Community Housing Aotearoa

Annual Report

1 July 2017 to 30 June 2018





About Community Housing Aotearoa

Community Housing Aotearoa, Inc, (CHA) is an incorporated society and the representative body that binds New Zealand's community housing sector together. A list of our members is in this annual report. Established in 2004, CHA plays an important role in placing the community housing sector at the forefront of housing delivery, listening to its members and representing them as one voice.

Company details

Co-chairs

Allan Pollard and Julie Nelson

Treasurer

Carrie Mozena

Council members

Moira Lawler, Garry Moore, Rau Hoskins, Victoria Kingi, Bernie Smith and Peter Taylor

Chief Executive

Scott Figenshow

Nature of business

Advocate for community housing

Registered office

Level 1, Southmark House, 203 Willis Street, Wellington

Bankers

Kiwibank, Private Bag 39888, Wellington Mail Centre, Lower Hutt 5045

Accountant

The Bookish Tax Tart/The Tax Lady

Auditor

DJ Turner and Associates

Charities Service Number

CC36095

Incorporation number

1583033

IRD number

89-577-874

Acknowledgement:

Our thanks to Greg Freeman from the Housing Foundation for the use of his lovely photo capturing the joy at the opening of the children's playground, by the local Board Chair at Waimahia, the first and now completely developed Special Housing Area (295 houses).

Co-chairs' report

30 June 2018



As a sector, we have a lot to be proud of. Reflecting back, 2017/2018 is the year when we are at last witnessing broad acceptance of key messages and solutions that you, our members and sector leaders, have long promoted.

The housing affordability continuum has become accepted across both central and local government. Unprecedented levels of support and acceptance of both Housing First and emergency housing are occurring. Acceptance of the need to invest in affordable assisted rental housing and shared ownership are being considered.

This is due to our shared focus and purpose, over many, many years. Together, we are making a difference. As a sector, we are poised for greater impact.

On behalf of the CHA Council, we thank each of you, our members, for your dedication and service, working toward 'All New Zealanders well-housed.'

Over the past year, many exciting developments were featured in our newsletters and there are many more:

- Waimahia Inlet's replication as a model for mixed income, mixed tenure community
- CNSST opened Kotuku House in Auckland
- Trust House's Kuripuni Housing Regeneration Project in Masterton
- Abbeyfield opened new housing in Leeston
- CORT developed 12 new one-bedroom units and celebrated 30 years in business
- Haumaru Housing developed 40 apartments in Auckland
- Homes of Choice has the Burbridge development underway
- VisionWest's Lisa Woolley celebrated 20 years as Chief Executive
- Queen's Birthday Honours were given to Dr Kay Saville-Smith of CRESA and Stephanie McIntyre of Downtown Community Ministry.

With this rising profile, you are demonstrating it's possible to achieve the vision of 'All New Zealanders well-housed.'

To do this, the Council has directed Community Housing Aotearoa to deliver loud and clear messages about the solutions our members may offer to provide more homes. We call on your support to increase our presence and be more effective in both the media and across government. The Council has directed staff to be more edgy and assertive in their engagement with the media and we hope this will raise our profile even more.

We have worked on our new strategic plan and are seeking your approval for adoption at our Annual General Meeting. This plan will guide our work over the next three years to build a better and bigger sector, providing more people with more choices than before. We are focussed on a human rights approach to housing and want this to be made into law. We will work collectively to ensure this happens, as it's at the crux of what we do as a sector.

The new Government's focus on well-being aligns well with what we have long advocated. A holistic approach that values outcomes for whānau, neighbourhoods and communities is required.

We look forward to Budget 2019 to deliver new resources to achieve better outcomes and rebuild the pathways. We will continue to put forward models to achieve this based on the work members are doing. To accomplish this, we would like to better promote the models you are delivering with the families you serve.

Your engagement continues to grow, reaching 90 full members and 19 partner members. Our recent member survey provided us with direct feedback and insights on what you want from your peak body.

We hear you wanting us to focus on doing fewer things, but doing them better. We are committed to improving our services and welcome your ideas and contributions toward seeing All New Zealanders well-housed. The Council encourages your feedback to us. We know there is more to be done and need that dialogue to keep on track.

Finally, we wish to thank our Council colleagues for their time and dedication; Rau Hoskins, Victoria Kingi, Moira Lawler, Garry Moore, Carrie Mozena (Treasurer), Bernie Smith, and Peter Taylor. Special thanks to our Chief Executive, Scott Figenshow, who together with the Council, are demonstrating great skills at negotiating an ever changing landscape.

Julie Nelson and Alan Pollard **Co-chairs**

Chief Executive's report

30 June 2018



New Government, New Ministry

It's been an interesting year with a new government setting a different course and creating the new Ministry of Housing and Urban Development. We hope the new Ministry will streamline processes for our members who strive to house more people in an already difficult market.

We tested a new approach for engagement. As part of MSD's consultation over the contracting framework, our Deputy Director Chris Glaudel, facilitated a series of workshops with various members from around the country taking part in sometimes weekly teleconferences. This work was essential to inform the new contracts that MSD is proposing our members use and we needed to be heard. This meeting format worked extremely well and we got great buy-in from the parties who consistently dialled in and gave their frank views and time. We must communicate like this more in the future. Our voices are stronger when we are joined together. A big thank you to those who provided their time and expertise.

Time to get our messages heard

Our Council has given us a clear directive to take an activist approach for our message to get across. Through the AGM, you'll help us to finalise our strategic plan. We are ready to up our game on strategic communications, ensuring our sector messages are at the forefront of any discussion about housing in New Zealand.

The Getting Ready Series

We held two sessions of the Getting Ready project with a number of members earlier this year. Part One was held in Christchurch and discussed innovation and change, with Leonie Freeman facilitating the group. Part Two focussed on the tricky subject of capital consensus. Some great ideas and conversations came out of those informative days. It informed the strategic plan, affirming priority actions going forward.

Ian Axford Fellow

We were lucky enough to co-host with MSD Jeff Mosley, from Washington DC. Jeff was funded by the Ian Axford (New Zealand) Fellowship, and spent six months talking with our colleagues in the housing sector (while sight-seeing Aotearoa). He completed a report 'Priming the Pump' Access to Capital and Capacity to House New Zealanders and this report is available on our website. We hope to see action on his recommendations, especially the importance of capital investment.

Thank you for your feedback

We hear your loud and clear feedback to 'do less, but do it better', as reported through the member survey, which lists satisfaction at 78%. Our challenge is to lift this through delivery on the new strategic plan. I'd like to thank my colleagues for their dedication and fantastic work: Chris Glaudel, Deputy Director, David Zussman and Marc Slade our Senior Programme Managers, and Ruth Avery Executive Administrator and Communications Coordinator. A big thank you to the members of our team who have taken up new opportunities: Angie Cairncross, Gill Burns and Jordan Kendrick.

We welcome your continued feedback on how we can improve our service to you, to ensure All New Zealanders are well-housed.

Scott Figenshow Chief Executive

Some of the activities we've supported over the year

Building Pacific community housing capability (August 2017)

Work to build Pacific community housing capability is an on-going collaborative effort between Community Housing Aotearoa, MBIE's Housing Policy team, MBIE's Pasifika team, the Community Housing Regulatory Authority, the Ministry of Social Development and the Ministry for Pacific Peoples . In March 2017, the Pacific Social Housing Network was established to provide ongoing support to newly established Pacific community housing providers and in August Penina Health Trust, the first Pacific organisation to become registered as a community housing provider, opened their first transitional housing development.



L-R: Jo Hughes, (Head of Office of CE, MBIE) Minister Alfred Ngaro (Minister for Pacific Peoples, Associate Minister. Social Housing) Minister Amy Adams (Minister for Housing, Justice, Associate Finance) Scott Figenshow (CE, Community Housing Aotearoa), Matalena Leaupepe (Chief Advisor, Pasifika) Roine Lealaiauloto (CE, Penina Trust) and Tele'a Andrews (Senior Policy Advisor, MBIE).

Introducing Community Housing Solutions Limited (July 2017)

In 2017 we launched Community Housing Solutions Ltd (CHS), the new technical consulting subsidiary of Community Housing Aotearoa. It was set up to provide us with a delivery arm for services to individual members and community housing organisations which are beyond the scope of normal peak body services. CHS is trading and contracted to provide services to several organisations.



The Getting Ready Project (November 2017)

A group of representatives from 17 community housing organisations met for a workshop facilitated by Leonie Freeman in November 2017. This workshop, the Getting Ready Project, built on the impetus from the CHA IMPACT conference held in June 2017.

Four areas were identified as key for the sector to focus on. Participants agreed they could offer Government a parallel system that can be scaled up to deliver around 40% of the Government's overall KiwiBuild target of 1,000 social and affordable homes, working alongside Housing New Zealand that would deliver the other 60%.

The four areas were:

- 1) Central purchasing / procurement at-scale
- 2) Treating the land differently
- 3) Capital: backing a Housing Impact Fund
- 4) Ending homelessness.

The second part of the Getting Ready series was held in February 2018 and discussed capital consensus. More work will be done in this area.

Hosting housing colleagues in Wellington (December 2017)

On behalf of the Australasian Housing Institute, CHA hosted a delegation of housing officials from the US-based National Association of Housing and Redevelopment Officials (NAHRO).

They had been in Australia the previous week to attend the National Housing Conference and the AHI Awards Dinner.

After visiting with community housing providers across the ditch, four members came to Wellington to learn about social and affordable housing in New Zealand.



L-R: Chris Glaudel, CHA; Laurie Putscher, Henrietta Snipes and Mary Jo Kabab all from NAHRO; Hayley Hamilton, MSD; and Tyra Duncan-Hall, NAHRO at the MSD office.

Auckland Housing Summit (February 2018)

An Auckland crisis working group has been formed to find a solution to the city's massive housing shortage.

Housing Minister Phil Twyford, Auckland Deputy Mayor Bill Cashmore and an array of industry, NGO and iwi chief executives met in February 2018 to form the group.

L-R: Ngarimu Blair, Scott Figenshow, Hon Phil Twyford, Leonie Freeman, Connal Townsend, Christina van Bohemen, Stephen Selwood, Pamela Bell, Councillor Bill Cashmore and MC Susan Wood.



Delivering Good Medium Density Community Housing (March 2018)



Community Housing Aotearoa and Beacon Pathway jointly facilitated a session in March 2018 on what good practice medium density looks like from a community housing perspective.

Medium density housing is rapidly gaining momentum throughout New Zealand as a way to deliver more affordable dwellings. When done well, it can provide quality, affordable and sustainable housing in liveable communities. Research is identifying what good practice medium density looks like, and new community housing developments are trialling medium density.

Held in Auckland, the event was attended by over 110 people from a broad range of sectors – community housing, developers, central and local government and designers.

Treasurer's report

30 June 2018



Community Housing Aotearoa completed the 2017-2018 financial year in a sound financial position. For the first time, the Council requested an audit of our financial accounts rather than a financial review as done previously. The Council wanted an audit to ensure a high level of confidence in our reporting and due to the increasing complexity of our consolidated accounts with our wholly owned subsidiary Community Housing Solutions. I am pleased to report that we received an unqualified opinion on the accounts for both Community Housing Aotearoa and Community Housing Solutions.

The accompanying financial summary from the audit includes a Statement of Financial Performance, Statement of Movements in Equity, and Statement of Financial Position for the fiscal years ending 30 June 2018 and 2017. Also included is the Statement of Service Performance, documenting our efforts to support sector growth across three areas: Engage Strategy, Support Providers to Grow Supply, and Measure Outcomes.

June 30 marked the successful completion of a three-year contract with Government to provide peak body services. I am pleased to report that a new two-year contract was approved and signed with the Ministry of Social Development at level funding. Staff had requested a new three-year agreement at a higher level, which was not actioned. Council has directed staff to engage with officials to secure an augmentation and extension in Budget 2019.

The operating results for the year ended are an accrual net loss of \$12,455. On a cash basis, we achieved net income of \$30,802. Our fiscal position remains strong with a mix of core peak body services funding from Government at \$600,000, augmented by contracting revenues of \$218,351 and membership contributions of \$99,219. The membership revenue is significantly increased due to levy by Auckland Community Housing Provider Network members and the auditor's recommendation to recognise membership revenue when received. This change resulted in \$29,975 of 2018/19 membership fees being recorded in the results. The overall operating revenue and expenses were each around \$16,000 less than last year.

As noted above, expenses were down slightly from the prior year. Our overall administration expenses remain a small portion of our costs and were lower than the prior year. The reduction in Delivery Expenses is related to the completion of work under the Auckland Council contract to support the Auckland Emergency Housing Provider Network. Staffing remains the largest component of expenses and increased about 8% from the prior year. The depreciation (\$22,987) and holiday pay (\$20,270) accruals resulted in the net loss.

As noted above, Community Housing Solutions Ltd (CHS) is a wholly-owned subsidiary providing technical assistance to providers, councils and others to support the delivery of more community housing. Utilising a management services agreement with CHA, it provides consulting services which align with CHA's mission and values but is tailored to the needs of specific organisations or projects. All surpluses generated from these activities are returned to CHA.

On behalf of the CHA Council we remain committed to deploying our resources for the growth of the community housing sector, moving towards All New Zealanders well-housed by 2030.

Carrie Mozena Treasurer

Community Housing Aotearoa Financial Statement For the year ended 30 June 2018

Statement of Financial Performance	2018	2017
Revenue		
Grants	600,000	600,000
Interest	935	939
Other income	218,351	308,271
Membership Income	99,219	25,353
Total operating revenue	918,505	934,563
Expenses		
Admin Expenses	82,192	87,564
Delivery Expenses	160,090	242,320
People Expenses	688,678	616,855
Total operating expenses	930,960	946,739
Net surplus / deficit for the year	-12,455	-12,176
Statement of Movements in Equity	2018	2017
Net surplus / deficit for the year	-12,455	-12,176
Movements in equity for the year	-12,455	-12,176
Equity at the beginning of the year	367,275	379,451
Equity at the end of the year	354,820	367,275
Statement of Financial Position	2018	2017
Assets		
Current assets	141,747	204,276
Non-current assets	286,307	307,256
Total Assets	428,054	511,532
Liabilities Current liabilities	72,404	143,957
Non-current liabilities	830	300
Total liabilities	73,234	144,257
Equity	354,820	367,275
Total liabilities and equity	428,054	511,532

The full reviewed report can be found on our website – www.communityhousing.org.nz

Independent Auditor's Report

To the Members of Community Housing Aotearoa Incorporated

Opinion

We have audited the accompanying performance report of the Community Housing Aotearoa Incorporated ("the Society") on pages 1 to 13, which comprises the entity information, statement of service performance, statement of financial performance and statement of cash flows for the year ended 30 June 2018, the statement of financial position as at 30 June 2018, and the statement of accounting policies, and other explanatory information.

Opinion on financial position, financial performance, cashflows, entity information and service performance

In our opinion:

- (a) the reported outcomes and outputs, and quantification of the outputs to the extent practicable, in the statement of service performance are suitable; The performance report on pages 1 to 13 gives a true and fair view of:
 - the financial position of Community Housing Aotearoa Incorporated as at 30 June 2018;
 - the financial performance and cashflows for the year then ended;
 - · the entity information for the year then ended; and
 - the service performance for the year then ended

in accordance with the requirements of Public Benefit Entity Simple Format Reporting Standard – Accrual (Not-For-Profit) issued in New Zealand by the New Zealand Accounting Standards Board.

Basis for Opinion

We conducted our audit of the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the performance report in accordance with International Standards on Auditing (New Zealand), and the audit of the entity information and statement of service performance in accordance with the International Standard on Assurance Engagements (New Zealand) ISAE (NZ) 3000 (Revised). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the performance report is free from material misstatement.

Other than in our capacity as auditor we have no relationship with, or interests in, the Society.

Other Matter

The financial statements of Community Housing Aotearoa Incorporated for the year ended 30 June 2017 were not subject to audit. Our opinion is not qualified in respect of this matter.

Restriction on Responsibility

This report is made solely to the members, as a body, in accordance with section 42F of the Charities Act 2005. Our audit work has been undertaken so that we might state to the members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the members as a body, for our audit work, for this report, or for the opinions we have formed.

Council's Responsibility for the Performance Report

The Council is responsible on behalf of the entity for:

 a) Identifying outcomes and outputs, and quantifying the outputs to the extent practicable, that are relevant, reliable, comparable and understandable, to report in the statement of service performance;

Independent Auditor's Report (Contd.)

- b) the preparation and fair presentation of the performance report which comprises:
 - the entity information;
 - the statement of service performance; and
 - the statement of financial performance, statement of financial position, statement of changes in equity, statement of cash flows, statement of accounting policies and notes to the performance report

in accordance with the Public Benefit Entity Simple Format Reporting Standard – Accrual (Not-For-Profit), and

c) for such internal control as the Council determines is necessary to enable the preparation of the performance report that is free from material misstatement, whether due to fraud or error.

In preparing the performance report, the Council is responsible for assessing the Society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Council either intends to liquidate the Society or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibility for the Audit of the Performance Report

Our objectives are to obtain reasonable assurance about whether the performance report is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) and ISAE (NZ) 3000 (Revised) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this performance report.

As part of an audit in accordance with ISAs (NZ) and ISAE (NZ) 3000 (Revised), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the performance report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Conclude on the appropriateness of the use of the going concern basis of accounting by the Council and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the performance report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Society to cease to continue as a going concern.

Independent Auditor's Report (Contd.)

Evaluate the overall presentation, structure and content of the performance report, including the disclosures, and whether the performance report represents the underlying transactions and events in a manner that achieves fair presentation.

Perform procedures to obtain evidence about and evaluate whether the reported outcomes and outputs, and quantification of the outputs to the extent practicable, are relevant, reliable, comparable and understandable.

We communicate with the Council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

DJ Turner & Associates

Chartered Accountants Wellington, NZ 15th October 2018

Full and Partner Members as at June 30, 2018

Partner members in **bold**

Abbeyfield NZ Inc

Accessible Properties Ltd

Aegis Projects Limited

Airedale Property Trust

Alcohol & Drug Community Support Trust

Anonymous Member

Aorangi Maori Trust Board

Atamu Housing Trust

Auckland City Mission

Auckland Community Housing Trust

Bays Community Housing Trust

Beacon Pathway Incorporated

Boffa Miskell Limited

Chintaro Housing Management Software (MDB

Consulting)

Chow Hill Architects Ltd

Christchurch Methodist Mission

Cobham Street Trust

Comcare Trust

Community Housing Trust

Compass Housing Services NZ Ltd

Compassion Housing Ltd

Coromandel Independent Living Trust

CORT Community Housing

CRESA

De Paul House

Diocese of Wellington

Downtown Community Ministry Inc

Dunedin City Council

Dwell Housing Trust

EasyBuild Ltd

Ecotiny Affordable Homes

Emerge Aotearoa

Fatugatiti Housing Trust

Habitat for Humanity (Central North Island) Ltd

Habitat for Humanity (Christchurch) Ltd

Habitat for Humanity (Greater Auckland) Ltd

Habitat for Humanity Invercargill

Habitat for Humanity Nelson

Habitat for Humanity New Zealand

Habitat for Humanity Northland

Habitat for Humanity Tauranga

Haumaru Housing Limited Partnership

He Korowai Trust

Homes of Choice Limited

Horizon Housing Company

Hornsby & Co

Housing Action Network

Housing Foundation

Housing Plus Charitable Foundation

HRT Property Trust

Island Child Charitable Trust

Just Housing Otepoti Dunedin

Kāhui Tā Kaha

Latimer Community Housing Trust

Lifewise Trust

LinkPeople

Mahitahi Kainga Trust

Manaia Health PHO

Manawatu Community Housing Trust

Manawatu Community Trust

Mangatawa Papamoa Block Incorporated

Marama Hou Ministries Trust

Marlborough Sustainable Housing Trust

Mercy Villas

Mike Greer Homes NZ Ltd

Modcom Portable Buildings Ltd

Monte Cecilia Housing Trust

Napier City Council

Navigator Limited

Nelson Tasman Housing Trust

New Zealand Council of Christian Social Services

Nga Hau E Wha National Marae

Nga Maunga Whakahii o Kaipara Development Trust

Nga Potiki A Tamapahore Trust

Ngati Kahungunu ki Poneke Community Services Inc

Ngati Whatua Orakei Whai Maia Limited

Otautahi Community Housing Trust

Papakainga Solutions

Percy Hamilton Home Trust Board

Presbyterian Support New Zealand

Project Strategy Ltd

Queenstown Lakes Community Housing Trust

Raukawa Ki Te Tonga AHC Ltd

Regenerative

Spencer Henshaw Ltd

Stepping Stone Trust

Strive Community Trust

Tāmaki Housing Association

Tauranga City Council

Tauranga Community Housing Trust

Te Hau Ora o Ngapuhi Te Kainga Oranga Trust Te Ora Hou Whanganui Te Runanga o Ngati Porou

Te Runanga o Toa Rangatira Inc Society

Te Runanga o Whaingaroa Te Taiwhenua o Heretaunga

Te Tomika Trust

Te Tumu Kāinga (Te Tumu Paeroa)

Tenants Protection Association (Chch) Inc

The ASH Foundation

The Bishop's Action Foundation
The Porirua Whanau Centre Trust

The Property Group

The Salvation Army
Trust House Limited

VisionWest Community Trust

Waiheke Hope Centre

Waiohiki Community Charitable Trust

Wellington City Council Wellington City Mission

Wellington Homeless Women's Trust

Wellington Night Shelter Wesley Community Action Whakaatu Whanaunga Trust

Whangarei Accessible Housing Trust

Whatever It Takes Trust Inc.

Windows Trust



STATEMENT OF SERVICE PERFORMANCE 2017-2018



Community Housing Aotearoa worked to implement and engage with the actions contained in the Our Place strategy to see all New Zealanders well-housed. Working closely with local government to influence the delivery of social and affordable housing across the housing affordability continuum.



43

Our Place endorsements



8

Policy submissions



5

Participation on task forces



4

Local government members



SUPPORT PROVIDERS TO GROW SUPPLY

Community Housing Aotearoa delivers services and information that meet members' varied needs.



78%

Membership satisfaction of what CHA does

23

Newsletters delivered



369

Training event participants

115

Number of members



761

Newsletter subscribers

5

Networks supported

93%

Membership renewal rate



Training events held

72

Network members



Achieving 'All New Zealanders well-housed' requires the delivery of new homes meeting household needs across the continuum.

Supply Survey results

300

New supply added



13,147

Overall units reported

45

Organisations reporting

Our Place



Measures reported