


Communication pack

August 2019

“A high performing
construction sector for a
better New Zealand”

CONSTRUCTION
SECTOR ACCORD

New Zealand Government



Context

- The construction sector is important to New Zealand's economy and the wellbeing of New Zealanders
- Demand for construction services is growing
- The sector faces a number of systemic challenges that are not unique to New Zealand
- The Accord will ensure the sustained transformation of the construction sector to address these challenges for the success of New Zealand



Construction Sector Accord Summary

The purpose of the Accord is to:

- Strengthen the partnership between government and industry
- Be a catalyst to transform the construction sector for the benefit of all New Zealand



Shared goals



Increase productivity



Raise capability



Improve resilience



Restore confidence, pride and reputation

Outcomes for New Zealanders

Safe, healthy and durable homes, buildings and infrastructure that support the wellbeing of our communities.

Workforce Safe, secure, rewarding careers

Industry customers Functioning competitive market

Industry Sustainable, resilient, successful businesses

Government A construction sector that supports the wellbeing of all New Zealanders

Construction Sector Accord Summary

Guiding principles



Priority work areas

Industry-led	Shared	Government-led
<ul style="list-style-type: none">› Enhanced industry leadership, collaboration and organisation› Better business performance› Improved culture and reputation	<ul style="list-style-type: none">› Grow workforce capability and capacity› Better risk management and fairer risk allocation› Improved health and safety at work› More houses and better durability	<ul style="list-style-type: none">› Better procurement practices and improved pipeline management› Improved building regulatory systems and consenting processes

Our pledge



We agree to:

- › Hold ourselves and each other accountable to this Accord and challenge contrary behaviour
- › Work together to develop a plan for change that has collective intent
- › Work differently to build a stronger partnership between government and industry
- › Promote the Accord and encourage others to commit to it
- › Engage regularly to discuss and report on progress

For success we need...

- Strong leadership and governance
- A connected and collaborative sector
- A broad workforce of qualified, competent and skilled people
- Investment in new technology and other innovation
- Whole-of-life thinking across the sector
- Positive behaviours that cultivate trust and respect
- Resilient businesses

- Good risk management and fair allocation
- Clear and effective regulations
- A world-class health and safety culture
- A well-planned and transparent public sector pipeline
- Fair, transparent and consistent procurement practices
- Cultures and behaviours that allow the industry to thrive and make construction a great place to work

Initiatives

Government has committed to 34 initiatives that contribute to these Priority Work Areas:

- Workforce capacity and capability
- Procurement and pipeline management
- Building regulations and consenting
- Risk management and allocation
- Health and safety
- More houses and better durability

Industry have committed to four initial change initiatives in these Priority Work Areas:

- Enhanced leadership, collaboration and organisation
- Health and safety
- Risk management
- Workforce capability and capacity

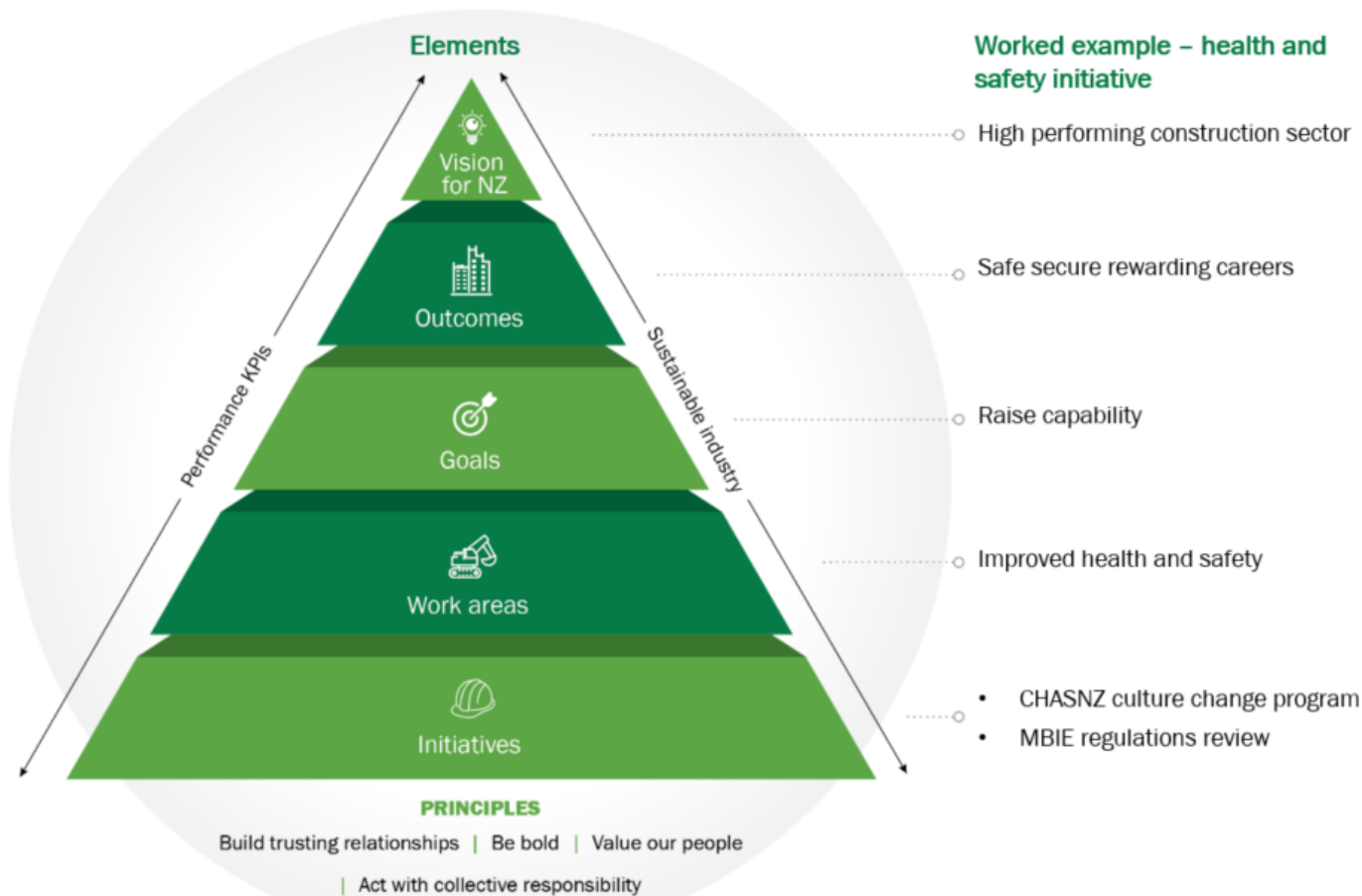
Accord on a page

The elements of the Accord are aligned to address the sector challenges and achieve the vision. Each level is considered against the KPIs to ensure initiatives deliver the outcomes we need. All elements are grounded in the principles of the Accord.

The challenge

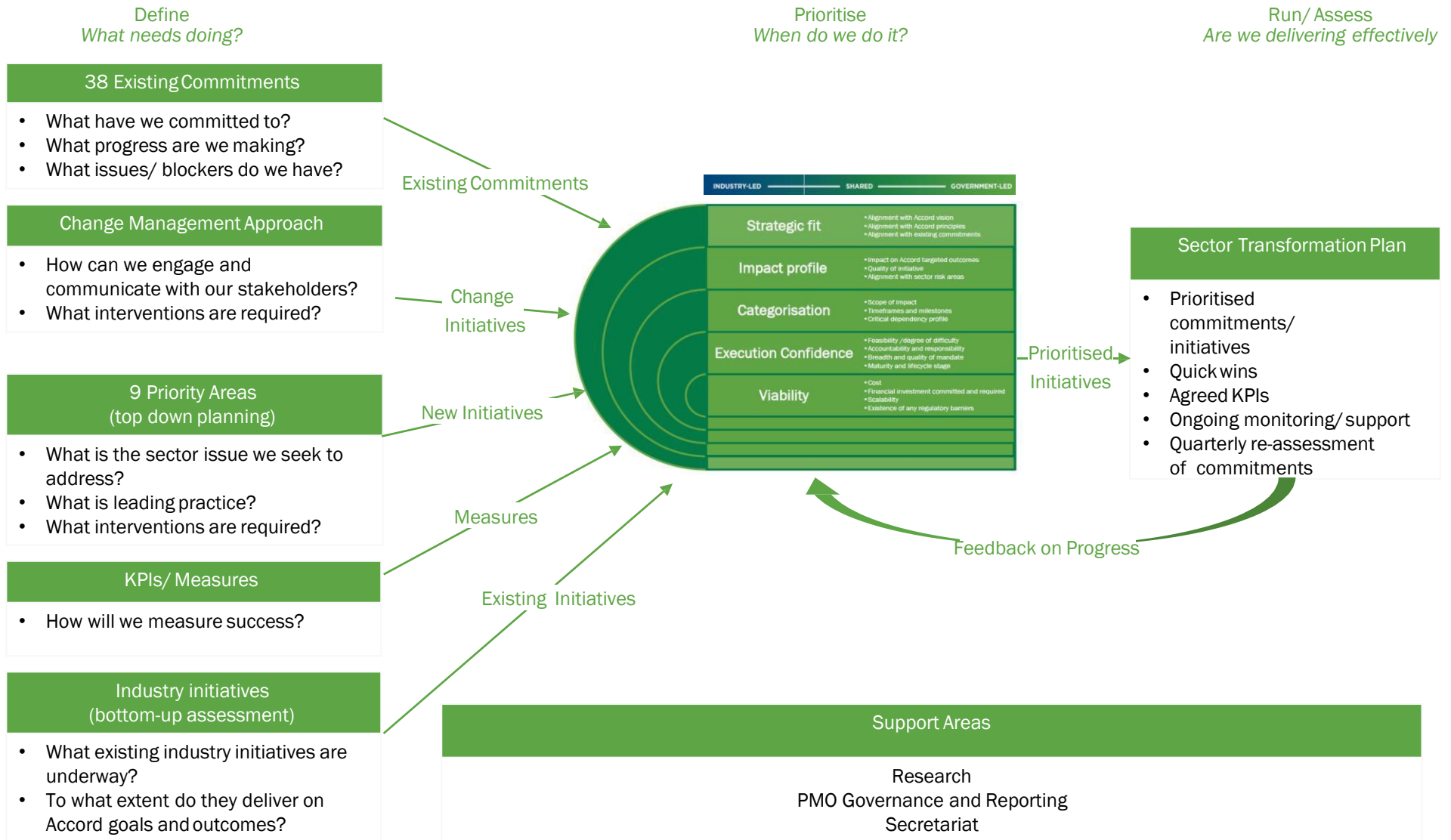
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What is my contribution?

Integrated approach to Phase 2 planning



Working groups for the Priority Work Areas

1. Leadership and collaboration

Peter Reidy - Fletcher Construction
Chris Bunny - MBIE

2. Business performance

Steve Killeen - Downer
Carolyn Tremain - MBIE
Michael Sentch - Project Unite

3. Culture and reputation

Doug Johnson - Tonkin + Taylor
Graham Burke - ST Con. Fed.
Leonie Freeman - Property Council

4. Workforce capability

Bill Newson - e Tū
Iona Holsted - Ministry of Education
David Gordon - Kiwirail

5. Risk management

Rick Herd - Naylor Love
David Kelly - Master Builders
Janine Stewart - Minter Ellison Rudd
Watts

6. Health and safety

Roger McRae - CHASNZ
Ashley Bloomfield - Ministry of Health
TBC - Worksafe NZ

7. More houses, better durability

Steve Evans - Fletcher Residential
Andrew Crisp - MHUD
Andrew McKenzie - Housing New
Zealand

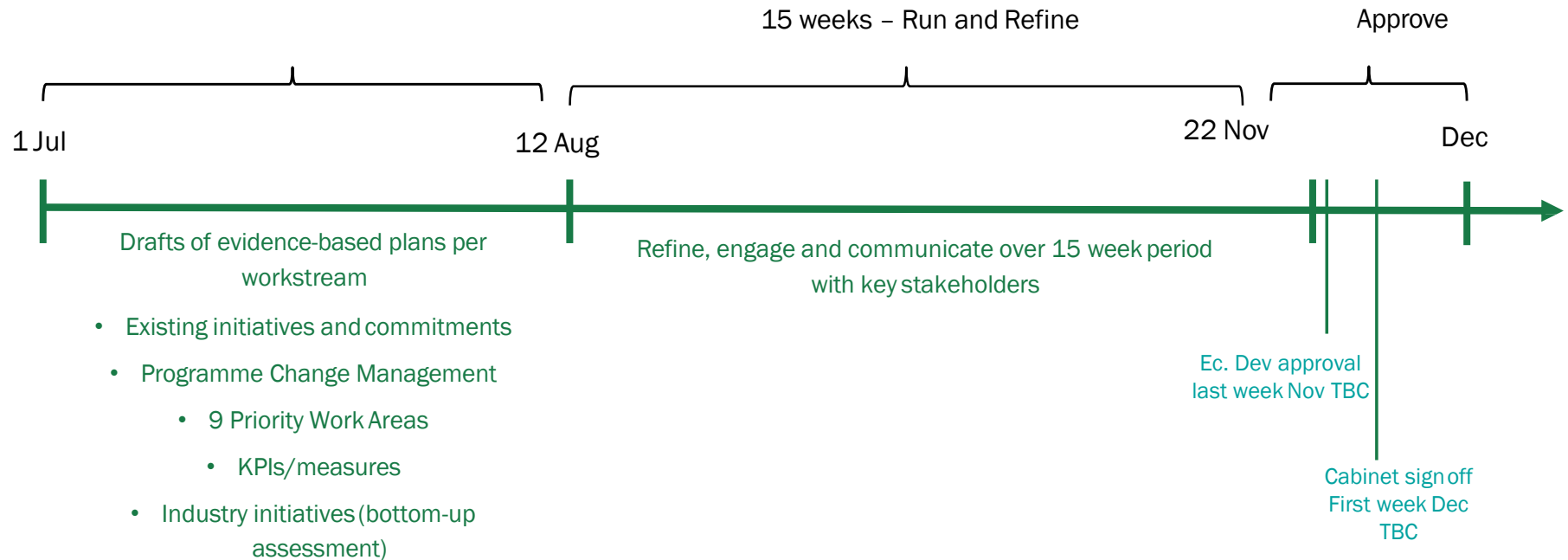
8. Procurement and pipeline

Karen Mitchell - Treasury
Juergen Link - Fonterra
Steve Webster - Watercare
Mark Ratcliffe - NZTA

9. Building regulations

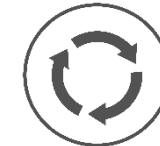
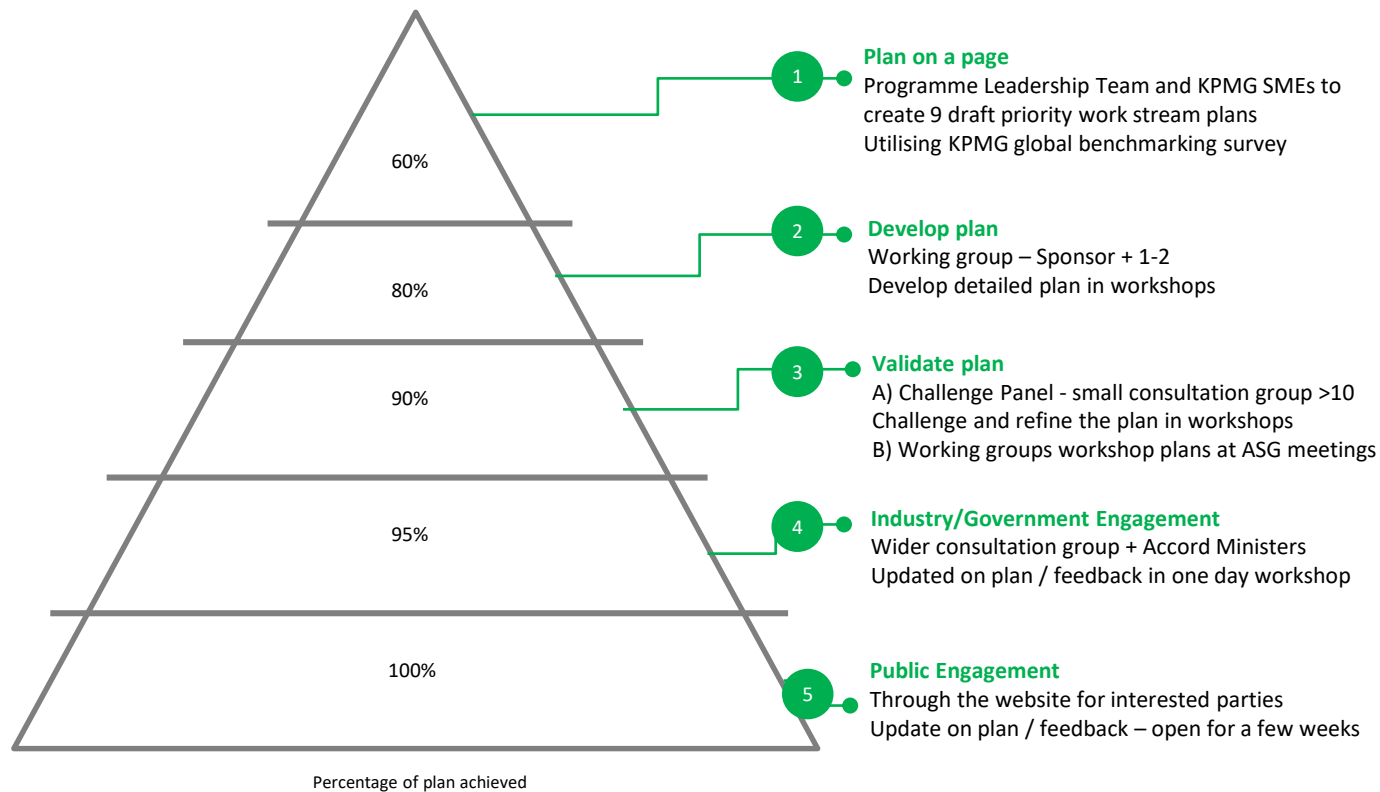
Chris Bunny - MBIE
Richard Briggs - Hamilton CC
Tim Melville - NZ Institute of
Architects

Overall timeline – phase 2



Engaging on plan development

The below sets out the “cascading” approach to the delivery of the Phase 2 Sector Transformation Plan



The plan is revised throughout the process from macro (portfolio) to granular (initiative) level

Accord progress update – Phase Two

- An **Accord Steering Group** has been appointed, and meet regularly to lead this phase of work
- We have established **nine working groups for the nine Priority Work Areas** in the Accord
- Four initiatives are complete, 30 initiatives are underway, and four are in planning
- We are engaging with government officials on the plan and potential initiatives to transform the sector
- We are integrating existing sector group activity with the plan

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What's next?

- **Independent challenge panel** – transformation SMEs will review the macro portfolio and test the initial thinking – is it bold enough, stretching enough, innovative enough?
 - **Review of Priority Work Area plans** via Steering Group workshop
 - **Sector consultation** – view of the Accord and ideas on key initiatives captured through online survey
- Planning for a **sector consultation workshop** in September
 - **Refinement of plans** by working groups on an iterative basis

How can you get involved

- Champion the Accord in your business
 - Adopt and align with Accord principles and initiatives
 - Hold one another to account
 - Feed initiative ideas to the relevant working group
 - Sign-up to the Accord website - receive updates and feedback on the plan www.constructionaccord.nz
- Share your stories – we would like to share industry stories that celebrate success, showcase collaboration across the sector, doing things differently and ‘turning the dial’ on transformation – let us know and we can include these in our newsletter.