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Newsletter 1 May 2018

Congratulations to Te Matapihi and the Independent Māori Statutory Board for an excellent summit with Hon Phil Tywford and Hon Nanaia Mahuta on 23 April in Auckland. There were lots of questions and answers amongst participants. CHA appreciates the opportunity to participate.

TallWood, a company that is involved in offsite manufacturing, is our featured member. Link through to the full article to also see the in-fill feasibility guide they have developed.

If you have stories and photos you'd like to share, please email us.

Emergency Housing Forum meeting summary – an apology

CHA apologises for any misunderstanding caused by our 16 April 2018 newsletter article. We value the open and constructive working relationships built over many years with colleagues at MSD and across all government agencies. It's essential that people feel safe to voice their views.

At the time we wrote the article, CHA wanted to update its members by publishing its review of the summary document from the Transitional Housing Forums held between November 2017 and February 2018. Our understanding at that time was that MSD was not happy for us to do that, hence the comments in our article. We now understand that MSD were still considering their options as part of their review and sign-out processes. MSD confirms the written summary is now available on its [website](#).

A huge thank you to MSD for working this through with us and resolving this misunderstanding.

Encumbrance – a further update

After further discussion between CHA and MSD on 20 April, we agreed that a fresh discussion with sector providers on the new contract framework is the best avenue for resolving the means and methods for ensuring the retention of crown investment in social and affordable housing. MSD has indicated that it will be releasing a paper in early May setting out the terms of reference and approach. We understand the goal is to complete the new contract framework, with proposed contract documents, by July 2018.

If any provider is currently negotiating a contract that can't wait for these new settings to be agreed, yet is facing the request for an encumbrance that makes the project unfeasible, please talk to MSD in the first instance.

Design and Construction Company offers Medium Density Residential Buildings ‘Off the Rack’



The Grounds at Hobsonville Point is a medium-density apartment block comprised of four, three storey buildings with a total of 42 one and two-bedroom apartments.

New Zealand's housing landscape is largely characterised by standalone homes and high density apartment typologies, particularly in Auckland – the epicentre of the housing 'crisis'. While intensification is a recognised solution to the housing supply shortage, there is a gap in the market for medium density dwellings to be delivered at scale.

Tallwood, an innovative design and technology-led offsite manufacture company has just amalgamated with Stanley Modular – a division of Stanley Construction. The new entity, Tallwood, caters for the 'missing middle'; the amalgamation having significantly enhanced the company's ability to deliver medium density housing at scale.

Read more about how they deliver [here](#).



Tallwood designs and constructs buildings out of engineered timber - the aesthetic appeal of the exposed wood has been a key driver of sales.



Living in a timber building has proven physical and psychological health benefits.

CHRA - happy fourth birthday to you!

Please join us in celebrating that the Community Housing Regulatory Authority turned 4 years old last month! Congratulations to the team at CHRA on successfully navigating the start-up phase of regulation

in New Zealand. The new regulatory framework commenced on 14 April 2014 and 28 organisations who had received Social Housing Unit funding were 'deemed registered' as Community Housing Providers on this day. Since then, some of those deemed providers have allowed their status to lapse, but many more have been attracted into social housing provision and applied for registration. There are currently 44 organisations registered as a Class I Social Landlord.

You might be asking: "why should we be celebrating regulation?" The vision that we set out in the original submissions to government described an operating environment with secure, long-term settings, which provided certainty and clarity to how the sector would flourish. We always envisioned a multi-pronged regulatory approach, informed by internationally leading practice that would foster sector diversity and capability development across multiple terms of government. It was designed to allow for streamlined, simpler government contracting, as key settings would be managed through annual regulatory reporting and performance benchmarking, with a high degree of transparency.

The small team, led by Fiona Fitzgerald, has built up their systems to receive and evaluate applications for registration and carry out annual monitoring for registered organisations. They have issued Guidance Notes to provide clear and transparent information on their expectations for registered organisations. The regulatory environment has matured significantly over the last 4 years. While we have a ways to go yet to achieve the broader vision, CHA believes it is now time to continue that maturation by activating additional classes of regulation as authorized in the Housing Restructuring and Tenancy Matters Act 1992 (HRTMA).

The current regulations allow for registration as a Class 1: Social Landlord. It is designed to ensure organisations receiving an Income Related Rent subsidy are fulfilling their obligations as a tenancy and asset manager. As the housing needs of New Zealanders have increased, the utility of the IRR alone to deliver additional homes has weakened. In response, MSD has permitted up front capital payments for new supply. We at CHA have seen an increasing number of traditional developers inquire about how to become registered so they can build that new supply. While it is great to have their development expertise applied to building new affordable homes, tenancy management and achieving positive outcomes for their tenants is typically not their core competency nor focus. However, the only door currently available to access funding for new supply is as a Social Landlord. Likewise, several iwi have approached us with an interest in owning social housing assets. They have capital to invest and want to do that within their rohe. Often they too do not have an interest in tenancy management, but are pointed toward the same door.

The HRTMA allows for "In relation to the registration of community housing providers specify different classes of registration for different purposes, including –

- I. Income related rent subsidies from the Crown
- II. Crown grants
- III. Assets of the Crown or of a Crown entity"

It is quite sensible to have additional classes of registration to enable those with an interest in providing affordable homes to play to their natural strengths. It is also sensible to have a fit for purpose regulatory structure which recognizes the inherently different risks and requirements for being a landlord, a developer, or an asset owner. Lacking this, we are forced to make everyone appear to be a Social Landlord so they can contribute their skills and expertise. It is time for these settings to mature.

Tax Working Group Submission

Submissions were due on 30 April to the Tax Working Group, which is looking at ways to improve the fairness, balance and structure of the tax system in New Zealand over the next 10 years. We have posted CHA's [submission](#) which calls for a GST rebate to registered Community Housing Providers for new homes and for bringing the tax treatment of investments in residential housing in line with other forms of investment.

Prohibiting Letting Fees bill submission

The Social Services and Community Committee is now seeking feedback on the Residential Tenancies (Prohibiting Letting Fees) Amendment Bill (the Bill). The Bill amends the Residential Tenancies Act 1986 to prohibit the charging of a letting fee, or any other fee charged to a tenant, in respect of charges for services rendered by a letting agent, solicitor, or any other person in relation to a tenancy.

The Social Services and Community Committee is accepting submissions on the Bill until Wednesday 23 May 2018. You can find further information about the Bill and how to make a submission on the Parliament [website](#).

Please send your thoughts on this Bill to Chris Glaudel at projects@communityhousing.org.nz to inform CHA's submission.

IN THE NEWS

[Geneva human rights committee 'shocked' at NZ's human rights report card](#)

[Keeping a roof over my kids' heads is impossible](#)

[KiwiBuild meets IwiBuild](#)

[Housing First Auckland City Centre one year on ...](#)

[Strong future neighbourhood community celebrated](#)

[Papakāinga provides refuge in time of need](#)

[Spanbild buys Mike Greer Homes in Concision factory pship](#)

[Urban sprawl eating up NZ's productive land - report](#)

[New Council housing under way in Akaroa](#)

EVENTS



Modular Design Roadshow - BRANZ

Brought to you by PrefabNZ in association with BRANZ.

Supported by the Building Research Levy.

PrefabNZ and BRANZ are pleased to bring you the Modular Design Roadshow 2018, a series of events to highlight developments, stimulate conversation and encourage networks in the field of design for offsite construction.

Tuesday, 8 May, 4-7pm, Wellington

Wharewaka Function Centre (full but you may join the waitlist)

Wednesday, 9 May, 12.30-3pm, Christchurch

Crowne Plaza - still taking registrations

Wednesday, 9 May, 4-6.30pm, Christchurch

Crowne Plaza Hotel (full but you may join the waitlist)

Thursday, 10 May, 4-6.30pm, Auckland

Grand Millennium Hotel (full but you may join the waitlist)

Click [here](#) to see more.

FREE WEBINAR



Advance your career in 2018!

Learn more about how to obtain social housing certification to showcase your professionalism and competency.

FREE webinar

Becoming a Certified Housing Professional

DATE:

Tuesday, 15 May 2018

TIME:

11am - 12pm AEST

PRICE:

FREE

Register online for the free webinar [here](#).

We're skipping the affordable housing summit by Avertedge

As per last two years, CHA is not participating in the affordable housing development summit put on by Avertedge, scheduled for August 22-23. We find their high-pressure tactics and lack of clarity behind the term 'affordable' to be inconsistent with the vision and values set out in Our Place: All New Zealanders well housed. Of course individual organisations will make their own decisions about whether the forum offers value. They are contacting nearly everyone across the sector inviting people to speak, and it is hard to tell who has actually confirmed or not. If you do decide to speak, feel free to use Our Place and the principles around affordability in your presentation. A two-page PDF of the principles and pathways, and the jpeg continuum graphics are available for download on our [website](#).