Housing and Urban Development Minister of Housing	\$m – increase/(decrease)				
	2023/24	2024/25	2025/26	2026/27	2027/28 & Outyears
Non-departmental Output Expense:					
Independent Review of Kāinga Ora - Homes and Communities	0.500	-	-	-	-
Multi-Category Expenses and Capital Expenditure:					
Transitional Housing MCA Non-departmental Output Expense:	(0.500)	-	-	-	-
Provision of Transitional Housing Places					

- 15 **agreed** that the changes to appropriations for 2023/24 above be included in the 2023/24 Supplementary Estimates and that, in the interim, the increase be met from Imprest Supply.

Jenny Vickers
Committee Secretary

Present:

Rt Hon Christopher Luxon (Chair)
Rt Hon Winston Peters
Hon Nicola Willis
Hon Chris Bishop
Hon Dr Shane Reti
Hon Shane Jones
Hon Simeon Brown
Hon Erica Stanford
Hon Paul Goldsmith
Hon Judith Collins
Hon Mark Mitchell
Hon Nicole McKee

Officials present from:

Office of the Prime Minister
Department of the Prime Minister and Cabinet