

ANNUAL REPORT

2010-2011



Chair's report - Our future is in our hands

We are living in uncertain times where opportunities for change in the years ahead are as great if not greater than they have been in more than a generation. For those of us who are invested in building the future prospects of the community housing sector this must be a good thing.

At the same time Community Housing Aotearoa (CHA) is literally at another crossroad in its brief history as an organisation. Our core funding relationship with Housing New Zealand has run its course and there are tough questions to be asked at this year's AGM and before the end of the 2011-2012 financial year about how the community housing sector can continue to best support a professionally-run peak body with minimum external means.

On the one hand we are struggling to receive any clear indication of the degree to which government will or will not continue to determine that CHA continues to fit within its rubric of 'inside-out government' - doing things that government itself cannot do in the public good and at greater value for money.

The provision of an invited response towards gaining some measure of public funding for implementing the CHA Quality Assurance and Accreditation Programme has been consistently supported by the CHA Council, and such a programme makes sense both for the development of our sector and as a future underpinning for community housing organisations who are seen to be vital to the success of the current Social Housing Reform Programme being run out of the Department of Building and Housing (DBH).

Ahead of the AGM there have been signals that the DBH and Social Housing Unit may be 'side pedalling' away from committing support to this programme, a move that may seriously compromise CHA's ability to commence delivering the programme in this financial year and a move that would be at odds with all of the previous messages received by CHA.

The stark reality of abandoning this particular 'Plan A' would be to elect to follow a 'Plan B', somehow entailing an even smaller operation and most likely with a very different approach and focus. 'Plan C' is of course to wind up.

Even if we are successful in receiving public funding during the implementation stage of our accreditation and QA programmes I am not sure that all of us will be happy with what Community Housing Aotearoa would become if that was its sole focus.

A membership body behoved to Government for the delivery of services is more likely, in my view, to be an organisation that is inhibited from boldly proclaiming a vision for a new way

of providing housing and of building communities. In my view too close a relationship also inevitably constrains the ability to speak out, if needs be, about the inadequacy of Government housing programmes or the ability to speak up at full volume for the homeless and the poorly housed. Right now we need such a voice and, in my view, it seems unlikely that CHA will be adequately positioned to offer this voice if its exclusive purpose is to deliver programmes on behalf of government.

This dilemma is a huge and immediate challenge for us in the community housing sector and we will need to resolve it one way or another, once and for all, over the next six months. To do otherwise is to risk dissent and division and such outcomes are scarcely likely to make us stronger.

Once the dust has settled from the election we need to take an opportunity to gather as a sector to reflect in more depth on the future of Community Housing Aotearoa. Within such a reflection we need to examine our own future commitment to the organisation and beyond this to the ways in which a commitment to the best principles of community-based housing constitutes a 'movement'. I am committed to being part of such a reflection and will provide whatever leadership I am able to if this will help.

I would like to thank members of the Community Housing Aotearoa Council for their efforts and initiative over the past year. I would especially like to thank Andrew Wilson for his six years of sometimes thankless effort for CHA. Andrew has guided our organisation through some difficult times and has done so with a quiet patience and board competence which we could not have done without. On behalf of your fellow Council members I wish you all the best with your work and do hope that you get to spend more time with your family.

Our Executive Officer David McCartney's report has captured the operational highlights of the last year and in my view David, as the only full-time staff member of CHA, should be given a great deal of the credit, along with his two part-time colleagues, for the progress we have made.

Finally many thanks to those organisations and individuals who continue to demonstrate confidence in CHA by renewing their membership and contributing more when this is asked for. To a large extent our future as an organisation lies in our hands and this renewed and expanded commitment is essential for us realising this.

Alan Johnson
Chairperson - Community Housing Aotearoa

Executive Officer's report

At the 2010 AGM we introduced the thinking behind CHA's "Doorways" campaign to open more doors to more housing options for New Zealanders. While one year later the doors to more options are by no means all fully opened, as a collective I believe we have managed to at least keep them ajar with a good 'look in' for the future.

In other words, we have made some progress in a period of significant change and uncertainty for the community housing sector, during which the potential role/s for Community Housing Aoteroa have gained more clarity. A brief overview of relevant events and developments will serve to illustrate this.

Growth of third party provision

In December 2010, the CHA council met with the Minister of Housing Phil Heatley to discuss the direction of the recommendations of the Housing Shareholder's Advisory Group (HSAG) report. CHA supported the recommendations linked to the growth of third party provision of social housing and encouraged government to proceed with them provided our sector has a "place at the table" regarding the implementation of new policy settings.

It was clear at this stage that the emphasis on promoting sector 'Best Practice' which CHA has chipped away at over the past four years would need to be elevated so CHA members could prove their level of capability. Since then, many of our members have undertaken to brush-up or begin to address the way they operate in line with CHA's Best Practice standards with a view to being accredited through CHA's proposed Quality Assurance and Accreditation Programme in the future. In my view, this is an important development as it will be the mechanism for all CHA members to prove their capability to themselves; to the communities they serve; to government and to potential consortia partners.

In planning for the CHA "Doorways to Community Housing" conference held at Waitakere in March, a conscious decision was made to structure the programme to engage with private sector groups that had international experience in the delivery of social and community housing via public private partnerships. This sparked considerable interest in the question of "How?" private sector capital and expertise could be utilised by the Community Housing sector to provide more quality housing and services to our communities. With such questions in mind I was fortunate to be part of a delegation of public officials, private sector managers and CHA member representatives who visited some Sydney and Melbourne social and community housing developments in May 2011.

A key lesson I took from the trip was that cross sectoral partnerships in social and community housing developments can work - provided CHOs take a central facilitative role. Another key lesson for me is that given there is no template as to "How?" the necessary collaboration will take place in New Zealand between CHA members and the private sector it would be a missed opportunity for CHA not to continue to position itself in a facilitating role.

A new voice for Maori housing initiatives

Also in May, the CHA Maori caucus and elected delegates from last year's National Maori Housing Conference held a follow-up wananga at Mataatua marae in Auckland to explore the future role of Maori Housing providers. Since then, Te Matapihi He Tirohanga Mo Te Iwi Trust has been formally established [Te Matapihi = Window, He tirohanga mo te iwi = A view point for the people]. The emergence of Te Matapihi signifies the arrival of a new voice to boost Maori housing initiatives.

One of the primary objectives of the Trust is to promote a supportive process for the development of practical housing strategies for Maori and their communities. This challenge has been highlighted this year by publication of a Government audit of housing on Maori land by the Office of the Auditor General (OAG), which provided a good summary of the stalled situation and the lack of effective leadership, action and support that is holding back development. CHA fully supports the emergence of Te Matapihi and the two parties are working alongside each other. The CHA Maori caucus will remain part of CHA's organisational structure as a natural link between the two organisations.

A new membership structure

As the CHA financial year of 2010/11 drew to a close at the end of June, a new membership structure was introduced to provide more clarity about the make-up of CHA membership in the future. As it currently stands, CHA is now made up of approximately 30 Full members who consider Community Housing to be their core business. There are also currently 70 Associate member organisations who have an interest in the development of the sector, including a number of private companies which is a significant and welcome new development.

The Associate members have a range of interests at their core. Aged Care, Architecture, Construction, Consulting, Budgeting, Mental Health services, Physical Disability services, Social enterprise finance, Sustainability, Urban Planning/Design are all featured and I see opportunities for CHA to play a business-brokering role that links the housing related needs and aspirations of our associate members with the provision of community housing that our full members provide.

I would also like to mention those Full and Associate Members who acknowledged that CHA's financial future is uncertain by opting to pay the **Supporting Membership** fee. As the community housing sector continues to evolve, CHA will need more of this type of membership support in addition to other forms of funding from delivery of member services.

Early days for funder/ provider split

Although it's technically outside the 2010/11 CHA financial year, it is worthwhile noting that the establishment of the Social Housing Unit (SHU) in July was generally greeted with enthusiasm by CHA members, particularly for the funder/provider split it provides for social housing in New Zealand.

Although it is early days for the SHU, after its recent round of regional forums it released a report that indicated forum

participants support an increased role for CHA, perhaps into roles such as facilitating or co-facilitating partnership between providers and also to ensure sector advice into policy work now being undertaken by the Department of Building and Housing (DBH). To receive such a mandate from feedback via a third party indicates the increased levels of collegiality of the CHA network and is encouraging.

It has to be said that whilst the \$37.35M that will be distributed via the new Social Housing Fund extends the quantum of funding available to a potentially larger pool of social and affordable housing providers, it is still a drop in the bucket of the money required to meet the increasing housing need in most of our communities.

In addition to the Social Housing Fund, Housing New Zealand Corporation (HNZC) have started inviting Expressions of Interest (EOI's) from "suitably qualified property development organisations with the capacity, both financial and professional, and the relevant experience and capabilities to take up opportunities in redeveloping areas of state housing". It remains to be seen whether or not proposals from the community housing sector are submitted and chosen to be an active part of these redevelopments.

A round of thanks

I would like to express my thanks to each CHA council member for your significant contribution to CHA over the last year. In particular I'd like to thank Andrew Wilson who will - in accordance with our constitution - step down after three consecutive terms as an elected council member. Andrew has been heavily involved in assisting CHA through some of its most challenging times over the past six years. He has served as Council Chair in the past and more recently as Treasurer. Every NGO thrives or dies on the level of support from its governance board and Andrew's commitment to CHA has been nothing short of immense.

My thanks also goes to the CHA staff team [FTE = 2.3 inclusive of the Executive Officer role]. I regularly receive positive feedback from within and across other sectors on the quality of CHA's communications and it's no secret that Stephen Olsen leads this part of CHA's operations in a professionally committed, innovative and effective way. Our office manager Jane McKenzie has been instrumental in the smooth administration of CHA events/membership, and we have been fortunate to involve two excellent interns from Massey University - Danae Gardner earlier in the year, and more recently Abby Burns - in supporting CHA in specific facets of our work.

In closing

I remember once talking to an accomplished NLP (Neuro-Linguistic Practitioner) who explained in considerable detail the principle of "what you focus on is what you'll get". For its part, Community Housing Aotearoa is planning to focus on the following areas of work for 2012-2014:

- Ensuring a financially resilient organisation
- Lifting sector standards via the CHA Quality Assurance and Accreditation Programme

- Business Development Assistance
- Building relationships and promoting the sector; and
- Building a proactive approach to information flow and research relevant to the best interests of community housing.

I trust you will continue to support CHA to do the work associated with this strategic direction as it continues to represent the community housing sector over the next year and beyond. I encourage all those involved in the CHA network to stay engaged with what's going on in the sector and to continue opening doors to affordable and sustainable housing options for the people of all New Zealand's communities.

David McCartney

Executive Officer - Community Housing Aotearoa

Treasurer's report Year Ending 30 June 2011

Community Housing Aotearoa Inc (CHA) made a small operating loss (\$16,000) at the end of the financial year, which was of little consequence given the healthy level of retained funds. CHA remains in a sound financial position.

Most of the revenue (\$250,000) was sourced from a grant from Housing New Zealand Corporation (HNZC) which was applied to agreed projects of mutual interest. These projects are listed in Note 5 in the Financial Statements. Other revenue came from sponsorship and fees for the CHA Conference. Membership subscriptions provided only 1.5% of total income.

Costs were generally well-managed, and consistent with the budget approved by Council. The main contractual liability is the lease for the office at 94 Dixon St, with the current term ending on 12 July 2012.

For the 2011/2012 year ahead, a final grant of \$100,000 was received from HNZC. We have greatly appreciated the financial support of HNZC over the formative years of CHA. The budget for the 2011/2012 year assumes an increase in income from membership subscriptions and expenditure of a substantial portion of cash savings, which were about \$172,000 at year end.

This is intended as an interim measure while new sources of revenue are developed. It is expected that CHA QA & Accreditation services will become an important source of substitute income. The 2011/2012 budget retains a sufficient level of operating reserve to meet any wind-up costs for CHA. This is a contingency for the (hopefully unlikely) situation that sufficient substitute revenue is not able to be generated.

Andrew Wilson - Treasurer

Community Housing Aotearoa