



6 June 2024

HUD2024-004518 / HUD2024-004519

Alex Olsen

fyi-request-26823-c6b7d64e@requests.fyi.org.nz
fyi-request-26817-d8209f42@requests.fyi.org.nz

Tēnā koe Alex

Thank you for your two emails on 15 May 2024 requesting information under the Official Information Act 1982 (the Act). I have responded to your questions below.

- 1. Copies of all draft reports of the Hon Bill English review received by MHUD and the date on which each was received.*
- 2. Copies of all briefings, advice and correspondence provided to ministers, Hon Bill English or his review team or other agencies responding to these drafts or points raised in the drafts. If you decide to refer to a public release of documents in reply to this request please provide a statement saying that all documents covered by this request will be included in the public release and provide a list of those documents.*

Ministers decided to utilise external independent reviewers with the support of the Treasury and Te Tūāpapa Kura Kāinga – Ministry of Housing and Urban Development (HUD) to undertake this review. This meant that HUD staff were involved at all stages of drafting the report as secretariat support. However, at no point did the review seek formal comment from HUD (unlike Kāinga Ora's Board, for example). This request is refused under section 18(e) of the Act, that the documents do not exist.

On 15 March 2024 you replied to my requests HUD2024-003849 / HUD2024-003874 stating that most of information requested was due to be publicly released. This has not happened. Therefore, under the Official Information Act I request:

- 1. The date on which each part of those requests will be released.*
- 2. Where exactly in the documents released each part will be found.*

The Government released the independent review into Kāinga Ora carried out by Sir Bill English and supported by Ceinwen McNeil and Simon Allen on 20 May 2024. There is more information about the review and the response on our website at: www.hud.govt.nz/news/government-releases-the-independent-review-of-kainga-ora. You can also find each document available on our website at: www.hud.govt.nz/documents?q=&sort=&topics%5B%5D=156&from=2024-05-19&to=2024-05-20.

- 3. Copies of all briefings and advice and all emails between MHUD officials and ministers' offices or between MHUD officials and other agencies regarding the public release of information referred to in your letter of 15 March 2024. For clarity, this request covers all aspects of the information to be released not just those requests I made. If there is a need to narrow the email part of this request, I am most interested in discussions after 15 April 2024 where ministers' offices or other agencies disagreed with MHUD's position or initial views on withholding or releasing information.*

There are a number of emails regarding the proactive release of information, which are largely administrative in nature. To be helpful to you, we have used your narrower scope on discussions with other agencies or the Minister's office on withholding or releasing information in the proactive release. There are two emails in scope which are released to you with some information withheld under the following sections of the Act:

Section of Act	Reason to withhold
9(2)(a)	To protect the privacy of natural persons.
9(2)(ba)(i)	To protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied
9(2)(g)(i)	To maintain the effective conduct of public affairs through the free and frank expression of opinions by or between or to Ministers of the Crown or employees of the Ministry.

The above is summarised in the attached document schedule.

You have the right to seek an investigation and review of my response by the Ombudsman, in accordance with section 28(3) of the Act. The relevant details can be found on the Ombudsman's website at: www.ombudsman.parliament.nz.

As part of our ongoing commitment to openness and transparency, the Ministry proactively releases information and documents that may be of interest to the public. As such, this response, with your personal details removed, may be published on our website.

Nāku noa, nā



Glenn Phillips
Head of Crown Entity Monitoring
Te Tūāpapa Kura Kāinga – Ministry of Housing and Urban Development

Annex 1 Document schedule

Documents released			
	Date	Document	Section of the Act applied
1.	7 May 2024	FW: Proactive release	9(2)(a)
2.	15 May 2024	RE: KO release redactions	9(2)(a) 9(2)(ba)(i) 9(2)(g)(i)

From: [Kate Goodman](#)
To: [Ministerial Services](#)
Subject: FW: Proactive release
Date: Tuesday, 7 May 2024 4:38:49 pm
Attachments: [image001.png](#)
[image003.png](#)
[image007.png](#)
[image002.png](#)
[image005.png](#)
[image008.png](#)

IN-CONFIDENCE

From: Talosaga Talosaga [TSY] <xxxxxxxxxxxxxxxx@xxxxxxxx.xxxx.xx>
Sent: Tuesday, May 7, 2024 12:48 PM
To: Kate Goodman <xxxx.xxxxxxx@xxx.xxxx.xx>
Subject: FW: Proactive release


FYI

IN-CONFIDENCE

From: Talosaga Talosaga [TSY]
Sent: Tuesday, May 7, 2024 9:57 AM
To: Glenn Phillips <xxxxx.xxxxxxxx@xxx.xxxx.xx>
Cc: Max Christie [TSY] <xxx.xxxxxxxx@xxxxxxxx.xxxx.xx>
Subject: RE: Proactive release

Thanks Glenn, we're happy with the 4 suggested 'un-redactions' below. If there are other operating results / numbers quoted in the T2023/1989 that are being released separately, comfortable with them also being released in T2023/1989 for consistency.

Out of Scope



From: Talosaga Talosaga [TSY]
Sent: Monday, May 6, 2024 4:30 PM
To: 'Glenn Phillips' <xxxxx.xxxxxxxx@xxx.xxxx.xx>
Cc: Max Christie [TSY] <xxx.xxxxxxxx@xxxxxxxx.xxxx.xx>
Subject: RE: Proactive release

Thanks Glenn, yup Max or I will get back to you on these 'un-redactions' tomorrow.

From: Glenn Phillips <xxxxx.xxxxxxxx@xxx.xxxx.xx>
Sent: Monday, May 6, 2024 4:21 PM
To: Talosaga Talosaga [TSY] <xxxxxxxxxxxxxxxx@xxxxxxxx.xxxx.xx>

Subject: Proactive release

Hi Talo,

I have a couple of things that I wonder whether on balance we should not redact in the Tsy report on the independent review (only because this then flows through the early briefings)

1. The summary of summary of costs associated with Public Housing from the original F&F review (Table 3) as the numbers are actually available in the Annual report (it is easy enough to try to derive these numbers if you know what you are doing as the asset notes show total investment – spe shows number of gross build houses)
2. The comment on Homes and Communities Appropriation can be seen in the Estimates document so we should disclose this.
3. The debt level incorporated into the forecasts (as it on page 132 of HYEPU) – we can withhold any updated numbers but it already out there.
4. Annex three has a whole lot of factual statements that I think can be released – would redact the commentary around the KO Land programme and the table in paragraph 19.

I was looking at trying to do a side by side analysis of the operating results with what had previously been “released” through the KO sustainability briefing from June 22 – as the numbers throughout the report are within the ballpark – but haven’t had time and think it probably doesn’t cover the risk of budget sensitivity.

Can you come back to me tomorrow if you have any thoughts – I can then make any changes through the other documents if need be.

Thanks
Glenn

Glenn Phillips ([he/him](#))

Head of Crown Entity Investment and Performance Monitoring | Organisational Performance
[xxxxx.xxxxxxx@xxx.xxx.xx](#) | Phone: +64 4 831 6012 | Mobile **s 9(2)(a)**
[www.hud.govt.nz](#) | Level 7, 7 Waterloo Quay, Pipitea, Wellington

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Out of Scope

IN-CONFIDENCE

From: Lucy Connell [TSY] <xxxx.xxxxxxx@xxxxxxx.xxx.xx>
Sent: Wednesday, May 15, 2024 10:18 AM
To: Glenn Phillips <xxxxx.xxxxxxxx@xxx.xxx>
Cc: Geraldine Treacher <xxxxxxx.xxxxxxxx@xxxxxxx.xxx>
Subject: RE: KO release redactions

Thanks Glenn, I also had a quick chat with Geraldine last night and she is keen that we are involved in any discussions with KO post announcement. Grateful if you can let us know HUD's proposed approach for next week when you've landed it.

Ngā mihi,

Lucy Connell | Acting Manager | Housing and Urban Growth | **The Treasury**

Tel: +64 4 890 7435 | xxxx.xxxxxxx@xxxxxxx.xxx.xx

Please note, I finish at 3.30pm

IN-CONFIDENCE

From: Glenn Phillips <@.>
Sent: Wednesday, May 15, 2024 9:07 AM
To: Lucy Connell [TSY] <@.>
Subject: RE: KO release redactions

Mōrena Lucy,

I am comfortable with the proposals below.

Ngā mihi

Glenn

Glenn Phillips ([he/him](#))

Head of Crown Entity Investment and Performance Monitoring | Organisational Performance
[xxxx.xxxxxxx@xxx.xxx.xx](#) | Phone: +64 4 831 6012 | Mobile: s 9(2)(a)
[www.hud.govt.nz](#) | Level 7, 7 Waterloo Quay, Pipitea, Wellington

IN-CONFIDENCE

From: Lucy Connell [TSY] <[xxxx.xxxxxxx@xxxxxxx.xxx.xx](#)>

Sent: Tuesday, May 14, 2024 3:22 PM

To: Glenn Phillips <[xxxxx.xxxxxxx@xxx.xxx.xx](#)>

Subject: FW: KO release redactions

Importance: High

SEEMAILSENSITIVE

Kia ora Glenn, thanks for the chat earlier. See below table from Emily. Grateful if you could confirm that HUD agrees with the release of that specific information, and there's nothing commercially sensitive that would need to be withheld.

Ngā mihi,

Lucy Connell | Acting Manager | Housing and Urban Growth | **The Treasury**

Tel: +64 4 890 7435 | [xxx.xxxxxxx@xxxxxxx.xxx.xx](#)

Please note, I finish at 3.30pm

IN-CONFIDENCE

From: Emily Pearse <[xxxxx.xxxxxxx@xxxxxxxxxxx.xxx.xx](#)>

Sent: Tuesday, May 14, 2024 12:19 PM

To: Lucy Connell [TSY] <[xxxx.xxxxxxx@xxxxxxx.xxx.xx](#)>

Cc: Max Christie [TSY] <[xxx.xxxxxxx@xxxxxxx.xxx.xx](#)>; Talosaga Talosaga [TSY] <[xxxxxxx.xxxxxxx@xxxxxxx.xxx.xx](#)>

Subject: KO release redactions

Importance: High

Hi Lucy,

Thanks for your time earlier. I've attempted to put together a quick summary of the points the office would likely clarify so that we can get a final version for release on Monday (sorry about the format, I thought this would be the easiest way but let me know if you'd like to chat).

The following are repeated a number of times through various documents. If you could confirm you are comfortable with the Treasury position, I will get the attached amended.

Highlighted redactions	Office comment	TSY Comment																												
<p>The cost of running Kainga Ora and funding its activities across both roles is significant and escalating with a deficit forecast to grow to \$1.1 billion in 2027/28. This will have an aggregate negative impact of \$4.0 billion on OBEGAL over the forecast period.</p>	<p>Can we release this information, as it's been preceded.</p>	<p>Can be released</p>																												
<p>Table below (overview of costs associated with higher KO Build Specifications)</p> <p>Attachment 3: Overview of cost associated with higher Kainga Ora build specifications: QS Estimates¹³</p> <table border="1" data-bbox="225 555 1043 622"> <thead> <tr> <th>Cost Driver</th> <th>1 bed Standalone</th> <th>2 bed Terrace</th> <th>3 bed Standalone</th> <th>4 bed Standalone</th> <th>5 bed Standalone</th> <th>3 level Walk-up</th> </tr> </thead> <tbody> <tr> <td>KiwiBuild</td> <td>\$172,000</td> <td>\$193,000</td> <td>\$266,000</td> <td>\$359,000</td> <td>\$435,000</td> <td>\$239,000</td> </tr> <tr> <td>Kainga Ora</td> <td>\$145,000</td> <td>\$250,000</td> <td>\$322,000</td> <td>\$379,000</td> <td>\$546,000</td> <td>\$385,000</td> </tr> <tr> <td>Difference</td> <td>-\$27,000</td> <td>-\$57,000</td> <td>-\$56,000</td> <td>-\$20,000</td> <td>-\$111,000</td> <td>-\$146,000</td> </tr> </tbody> </table> <p>s 9(2)(ba)(ii)</p>	Cost Driver	1 bed Standalone	2 bed Terrace	3 bed Standalone	4 bed Standalone	5 bed Standalone	3 level Walk-up	KiwiBuild	\$172,000	\$193,000	\$266,000	\$359,000	\$435,000	\$239,000	Kainga Ora	\$145,000	\$250,000	\$322,000	\$379,000	\$546,000	\$385,000	Difference	-\$27,000	-\$57,000	-\$56,000	-\$20,000	-\$111,000	-\$146,000	<p>Can we release this table</p>	<p>Not in full. But we could release the top 3 lines that compares KiwiBuild and KO (and then the difference). HUD are comfortable with this approach.</p>
Cost Driver	1 bed Standalone	2 bed Terrace	3 bed Standalone	4 bed Standalone	5 bed Standalone	3 level Walk-up																								
KiwiBuild	\$172,000	\$193,000	\$266,000	\$359,000	\$435,000	\$239,000																								
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<p>We also recommend that joint Ministers refresh the Kainga Ora Board, establish your relationship with the Board, and set out a new Letter of Expectations that, among other things, asks Kainga Ora to provide concrete savings options to be considered in Budget 2024.</p>	<p>Can we release this bit.</p>	<p>Agree</p>																												
<p>8. We also consider that Kainga Ora's financial performance is weak and worsening, and that the Kainga Ora Board is not governing these concerns effectively.</p>	<p>Can we release this information</p>	<p>Agree</p>																												
<p>Refresh the Board</p> <p>57. To improve the likely impact of the Independent Review, it is recommended that there is a refresh of the Board. This would enable you to reset the relationship between Kainga Ora and Ministers and ensure the Board are aligned with the intent of an Independent Review.</p> <p>58. s 9(2)(g)(i)</p> <p>[Redacted text]</p>	<p>Can we release these paragraphs.</p>	<p>No to para 58. But we could release para 57.</p>																												

Approach to Comms

I've just given MoF's office another heads up that this is happening on Monday.

I'm also going to a meeting with HUD + Press Sec tomorrow where they are discussing the comms plan for Monday. I've asked that we also chat about who (if anybody is talking to KO about this). Will come back to after this with a better idea of how everything will happen. I've also asked that Treasury is

provided with a copy of any comms before the announcement on Monday.

Might also be a good idea to give OSEC + Treasury Comms a heads up that our briefings will be released as part of the info pack (along with the Cab paper + final Independent Review).

Let me know if you want to chat about any of this.

Emily

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