

DRAFT

# Our Place

All New Zealanders well-housed

Setting a proposed direction for the  
community housing sector in Aotearoa.



***We invite you to have your say on this proposed sector strategy.  
Your participation is vital.***



## Our objectives

1

### ***Positive outcomes***

for communities,  
families and individuals

2

### ***Local responses*** to delivery

3

### ***Long-term certainty***

of the operating  
environment

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## Acknowledgements

Our Place was prepared on behalf of the community housing sector by its umbrella organisation, Community Housing Aotearoa. Established in 2004, Community Housing Aotearoa represents not-for-profit organisations who deliver community housing solutions, including local government councils. A full list of members can be found on its website: [www.communityhousing.org.nz](http://www.communityhousing.org.nz)

We would like to thank community housing organisations for contributing toward a New Zealand community housing strategy. Our Place has been informed through consultation with a wide range of community housing providers and strategic partners in the NGO and private sectors.

We sincerely thank you for your time, honesty and insights into how we can all work together to provide more homes in more communities and improve social outcomes for all New Zealanders.

ISBN (to come)

Community Housing Aotearoa. (2015). *Our Place: All New Zealanders well-housed*. Wellington, New Zealand

## Introduction

Permanent, secure, appropriate and safe housing is recognised as a basic human right. We are faced with an intergenerational problem of inadequate housing that needs to be fixed now.

To ensure all New Zealanders have this need met, social and affordable housing markets must continue to grow and deliver mixed-income, mixed-tenure community developments.

Community housing in New Zealand is characterised by being community-based and focussed on meeting the housing needs of a range of people in diverse situations. These may be caused by financial hardship, health and social challenges, kinship relationships and age or disability.

Many organisations operating in community housing provide services in addition to accommodation. They also provide or help people get the health, social or support services they need. This 'wrap-around' service provision, along with a range of tenure options across a housing continuum, significantly differentiates community housing from government housing services.

This document, *Our Place*, offers a sector strategy for 2015-2020 which builds on the findings of the *Details Matter*<sup>1</sup> stocktake of New Zealand's community housing sector in the form of a strategy from 2015 to 2020. This stocktake can be downloaded from the Community Housing Aotearoa website - [www.communityhousing.org.nz](http://www.communityhousing.org.nz).

It is essentially a plan that will enable all stakeholders to work in partnership and move forward together to provide the greatest positive social and community outcomes possible.

It outlines the priority areas that must be addressed by both the sector and government in order for this to happen.

We begin by describing the shared vision, goal and objectives for community housing in New Zealand.

In many cases, sector and government objectives align, providing both opportunities and challenges to be collectively addressed and overcome. Working together will move community housing forward in a fair, positive and sustainable way, with social outcomes at the heart of everything we do.

In the final section, we describe five priority areas which the sector must focus on over the next five years in order to achieve its goal. The strategy is then summarised visually, demonstrating how all the parts come together to achieve the desired outcomes.

*Our Place* is a work in progress, built through sector-wide consultation with community housing providers throughout the country working across the spectrum of the housing continuum.

Collectively, we have an agreed destination. We now begin the journey and work involved to reach it so that we can enhance positive social outcomes for all New Zealanders.

Our work is not done. We now need your input into *Our Place*. In the coming months *Our Place* will be refined and enhanced through your ideas and feedback.

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<sup>1</sup> *Details Matter: Taking stock of the community housing sector in Aotearoa*. Community Housing Aotearoa, February 2015. [www.communityhousing.org.nz](http://www.communityhousing.org.nz)





"Housing is the  
***centre of  
the jigsaw -***  
if we can fix this  
it may also fix  
a host of other  
social issues."

## Our place

### The shared vision, goals and the outcomes we hope to achieve

#### ► Vision

##### *All New Zealanders well-housed.*

This is the sector's common vision for the people of Aotearoa, New Zealand, regardless of their social or economic circumstance. It is all encompassing because it is everybody's right.

#### ► Goal

##### *Provide homes for 50,000 people by 2020.*

The sector agrees that social and affordable housing markets must continue to grow and deliver mixed-income, mixed-tenure community developments. Many would argue that it is critical and urgently required.

In five years, we see a community housing sector that is equivalent in size to Housing New Zealand Corporation; this growth will require more new homes, not a reshuffling of old stock to different hands.

It is a lofty goal, and it will stretch our resourcefulness and drive. But it is also desperately required by the increasing numbers of New Zealanders who do not have permanent, safe or affordable housing.

To achieve this goal we need this strategy, and a range of funding tools to secure the investment that will be required. You'll find more information about how we can work together to attract investment and capital on page 12.

#### ► Objectives

##### *What we hope this strategy will ultimately achieve.*

- 1 Positive outcomes for communities, families and individuals:** mixed-tenure, mixed-income communities where community housing organisations work across the housing continuum.
- 2 Local responses to delivery:** an increase in local partnerships that meet community needs among iwi, the private sector, service providers and community housing organisations, each playing to their natural strengths.
- 3 Long-term certainty of the operating environment:** including enabling regulations; contracting, investing and purchasing frameworks; tax and charitable status; pipeline; funding tools; transaction structures; development; capacity and capability; and research and evaluation.



## How does Our Place align with government objectives?

A vision for community housing was set in 2010 by the Housing Shareholders Advisory Group (HSAG), which was set up by the Ministers of Finance and Housing to provide independent advice to the Government on the effective and efficient delivery of state housing to those most in need.

*We envision a future in which the public, private, non-government sectors and iwi all work in concert to ensure that every New Zealander has decent, affordable housing. It is a future where help for people with the highest level of need goes hand in hand with opportunity for those who are ready to move on. It is a future in which all providers of social housing play to their natural strengths, concentrating on the core activities that they do best. (HSAG, 2010)*

In January 2015, five objectives were announced for social housing reform in New Zealand:

- 1 Ensure that people who need housing support can access it and receive social services that meet their needs.
- 2 Help social housing tenants to independence as appropriate.
- 3 Ensure that social housing is of the right size and configuration, and in the right areas for those households which need it.
- 4 Help increase the supply of affordable housing, especially in Auckland.
- 5 Encourage and develop a more diverse ownership of social housing, with more innovation and responsiveness to tenants and communities.

There are many synergies between what the sector hopes to achieve as outlined in this strategy, and what any government would want to achieve. The matrix on page 15 of this document shows where our work aligns.

►

**“The human right to housing applies to everyone and is of central importance for the enjoyment of all economic, social and cultural rights.”**

*NZ Human Rights Commission*

# **“Community housing organisations *are home to more than 15,000 New Zealanders*”**

## **A safe pair of hands**

### **Partnering with others to build strong, vibrant communities**

Community housing is in good heart. We have a proven record of helping thousands of people. We are reliable and strong.

We are a sector that can work to economies of scale, with the ability and desire to play to our natural strengths and share resources and expertise for the benefit of all involved.

We have no desire to duplicate or create services and systems that are already delivering exceptional value.

Collectively the sector generates annual revenues in excess of \$1.3 billion and holds equity of more than \$2.1 billion against debt of \$500 million (Community Housing Aotearoa, Details Matter, 2015).

This is a clear foundation on which we can deliver more social and affordable housing to more people.

And we can do this through leverage, without losing diversity and choice.

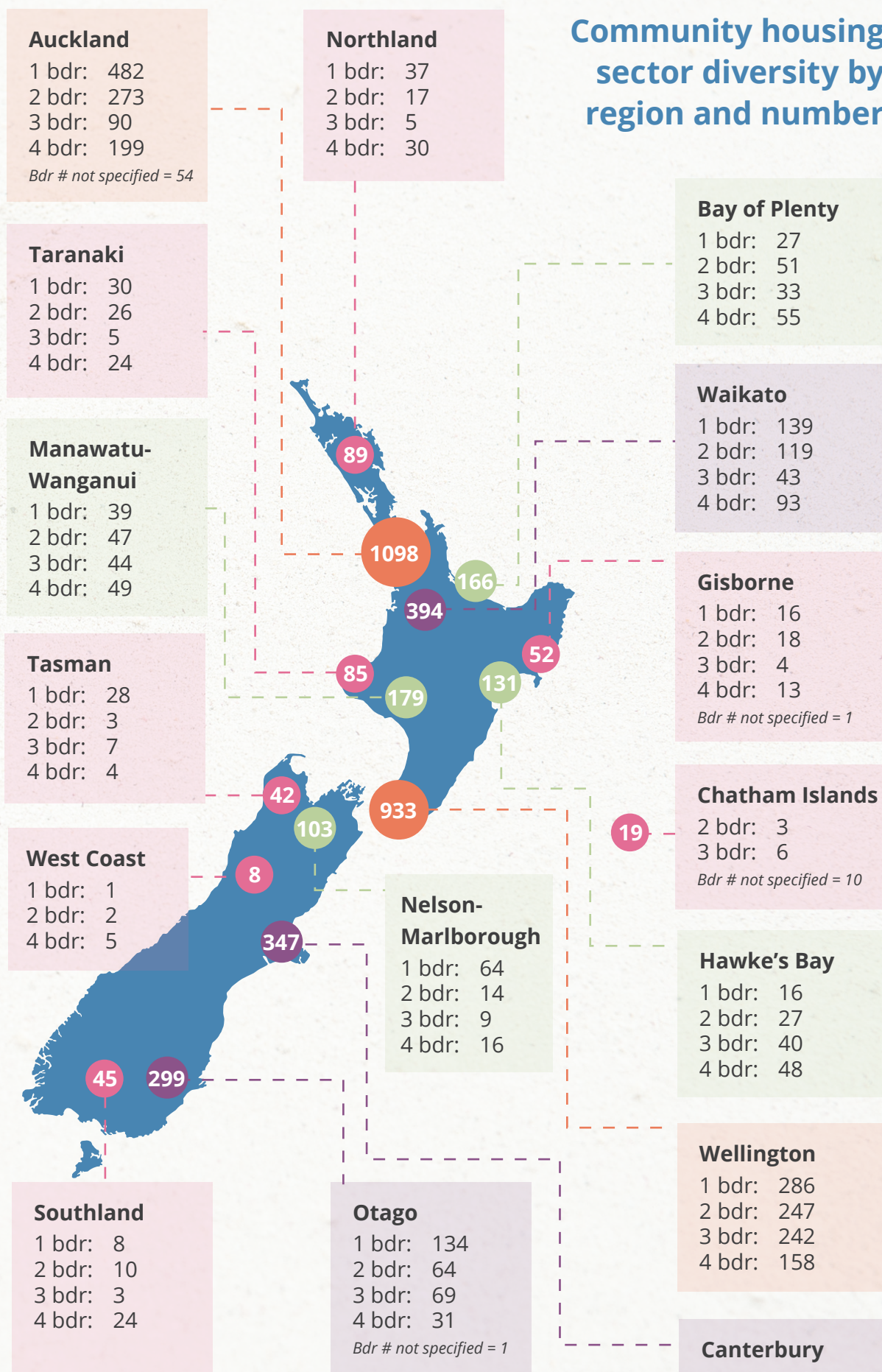
Smaller community housing organisations can leverage off larger organisations' infrastructure.

By having the ability to play to their natural strengths, organisations can choose to work alone or work together in consortia or partnerships. Taking this approach, we will see an increase in local responses among iwi, the private sector, service providers and community housing organisations.

Leveraging government funding with funding from a range of private and public resources, and borrowing against the properties it owns, the sector can provide much better value for money. This will allow government funding to go further to meet a greater proportion of unmet need.



## Community housing sector diversity by region and number



\*These regional figures do not include council-owned properties or Housing New Zealand Corporation stock. Please refer to Details Matter (Community Housing Aotearoa, 2015) for a comprehensive stocktake of New Zealand's community housing and social housing sectors.





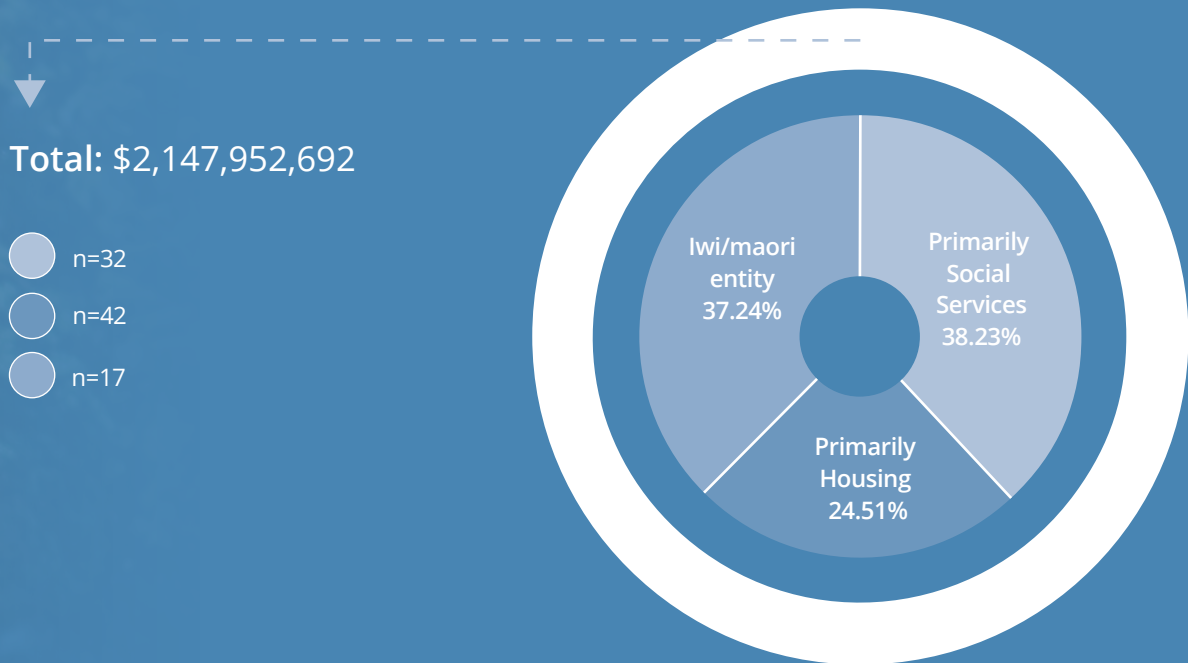
“Community housing  
organisations are a  
***safe pair of hands.***

Collectively they  
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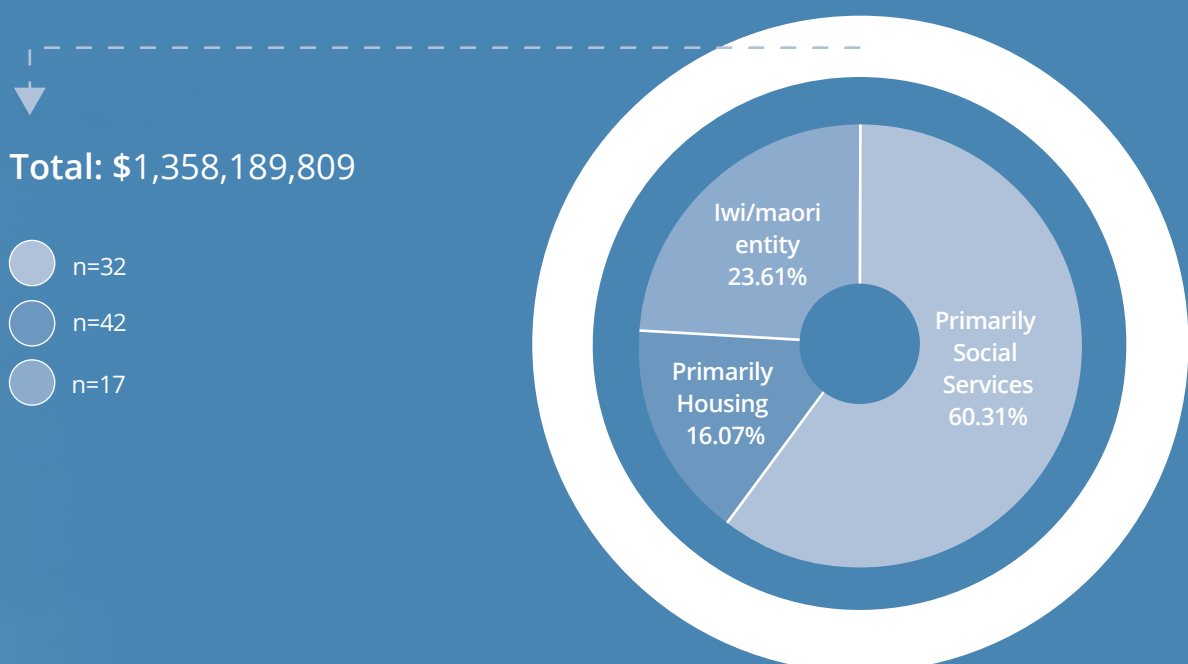




## Community housing sector equity by housing category



## Community housing sector revenue by housing category

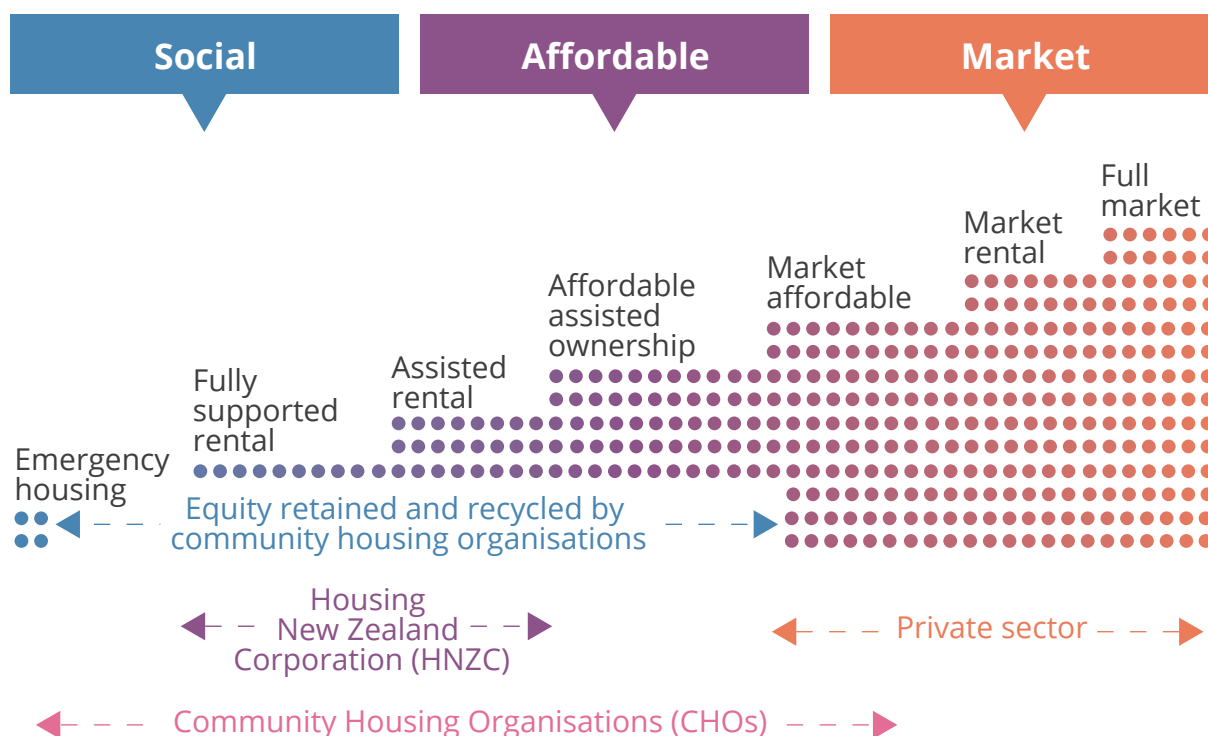




# The Housing Continuum

## Providing diversity and choice for people

Community housing organisations deliver the full continuum of housing services across New Zealand, from short-term emergency support through to pathways to home ownership for low-income families. This is demonstrated in the Housing Continuum model below.



### Enabling choice

It's important that people have choices about their housing, and that community housing providers have the flexibility to play to their natural strengths to enhance social outcomes for individuals, families and communities.

Community housing organisations need the ability to work in all segments of market delivery, as and when their local market requires. Having a range of organisations rather than monopoly providers drives greater efficiencies and innovation in housing provision. The diversity of the community housing sector is one of its characteristic strengths which allows for tailored housing responses to local and regional markets.

### Housing first

International evidence demonstrates that it costs less to provide appropriate, secure housing and in-home support, than to continue providing the same person with sporadic, ongoing emergency and institutional assistance.

A housing first approach prioritises moving people quickly into appropriate housing and then immediately providing access to wrap-around services to address the other issues in their lives.

For this approach to work we will need an adequate supply of permanent housing, to ensure people can move from emergency housing into their long-term housing of choice as soon as possible. As we develop this strategy we will need to clarify the level of emergency housing needed until such time as adequate permanent housing is available.

# Implementing the Housing Continuum

## Working together to address barriers to progress

Sector-led solutions foster greater community outcomes and can deliver the scale required to solve our housing crisis, through partnerships with communities and commercial organisations.

However, there are currently five key issues that are barriers to growth for community housing organisations. If left unresolved, these issues will stop or restrict growth in social and affordable housing.

The sector has sustainable, innovative and fair solutions to these issues. We see this strategy as a step towards framing-up the work that is required to cement the required solutions, and provide the certainty and long-term sustainability that is currently lacking. The priority areas and outcomes on page 13 and 14 outline a programme of work that implements these solutions.

### ***Contracting/investing/purchasing framework.***

Contracting and procurement methods must be designed to facilitate the delivery of housing services across the housing continuum. With this in mind, a need has been identified for alternatives to the traditional tendering model. In addition, where contractual measures of success are enhanced community outcomes, contracting and purchasing methodologies must also reflect the desired social outcomes.

### ***Transaction structures***

Certainty drives down risk and cost. Community Housing organisations need transaction structures that support and strengthen social and affordable housing markets by working seamlessly with the funding tools available and the purchasing framework.

### ***Tax and charitable status***

Uncertainty about the tax and charitable status of community housing organisations, particularly those addressing the home ownership aspirations of New Zealand families, is causing considerable concerns and problems for the sector. Government objectives to increase the supply of affordable housing for people to buy will be more difficult to achieve without this issue being resolved.

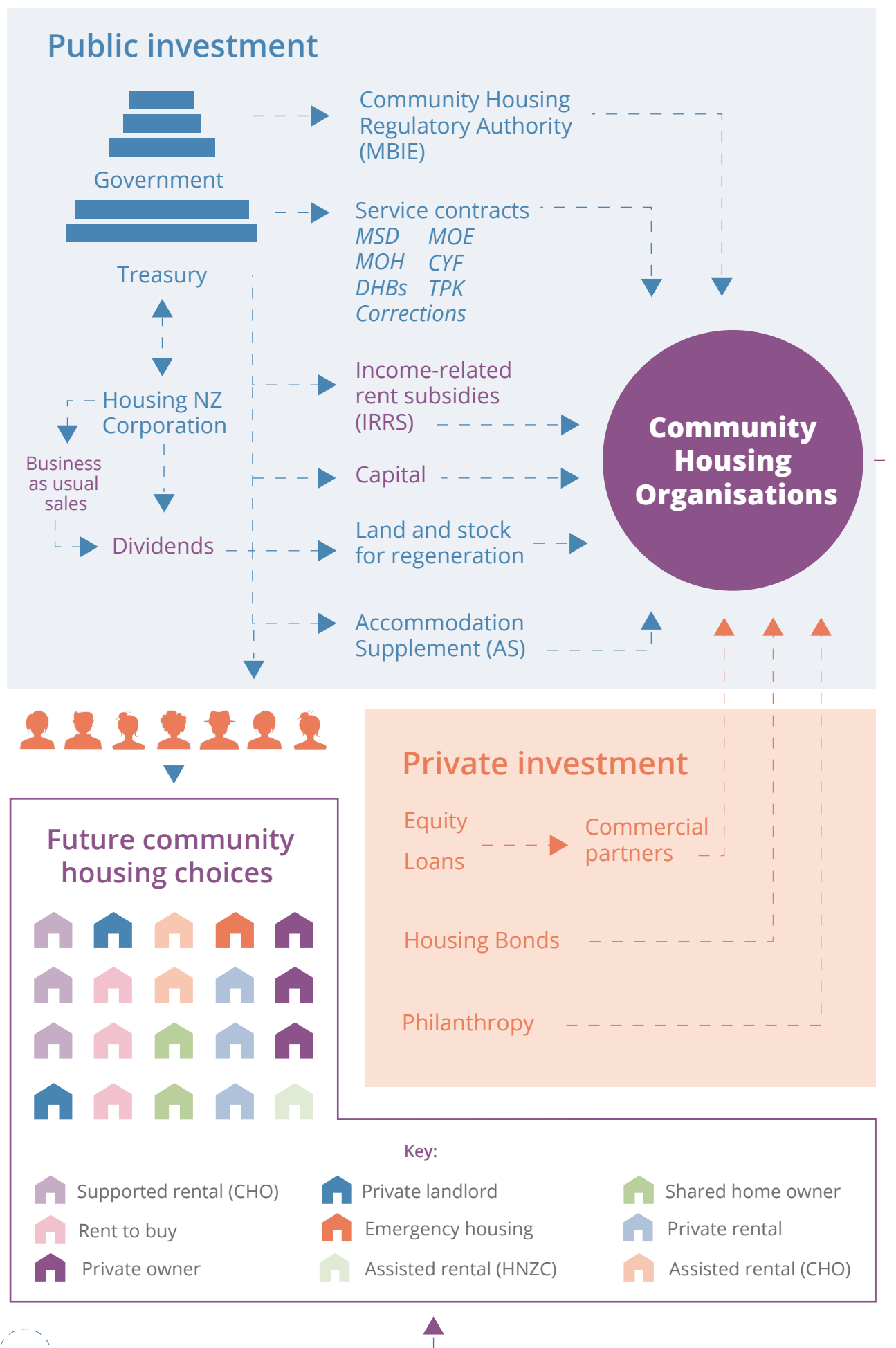
### ***Regulation***

Regulation is accepted as necessary for the proper operation of social and affordable housing markets. A well-structured and properly implemented regulatory framework will provide confidence to all participants for on-going, large scale investment. At present, this is absent. This is viewed as a significant risk to the potential transfer of Housing New Zealand Corporation stock.

### ***Funding tools***

To deliver new, healthier mixed-income, mixed-tenure communities and increase the supply of social and affordable housing, greater financial investment is needed; not simply a reshuffling of existing supply among different participants. This requires government investment in partnership with community housing organisations. Government engagement will also provide the confidence needed to attract investment from banks, social investors and other institutions. The sector seeks the use of the broadest range of funding tools available. The diagram on the following page demonstrates the desired investment approach.

# Investment approach for better outcomes through housing





## Details that matter

### A strategic programme of work for community housing in Aotearoa

Not-for-profit community housing organisations currently provide at least 5,000 homes, with a minimum of 9,700 beds, to more than 15,000 individuals and families in New Zealand.

For those individuals and families across the country that require our services, and for the many more we know we can help, the sector is central to any Government's vision for the future of social and affordable housing in New Zealand.

Based on feedback from the *Details Matter* (Community Housing Aotearoa, 2015) stocktake, five priority areas have been identified that will form the basis of a work programme for the next three to five years. These priority areas also align with and support government objectives for community and social housing in a mutually beneficial way.

Most importantly, these priorities (which we set out in the following pages) will move the sector forward in achieving its goal to support more people in mixed-tenure, mixed-income communities, and improve social outcomes in Aotearoa, New Zealand.

### *Priority areas and outcomes*

#### 1 Housing policy: leadership from a sector perspective

- Certainty of income tax and charitable status.
- More classes of registration within the Community Housing Regulatory Authority (CHRA) that include pathways to property ownership and mixed-tenure developments.
- High quality market-wide standards for landlords of rental housing.
- Long-term contracting models for social housing places.
- Demonstrate the benefits of capital grants - and the situations where they are needed in addition to contracting for social housing places.
- Stock transfer design that grows the sector and is economically viable for community housing organisations and the people we serve.
- Emergency Housing properly resourced to meet need.
- Develop and resource a long-term 20-year Social and Affordable Housing Plan in partnership with health and social service providers, commercial partners, government and other stakeholders.

## **2 Sector expertise: assist government to align its work streams**

- Improve communications and engagement between government and sector.
- Lead as a sector expert through advisory groups, consultation and submissions.
- Develop and lead sector positioning on common housing policy issues.

## **3 Strong providers: build the capability and capacity of diverse housing providers**

- Build a responsive workforce with the skills and experience to support people to live well in environments conducive to wellbeing.
- Understand and identify training needs and deliver training and professional development programmes that will upskill the workforce.
- Provide packages of support that assist organisations wanting to measure and improve their performance through registration and accreditation.
- Ensure best-practice guides meet regulatory performance standards.
- Facilitate and share innovation, thought leadership and evidence-based practice through seminars and conferences.

## **4 Grow supply: of social and affordable housing in mixed-tenure, mixed-income communities**

- Deliver adequate housing that meets the seven UN standards: Security of Tenure, Habitability, Accessibility, Affordability, Access to Services, Location and Cultural Adequacy.<sup>2</sup>

- Implement Housing Bonds across the country to increase the resources available to deliver social and affordable housing, bringing new, socially responsible investment into the sector.
- Facilitate collaboration and partnerships with all stakeholders for mutually beneficial outcomes.
- Provide specialist technical advice for collaborative projects among sector, commercial partners and government.

## **5 Measure achievements: evaluate social outcomes and demonstrate our value**

- Develop a knowledge base of sector capacity to measure and report change and growth over time, identify trends and forecast future requirements.
- Identify and develop tools to measure desired tenant, community and organisational outcomes.
- Implement research tools to evaluate outcomes, and promote best practice to improve outcomes.
- Develop agreed, tangible performance benchmarks.

Community Housing Aotearoa will lead the development of an annual work programme outlining specific activities, timeframes, roles and responsibilities to support the implementation of these activities.

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<sup>2</sup> United Nations, *Right to Adequate Housing*.

## Alignment of priority work areas with objectives for social housing reform

The following matrix demonstrates where the sector's five priority work areas align with and support social housing reform objectives, which can be found in summary on page 5 of this document. For more information about social housing reform, visit [www.socialhousing.govt.nz](http://www.socialhousing.govt.nz)

		Social housing reform objectives				
		1 Access and support	2 Independence	3 Right area, right size	4 Increase supply	5 Diverse ownership
Community housing sector priority work areas	1 Housing policy	<div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div>		
	2 Sector expertise	<div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div>
	3 Strong providers					<div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div>
	4 Grow supply				<div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div>	
	5 Measure achievements	<div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div>
Our Place objectives		Positive outcomes		Local response to delivery		
		Long-term certainty of the operating environment				

"Housing is about the  
***revitalisation of  
the community***  
- to create new  
developments that  
people can say 'this is  
a good place to live'."



# Our Place – All New Zealanders

## Objectives

► Positive outcomes for communities, families and individuals



Individual



Family



Community

► Local responses to delivery



Iwi



Pasifika



Home ownership



Community-based



Faith-based



Rental

► Long-term certainty of the operating environment

Enabling regulations

Funding tools

Transaction structures

Pipeline

Contracting, investing and purchasing frameworks



1

Housing policy

2

Sector expertise

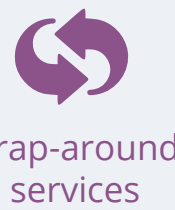
3

Strong providers

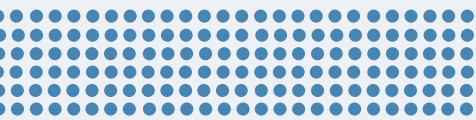
Grow

20-year Long-term Social and Affordable

# well-housed



Housing Continuum Pathway



- Tax and charitable status
- Research and evaluation
- Capacity and capability
- Development

4  
supply

5  
Measure achievements

**Goal**

Provide homes  
for 50,000 people  
by 2020

- **Success indicators**
- Communities, individuals and families*
- Reduction in childhood rheumatic fever
  - Reduction in childhood poverty
  - Reduction in overcrowding
  - Ending homelessness
  - Security of tenure
- Sector*
- Mixed-income, mixed tenure community developments
  - Growth in social and affordable housing
  - Strong, diverse providers working to their natural strengths
  - Adequate housing

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**Community Housing**  
*Nga Wharerau o Aotearoa*

Prepared on behalf of the community housing sector  
by Community Housing Aotearoa.

Level 1, Southmark House, 203 Willis Street  
PO Box 11543, Wellington 6142

Phone: (04) 385 8722

E-mail: [support@communityhousing.org.nz](mailto:support@communityhousing.org.nz)

[www.communityhousing.org.nz](http://www.communityhousing.org.nz)