



TABLE OF CONTENTS

Newsletter 15 May 2018: Pre-Budget Edition

The pieces are starting to come together

Invitation to post-Budget morning tea with Phil Twyford, Minister of Housing and Urban Development

KiwiBuild: 'Buying off the Plans' and Head of KiwiBuild Appointment

Government consultation on data and approach to social wellbeing

International Monetary Fund housing info

Housing First Expansion Announced

MSD Releases Quarterly Housing Information

CHA Releases Guidance Documents

In the news

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The pieces are starting to come together

We are looking forward to the 2018-19 budget announcements later this week. Community Housing Providers are hoping for a signal of how they will be supported to deliver across the affordability continuum. We welcome the already announced expansion of Housing First and further funding for emergency housing. This week we are looking for the signals on investment in the assisted rental and assisted home ownership segments. Members are seeing high levels of housing stress in these areas which is not yet captured on the Social Housing Register – even though it has reached a historic high (see article below).

We are pleased to see the approach taken in the KiwiBuild announcements (see following article). The KiwiBuild Unit within the Ministry of Business, Innovation and Employment has stated "A collaborative relationship between Government and developers will be essential for the KiwiBuild Buying off the Plans initiative to be a success. Key requirements are openness and transparency". Notably, we are seeing the statement put into practice, as evidenced by several features that our sector has been calling for: a KiwiBuild Register to track progress toward the target, an open book basis on costs and margin, and publication of a draft Option Agreement and a draft Agreement for Sale and Purchase included with the announcement on GETS.

In addition, the Government has identified Community Outcomes they hope to achieve which include environmental and social considerations in addition to economic benefits. We hope this signals a new approach across all housing programmes to aspire to achieve more than simply the lowest cost provision. We also see the opportunity to further utilise the information gained to advance work on benchmarking of true costs and delivery metrics so we can all lift our game over the long term.

Invitation to post-Budget morning tea with Phil Twyford, Minister of Housing and Urban Development



Please join the Hon Phil Twyford, and other members of the housing sector for a post-Budget morning tea.

10.00am to 11.45am Friday, 18 May 2018

At the Novotel Auckland Ellerslie, 72-112 Greenlane Rd East Rimu Rooms 2 & 3.

This is an opportunity to discuss the budget, hear the Minister's vision for housing, and discuss how the Government can work effectively with the housing sector to address the housing crisis and support New Zealanders in need.

Please RSVP to housing@msd.govt.nz by 17 May 2018. Please advise if you need any special assistance.

KiwiBuild: 'Buying off the Plans' and Head of KiwiBuild Appointment

On 8 May the Minister of Housing and Urban Development Hon Phil Twyford launched the KiwiBuild: Buying off the Plans initiative, which involves the Government underwriting or purchasing new dwellings off the plans that the private sector or others are leading, in exchange for accelerating a greater number of affordable, KiwiBuild dwellings.

Proposals are specifically being sought for developments in Auckland, Wellington, Hamilton, Napier-Hastings, Queenstown-Lakes District, Tauranga, Whangarei District and Nelson-Tasman. However, responses for other areas will also be considered.

Interested developers are invited to respond via the <u>Government Electronic Tenders Service</u>. The application process closes on 8 June 2018.

On 10 May Ministry of Business, Innovation and Employment Chief Executive Carolyn Tremain announced Stephen Barclay has been appointed as the Head of KiwiBuild. See the announcement here.

Government consultation on data and approach to social wellbeing

The Social Investment Agency (SIA) will be holding forums around the country from May to August to consult with social service providers on two significant matters:

- · Investing for social wellbeing
- The protection and use of client information.

SIA is also consulting with government agencies, iwi, service users, and others with a special interest or expertise in social services.

Social Service Providers Aotearoa has prepared a briefing paper to assist the consultation and to provide an opportunity to think about some of the issues prior to taking part in a consultation forum. It draws on information prepared for the SIA consultation working group and two ComVoices papers on client data, published in 2016 and 2017. Read the paper on their website.

International Monetary Fund housing info

The International Monetary Fund <u>recently published</u> the graphs below comparing changes in home prices to income and rents across a number of industrialised economies. Unfortunately, New Zealand has come out on top of the table for increases in house prices to income and fourth in rents since 2010.



Housing First Expansion Announced

Given the data shown above from the International Monetary Fund, it is not surprising that the Government has announced an expansion of the Housing First programme to additional regions in response to growing numbers of homeless families and individuals. The newly added areas are Napier and Hastings, Whangarei and Northland, Nelson and Blenheim, and Rotorua. These communities join the existing programmes in Hamilton and Auckland, the mobilising work in Christchurch and Tauranga, and progressing work in Wellington (including Lower Hutt). Announcements for each area can be read here.

The Housing First approach has a strong empirical evidence base supporting it. Those interested in understanding how various responses to homelessness stack up can read "Ending rough sleeping: what works?" which provides a review of international evidence.

MSD Releases Quarterly Housing Information

The Ministry of Social Development released today the latest Housing Quarterly Report, Social Housing Register, and Housing Regional Factsheets for the period ending 31 March. The materials are available on the Ministry of Social Development website. You can

also read the Minister for Housing and Urban Development's announcement on the quarterly information on the Beehive website.

MSD has published the Social Housing Register on a quarterly basis since mid-2014. The information gives us all an insight into the demand for public housing. This quarter the Social Housing Register increased by 26% to 9,695 applications. It is up 58% on the same time last year.

The Housing Quarterly Report provides detailed information on Government spending on housing assistance, public housing tenancies, transitional and emergency housing. We applaud MSD's continued regular reporting of this data which enables us all to measure and see the impact we make, as we continue to provide more secure, warm and dry housing to support people in need in partnership with Government.

CHA Releases Guidance Documents

Community Housing Aotearoa today released three <u>Guidance</u> <u>documents</u> intended to support sector development and best practice:

- Guidance on Transitional Accommodation Occupation Agreements
- Guidance to Organsiations Entering Housing
- Guidance on Developing a Housing Strategy

Announcing the release of the Guidance on Transitional Accommodation Occupation Agreements, Senior Programme Managers Marc Slade and David Zussman said, "this is in response to requests from members and other providers for assistance following the rapid growth in the emergency housing sector. CHA carried out a review of the occupancy and tenancy agreements used by Emergency and Transitional Housing providers to support the development of best practice. We will soon be releasing a model tenancy agreement incorporating this guidance and legal advice".

The other Guidance documents are designed to support senior staff and governance members of organisations at a strategic level. As housing need increases, more organisations are considering how they can respond. These Guidance documents will assist them to make informed choices about the requirements and obligations of becoming a housing provider.

In the news

Report shows dire need for healthy homes

PrefabNZ's six success factors to meet... No! Surpass KiwiBuild

The Nation: Leonie Freeman and Alan Johnson

Housing NZ redevelopment wins Auckland Architecture Award

Winter 2018 Announcement

Crowded housing highest among Pacific peoples

