



Community Housing
Nga Wharerau o Aotearoa

PO Box 11543
Wellington
New Zealand
Ph 04 385 8722
www.communityhousing.org.nz

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Contact: Scott Figenshow

021 061 9664

Community Housing: the Government needs to step on the accelerator

Community housing organisations say the government’s budget initiatives on housing are too timid – and won’t deliver the results needed.

“We need to speed up the stock regeneration process for all areas of the country, and ensure the new rent subsidy approach supports increased housing delivery through the sector.”

Scott Figenshow, Director of Community Housing Aotearoa the umbrella organisation for the sector, says while there are some positives in the budget it lacks a comprehensive approach to connect various initiatives together.

“The Government promised two years ago to invest in the growth of community housing. Why so timid in delivering settings that enable that?”

He says community housing organisations work across the full housing continuum – both social and affordable housing. They see a strong place for the sector to partner with commercial entities to ensure that mixed tenure results are achieved.

“We hear loud and clear that the government intends to transfer some Housing New Zealand properties for use as ongoing social housing run by community housing providers.

“What the sector is trying to communicate equally clearly is that the better future is one where those properties can be regenerated, made fit for purpose, and deliver a whole range of better community outcomes, not just put a new landlord in place. While the previous announcements for Tamaki, Tauranga and Invercargill are great, what about the rest of the country? What is available for the regions?”

Scott Figenshow says Community Housing Aotearoa agrees with the Child Poverty Action Group that it is heartening to see the first real increase in beneficiary incomes since 1972 announced in Budget 2015. However at best it is only a down-payment, as these increases won’t be available to families in need until July 2016.

But he says the accommodation supplement which currently costs the Government \$1.1 billion a year, is in dire need of review and adjustment.

“It is a massive subsidy that is barely keeping people in old, cold and mouldy houses. We’re getting terrible family and health outcomes for such a large investment. We can do better – yet we don’t see any reference to this as a priority in the budget.

“The income related rent subsidy of \$774 million appears to be now referred to as a “part payment of rent to Social Housing Providers”. We hear loud and clear that Government is looking to community housing providers to lever this ‘market rent’ subsidy into new warm, dry homes for families in need, but by itself it isn’t enough especially in our high-cost markets.”

However he says, the sector welcomes the announcement of priority legislation to enable a more flexible approach to contracting with social housing providers using the rent subsidy.

“We may still have a gap in certain markets. Our sector is working hard to fill that gap with other tools like Auckland Housing Bonds, but it would have been more helpful to have kept Social Housing Fund grants available to fill this reduced gap.

“The Government should be using all the tools at its disposal, not turning off the ones that it knows work while it tries new approaches. Perhaps the Social Housing Reform (Flexible Purchasing and Remedial Matters) Bill will provide for a replacement form of subsidy that works better than the Social Housing Fund?”

He says the sector is also pleased to see the announcement of \$35 million over four years to support the Māori Housing Strategy, which aims to improve housing for Māori families and grow the Māori housing sector.

The sector was looking for a signal as to further investment in meeting the emergency housing needs of waiting families. We understand a review of emergency housing funding is underway, but can’t tell if there is funding provisionally available to address this need.

But he says the sector wants to see a comprehensive approach. It is developing a strategy and invites the Government to partner with them.

“Over the next few months, we are consulting on Our Place to build a strategy around three main objectives: Positive outcomes, local response to delivery, and long-term certainty of the operating environment.

“We are wanting to see the sector growing- where we now are home to around 15,000 new Zealanders, to something like 50,000, would bring it to a similar size as Housing New Zealand. Families would have a range of tenure choices, in homes that are fit for purpose. We offer a bold and sensible approach.”

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