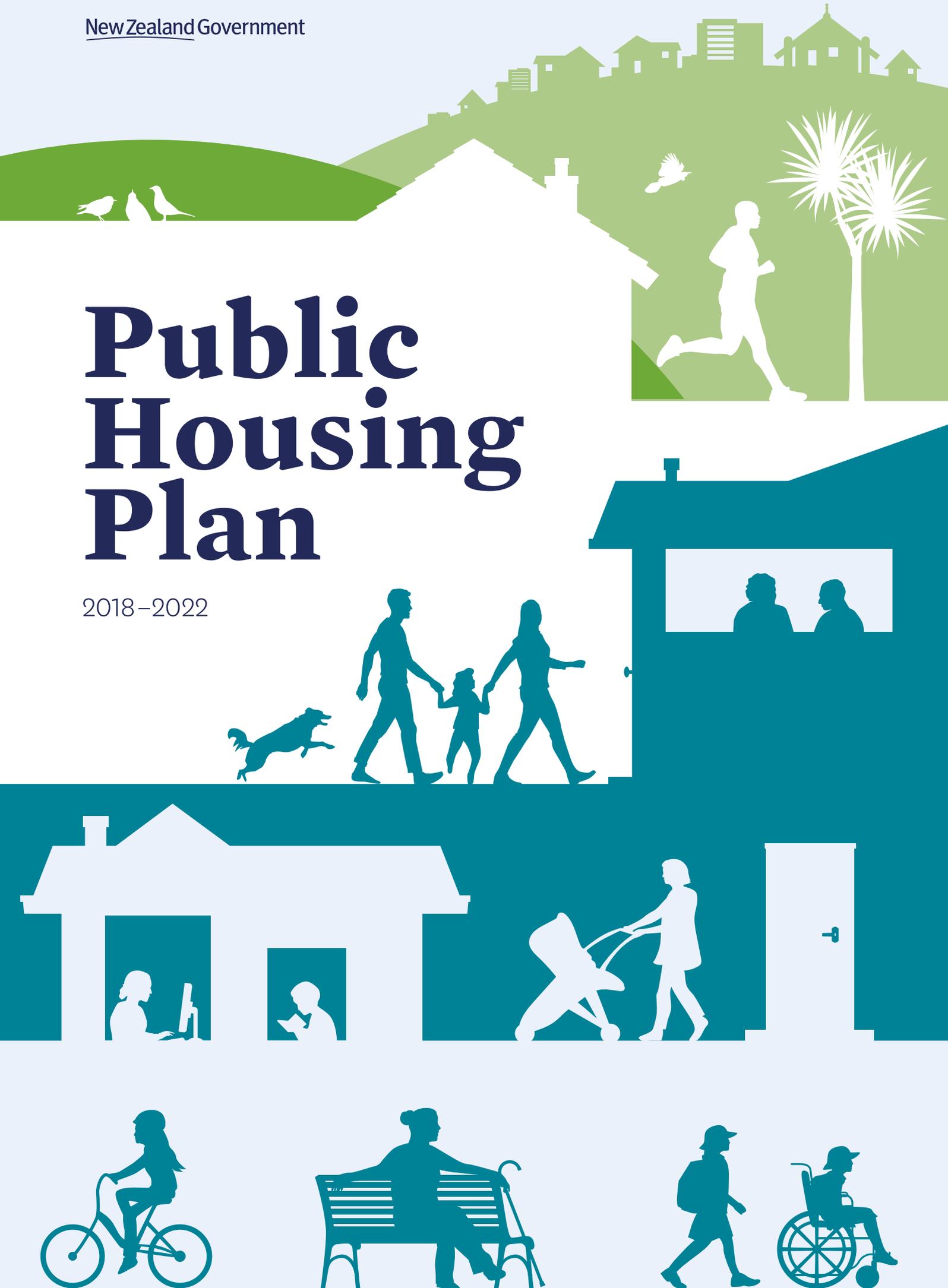


Public Housing Plan

2018–2022



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Overview



What

This plan is the Government's response to the increasing demand for public housing across New Zealand over the next four years, between July 2018 and June 2022.

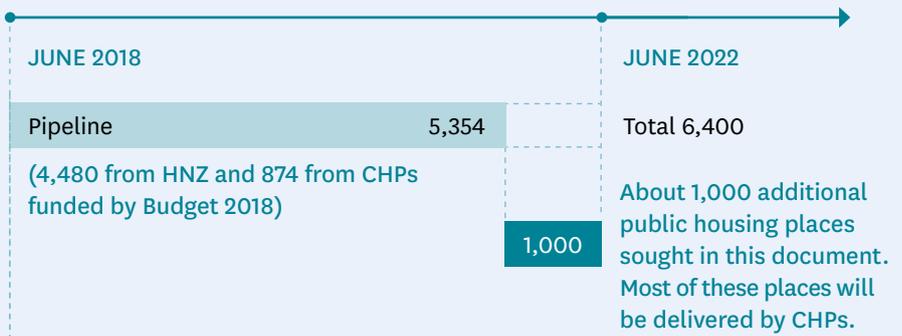
→ SEE PART 2

67,228

Places already available

+6,400

Additional public housing places sought



Why



5,012 applicants in June 2016



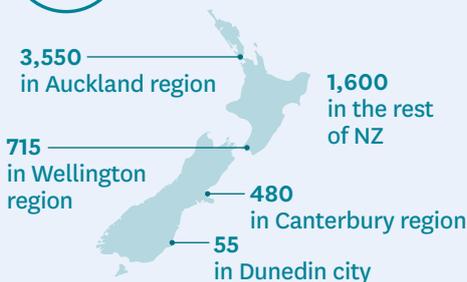
10,589 applicants in June 2018

There is an increasing demand for public housing in NZ.

→ SEE PART 1



Where



We're bringing on this additional supply across the country based on relative levels of demand.

→ SEE PART 2



Who



HNZ will continue to be the primary provider of public housing in NZ.

→ SEE PART 3



How

We'll make it easier to work together.

→ SEE PART 3

Working in partnership/relationship-based approach

We'll work in partnership with housing providers – CHPs and HNZ – to bring on this additional supply.

Updated funding settings to enable and incentivise additional supply

Our income-related rent subsidy and operating supplement will enable and incentivise the delivery of this additional supply. Both subsidies are now available across New Zealand, to both HNZ and CHPs.

If you're interested in getting involved, you can contact the Ministry at:

Housing_Procurement@msd.govt.nz

Introduction

The challenge

Over the past two years there has been a significant increase in the number of people who require public housing.

Between 30 June 2016 and 30 June 2018, the number of applicants on the Social Housing Register (the Register) increased by 111 percent (or 5,577 applicants).

This increase has been due to a combination of factors, including, but not limited to, insufficient general housing supply and the increasing cost of private rentals.

While New Zealanders across the socio-economic spectrum have experienced one or both of these pressures, the impact tends to be particularly strong on the most vulnerable people, who have fewer options available to them.

When people in this group have no option but to live in insecure housing or become homeless, it can set in train a course of events that can impact their lives in multiple areas – including health, education, employment prospects, and sense of wellbeing. Being able to access warm, safe and dry housing provides a platform of stability for them.

Our response – the Public Housing Plan

This document sets out the Government’s plan for responding to the needs of the most vulnerable people affected by the housing shortage.

The plan supersedes the 2016 Social Housing Purchasing Strategy,¹ and provides members of the public, housing providers, local government, and non-government organisations with updated information about where, and how many, additional public housing places are planned over the next four years, to June 2022.

The Ministry of Social Development (the Ministry)² is aiming to secure around 6,400 additional public housing places across New Zealand by June 2022. A significant majority of these 6,400 are contracted for, under negotiation, or part of Housing New Zealand’s (HNZ) four year plan, so the emphasis of this document is on the gap between what we are seeking overall by June 2022 (6,400 net additional places) and these places (5,354 net additional places) – that is, about 1,000 net additional places. Information about where we propose to bring on these places across New Zealand, and what size houses we’re seeking, is also provided.

The full 6,400 additional places are fully funded by Budget 2018.

Over the next four years the Ministry will work with HNZ and registered community housing providers (CHPs)³ to bring on as many additional public housing places as possible within available funding. We will strive to achieve more than our target, acknowledging that the total number of places that can be afforded within available funding is dependent on policy settings and market conditions. The regional volume estimates provided in this document reflect the Government’s current plans, but the actual volumes may vary, depending on changes in housing demand and on housing providers’ capacity to increase supply.

1 Ministry of Social Development (2016). Social housing purchasing strategy for Income-Related Rent Subsidy (IRRS) places. Retrieved from www.msd.govt.nz/about-msd-and-our-work/work-programmes/housing/purchasing-intentions/index.html

2 The housing functions referenced in this document as being the responsibility of the Ministry of Social Development will shift to the Ministry of Housing and Urban Development from 1 October 2018, along with housing functions from other agencies including the Ministry of Business, Innovation and Employment and The Treasury

3 These are organisations registered as Class 1 Social Landlords under the Housing Restructuring and Tenancy Matters Act 1992; capable of receiving the income-related rent subsidy

Flexibility to vary the volume estimates is needed so the Ministry can respond effectively to unexpected changes in demand, and to meet local needs. The Ministry will adapt its plans to meet changing needs, based on continued monitoring of changes in the Register and regional demand.

The Ministry's intention is for this document to be updated and published annually, mid-year, following the Government's Budget process. Each annual update will contain updated information about the number of additional public housing places being sought, based on what has been secured in the pipeline and to reflect any changes in national and regional demand, and funding availability. Between publications, information about housing supply and demand, including how the Government is tracking against the ambitions set out in this document, will be published online.⁴

The Ministry's role in the housing sector

The Ministry is tasked with supporting New Zealanders who need help with housing, including providing a range of housing support services. For example:

- targeted programmes to address chronic homelessness, such as **Housing First**,
- support in the form of transitional housing and the **Emergency Housing Special Needs Grant**,
- subsidised rents in the public housing market through the **Income-Related Rent Subsidy** (IRRS)
- the **assistance people need to move to, and remain in, private accommodation**, for example, through the Accommodation Supplement or Temporary Additional Support payments.

In addition to these housing support services, the Ministry manages the Register and provides ongoing financial and capability-building support to housing providers.

How to use this document

Key terms are defined in the Glossary of terms, provided in Appendix 1 on page 30 of this document.

A list of helpful links is provided in Appendix 2 on page 37 of this document.

Key information for housing providers is in blue shaded boxes. Background or contextual information is not shaded.

Key information for housing providers is in shaded boxes

⁴ Currently, this information is available in the Ministry's Housing Quarterly Reports: www.msd.govt.nz/about-msd-and-our-work/publications-resources/statistics/housing/housing-quarterly-report.html

Part 1:

Strategic direction



1.1 An overview of public housing in New Zealand

This section provides a snap-shot of public housing supply and demand in New Zealand, along with information about other housing support products and services the Ministry provides to assist New Zealanders with their housing needs.

All information in this section is as at 30 June 2018.

The number of people on the Register continues to increase

When people approach the Ministry with a housing need they are assessed and the Ministry will explore appropriate housing options for them. Clients who are assessed as either at risk (priority A) or having a serious housing need (priority B) are placed on the Register, which comprises a Housing Register and a Transfer Register, until a suitable house becomes available.

The Ministry tracks and regularly reports on the number of people on the Register – in the Housing Quarterly Report.⁵

There are currently 10,589 applicants on the Register. Between 30 June 2016 and 30 June 2018 the Register grew by 111 percent. That’s an increase of around 5,577 applicants.

Register numbers have continued to increase across all territorial authorities (TAs),⁶ with notably high increases between 30 June 2017 and 30 June 2018 in:

- Porirua City (up 127 percent)
- Invercargill (up 103 percent)
- Hastings (up 101 percent)
- Lower Hutt City (up 85 percent)
- Nelson (up 85 percent)
- Far North (up 71 percent)
- Rotorua (up 68 percent).

Whangarei, Hamilton, New Plymouth, Dunedin, Auckland, Wellington and Napier also saw significant increases over this period.

5 The Housing Quarterly Reports are currently published on the Ministry’s website: www.msd.govt.nz/about-msd-and-our-work/publications-resources/statistics/housing/housing-quarterly-report.html

6 Links to maps of New Zealand showing regions and territorial authorities are provided in Appendix 2 of this document on page 37

The need for public housing remains consistent

The three main reasons people apply to the Register continue to be

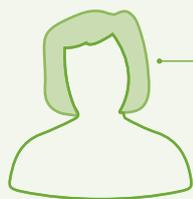


People on the Register are in increasingly high need



A high proportion of those on the Register are single people and sole parents





68% of primary applicants on the Register are female

Age



38%
25–39
years old



28%
40–54
years old

The most common age group of Register applicants is 25–39 years old followed by 40–54 years old



People on the Register are **typically younger** than current public housing tenants

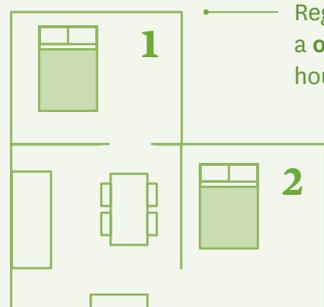
Ethnicity

44%

of Register applicants are **Māori**

24%

of Register applicants are **New Zealand European/Pākehā**



75%
of people on the Register need either a **one or two-bedroom** house/unit

Government continues to work hard, in partnership with the housing sector, to increase public housing supply

Public houses are properties owned or leased by HNZ and CHPs that can be tenanted by people who are eligible⁷ for public housing.

Most public housing tenants pay no more than 25 percent of their net income on rent, up to the market rent for the property. The tenant's contribution is referred to as income-related rent (IRR). The Ministry purchases public housing tenancies by paying the difference between market rent and the tenant's income-related rent through the IRRS.

As at 30 June 2018, there were 67,228 public housing places across New Zealand in the pipeline⁸ that is fully funded through Budget 2018. Of these 67,228 places, 61,800 are state houses provided by HNZ, and 5,428 are community houses provided by CHPs.

In addition to increasing public housing supply and subsidising these places through the IRRS, the Ministry provides a range of other housing support services to assist New Zealanders with their housing needs

These services are intended to assist people to access and/or retain suitable housing, within both the public and private housing markets, including:

- **Accommodation Supplement** – a weekly payment to assist people who are not in public housing with their rent, board or cost of owning a home.

In the last week of June 2018, a total of 284,686 recipients received an Accommodation Supplement, totalling \$27,106,702.

⁷ More information about public housing eligibility is available on the Ministry's website: <http://housing.msd.govt.nz/housing-options/social-housing/who-can-get-social-housing.html>

⁸ The CHP pipeline is made up of net additional places that are contracted, or where a contract is under offer or negotiation. The HNZ pipeline reflects HNZ's four year plan for net additional places – these places are not necessarily contracted, under offer or negotiation – and is subject to change.

- **Temporary Additional Support** – a weekly payment that helps to cover essential living costs that cannot be met from income and through other resources.

In the last week of June 2018, a total of 60,945 recipients received Temporary Additional Support,⁹ totalling \$3,203,495.

- **Transitional Housing** – provides warm, dry and safe short-term accommodation, and tailored support services, for people in need.
There are currently 2,341 transitional housing places available across New Zealand.
- **Emergency Housing Special Needs Grants** – a grant to help individuals and families with the cost of staying in short-term accommodation (motels, hotels, campgrounds) if they are temporarily unable to access one of the Ministry's contracted transitional housing places.

During the June 2018 quarter, 9,245 EH SNGs were granted to 2,879 distinct people, totalling \$10,414,939.

- **Housing Support Products** – a set of products that aim to address barriers to accessing or retaining alternative (ie not public) housing, by meeting needs not covered by other forms of assistance. More information about this set of products is included in Appendix 3 (page 38).
- In the June 2018 quarter, 704 Housing Support Products were granted, worth \$664,859.

While this Plan mainly focuses on public housing and seeking additional supply of public housing places, some information about transitional housing and other housing products and services is included in Part 4 (page 26). There are details about how you can get involved if you are interested in becoming a provider of these housing services in this part as well.

Part 2 of this document (page 13) includes a map that shows how many transitional housing places are currently available across New Zealand.

1.2 The future direction of public housing in New Zealand

This section provides information about the Government's commitment to ending homelessness, and increasing the supply of public housing. High-level information about how many additional public housing places are being sought within available funding, and where these additional places will be located, is also provided.

The Government has committed to ending homelessness and increasing public housing supply across New Zealand

- Budget 2018 included funding to **increase the supply of public housing by around 6,400 places** over the next four years, between July 2018 and June 2022 – about 1,600 places per year on average across HNZ and CHPs.
- In line with Government commitments, **HNZ will build at least 1,000 net new houses per year on average** over the next four years. CHPs will continue to have an important role in delivering public housing.
- At a high level, **the Ministry aims to secure approximately 70 percent of supply from HNZ and 30 percent from the CHP sector**. This 70/30 split is a goal (rather than a target or a limit) and is dependent on the ability of HNZ and CHPs to deliver additional and cost-effective supply in the areas where the Ministry is seeking it. Each year, this 70/30 split will be reviewed and adjusted as needed.
- The Ministry will be looking to **maximise supply and value for money** when contracting for new public housing supply.
- **There will be an emphasis on new builds** (as opposed to adding additional places through alternative sources such as leases and buy-ins), with a significant majority of the additional supply being brought on expected to be new builds.

We are focusing on new builds to ensure that we are not displacing people in the broader housing market. If, for example, HNZ and CHPs focused on increasing public housing supply through buying or leasing existing properties that would otherwise have been available to people who are not public housing tenants for private rental or purchase, it is likely that people in the broader housing market would be displaced.

⁹ Temporary Additional Support replaced the Special Benefit in April 2006, but the latter continues to be grand-parented to people who were receiving it prior to this date. This number covers both Temporary Additional Support and Special Benefit.

The Ministry is looking to secure around 6,400 net additional public housing places over the next four years, to June 2022

These 6,400 net additional places are on top of the current number of public housing places already available throughout New Zealand (67,228 places). As at 30 June 2018, a significant majority of these 6,400 additional places are already identified, so the emphasis of this document is on securing the gap between what we are seeking overall by June 2022 (around 6,400 additional places) and what is already in the pipeline (5,354 net additional places) – that is, about 1,000 additional places.

The simplest way to understand current and planned public housing places is to group them into three categories:

- **The base** – as at 30 June 2018 there were **67,228** IRRS public housing places available across New Zealand, including market renters and vacancies. This figure is the ‘base’ number of places.
- **The pipeline** – in addition, as at 30 June 2018 there were **5,354** more IRRS public housing places in the ‘pipeline’ (4,480 from HNZ and 874 from CHPs), due to be completed by June 2022.¹⁰
- **Additional places being sought** – the Ministry is seeking a further **around 1,000** net additional IRRS public housing places by June 2022, to reach its target of 6,400 net additional places by June 2022.

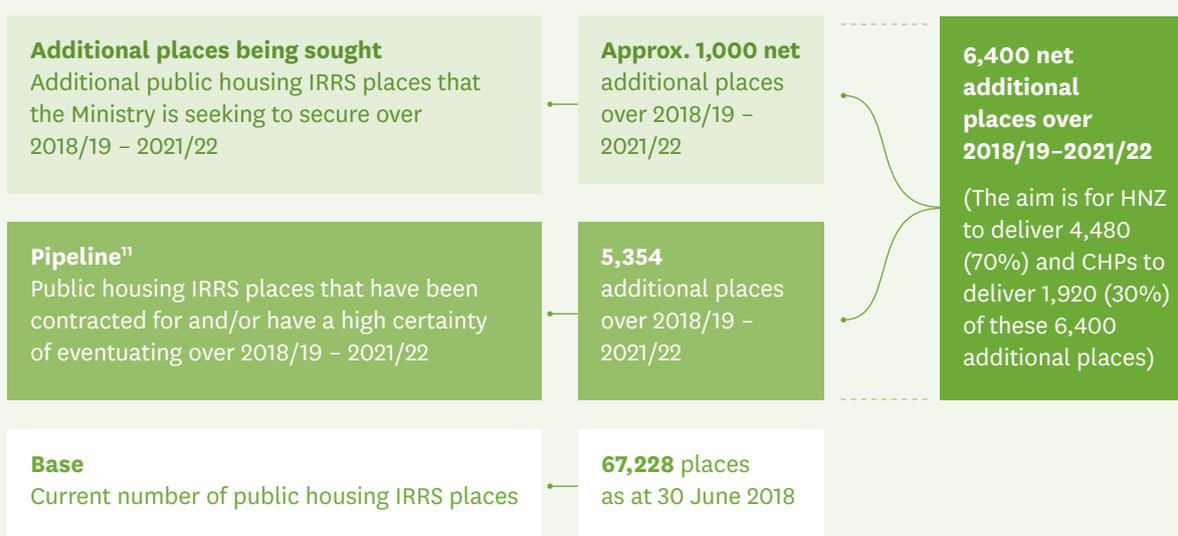
The number of additional places being sought will be updated annually, based on what has been secured in the pipeline, and to reflect changes in national and regional demand, and funding availability. The updated number of additional places being sought by the Ministry will be published in the revised version of this document, published annually following the Government’s Budget process.

To align with the Ministry’s desired aim of HNZ delivering 70 percent of the total additional supply we are seeking by June 2022, with CHPs delivering the remaining 30 percent, majority of the around 1,000 additional places we are still seeking through this document will be delivered by the CHP sector. An operating supplement will be available to support CHP’s delivery of all net new, and net additional buy-in, public housing supply, as needed.

Figure 1 below shows the relationship between the base, the pipeline, and the additional places being sought as at 30 June 2018.

Figure 1:

Relationship between base, pipeline, and additional places being sought as at 30 June 2018



¹⁰ The CHP pipeline is made up of net additional places that are contracted, or where a contract is under offer or negotiation. The HNZ pipeline reflects HNZ’s four year plan for net additional places – these places are not necessarily contracted, under offer or negotiation – and is subject to change.

¹¹ Ibid

Part 2 of this document (page 13) contains a map showing the locations of the 6,400 net additional places we're aiming to secure by June 2022, as well as information about the number of transitional housing and Housing First places in each location.

Table 4 in Appendix 4 (page 42) of this document shows the 6,400 net additional places we're aiming to secure by June 2022, broken down by location and size, and whether these places are already in the pipeline or are additional places still being sought in this document.

Table 1 provides information about the total number of public housing places in the base, an estimate of the number of public housing places in the pipeline, and the Ministry's plans through to 30 June 2022, as at 30 June 2018.

Table 1: Overview of IRRS public housing places, net additional pipeline from 2018/19 to 2021/22, and additional number of places being sought by June 2022, as at 30 June 2018

	Auckland		Rest of NZ		TOTAL
	HNZ	CHPs	HNZ	CHPs	
Base (as at 30 June 2018)	27,526	3,246	34,274	2,182	67,228
Pipeline ¹² (as at 30 June 2018)	2,300	549	2,180	325	5,354
Additional places being sought ¹³ (mainly from CHPs)	Approx. 701		Approx. 850		Approx. 1,551
Total additional places (pipeline and additional places being sought) by June 2022	3,550		2,850		6,400
Percentage of total additional places	55%		45%		100%

¹² The pipeline is fully funded through Budget 2018 and is made up of net additional supply from CHPs and HNZ. The CHP pipeline is made up of net additional places that are contracted, or where a contract is under offer or negotiation. The HNZ pipeline reflects HNZ's four year plan for net additional places – these places are not necessarily contracted, under offer or negotiation – and is subject to change.

¹³ The number of places being sought are subject to change, based on demand, the number of places delivered in the pipeline, and available funding.

¹⁴ Ministry of Social Development. (2016). Social housing purchasing strategy for income-related rent subsidy places. Retrieved from <http://www.msd.govt.nz/about-msd-and-our-work/work-programmes/housing/purchasing-intentions/index.html>

1.3 How the future direction of the public housing sector impacts housing providers

This section summarises the changes in the public housing sector since this document was last published in 2016,¹⁴ and how these changes impact housing providers – both HNZ and CHPs.

Summary of key changes to the public housing sector

Since this document was last published in 2016, there have been a number of changes in the way the Government secures additional supply of public housing. The points below provide a high-level summary of the change in approach:

- **Strategic partnering** – the Ministry has developed an overarching strategic partnering model to guide how we work with other agencies and providers, to meet the housing needs of New Zealanders, now and in to the future.

As part of this approach, there will be a shift away from a competitive and market-based approach to a more planned and collaborative approach. For example, instead of issuing Requests for Proposals to procure additional public housing supply, the Ministry will issue Invitations to Partner.

This approach includes a refined contract framework that bases the Ministry’s commercial arrangements on a relationship agreement with detailed schedules specific to the type and scale of each project and service.

More information about strategic partnering is provided in Part 3 of this document (page 22).

- **The split between HNZ and CHPs in providing additional supply** – the Ministry is aiming to secure approximately 70 percent of net additional supply from HNZ, with the remaining 30 percent of net additional supply coming from CHPs. HNZ will therefore continue to be the primary provider of public housing in New Zealand.
- **The type of houses/additional supply** – previously, there was a focus on bringing on additional public housing supply through new builds, turn-keys, buy-ins and leases. Now, the Ministry is more focused on new builds, with lower numbers of leases and buy-ins being sought.

As mentioned above in section 1.2 of this document (page 7) the focus on new builds is mainly intended to avoid displacing people in the broader housing market. If housing providers were to bring on the additional public housing supply we are seeking in this document through buying or leasing existing properties that would otherwise have been available to people for private rental or purchase, people in the private housing market would be displaced.

- **Subsidies available to HNZ and CHPS** – previously, subsidies to encourage additional public housing supply were largely only available in Auckland, and consisted of an operating supplement (up to 50 percent of market rent) or upfront funding (up to 50 percent of market value), or an equivalent mix of both. From July 2018, the operating supplement will be extended so it is available across New Zealand to both HNZ and CHPs for net new, and net additional buy-in, public housing supply. The operating supplement will be available at different maximum rates, ranging up to 90 percent of market rent.

Extending the operating supplement in this way will help to ensure that we meet our public housing supply targets across New Zealand. This is because while the cost of building new public housing is similar across New Zealand, market rents vary significantly by region. Varying maximum rates of operating supplement can be used to bridge this gap effectively – meeting the cost of building new public housing in any region, regardless of the market rent available there. This flexibility is especially important because 45 percent of the additional public housing supply we are seeking is in regions outside of Auckland, where market rents are typically lower.

Upfront funding, on the other hand, will now only be available in very limited circumstances.

More detailed information about available subsidies is included in Part 3 of this document (page 22).

How these changes impact Housing New Zealand Corporation

HNZ will continue to be the primary provider of public housing in New Zealand.

While the level of net additional supply being sought from HNZ (around 1,120 additional places per year, on average) is significant in a historical context, HNZ is confident it will be able to deliver these numbers.

Table 4 in Appendix 4 of this document (page 42) provides an overview of where HNZ has committed to providing additional supply by June 2022, broken down by location and bedroom type.

How these changes impact community housing providers

The Ministry aims to secure approximately 30 percent of the total net additional public housing supply from CHPs, with the remaining 70 percent of additional supply coming from HNZ. This figure is a goal (rather than a target or a limit) and is dependent on the ability of CHPs and HNZ to deliver additional and cost-effective supply in the areas where the Ministry is seeking it. The Ministry will have some flexibility to consider value for money and who is best placed to deliver this supply, and will review the relative proportions of additional supply being sought from HNZ and CHPs annually.

CHPs will continue to play an important role in delivering new build public housing, including by providing specialised services (eg Housing First), and complementing Government provision.

The Ministry recognises that the CHP sector makes a vital contribution to housing some of our most vulnerable New Zealanders, through providing public, transitional and affordable housing and Housing First.

Part 2:

Where the additional public housing supply is being sought



This section provides an overview of the current supply of public housing, transitional housing and Housing First places across New Zealand, and indicates where the around 6,400 additional public housing places the Ministry is seeking by June 2022 will be located, based on relative levels of demand in each location, and funding availability

More detailed information about the 6,400 additional public housing places being sought by June 2022 is provided in Table 4 in Appendix 4 (page 42) of this document. The table shows the additional supply being sought by location, type of house (ie number of bedrooms), how much of this additional supply is already contracted for, under negotiation, or part of HNZ's four year plan, and how many additional places are still being sought in this document.

As mentioned earlier, in order to align with the Government's desired aim of HNZ delivering 70 percent of all additional supply to June 2022, and CHPs delivering the remaining 30 percent, most of the around 1,000 additional places still being sought through this document will be delivered by the CHP sector.

The numbers of additional places being sought by location are an indication of the Government's current plans, based on relative levels of demand and funding availability – these numbers are not targets or limits. The Ministry acknowledges that what will actually be delivered is likely to vary and is dependent on housing providers' capacity to bring on additional supply, as well as changes in demand and funding availability.

The Ministry will work with HNZ and CHPs over the next four years to bring on as many additional public housing places as possible within available funding. It will strive to achieve more than its target of around 6,400 additional public housing places, and will release updated information about the number of additional places being sought, based on what has been secured in the pipeline and to reflect any changes in national and regional demand, and funding availability.

Overview of current and planned housing supply across New Zealand

KEY



Number of public housing places currently available



Number of transitional housing places



Number of allocated Housing First places



Number of additional public housing places being sought

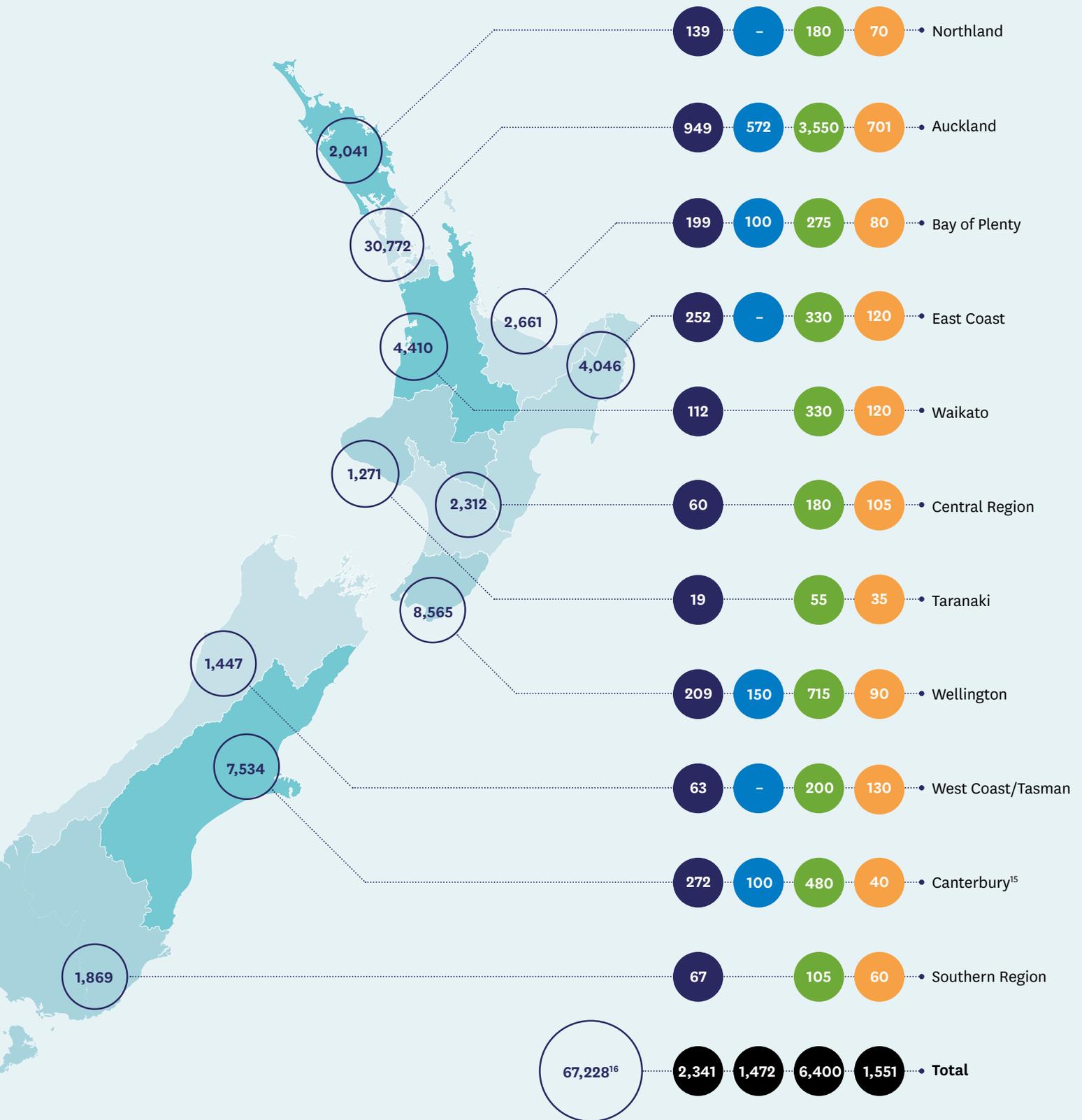


Number of additional places being sought in this document



Numbers left blank are the places that will receive a yet to be determined allocation of the remaining 550 Housing First Places

The 11 housing regions represented on this map are made up of groupings of Territorial Authorities. The Auckland housing region is made up of local boards due to its population size.



¹⁵ Note that the pipeline and the number of additional places still being sought in the Public Housing Plan for Canterbury totals 929, not 480. This is because the number of places in the pipeline in Christchurch City exceeds the number of places we are seeking by more than 400 places – we have not reduced the number of places being sought in the other TAs to compensate for this. We will ensure at least 480 additional public housing places are delivered in Canterbury by 2022, within available funding.

¹⁶ Note that 300 of these 67,228 public houses are not geo-coded so cannot be attributed to a specific region.

Part 2: Where the additional public housing supply is being sought

Part 3:

How the Ministry will secure this additional public housing supply

Information for current and potential providers



This section provides information about how the Ministry will secure – procure and contract – additional public housing supply, using a strategic partnering model

Information about how to get involved as a provider of public housing is also provided in this section.

3.1 An overview of the Ministry's strategic partnering model

This section provides high-level information about the Ministry's new approach to procuring additional public housing supply, using a strategic partnering model.

In response to the Government's shift away from a competitive and market-based approach to procuring public housing supply, the Ministry has developed a strategic partnering model to guide how the Ministry partners with stakeholders (including other agencies, iwi and cultural groups) and housing providers to meet housing demand.

The model promotes a collaborative approach to delivering better housing outcomes for New Zealanders, encouraging partnerships with other agencies and providers, to increase public and transitional housing supply.

As part of this new strategic partnering model, there:

- are revised commercial settings and funding options;
- is a refined contract model; and
- is a refined procurement process.

The new model will result in:

- clear, agreed common goals and future certainty
- delivery of value-add outcomes, that could not be achieved individually
- complementary skills being brought together
- a simplified route to market, that establishes a stronger and more open relationship
- proactive partnerships, including open sharing of information and communication.

The model is customer-centred, and will encourage greater flexibility and innovation, and foster partnerships.

Using the model, the Ministry seeks to:

- increase the supply of public and transitional housing
- support people with services to help them sustain suitable housing
- address issues that put clients at risk and cause them to lose their tenancies
- support people to build better lives.

Adoption of the model represents a shift in the way we work to increase the supply of public housing. The Ministry will shortly publish tools and provide training for both staff and the housing sector, to build capability and facilitate the use of the new model.

More information about this strategic partnering model is available on the Ministry's website.¹⁷

3.2 What are the commercial settings?

This section explains how the Ministry will adapt its commercial settings to support growth in public housing supply.

Strategic partnering recognises that no one organisation or model of service delivery will achieve what is needed to meet public housing demand in New Zealand, or improve the level of public housing supply across the country – a flexible model is needed.

The Ministry is therefore adapting its commercial settings to allow for this flexibility, for example, by exploring opportunities for direct leasing and private investment opportunities.

As these commercial settings are updated, more information will be published on the Ministry's website.¹⁸In the interim, the Ministry will use IRRS, and the operating supplement, to encourage and bring on additional public housing supply.

The Ministry is currently undertaking a medium-term review of funding and regulatory settings across the housing continuum. This review is taking a broader look at legislative, regulatory and funding systems for housing. This work may impact on the settings mentioned in this section and in section 3.3 on the next page.

¹⁷ More information about strategic partnering is available on the Ministry's website: www.msd.govt.nz/partner-with-MSD.html

¹⁸ Ibid

3.3

What are the funding settings?

This section provides information about the funding settings available to the Ministry to support and incentivise growth in public housing supply.

The IRRS is the main funding mechanism available to increase public housing supply. However, other subsidies, including the operating supplement, are also available to enable and further incentivise delivery of additional supply. Information about these subsidies is outlined below.

Income-Related Rent Subsidy

The main funding mechanism available to the Ministry to increase public housing supply is the IRRS. The IRRS is the subsidy paid by the Ministry to bridge the gap between what a public housing tenant is able to pay toward rent and the amount of rent the property they live in would command in the private market (the market rent).

Most public housing tenants pay no more than 25 percent of their net household income on rent, up to the market rent for the property. The tenant's contribution is referred to as income-related rent (IRR). The Ministry purchases public housing tenancies by paying the difference between market rent and the IRR through the IRRS.

The Ministry sets limits for the weekly market rent it will pay for a public housing place, according to a property's location and number of bedrooms. Information about these limits is provided below.

Weekly market rent limits

Market rent refers to the rent a property would command in the private rental market.

The Ministry has set limits for the weekly market rent it will pay for a public housing place, by location and number of bedrooms. These limits help to ensure that public housing funding provides value for money, and that this funding is linked to market rent prices. Table 2 below sets out the latest market rent limits, set by the Ministry in 2016. The shading in the table indicates the relative size of the weekly limits; darker shading represents higher limits.

In addition to being used by the Ministry to determine the maximum it will pay in IRRS for all public housing, market rent limits are also used by the Ministry to determine the maximum it will pay in operating supplement for net new, and net additional buy-in, public housing supply (discussed more below).

The Ministry intends for these market rent limits to be updated annually, following a review of market conditions. The limits will be next updated in 2019, before the revised version of this document is published. More information on rent at TA level, including lower quartile, geometric means, and upper quartile, is available on MBIE's website.¹⁹ This information is updated monthly.

¹⁹ MBIE's rental bond data is available on their website: <http://www.mbie.govt.nz/info-services/housing-property/sector-information-and-statistics/rental-bond-data>

Weekly market rent limits

Table 2: Weekly market rent limits for public housing places

Territorial authority	Number of bedrooms				
	1	2	3	4	5
Ashburton District	\$250	\$300	\$350	\$400	\$450
Auckland	\$450	\$550	\$650	\$750	\$850
Buller District	\$250	\$300	\$350	\$400	\$450
Carterton District	\$250	\$300	\$350	\$400	\$450
Central Hawke's Bay District	\$250	\$300	\$350	\$400	\$450
Central Otago District	\$250	\$300	\$350	\$400	\$450
Chatham Islands Territory	\$250	\$300	\$350	\$400	\$450
Christchurch City	\$350	\$450	\$550	\$650	\$750
Clutha District	\$250	\$300	\$350	\$400	\$450
Dunedin City	\$275	\$350	\$425	\$500	\$575
Far North District	\$250	\$300	\$350	\$400	\$450
Gisborne District	\$250	\$300	\$350	\$400	\$450
Gore District	\$250	\$300	\$350	\$400	\$450
Grey District	\$250	\$300	\$350	\$400	\$450
Hamilton City	\$275	\$350	\$425	\$500	\$575
Hastings District	\$275	\$350	\$425	\$500	\$575
Hauraki District	\$250	\$300	\$350	\$400	\$450
Horowhenua District	\$250	\$300	\$350	\$400	\$450
Hurunui District	\$250	\$300	\$350	\$400	\$450
Invercargill City	\$250	\$300	\$350	\$400	\$450
Kaikōura District	\$250	\$300	\$350	\$400	\$450
Kaipara District	\$250	\$300	\$350	\$400	\$450
Kāpiti Coast District	\$275	\$350	\$425	\$500	\$575
Kawerau District	\$250	\$300	\$350	\$400	\$450
Lower Hutt City	\$275	\$350	\$425	\$500	\$575
Mackenzie District	\$250	\$300	\$350	\$400	\$450
Manawatu District	\$250	\$300	\$350	\$400	\$450
Marlborough District	\$250	\$300	\$350	\$400	\$450
Masterton District	\$250	\$300	\$350	\$400	\$450
Matamata-Piako District	\$250	\$300	\$350	\$400	\$450
Napier City	\$275	\$350	\$425	\$500	\$575
Nelson City	\$275	\$350	\$425	\$500	\$575
New Plymouth District	\$275	\$350	\$425	\$500	\$575
Ōpōtiki District	\$250	\$300	\$350	\$400	\$450

Territorial authority	Number of bedrooms				
	1	2	3	4	5
Otorohanga District	\$250	\$300	\$350	\$400	\$450
Palmerston North City	\$275	\$350	\$425	\$500	\$575
Porirua City	\$275	\$350	\$425	\$500	\$575
Queenstown Lakes District	\$400	\$500	\$600	\$700	\$800
Rangitikei District	\$250	\$300	\$350	\$400	\$450
Rotorua District	\$250	\$300	\$350	\$400	\$450
Ruapehu District	\$250	\$300	\$350	\$400	\$450
Selwyn District	\$275	\$350	\$425	\$500	\$575
South Taranaki District	\$250	\$300	\$350	\$400	\$450
South Waikato District	\$250	\$300	\$350	\$400	\$450
South Wairarapa District	\$250	\$300	\$350	\$400	\$450
Southland District	\$250	\$300	\$350	\$400	\$450
Stratford District	\$250	\$300	\$350	\$400	\$450
Tararua District	\$250	\$300	\$350	\$400	\$450
Tasman District	\$275	\$350	\$425	\$500	\$575
Taupō District	\$275	\$350	\$425	\$500	\$575
Tauranga City	\$275	\$350	\$425	\$500	\$575
Thames-Coromandel District	\$250	\$300	\$350	\$400	\$450
Timaru District	\$250	\$300	\$350	\$400	\$450
Upper Hutt City	\$275	\$350	\$425	\$500	\$575
Waikato District	\$275	\$350	\$425	\$500	\$575
Waimakariri District	\$275	\$350	\$425	\$500	\$575
Waimate District	\$250	\$300	\$350	\$400	\$450
Waipa District	\$250	\$300	\$350	\$400	\$450
Wairoa District	\$250	\$300	\$350	\$400	\$450
Waitaki District	\$250	\$300	\$350	\$400	\$450
Waitomo District	\$250	\$300	\$350	\$400	\$450
Wanganui District	\$250	\$300	\$350	\$400	\$450
Wellington City	\$350	\$450	\$550	\$650	\$750
Western Bay of Plenty District	\$250	\$300	\$350	\$400	\$450
Westland District	\$250	\$300	\$350	\$400	\$450
Whakatāne District	\$250	\$300	\$350	\$400	\$450
Whangarei District	\$275	\$350	\$425	\$500	\$575

Other subsidies available to increase public housing supply

In addition to the IRRS, other funding mechanisms that have previously been available to the Ministry to incentivise new public housing supply include:

- the **operating supplement** – a subsidy paid as a percentage of market rent

- upfront funding** – one or two significant lump sum payments paid during or immediately after completion of a new build

Previously these subsidies were largely only available to CHPs in Auckland,²⁰ but from July 2018 both HNZ and CHPs will be able to apply to receive the operating supplement for net new, and net additional buy-in, public housing supply. Upfront funding will now only be available in very limited circumstances.

Operating supplement

To enable and incentivise new public housing supply the Ministry has decided to extend the operating supplement (previously only available in Auckland) to all of New Zealand. Both HNZ and CHPs will now be able to apply to receive an operating supplement in certain situations, as outlined in the table below.

Table 3: operating supplement availability for public housing places

Quantum of subsidy	<p>The operating supplement will be available at different maximum rates, ranging up to 90% of market rent.</p> <p>A number of value-for-money considerations will be taken in to account when agreeing the percentage level of operating supplement for places, including the provider's capacity and capability to deliver, whether the proposed place is fit for purpose, whether the proposal is financially viable, and price.</p>	<p>Making the operating supplement available in this way will help the Ministry meet its public housing supply targets across New Zealand. This is because while the cost of building new public housing is similar across New Zealand, market rents vary significantly by region. Varying maximum rates of operating supplement can be used to bridge this gap effectively – meeting the cost of building new public housing in any region, regardless of the market rent available there. This flexibility is especially important because 45 percent of the additional public housing supply the Ministry is seeking is in regions outside of Auckland, where market rents are typically lower.</p> <p>The maximum operating supplement available for a public housing place is subject to weekly market rent limits.</p> <p>For example, a provider may apply to the Ministry for a 50 percent operating supplement on a two-bedroom public housing place in Christchurch. Because the weekly market rent limit for a two-bedroom place in Christchurch is \$450, the maximum operating supplement that could be paid for this place is \$225.</p> <p>Upfront funding</p> <p>Upfront capital funding will now only be available in very limited circumstances.</p>
Geographical focus	<p>The subsidy will apply across New Zealand, in places where market rent alone is not sufficient to incentivise and bring on new public housing supply.</p>	
Houses eligible for subsidy	<p>The subsidy will be available for net new public housing (new build and turn-keys), and net additional buy-ins. Leases of existing public housing properties will generally not be eligible for an operating supplement.</p>	
Timeframe of availability	<p>The subsidy will be available to be applied for during 2018/19. The Ministry will review available subsidies annually, at the same time that this document is updated and re-released in 2019.</p>	

²⁰ HNZ currently has the ability to access an operating supplement for properties in Auckland, but has elected not to use it (except for one development), as developments in Auckland are typically financially viable as a result of land sales.

While the Ministry will continue to honour signed contracts that include upfront funding, upfront funding will now not be available except in very limited circumstances.

An example of a situation where upfront funding could be considered would be where HNZ cannot supply housing in an area of high demand, but a CHP could bring on supply with upfront funding but not with an operating supplement.

The appropriateness of providing upfront funding to support the provision of new public housing supply will be decided by the Ministry on a case-by-case basis, based on funding availability and value-for-money considerations. These value-for-money considerations form part of the Ministry's procurement process, outlined in section 3.5 on page 24 of this document.

Making the operating supplement available in this way will help to ensure that we meet our public housing supply targets across New Zealand

3.4

What is the contract framework?

This section provides information about the Ministry's refined contract framework, which forms part of its strategic partnering model.

The Ministry has drafted a new contract framework that will make it easier and faster for the Ministry and providers to work together to provide more public houses for people who need them.

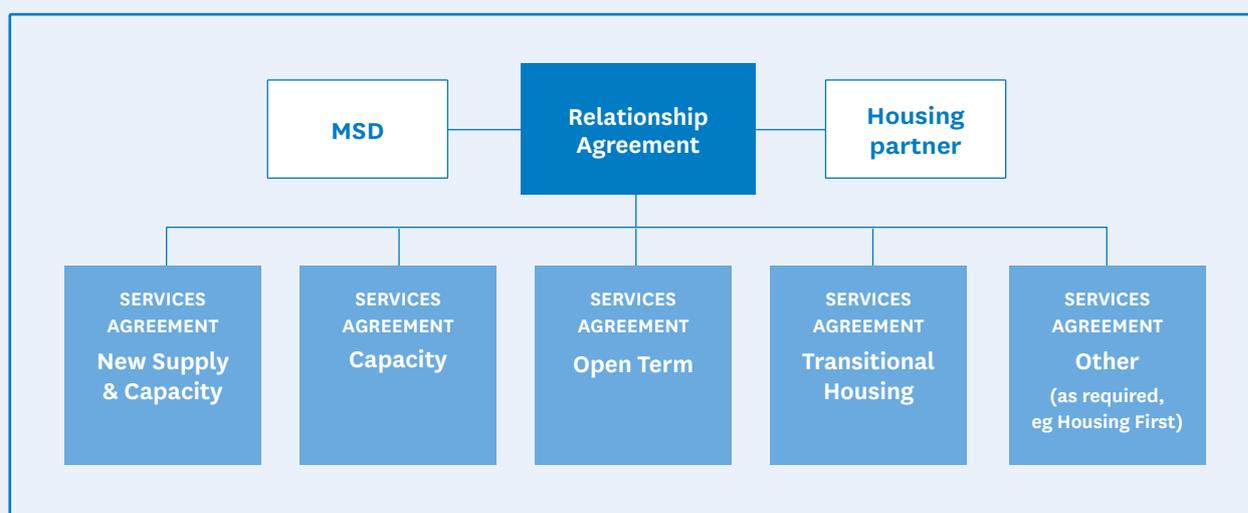
In addition to simplifying the way the Ministry contracts for public housing, the new contract framework also reflects a new relationship-based approach to how the Ministry and providers work together in partnership.

A high-level overview of the component parts of the contract framework is provided below in Figure 2. Whereas previously, the Ministry required providers to sign several different types of contracts and agreements, under the new contract framework providers will only need to sign:

- the overarching relationship agreement, which sets out the principles for how providers and the Ministry work together
- clear and straightforward Services Agreements, which apply to each product/service purchased by the Ministry

More information about the Ministry's public housing contract framework is available on its website.²¹

Figure 2:
Overview of public housing contract framework



²¹ More information about strategic partnering is available on the Ministry's website: www.msd.govt.nz/partner-with-MSD.html

3.5 What is the procurement process – how can I get involved?

This section provides information about the process the Ministry follows to increase the supply of public housing – a refined procurement process, which forms part of the Ministry’s strategic partnering model.

The Ministry’s approach to procurement of public housing supply has also been streamlined under the overarching strategic partnering model, making the process simpler for HNZ and CHPs to meet demand for public housing across New Zealand.

The new procurement approach includes a two-stage gateway process: the provider/potential provider first demonstrates their organisational capability and capacity, and then project-specific funding proposals are assessed in a secondary procurement process.

This new approach is designed to establish a broad base of supply capability and capacity, in contrast to the previously competitive Request for Proposal process.

Gateway 1: Invitation to Partner

This first gate – the partnership gate – is intended to identify partners that the Ministry will work with.

Providers and potential providers will be asked to demonstrate their capability and capacity to supply new public housing places. This will be done through various different avenues, including (but not limited to) capability and capacity to:

- undertake new build projects
- purchase completed housing places on a turn-key basis

- lease new housing developments for use as public housing
- enter into partnership with non-CHP parties for new housing projects (eg private sector developers and investors).

The end result of this gateway is qualification for a Strategic Partner Panel Agreement (SPPA).

Existing CHPs will mostly automatically qualify for SPPA, but new providers will need to be actively working toward registration as a CHP and respond to an Invitation to Partner on **Government Electronic Tender Service (GETS)** to qualify for an SPPA.

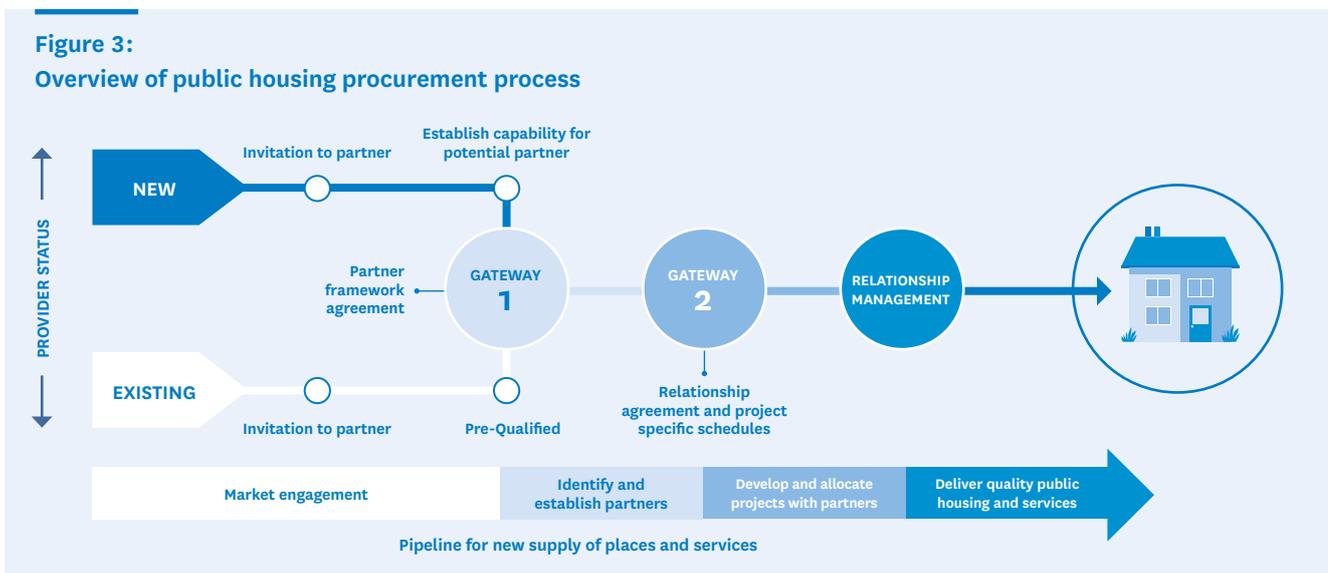
Gateway 2: Secondary procurement

The second gate – the project gate – applies when projects are allocated to one or more partners.

Under this gate, project-specific funding proposals will be assessed under a value for money framework, including consideration of:

- **ability to deliver** – capacity and capability to deliver within specified time periods and price to ensure a secure pipeline of new public housing supply
- **fitness for purpose** – whether the new housing meets the Ministry’s needs in terms of demand, cohort and typology
- **financial viability** – whether the proposal is financially viable for the contract period
- **price** – how the proposal compares against industry benchmarks, in both the cost to build housing, and the provision of tenant and asset management services.

More detail about this procurement approach is available on the Ministry’s website.²²



22 More information about strategic partnering is available on the Ministry’s website: www.msd.govt.nz/partner-with-MSD.html

Part 4:

Beyond public housing

Information for current and potential providers of other housing and support services



This section provides information about other housing and support services the Ministry provides, beyond subsidising public housing through the IRRS. This includes programmes specifically targeted at ending homelessness, provision of transitional housing, and other assistance tailored to specific cohorts of people.

When people approach the Ministry with a housing need, the Ministry will always explore long-term permanent housing options first, and will consider whether the person:

- could sustain a private rental with the right support, or
- is eligible for public housing, and should therefore be placed on the Housing Register.

If one of these longer-term solutions cannot be found, there are three main types of assistance the Ministry uses to address an urgent need for housing/homelessness, including:

- transitional housing
- Housing First
- an Emergency Housing Special Needs Grant.

More information about each of these types of assistance, including how to get involved as a provider of transitional housing or Housing First, is outlined below.

In addition to these types of assistance to meet urgent housing need, the Ministry also provides housing assistance for specific cohorts. For example, people with a Corrections history, or those who may be at risk of an adverse exit from public housing. Information about these initiatives, including how to get involved as a provider, is set out below.

4.1 Transitional housing

This section provides information about transitional housing – contracted short-term housing provided by the Ministry for people who urgently need a place to stay. Transitional housing provides warm, dry and safe short-term accommodation as well as tailored services to support a transition to long-term housing options.

Transitional housing is managed by contracted providers who are responsible for making sure the housing is appropriate and that the clients living there are looked after. They also help families access any support they need such as budgeting advice or social services.

Demand for transitional housing should decrease as more public and affordable housing supply is brought online. Transitional housing could be repurposed for public housing as needed, which will lead to a change in demand for public housing.

What we're looking for

The Ministry is looking to secure additional supply of transitional housing places across New Zealand (beyond what is already contracted throughout the country).

This additional supply could include:

- the provision of Crown-owned properties to transitional housing providers,
- provider-owned properties, or
- the use of additional private properties as transitional housing accommodation.

The Ministry aims to secure this additional supply where demand currently outweighs supply, with a particular focus in Auckland, Napier/Hastings, Wellington, Hamilton, Rotorua and Whangarei.

What we expect from transitional housing providers

The intention of transitional housing is to provide housing and support to vulnerable households, and to support the transition to long-term housing. The specific nature of the support and the intensity of this support, for each household, will vary according to the characteristics and needs of each household. As a minimum, for each household, the transitional housing provider will be expected to:

- support households for the duration of their stay in transitional housing (intended to be up to 12 weeks but a longer stay may be required) and for a further 12 weeks after leaving the transitional housing while the household establishes and secures its long-term tenancy.
- identify, and assist the household to secure and move into, long-term housing.
- work with the household to identify and manage any issues related to their stay in transitional housing (eg the suitability of accommodation, or damage to the property).
- ensure tenants contribute to the costs of the accommodation provided by contributing a rent of up to 25 percent of their income.
- provide the Ministry with required reporting, designed to demonstrate the transitional housing provider's performance in providing the transitional housing services.

The expected service outcomes are:

- identification of a sustainable housing solution for all households leaving the transitional housing service, with no households receiving emergency or transitional housing support from the Ministry in the six months after leaving a contracted place.

- an average occupancy rate of at least 90 percent.
- an average stay of 12 weeks.
- at least 10 percent of households leaving transitional housing accessing sustainable housing in the private rental market.

Are you interested in getting involved?

Contact the Ministry through its **Invitation to Partner** for Emergency Housing Providers on GETS, if you would like to provide transitional housing.

4.2 Housing First

This section provides information about a targeted programme the Ministry uses to address homelessness – Housing First.

Housing First is the Government’s primary response to addressing homelessness in New Zealand. It is a programme to house and support people who have been homeless for a long time and have multiple and complex issues. It is an internationally recognised evidence-based approach that has been working successfully around the world for the past 20 years.

The Housing First approach recognises that it is much easier for people to address issues such as mental health problems and addiction once they are housed. Housing is provided with no readiness conditions (eg sobriety or mental health treatment), which is a key point of difference from a number of other housing-focused programmes. Tailored support is then offered for as long as it is needed to help people stay housed and address the issues that led to their homelessness.

Housing First is an outreach programme – providers work with people in their environment, to encourage and support them in to the programme.

Those participating in the programme have been homeless for long periods and generally have two or more coexisting conditions, such as significant mental health issues or drug and alcohol use.

Housing First aims to end homelessness for people, not just manage it. The goal is that homelessness should be brief, rare and non-recurring.

Core principles

Housing First is based on a set of core principles:

- People have immediate, unconditional access to housing, with no housing readiness conditions, only a willingness to engage and be in housing.
- People have choices and self-determination about the support and housing they receive, so that it’s right for

them. People do not lose their housing if they no longer need support.

- There is a recovery focus, with holistic support to reduce harmful behaviour and encourage positive steps towards mental and physical wellbeing.
- Person-driven support is adapted to fit each individual’s needs and is proactively offered for as long as it is needed.
- People are supported to be part of communities, to set goals and to connect with whānau, support networks, social activities, education or employment.

Housing First is being adapted to a New Zealand context – providers work within a kaupapa Māori framework while following the core set of principles.

Where is Housing First occurring?

The Ministry has contributed to funding for a Housing First based approach in Hamilton since 2014 and has piloted Housing First in Auckland since 2017. Over the next few years the Ministry will fund more than 1,450 Housing First places for homeless people or families in high-need cities and regions – Auckland, Christchurch, Tauranga, Wellington (including the Hutt Valley), Nelson and Blenheim, Rotorua, Whangarei and Northland, and Napier and Hastings.

What the Ministry is looking for from service providers

The Ministry is looking for providers to deliver Housing First services in these areas, and is seeking a combined proposal from providers who can:

- identify and work with the target group, especially those who are chronically homeless
- source, secure or broker private sector housing and build relationships with landlords
- manage residential properties and tenancies
- provide specialist services or access to services that support people to stay housed and address complex issues
- thoroughly understand the Housing First model and work within the core principles.
- openly share progress and knowledge gained with the wider sector
- maintain good quality data and secure private and confidential information
- work and contract in a partnership approach with other providers and agencies.

Are you interested in getting involved?

If you have a property that you would be willing to be used for Housing First, or are interested in becoming a Housing First service provider, please contact the Ministry for further information at **Housing_Procurement@msd.govt.nz**.

Support services will be provided by a local Housing First provider.

Properties will only be considered in the locations where Housing First is occurring - Auckland, Christchurch, Tauranga, Wellington (including the Hutt Valley), Nelson, Blenheim, Rotorua, Whangarei, Northland, Napier and Hastings.

4.3 Emergency Housing Special Needs Grant (EH SNGs)

This section provides information about the EH SNG – a grant paid by the Ministry to cover the cost of emergency accommodation for people with an urgent housing need.

Generally considered a last resort, the EH SNG is used to meet the cost of short-term emergency accommodation (often in motels), providing clients with a warm, dry, safe place to stay while giving them time to take steps toward more permanent accommodation.

While each grant has a seven-day time limit, the Ministry will always ensure those in need receive support for the duration of their needs, and ensure they have access to somewhere warm, dry and safe to live. The grant is not intended as a long-term housing solution, but as a necessary solution while more sustainable options, such as public housing, are progressed and become available.

4.4 Other initiatives underway

In addition to the housing services described above, the Ministry is involved in other initiatives to end homelessness and ensure the most vulnerable New Zealanders have, and are able to maintain, a warm, safe and dry house. This section provides information about those initiatives.

Creating Positive Pathways for ex-offenders

The Ministry and the Department of Corrections are working together to provide additional public housing places, so that people exiting prison with an unmet housing need are able to access stable accommodation.

The programme will secure 250 additional public housing places (on top of the extra 6,400 public housing places we are seeking by June 2022), approximately half of which are in Auckland. This four-year trial will also provide clients with access to support services during or at the completion of a Department of Corrections reintegration activity. This support will be directed toward ex-offenders' individual needs and will support them to achieve positive long-term outcomes.

We expect to see those who are supported through this initiative remaining in housing long term, and achieving positive social outcomes, such as reduced reoffending and increased educational or employment participation.

Ex-offenders' eligibility and need for public housing will be assessed using the Ministry's Social Allocation System. There will be no displacement of people on the existing Register as a result of this trial, as the housing places for this trial are additional places, being sourced specifically for the trial.

Are you interested in getting involved?

If you have property that you would be willing to be used for Creating Positive Pathways, please contact the Ministry for further information at **Housing_Procurement@msd.govt.nz**.

Support services will be provided by a local service provider.

Property will only be considered in the locations where Creating Positive Pathways is occurring – Auckland, Northland and Wellington.

Sustaining Tenancies

Sustaining Tenancies was launched in Auckland, Wellington and Christchurch in early 2017. It is a partnership between the Ministry and HNZ and provides tailored support from community providers for people with complex needs who may be at risk of an adverse exit from public housing, such as abandonment of a tenancy, to help them remain in their house.

People participating in the initiative are supported to maintain their tenancy, with the aim of using stable housing as a platform to address underlying social issues and improve the household's broader outcomes. It is also expected to reduce churn through public housing, as people will be supported to remain in their house rather than exiting and re-entering the Housing Register.

Appendices



Appendix 1: Glossary of Terms

Terminology	Definition
A Additional places being sought	Additional Income Related Rent Subsidy (IRRS) places that the Ministry of Social Development (the Ministry) is seeking to secure over 2018/19 – 2021/22. Additional places being sought have not been contracted by the Ministry yet. As at 30 June 2018 there were around 1,000 additional places being sought.
Advance Payment of Benefit	Clients receiving a main benefit and who require assistance to meet a particular immediate need for an essential item (eg rent and bond).
Accommodation Supplement	A non-recoverable weekly payment to assist people who are not in public housing, with their rent, board or the cost of owning a home.
Alternative housing	Alternative housing in this Plan refers to housing that is not public housing, for example, housing in the private market.
B Base	The current number of public housing IRRS places. There were 67,228 public housing places as at 30 June 2018.
Bond Grant	A non-recoverable payment to assist clients moving from public housing into private housing, where there is a gap between the client's existing bond using income-related rent and bond payable at the usual rent amounts.
Budget process	<p>The Budget process allows the Government to:</p> <ul style="list-style-type: none"> • set its fiscal objectives in respect of revenue, expenditure, debt repayment and investment • maintain effective fiscal control and plan for the coming year and beyond • allocate the available resources, consistent with the Government's strategic objectives and priorities • fulfil the legislative requirements for the Budget • seek authority from Parliament for spending. <p>All ministers have a key role in the Budget process. Together, they agree on the Budget strategy and priorities for spending, which in turn informs departmental Budget initiatives. Ministers drive the development, fine-tuning and negotiation of Budget initiatives and packages in their portfolios or focus areas as part of the Government's overall Budget package.</p>
Buy-in	Purchase of an existing or newly developed property by a housing provider, for the purposes of increasing public housing supply

C	Case Management Support for Independence	Initiatives that provide case management and other support to tenants in public housing and people on the Register to support them to independence as appropriate.
	Chronically homeless	Individuals, couples and/or families/whānau who: <ul style="list-style-type: none"> • are homeless for longer than one year, or • have experienced four or more episodes of homelessness within the last three years, where the combined duration of these episodes equals a year or more and where these episodes were separated by periods of seven or more days of non-homelessness.
	Conditional Grant Assistance	Non-recoverable assistance to help people cover bond, rent in advance and letting fees for alternative housing. The purpose of this assistance is to encourage people to actively search for alternative housing
	Community Group housing	A Housing New Zealand (HNZ) service that provides suitable properties for community organisations to house and support people with physical, intellectual or psychiatric disabilities; provide residential alcohol and drug services; provide women with refuge from family violence; and provide emergency housing and housing for at-risk youth and for prisoner reintegration.
	Community housing	Housing provided by community housing providers (CHPs).
	Community housing providers (CHPs)	Community housing organisations that are registered with the Community Housing Regulatory Authority (CHRA). The Ministry can contract with CHPs to provide community housing for eligible clients.
	Community Housing Regulatory Authority (CHRA)	The CHRA registers and regulates CHPs. It works to ensure that public housing providers are appropriately housing and supporting the growth of a fair, efficient and transparent community housing sector.
D	(Housing) demand	Demand for housing is measured by the number of people eligible for housing support on the Social Housing Register. Demand is assessed at national and regional levels to ensure that additional public housing is provided in the areas that need it the most. Demand for housing across New Zealand is growing and more people are experiencing a severe and immediate need. This demand is generated by a shortage of affordable housing driving up house prices and rents. People on low incomes are most affected by rising housing costs and many seek financial help through the Ministry.
	Direct leasing model	Where the Ministry directly leases a property from investors (ie developers) and then sublease that property to a registered CHP, who then provide the tenancy and asset management services for the duration of that lease. This model enables private developers to partner with the Ministry and registered CHPs to deliver public housing developments at a greater scale and is achieved through utilising private sector funding and development expertise.

Disposal/Divestment The removal of a house from the HNZ stock (eg selling, demolition etc). A property is disposed of when no future economic benefit or service potential comes from continued use of the house. Factors considered before disposal include the physical condition of the house, the period of use, and possible financial gains from the sale of the asset to go towards new housing.

Dwelling Any building, whether permanent or temporary, that is occupied as a residence. It does not include the land on which the residence is sited.

E **Emergency Housing Special Needs Grant (EH SNG)** Non-taxable, recoverable or non-recoverable financial assistance to clients to meet the costs of short-term accommodation for people with an urgent and immediate housing need.

H **Housing continuum** An illustrated pathway from insecure housing (homelessness) through to private rental properties and home ownership. It is a visual tool for understanding housing delivery and intervention points.



Housing First A recognised approach to housing and supporting homeless people with multiple, high and complex needs. Housing First recognises it is much easier for people to address complex issues such as mental health problems and addiction once they are housed. The approach is to provide housing quickly then offer tailored support for as long as it is needed to help people stay housed and address the issues that led to their homelessness.

Housing New Zealand (HNZ) HNZ is a Crown agency that provides housing services for New Zealanders in need. This includes, but is not limited to, ownership and tenancy management of housing places for public housing purposes.

Housing Register When people with a serious housing need are assessed and found eligible for public housing, they are placed on the Housing Register. The number of people on this register and their priority rating are subject to change, as people come on and off the Register and as their circumstances change. The Housing Register is part of the Social Housing Register.

Housing Quarterly Report The Housing Quarterly Report is published by the Ministry of Social Development and contains key facts and information about the Social Housing Register and Emergency Housing Special Needs Grants.

Housing Support Products A set of individual products that aim to address barriers to accessing or retaining housing by meeting needs not covered by other forms of assistance. Housing Support Products include the Bond Grant, Letting Fees Assistance, Moving Assistance, Rent in Advance, Statement of Satisfactory Tenancy, Tenancy Costs Cover and Transition to Alternative Housing Grant.

I	Income-related rent (IRR)	A subsidised rent scheme for public housing tenants with low incomes. The Ministry calculates the rate of IRR, based on a client’s accessible income and their household type, and the public housing provider charges this rate as rent to the client. If the rate of IRR is higher than the market rent rate for the property, the housing provider will charge the client the market rent rate.
	Income-Related Rent Subsidy (IRRS)	The amount paid to a public housing provider by the Ministry that is the difference between the market rent rate or agreed rent rate and the IRR.
	IRRS places	Properties owned or leased by HNZ and CHPs that can be tenanted by people who are eligible for public housing. The housing provider will receive market rent for the property through IRR (paid by the tenant) and IRRS (paid by the Ministry).
	Insecure housing	Situations where people are living in dwellings or shelters not necessarily designed for human habitation but which are, nonetheless, occupied.
L	Lease	Refers to when housing providers lease a property from another owner (usually from the private market) for the purposes of increasing supply of public housing.
	Letting fees	A letting fees payment that directly addresses a major housing barrier (entry costs). Note changes proposed in the Residential Tenancies Act may prohibit letting fees being charged in future.
	Letting Fees Assistance	Letting Fees Assistance provides non-taxable, non-recoverable financial assistance to help client’s meet the cost of letting fees. Note changes proposed in the Residential Tenancies Act may prohibit letting fees being charged in future. As a result, this assistance would likely no longer be available.
M	Market rent	The market rent is set by the housing provider and must be comparable to the rent charged for other properties of a similar type, size and location.
	Ministry of Housing and Urban Development (HUD)	From 1 October 2018 HUD will be the lead advisor on housing issues, the response to homelessness, affordable housing, and support for first home buyers. HUD incorporates KiwiBuild, the Community Housing Regulatory Authority, public, transitional and emergency housing policy, and monitoring functions previously delivered by other agencies.
	Ministry of Social Development (the Ministry)	The Ministry assesses people’s need for housing support and manages the Social Housing Register. The Ministry does not buy or own any property. The Ministry contracts with HNZ and registered CHPs to deliver (IRRS) tenancies, including tenancy management services and other social services.
	Moving Assistance	Helps clients with the physical cost of moving house. It is recoverable to ensure that clients find the most economical way to move.

<p>N</p>	<p>Net additional supply</p>	<p>Refers to the total number of additional public houses (new builds, turn-keys, buy-ins, leases, transfers of former council stock), minus the total number of disposals.</p>
	<p>Net new supply</p>	<p>Refers to the total number of additional new build and turn-key public houses, minus the total number of disposals.</p> <p>The Ministry will consider new housing developments built specifically for the purpose of entering into commercial leases with CHPs for the provision of public or transitional housing as a “new build” under this definition.</p>
<p>O</p>	<p>Operating supplement</p>	<p>The operating supplement is a subsidy paid to housing providers as a percentage of market rent.</p>
<p>P</p>	<p>Pipeline</p>	<p>The 'pipeline' refers to the number of places planned by HNZ or CHPs that have a high certainty of eventuating.</p> <p>The CHP pipeline is made up of net additional places that the Ministry has contracted for, or where a contract is under offer or negotiation.</p> <p>The HNZ pipeline on the other hand, reflects HNZ's four year plan for net additional places. The places in HNZ's pipeline are not necessarily contracted or under offer or negotiation yet, and are subject to change.</p> <p>All places in the pipeline to June 2022 are fully funded through Budget 2018.</p>
	<p>Public housing</p>	<p>Public houses are properties owned or leased by HNZ and CHPs that can be tenanted by people who are eligible for public housing. Public housing is therefore a general term covering both state and community housing.</p>
	<p>Public housing places</p>	<p>Used interchangeably with IRRS places above.</p>
	<p>Public Housing Plan</p>	<p>The Ministry’s plan for purchasing subsidised public and transitional housing places through to June 2022. The plan provides information about what type of additional supply we are seeking, and where. Previous versions were called the Purchasing Strategy.</p>
	<p>Private housing</p>	<p>Housing that includes:</p> <ul style="list-style-type: none"> • private rentals • owner-occupier housing • housing offered by non-governmental organisations (this may include housing offered by a registered community housing provider that is not contracted for public housing purposes) • local government housing • boarding • flatting (not on a tenancy agreement)
<p>R</p>	<p>Recoverable Assistance Payment</p>	<p>Non-taxable, interest-free, recoverable assistance to non-beneficiaries to meet essential, immediate needs for specific items or services (eg rent and bond).</p>

Rent in advance (Housing Support Product)	Rent in Advance is a non-recoverable payment towards the cost of rent for clients considered able to afford and sustain alternative housing.
Rent in Advance	Landlords can ask for one or two weeks' rent in advance. This depends on whether the tenant will pay weekly (one week in advance) or fortnightly (two weeks in advance).
S Sleeping rough	Sleeping rough includes living situations like living on the street, and inhabiting improvised dwellings, such as a shed or a car.
Social Allocation System	The needs assessment tool the Ministry uses to assess housing need and eligibility for public housing.
Social Housing Register (the Register)	<p>People in need of public housing are recorded on the Social Housing Register, which comprises of a Housing Register and a Transfer Register. Clients who are assessed as at risk (priority A) or as having a serious housing need (priority B) are placed on the Register until a suitable house becomes available.</p> <p>The Social Housing Register is referred to as 'the Register' throughout this document.</p>
State housing	Housing provided by HNZ.
Statement of Satisfactory Tenancy	A reference from public housing providers for prospective private landlords' that helps to address three main tenant selection concerns (rent arrears, damages and behaviours).
Strategic partnering	<p>Strategic partnering refers to two or more organisations working collaboratively to deliver better outcomes for the Ministry's clients.</p> <p>It is an overarching building block for the new framework model, and involves Government and community organisations working together with a common purpose, and sharing responsibilities to meet the housing needs of individuals and families through the provision of places and services.</p> <p>The strategic partnering model explains how we will get additional supply of housing. It focuses on procurement and contracting.</p>
Strategic Partner Panel Agreement (SPPA)	The means by which providers are appointed and qualified to enter into substantive discussions with the Ministry on housing and housing-related service opportunities.
T Te Matapihi	Te Matapihi was established in 2011 to advocate for Māori housing interests at a National level. The Trust operates as an independent voice for the Māori housing sector, assisting in Māori housing policy development at both central and local government levels, supporting the growth of the sector through existing and emerging regional forums, and providing a platform for sharing high quality resources and information.

Temporary Additional Support (TAS)	A non-recoverable weekly payment, for a maximum of 13 weeks, which helps to cover essential living costs that cannot be met from people's income and through other resources. TAS can be used to cover essential living costs, whereas the EH SNG can only be used to meet the cost of short-term accommodation.
Tenancy Costs Cover	A conditional grant clients can use to give private housing landlords an assurance that they can meet any tenancy related costs in excess of the bond (up to a maximum amount) if owed at the end of the tenancy. This aims to reduce the (perceived) risks for private housing landlords of letting to clients in disadvantaged groups.
Te Puni Kōkiri (TPK)	TPK works with iwi, hapū and whānau Māori, and Māori housing and social service providers. TPK supports the development of Māori housing and contributes to Māori housing policy across Government. It works with iwi, hapū, whānau Māori and communities to achieve their housing aspirations.
Time to house	The number of days it takes from the time an applicant is first registered on the Housing Register or Transfer Register (Social Housing Register), to the day a tenancy commences for that applicant.
Transfer Register	Part of the Social Housing Register, the Transfer Register comprises people already in public housing, but who have requested and are eligible for a transfer to another public housing property.
Transition to Alternative Housing Grant	A non-recoverable one-off payment to support public housing tenants who voluntarily move into private housing. The grant is for tenants moving out of public housing in an area where there is a high need for public housing, or for people entering a tenancy review. ²¹
Transitional housing	Short-term housing (12 weeks on average) and social services for people with an immediate housing need while support is put in place to transition them into sustainable public or private housing on a long-term basis.
Turn-key property	Purchases off the plans based on a set design (where HNZ/CHP is left out of the building process). Ownership is transferred on completion. New build places, that are purchased based on plans with a set design (HNZ/CHP is left out of the building process). Ownership of the place is transferred from the builder to the new owner on completion of the build. The new tenants will then 'turn the key' and walk into the new property.



Upfront/ Capital funding

A subsidy where lump sum payments are made on the satisfactory completion of agreed milestones for new build properties.

²³ Note that tenancy reviews for public housing clients are currently on hold while the Government looks at which public housing tenant groups should be exempt from reviews in the future.

Appendix 2: Helpful links

This appendix provides a list of helpful links to websites where more information about the public housing sector can be found.

Community Housing Aotearoa	www.communityhousing.org.nz/
Community Housing Regulatory Authority	https://chra.mbie.govt.nz/ The Community Housing Regulatory Authority Register: https://chra.mbie.govt.nz/about-chra/register/
Housing New Zealand Corporation	www.hnzc.co.nz/
Maps of New Zealand showing regions and territorial authorities	www.lgnz.co.nz/nzs-local-government/new-zealands-councils/ North Island map: www.lgnz.co.nz/assets/North-Island-PNG.PNG South Island map: www.lgnz.co.nz/assets/South-Island-PNG.PNG
Ministry of Business, Innovation and Employment	http://www.mbie.govt.nz/ Rental bond data: www.mbie.govt.nz/info-services/housing-property/sector-information-and-statistics/rental-bond-data Housing and property: www.mbie.govt.nz/info-services/housing-property KiwiBuild: www.mbie.govt.nz/info-services/kiwibuild
Ministry of Social Development	www.msd.govt.nz/ Housing: www.msd.govt.nz/about-msd-and-our-work/work-programmes/housing/
Te Matapihi	http://www.tematapihi.org.nz/resources/2017/1/30/affordable-housing-for-mori-in-tmaki-makaurau
Te Puni Kōkiri	www.tpk.govt.nz/en Housing: www.tpk.govt.nz/en/whakamahia/maori-housing-network/information

Appendix 3: Other support products available to assist people in the public and private rental market

Housing Support Products

The Housing Support Products set out in this section are a set of products that aim to address barriers to accessing or retaining alternative housing by meeting needs not covered by other forms of assistance. This assistance is available to clients who are existing public housing tenants, or are on the Register, or people who have contacted the Ministry about public housing but who could retain alternative housing with some assistance. Assistance is approved on a discretionary basis. All assistance is non-recoverable, with the exception of Moving Assistance and Tenancy Costs Cover.

Product	Description	Target group	Financial limits
Bond Grant	Non-recoverable payment to assist clients to move from public housing into alternative housing, where there is a gap between the client's existing bond using income-related rent and bond payable at usual rent amounts.	<ul style="list-style-type: none"> Jobseeker Support and Sole Parent Support households moving closer to job opportunities. Families with vulnerable children or children at risk of rheumatic fever (to move closer to services or out of overcrowded or unhealthy accommodation). People moving as a result of a tenancy review,²² either during the planning or engagement phase or following a formal review. 	Maximum of 4 weeks' rent, up to \$2,000.
Letting Fees Assistance²³	Non-recoverable assistance available to meet the cost of letting fees.	<ul style="list-style-type: none"> Families with vulnerable children or children at risk of rheumatic fever (to move closer to services or out of overcrowded or unhealthy accommodation). People moving as a result of a tenancy review,²⁴ either during the planning or engagement phase or following a formal review. 	Maximum of 1 week's rent plus GST.
Rent in Advance	Non-recoverable rent in advance payment to clients, recognising that entry costs are a major barrier to moving into alternative housing.	<ul style="list-style-type: none"> Public housing tenants who with extra help could move into private housing. People on the Social Housing Register. People who have contacted the Ministry with a housing need, and who may require public housing if they don't receive extra help. 	Maximum of 2 weeks' rent, up to \$1,000.

²⁴ Note that tenancy reviews for public housing clients are currently on hold while the Government looks at which public housing tenant groups should be exempt from reviews in the future.

²⁵ Note **changes proposed in the Residential Tenancies Act** may prohibit letting fees being charged in future. As a result, this assistance would likely no longer be available.

²⁶ Note that tenancy reviews for public housing clients are currently on hold while the Government looks at which public housing tenant groups should be exempt from reviews in the future.

Moving Assistance	Assistance with the physical cost of moving (payment is recoverable to ensure that clients find the most economical way to move).	<ul style="list-style-type: none"> • Jobseeker Support and Sole Parent Support households moving closer to job opportunities. • Families with vulnerable children or children at risk of rheumatic fever (to move closer to services or out of overcrowded or unhealthy accommodation). • People moving as a result of a tenancy review²⁵ (either within public housing or exiting). 	Maximum of \$1,500.
Tenancy Costs Cover	Assistance for tenancy-related costs in excess of bond paid to reduce the (perceived) risks for landlords letting to disadvantaged groups.	<ul style="list-style-type: none"> • Households with characteristics that may be considered high risk by the market, including families with young children, young people (18-25), and larger households. 	Maximum of 4 weeks' rent for the alternative housing.
Transition to Alternative Housing Grant	One-off non-recoverable payment available to people in public housing who are living in areas with high waiting lists, who voluntarily exit their public housing, or who are in the independence planning phase of tenancy reviews. ²⁶	<ul style="list-style-type: none"> • Tenants who are in the engagement or planning phase of tenancy reviews.²⁷ • Tenants who are living in areas where there is high demand for public housing. 	\$3,000.
Statement of Satisfactory Tenancy	Standardised reference from a public housing provider that targets landlords' three core tenant selection concerns (rent arrears, damage costs and behaviours).	<ul style="list-style-type: none"> • All tenants with good tenancy history exiting public housing. 	N/A.

Income support: extra help

Clients can also access other recoverable income support for essential housing costs.

Product	Description	Target group	Financial limits
Recoverable Assistance Payment	Non-taxable, interest-free, recoverable assistance to non-beneficiaries to meet essential immediate needs for specific items or services (eg rent and bond)	Clients who can identify a particular immediate need for an essential item or service	Maximum 6 weeks of the rate of Supported Living Payment
Advance Payment of Benefit	Clients receiving a main benefit and who require assistance to meet a particular immediate need for an essential item (eg rent and bond)	Any client who is receiving a main benefit and has an immediate need for an essential item	Maximum 6 weeks of their net benefit entitlement

²⁷ Note that tenancy reviews for public housing clients are currently on hold while the Government looks at which public housing tenant groups should be exempt from reviews in the future.

²⁸ Ibid

²⁹ Ibid

Conditional grant assistance

This provides non-recoverable assistance to help people cover bond, rent in advance and letting fees for alternative housing. The purpose of this assistance is to encourage people to actively search for alternative housing. If a client returns to public housing within 52 weeks of receiving the conditional grants, the assistance becomes recoverable.

Conditional grant assistance

Product	Description	Target group	Financial limits
Bond Grant	A bond payment that directly addresses a major housing barrier (entry costs)	Priority B applicants on the Social Housing Register and tenants on the Transfer Register to move to alternative housing	Maximum of 4 weeks' rent, up to \$2,000
Rent in Advance	A rent in advance payment that directly addresses a major housing barrier (entry costs)		Maximum of 2 weeks' rent, up to \$1,000
Letting Fees	A letting fees payment that directly addresses a major housing barrier (entry costs)		Maximum of 1 week's rent plus GST

Case management support for independence

Initiatives that provide case management and other support to tenants in public housing and people on the Register to support them to independence as appropriate.

Case management support for independence

Product	Description	Target group
Tenancy reviews (assessing ongoing eligibility for public housing)²⁸	Working with tenants to identify whether more suitable public housing is required or, where appropriate, a transition out of public housing is achievable. Tenancy reviews ensure that public housing is available for the people who need it the most for the duration of that need	Groups of people that may be more likely to be able to rent in the private rental market, in particular those paying market rent or near market rent, and tenants in areas where there are high levels of demand for public housing
Working differently with Register clients in Work-Focused Case Management (WFCM)	Enables beneficiaries in WFCM to also achieve housing outcomes. Currently, these clients are supported to achieve employment. This initiative adds housing support to the intensive case management approach	People on the Register who are also in WFCM

³⁰ Note that tenancy reviews for public housing clients are currently on hold while the Government looks at which public housing tenant groups should be exempt from reviews in the future.

Appendix 4: Where and what type of public housing supply is being sought?

4 shows the locations and types of properties where this additional public housing is being sought.

- Overall, the Ministry is seeking around 6,400 additional public housing places across country, between July 2018 and June 2022 (column A).
- Of these, 5,354 of these places are already contracted for, under negotiation, or part of HNZ's four year plan as at 30 June 2018 (column B).
- Therefore, the number of additional public housing places the Ministry is still seeking in this document – above and beyond the base and pipeline is about 1,000. These around 1,000 places have been broken down by location and bedroom typology in Table 4 (column C).

Note that because the number of places in the pipeline are estimates only at this stage,³¹ the totals in Table 4 (by region and TA) may exceed, or be less than, the number of places being sought in some locations. The regional volume estimates referenced throughout this Plan are likely to vary based on changes in demand and funding availability. The Ministry will continue to monitor demand and the number of places in the pipeline, and will ensure that the total number of additional places being delivered by June 2022 will total at least 6,400, be proportional to demand, and remain within available funding.

Appendix 5 (page 45) provides an overview of the methodology used to develop the Table 4 below.

³¹ The pipeline is fully funded through Budget 2018 and is made up of net additional supply from CHPs and HNZ. The CHP pipeline is made up of net additional places that are contracted, or where a contract is under offer or negotiation. The HNZ pipeline reflects HNZ's four year plan for net additional places – these places are not necessarily contracted, under offer or negotiation – and is subject to change.

Plan for additional public housing IRRS places

Table 4: Purchasing intentions for additional public housing IRRS places

Territorial authority	(A) Total net number of additional public housing places being sought by June 2022	(B) Total net pipeline as at 30 June – How many of these 6,400 additional public housing places are in the pipeline ³²			(C) Total net number of additional public housing places the Ministry is still seeking (above and beyond the pipeline) from either HNZ or CHPs, by number of bedrooms			
		HNZ	CHP	Total	1	2	3	4+
AUCKLAND REGION	3,550	2,300	549	2,849	122	276	173	130
Auckland	3,550	2,300	549	2,849	122	276	173	130
BAY OF PLENTY REGION³³	275	190	60	250	37	21	21	1
Kawerau District	10	0	0	0	5	0	5	0
Ōpōtiki District	5	0	0	0	5	0	0	0
Rotorua District	85	60	0	60	13	7	4	1
Tauranga City	105	100	60	160	0	0	0	0
Western Bay of Plenty District	30	0	0	0	10	10	10	0
Whakatāne District	40	30	0	30	4	4	2	0
CANTERBURY REGION³⁴	480	675	214	889	21	11	4	4
Ashburton District	5	5	0	5	0	0	0	0
Christchurch City	405	650 ³⁵	214	864	0	0	0	0
Hurunui District	0	0	0	0	0	0	0	0
Kaikōura District	0	0	0	0	0	0	0	0
Mackenzie District	0	0	0	0	0	0	0	0
Selwyn District	10	0 ³⁶	0	0	0	0	0	0
Timaru District	25	5	0	5	8	4	4	4
Waimakariri District	25	15	0	15	8	2	0	0
Waimate District	0	0	0	0	0	0	0	0
Waitaki District	10	0	0	0	5	5	0	0
CENTRAL REGION	180	75	0	75	64	25	9	7
Horowhenua District	30	0	0	0	20	5	5	0
Manawatu District	15	0	0	0	10	0	0	5
Palmerston North City	105	65	0	65	23	11	4	2

³² The pipeline is fully funded through Budget 2018 and is made up of net additional supply from CHPs and HNZ. The CHP pipeline is made up of net additional places that are contracted, or where a contract is under offer or negotiation. The HNZ pipeline reflects HNZ's four year plan for net additional places - these places are not necessarily contracted, under offer or negotiation - and is subject to change.

³³ Note that the number of places in the pipeline and additional places still being sought in this document for Bay of Plenty does not add up to 275. This is because the number of places in the pipeline in Tauranga exceeds the number of places we are seeking by 55 places - the Ministry and HNZ will work together to ensure that at least 275 places are delivered in the Bay of Plenty Region by June 2022, within available funding.

³⁴ Note that the number of places in the pipeline and additional places still being sought in this document for Canterbury does not add up to 480. This is because the number of places in the pipeline in Christchurch exceeds the number of places we are seeking by more than 400 places - the Ministry and HNZ will work together to ensure that at least 480 places are delivered in Canterbury Region by June 2022, within available funding.

³⁵ The committed HNZ pipeline in Christchurch City covers the following areas of the Canterbury region - Christchurch City and Selwyn District.

³⁶ Ibid

Territorial authority	(A) Total net number of additional public housing places being sought by June 2022	(B) Total net pipeline as at 30 June – How many of these 6,400 additional public housing places are in the pipeline ³²			(C) Total net number of additional public housing places the Ministry is still seeking (above and beyond the pipeline) from either HNZ or CHPs, by number of bedrooms			
		HNZ	CHP	Total	1	2	3	4+
Tararua District	5	0	0	0	5	0	0	0
Wanganui District	25	10	0	10	6	9	0	0
EAST COAST REGION	330	210	0	210	53	42	21	4
Central Hawke's Bay District	10	0	0	0	5	0	5	0
Gisborne District	75	55	0	55	9	8	3	0
Hastings District	120	55	0	55	27	24	11	3
Napier City	115	100	0	100	7	5	2	1
Wairoa District	10	0	0	0	5	5	0	0
NORTHLAND REGION	180	110	0	110	31	28	8	3
Far North District	65	35	0	35	9	14	5	2
Kaipara District	10	0	0	0	10	0	0	0
Whangarei District	105	75	0	75	12	14	3	1
SOUTHERN REGION	105	45	0	45	35	18	7	0
Central Otago District	0	0	0	0	0	0	0	0
Clutha District	5	0	0	0	5	0	0	0
Dunedin City	55	40	0	40	7	5	3	0
Gore District	0	0	0	0	0	0	0	0
Invercargill City	40	5	0	5	18	13	4	0
Queenstown Lakes District	5	0	0	0	5	0	0	0
Southland District	0	0	0	0	0	0	0	0
TARANAKI REGION	55	20	0	20	21	12	2	0
New Plymouth District	40	20	0	20	11	7	2	0
Rangitikei District	0	0	0	0	0	0	0	0
Ruapehu District	5	0	0	0	5	0	0	0
South Taranaki District	10	0	0	0	5	5	0	0
Stratford District	0	0	0	0	0	0	0	0
WAIKATO REGION³⁷	330	220	0	220	65	43	10	2
Hamilton City	190	200	0	200	0	0	0	0

³⁷ Note that the number of places in the pipeline and additional places still being sought in this document for Waikato does not add up to 330. This is because the number of places in the pipeline in Hamilton exceeds the number of places we are seeking by 10 places – the Ministry and HNZ will work together to ensure that at least 330 places are delivered in Waikato Region by June 2022, within available funding.

Territorial authority	(A) Total net number of additional public housing places being sought by June 2022	(B) Total net pipeline as at 30 June – How many of these 6,400 additional public housing places are in the pipeline ³²			(C) Total net number of additional public housing places the Ministry is still seeking (above and beyond the pipeline) from either HNZ or CHPs, by number of bedrooms			
		HNZ	CHP	Total	1	2	3	4+
Hauraki District	15	0	0	0	10	5	0	0
Matamata-Piako District	15	0	0	0	5	5	5	0
Otorohanga District	0	0	0	0	0	0	0	0
South Waikato District	10	0	0	0	5	5	0	0
Taupō District	30	20	0	20	5	3	0	2
Thames-Coromandel District	10	0	0	0	5	5	0	0
Waikato District	40	0	0	0	20	15	5	0
Waipa District	15	0	0	0	10	5	0	0
Waitomo District	5	0	0	0	5	0	0	0
WELLINGTON REGION³⁸	715	565	51	616	53	21	13	3
Carterton District	5	0	0	0	5	0	0	0
Kāpiti Coast District	40	15	0	15	13	6	3	3
Lower Hutt City	200	0 ³⁹	37	37	0	0	0	0
Masterton District	50	0	0	0	30	10	10	0
Porirua City	150	0 ⁴⁰	0	0	0	0	0	0
South Wairarapa District	10	0	0	0	5	5	0	0
Upper Hutt City	50	0 ⁴¹	0	0	0	0	0	0
Wellington City	210	550 ⁴²	14	564	0	0	0	0
WEST COAST/TASMAN REGION	200	70	0	70	68	48	10	4
Buller District	5	0	0	0	5	0	0	0
Grey District	20	5	0	5	8	7	0	0
Marlborough District	60	35	0	35	15	8	0	2
Nelson City	80	15	0	15	29	28	8	0
Tasman District	30	15	0	15	6	5	2	2
Westland District	5	0	0	0	5	0	0	0
TOTAL	6,400	4,480	874	5,354	570	545	278	158

38 Note that the number of places in the pipeline and additional places still being sought in this document for Wellington does not add up to 715. This is because the number of places in HNZ's pipeline for Wellington City, Porirua, Lower Hutt and Upper Hutt is only 9 places short of what the Ministry is seeking across these locations, but is not broken down by location – the Ministry and HNZ will work together to ensure that at least 715 places are delivered in the Wellington Region by June 2022, within available funding.

39 The committed HNZ pipeline in Wellington City covers the following areas of the Wellington region – Wellington, Porirua, Lower Hutt and Upper Hutt

40 Ibid

41 Ibid

42 Ibid

Appendix 5: An overview of the methodology used to develop the purchasing plan in Part 2 and Appendix 4

The purchasing plan outlined in part 2 of this document (page 14) have been developed using a combination of quantitative and qualitative inputs and applying judgement.

The inputs (and their source) include the:

- Social Housing Register (the Ministry)
- current public housing IRRS places (the Ministry)
- pipeline for public housing IRRS places (CHPs, HNZ and the Ministry)
- feedback from Ministry of Social Development Regional Commissioners (the Ministry)
- feedback from Ministry of Social Development Regional Directors (the Ministry)

The total number of tenancies that can be afforded within the available funding is dependent on policy settings and market conditions. The volume estimates provided reflect the Ministry's current intentions, but the actual volumes secured are likely to vary. The intentions set out in this document do not commit the Ministry to purchasing these volumes.

The Ministry needs flexibility to respond effectively to unexpected changes in demand, and to meet local needs. The Ministry will be monitoring changes in the Register closely and adapting its plans to meet changing needs. The volumes set out for each region and location are not targets, nor are they limits. It may not be necessary to secure these volumes, or, conversely, there may be a need to exceed the places recommended due to unexpected demand increases.

