

**ALL NEW  
ZEALANDERS  
WELL-HOUSED**



## Newsletter 19 March 2018

### Community collaboration - Masterton style

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It was a wild day - mist on the Rimutaka Hill, cold wind and lots of rain so it wasn't ideal weather for the grand opening of the Kuripuni

Housing Regeneration Project in Masterton. However, we received a very warm welcome from Dave, a happy tenant in one of the brand new, two-bedroom units. Dave was like a cat that got the cream. And we could see why.

The eight units all have great natural light, outdoor living, easy access and have everything provided from a wall mounted TV to couches, whiteware and beds.

Built by community housing provider Trust House, the units are leased to LinkPeople, a community housing provider that links people to the housing and support services they need for their wellbeing. The service is run by Pathways, a local community-based mental health, addiction and wellbeing service.

Unfortunately Minister Twyford was delayed in Queenstown so we were all charmed by Hon Jenny Salesa, Associate Minister of Health and Housing and Urban Development, who stepped in on the day to formally open the project.

Allan Pollard CEO, of Trust House, said “This project demonstrates the capability of the sector when providers enter into joint ventures for the provision of contemporary public housing that is warm, safe and dry. It is also wonderful that a holistic approach to tenancy management, property management and social wraparound services can be delivered as part of this exciting venture. It also proves that with capital investment from the crown our sector can deliver a quality product to meet the needs of those members of our communities most in need.”

[Read the full story on our website.](#)



L-R: Jim Gallen, LinkPeople, Hon Jenny Salesa, Allan Pollard, Trust House, Sally Pitts-Brown, Pathways and Julie Nelson, Wise Group.

## **Retention mechanism to protect MSD investments**

Community Housing Aotearoa is pleased to inform our members that future Crown investments made through long-term Income-Related Rent Subsidy contracts and Development Cost Funding agreements will be protected. An encumbrance instrument will be registered on the properties to ensure that the properties continue to be used for

social housing purposes including on transfer of the properties to a third party. This approach follows international best practice to preserve and retain affordability of social housing developed with government subsidy. CHA has long advocated for retention of the value created by government investment.

Members should be aware that while the intention of the encumbrance is to further ensure that the property is kept for social housing, it may result in lenders requiring an investment methodology when evaluating how much they are willing to loan a project. MSD has informed us that it is actively working with providers where the encumbrance may impact on existing funding arrangements (e.g. loan to value constraints), to smooth out any issues whilst balancing the Crown's need for protection. Furthermore, the intention is that once the property is no longer under contract the encumbrance will be removed ahead of any sale so there should be no effect on sale value.

If for some reason you do experience any difficulty with your investors or debt providers, we encourage you to let us know so that we can work with you and MSD to manage the situation. We will also be following up to understand what requirements will be placed on Housing New Zealand developments, noting of course that they too will be subject to contractual constraints regarding sale during a contract term and have other more general constraints on the sale of their properties.

We are continuing to work with MSD and members to provide feedback on the encumbrance document, and also encourage members with current proposals for new supply to follow up with their MSD contract representative for further details.

While details are not yet available, hopefully this approach will become common across housing programmes including Special Housing Areas, the Crown Land Programme, HLC affordable ownership developments and KiwiBuild.

CHA will keep you informed on this as more details become available, and we [welcome your feedback](#).

## **What's happening in the Bay of Plenty? Plenty!**

### **Regional News – Western Bay of Plenty**

The SmartGrowth Partnership across the Tauranga City Council, Western Bay of Plenty District Council, Bay of Plenty Regional Council, tangata whenua, partner community/business organisations and key Governmental agencies continues to tackle the region's housing challenges head on. Following on the release of the [Housing Need and Demand Research Report](#) in December 2017, the SmartGrowth Leadership Group will meet on 21 March to discuss a Smart Housing Action Framework to co-ordinate their work going forward. CHA applauds this regional approach which is essential to addressing housing need in the Western Bay's shared housing market.

Local community housing organisations are engaged with this work and CHA is supporting their efforts. Our subsidiary Community Housing Solutions prepared the research report working with Livingston and Associates. Our local members have requested CHA's support to form a regional network, similar to those operating in Auckland, the South Island and Wellington. If you are providing

housing in the region and wish to participate, please let Chris Glaudel know by [email](#). We propose to have an initial meeting in April.

### **Supply in the Bay of Plenty**

As reported in our last [newsletter](#), MSD recently released Regional Housing Supply summaries for the quarter ending December 2017. These regional summaries continue the trend of providing more information and greater detail regarding homes provided and funds spent in each region. Several of our readers pointed out the need to capture not just Income Related Rent units in these summaries. We are discussing with MSD further improvements, including the important contributions of Council housing and affordable homes provided by community housing organisations, that are not yet included.

What does this mean? An undercount of the many homes which are essential to the well-being of families; many of whom may require an Income Related Rent subsidy if Council and community housing organisations were not their landlords. The numbers reported for the Bay of Plenty were:

Public Housing Supply - 2,655 (1,502 HNZ and 1,153 Community Housing Provider units eligible/occupied with Income Related Rent subsidy).

Not included in the Public Housing Supply are 849 additional homes:  
Community Housing Providers – 364 (non-Income Related Rent subsidy units)  
Council Housing – 485 (Councils are excluded from accessing the Income Related Rent subsidy).

## **Regional factsheets**

Thanks to all those who took part in our supply survey. MSD has released regional factsheets that don't show the full picture as they are missing Council housing and also non IRR stock. If these items were included, we would have a much better idea of what is required. Our supply survey is essential to inform our work.

- [Read the Housing Regional Factsheets for the December quarter](#)
- [Read the Housing Quarterly Report for the December quarter](#)
- [Read the Social Housing Register for the December quarter](#)

## **PrefabNZ Conference Report**



*Round table discussions in action*

Bernadette Pinnell, General Manager of Compass Housing Services, recently represented CHA at the PrefabNZ CoLab Members' workshops in Auckland on 9 March. This was day three of CoLab, which focussed on increasing uptake of innovative construction in New Zealand. My round table discussion was to provide those in the prefab sector, as well as suppliers and consultants with an understanding of what the Community Housing Sector does, how many houses the sector builds or owns and what the prefab sector can provide to our sector.

Read the full story on our website [here](#).

## **In the news**

[New Research Shows Mātauranga Māori Provides Pathway To Future-Proof New Zealand Housing](#)

[New factsheets show extent of crisis in regions](#)

[Housing Minister Phil Twyford opens EasyBuild show home village](#)

[Solution to KiwiBuild is New Zealand made](#)

[Demonstration aims to push Auckland Council into addressing homelessness](#)

[Mayor, Ministers And Industry Unite to Build More Houses in Auckland](#)

[Child Poverty reduction target unchanged following Treasury's revisions](#)

## Webinars

FREE webinar on 28 March 2018 from 1-1.45pm NZ time

### [AHI Webinar: Becoming a Certified Housing Professional](#)

Becoming a Certified Housing Professional webinar guides AHI members through the process to become accredited through the Australasian Housing Institutes professional recognition program.

## Events



### 16 and 17 April 2018 - Age Concerns Everyone

We are all ageing and have an interest in creating a society that respects, values and celebrates the contribution of all older New Zealanders. By 2036 it is anticipated that one in four people will be 65 years of age or older. By investing now in solutions that support the transition to an ageing society, New Zealand's future social and economic prosperity will be protected so we can all flourish. We want you to be part of the conversation so please register you and your team members for this exciting event.

The line-up of speaker presentations includes: The Ageing Well National Science Challenge research, housing and older worker discussion panels, scamming and online safety, Māori solutions to issues affecting Māori, LGBTQI issues, volunteering and caring, and the Campaign to End Loneliness. Read the full programme [here](#).