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# Conversations for Effective Procurement

**Kay Saville-Smith (CRESA)**

**Team Leader - Architecture of Decision-making Strategic Research Area, Building NSC  
Better Homes, Towns and Cities**

**Team Leader – Life in Rent, Ageing Well National Science Challenge**

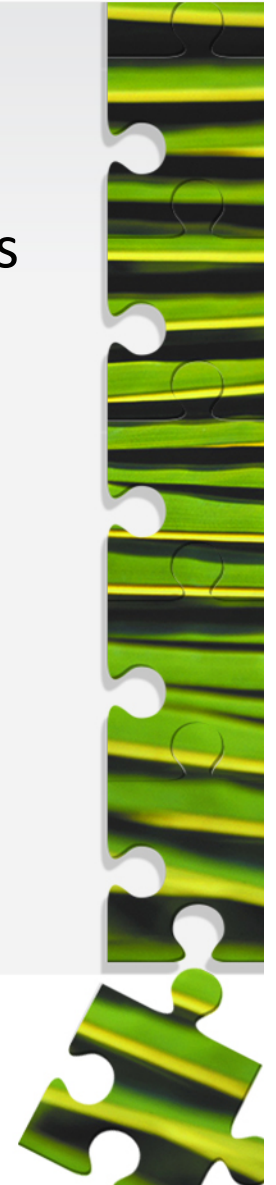


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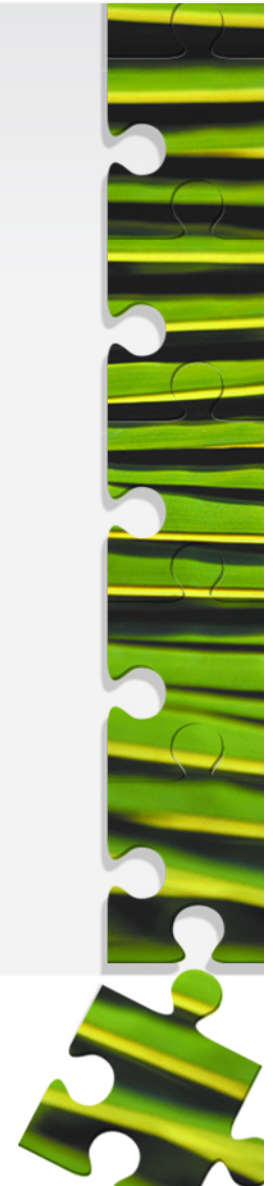
## Stock Acquisition

- 17 providers built 751 dwellings over two years
  - 22 units per year average
- For different tenures:
  - Rent
  - Rent for buy
  - Shared ownership



## Logics of Community Housing Providers

- CHPs have three imperatives:
  - Building affordable dwellings for people on the lowest incomes.
  - Delivering housing to people who:
    - are likely to spend more time in their dwellings on a daily basis
    - need secure housing, and
    - have limited choices on the housing market.
  - Maintaining a long-term interest in the stock it commissions.
- CHPS are restricted in:
  - Disposing of stock (and tenants)
  - Use of capital
  - Rates of return
- CHPS really have to care about:
  - Affordability to users
  - Value for money
  - Quality and house performance

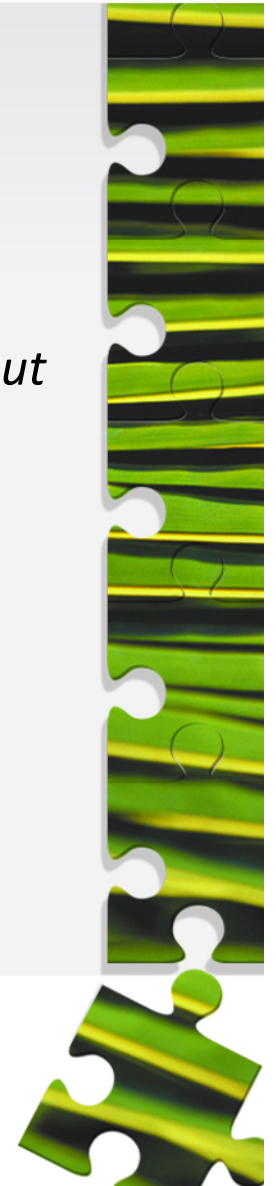


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## Success in Procurement Dependent on:

- *Shared and values-based commitment* between the community housing provider and suppliers
  - mutual respect of each other's needs
  - ensure a fair deal for all parties.
- *Openness, clarity of expectations, and transparency about limits of resources* – Understanding
  - what is really important
  - what can and cannot be compromised
  - project management, risks and appropriate sequencing of decisions.
- *Vigilance* – Take responsibility for relationships and
  - actively look at the market and building costs
  - monitor delivery
  - resolve risks and issues
  - collaborate to optimise outcomes.



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## Some needed conversations

- Among Community Housing Providers (CHPS)
  - Develop standardised quoting project management templates and software.
  - Joint, cross-sector initiatives for insurance and build guarantees.
  - Develop of knowledge-based procurement kits and training for
    - community housing providers
    - building industry training.
  - Promote simple house and multiple consents.
- CHPS and Building Industry
  - standardised quoting, quantity surveying
  - price points
  - Improving capabilities



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## Some needed conversations

- CHPS and Government
  - Capital funding and use of money
  - Sticking to knitting
  - Making targeting work – system not segment
  - Distinguishing between partnership, collaboration and agent
- CHPS and councils
  - Getting real about amenities
  - Sorting out processes
- CHPS and property investors
  - Capital
  - Land
- CHPS, councils and central government
  - SHA

