



Sustainable Housing in the Bay of Plenty:

Strategic Advice Paper for
Community Funders

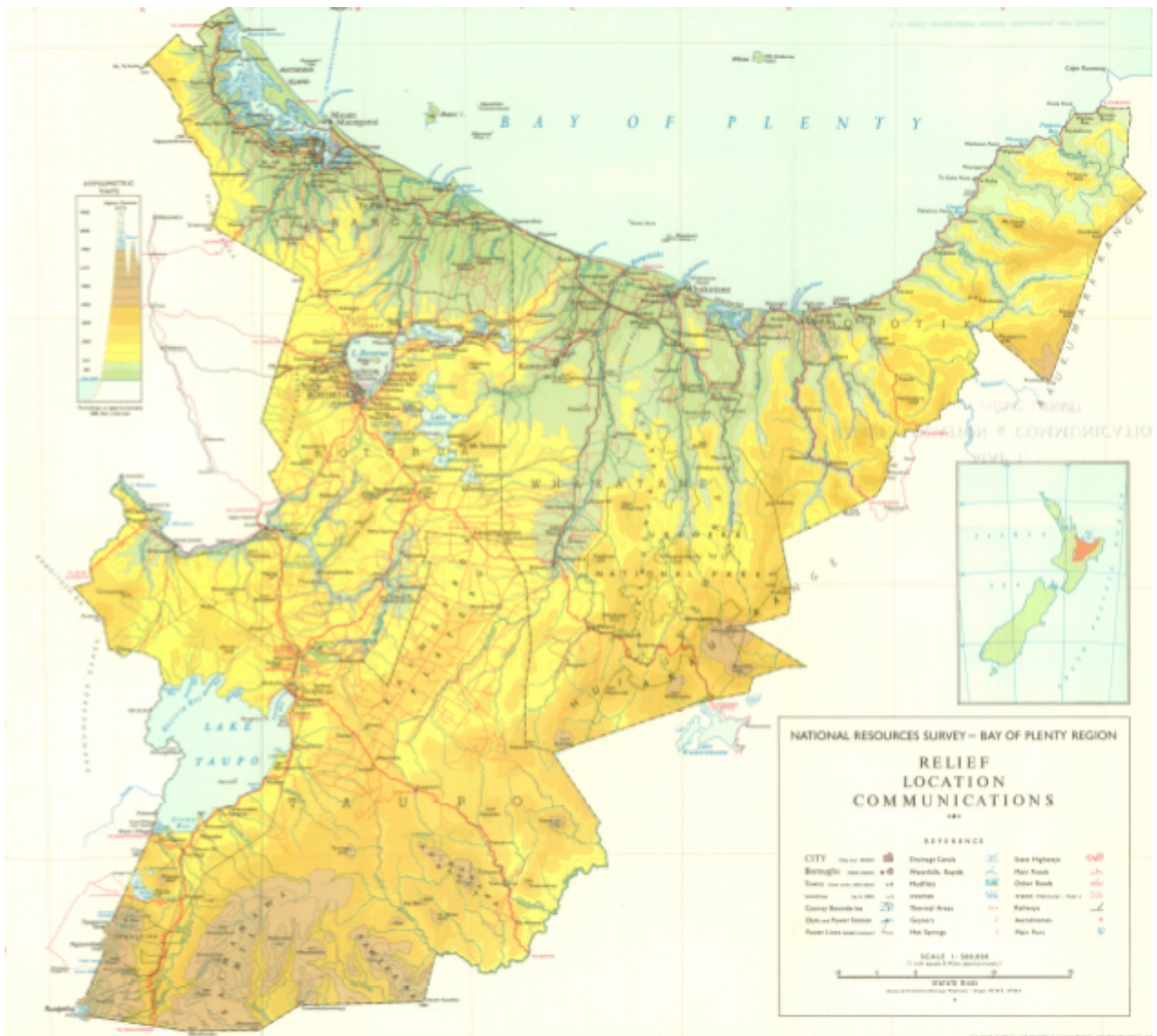
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Map from BayTrust, Tauranga, showing outermost boundary for Community Funders



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1.0 Introduction

The Centre for Social Impact (CSI) was contracted by BayTrust, Rotorua Energy Charitable Trust (RECT), Tauranga Energy Consumer Trust (TECT), Eastern Bay Energy Trust (EBET) and the Acorn Foundation (hereafter referred to as Community Funders) to provide advice to support funders' focus on sustainable housing in the Bay of Plenty.

1.1 Purpose and scope

A high level strategic advisory paper was requested by the Community Funders, to outline options for how funders can best make a meaningful difference to sustainable housing in the Bay of Plenty. This paper is intended as an internal advisory paper for the Community Funders and was informed by a strategic assessment of key:

- Current housing sector issues and opportunities identified within publicly available housing sector evidence
- Government policy indicators and strategic directions relating to housing sector issues, challenges and future opportunities
- Trends in international best practice in the philanthropic sector's support for sustainable housing
- Aspects that influence sustainable housing across the Bay of Plenty including geographic areas, key challenges and key opportunities

1.2 Methods

The paper was informed by:

- (i) A desk-top survey of relevant publicly available housing sector evidence, relevant key government policy, and documented international best practice in philanthropic sector support (see Appendix A)
- (ii) Eighteen face-to-face semi-structured interviews and two telephone interviews with a total of 27 key informants including representatives of iwi Māori, housing providers, local authorities and others (see Appendix B). Housing New Zealand declined to be interviewed due to the current negotiations surrounding the transfer of Housing NZ housing stock in Tauranga and Te Puke
- (iii) A project team was formed composed of representatives of the Community Funders to provide initial guidance and direction concerning frameworks and paper scope.



1.3 Quick reference guide

Sustainable housing overview - p. 12

Issues by territorial authority overview - table on p. 14

Main housing issues identified - pp. 14 to 20

Potential roles of Community Funders - p. 20

Analysis by housing sectors - pp. 24 to 41

Trends in the philanthropic sector see p. 42

Issues Community Funders are best placed to address - p. 44

Which **sector provides most opportunity** to Community Funders - p. 46

Strategic questions to be considered by Community Funders - p. 55

Two possible **scenarios** of strategic approach and investment - p. 51

Sub-regional district overviews - Annex C pp. 59-75

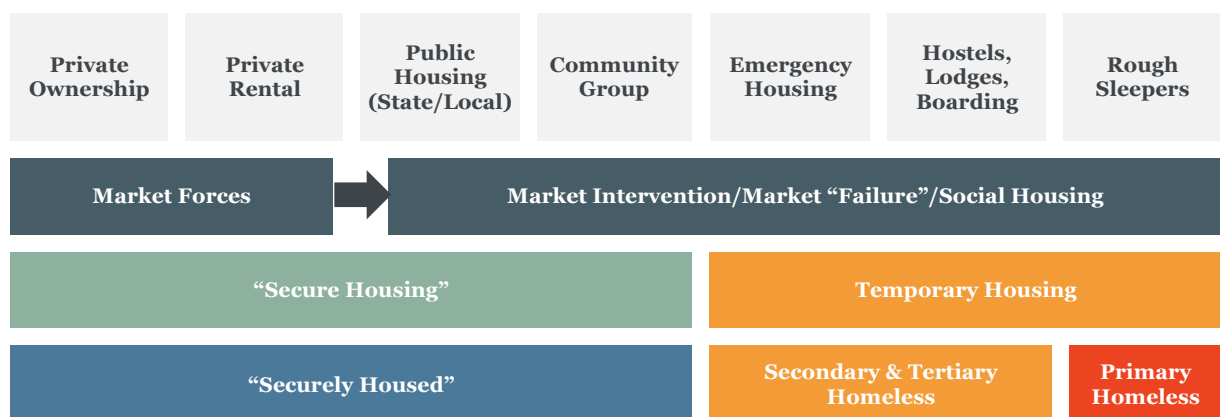
1.4 Frameworks used

1.4.1 Visual Conceptualisation of housing sector

The following framework was used to conceptualise the continuum of housing comprising the New Zealand housing sector considered in this paper (see Figure 1).

Figure 1 Housing Continuum

Adapted from; *A Review of the NZ Housing Sector* Gravitas Research and Strategy Ltd, Research Report ASB Trust, 2009



1.5 Limitations of the paper

A total of 27 stakeholders participated in the key informant interviews. Key informants were selected to be representative of the BOP geographically and housing sectors segments. Housing NZ declined to be interviewed due to the current housing stock transfer tendering process that was underway at the same time as the interviews.

Information related to iwi Māori was limited to key informants from Te Puni Kōkiri and a private organisation, Papakāinga Solutions Ltd. Due to time and resource limitations, the project team were unable to map the extent and relevance of some housing issues across the sub-regions and for particular sub-groups e.g. youth, older people and iwi groups.



2.0 Findings

2.1 What is sustainable housing?

For the purposes of this paper, the project working group agreed to use the following definition of sustainable housing.

Definition

“(Sustainable housing) meets the needs of the present without compromising the ability of future generations to meet their own needs”¹

World Commission on Environment and Development, cited from www.thenbs.com

Most key informants’ views on sustainable housing were related to the process as it applies to the housing industry and were consistent with publicly available information (e.g. Homestar ratings²) incorporating the following sustainable housing elements:

(i) Features of the dwelling:

- Regeneration of substandard homes to ensure they are adequately (i.e. above the minimum requirements set by the Building Code): sealed, insulated, heated and ventilated (especially bathrooms and kitchens)
- New builds are energy-efficient and built to house multiple subsequent generations. No shortcuts on construction to ensure buildings last to accommodate several generations (100 years)
- Affordable to buy and to run
- Close proximity to social and community infrastructure including transport, shopping facilities, and schools.

(ii) Features of sustainable communities:

- Can only be built if housing issues are addressed first i.e. dwellings are sound and liveable, healthy and safe. Once the immediate physical housing needs are met, community members are more able to engage in their community
- Where tenants, homeowners and landlords have ownership over maintenance and are upskilled to undertake basic maintenance
- Have stable populations (this is influenced by home ownership levels and longer rental tenures) and are based on a hub concept with shared public spaces and with digital and cultural connections enabled

¹ World Commission on Environment and Development (WCED): Our common future. (The Brundtland Report): Oxford University Press, 1987 cf www.thenbs.com/knowledge/sustainable-housing

² Homestar is an independent rating tool that certifies the health, efficiency and sustainability of New Zealand homes. Around since 2010, it is a quality-assurance mark –like Energy Star for appliances, or the WELS scheme for water efficiency: <http://www.homestar.org.nz/what-homestar#sthash.MSka6IBl.dpuf>

- Size and design of dwellings enables adaptation to needs and are universally accessible, for example enables ‘ageing in place’ and can accommodate multi-generations.

All the issues identified in this paper (see pp. 14 to 22) clearly impact on sustainable housing.

What does Homestar™ Highest Rating look like?

To achieve a 10 Homestar™ rating demonstrates international best practice for being a high performing sustainable home. A sustainable home:

- **Minimises the potential detrimental effect on the environment as well as having a low social and economic impact over the “life cycle” of the building**
- **If properly designed, constructed, and maintained, a sustainable home will require less money and fewer resources to operate, and will be healthier for its occupants**
- **Fundamentally the house must be able to generate 100% of the home’s electricity supplied with renewable energy generated on site, such as from photovoltaic solar panels on the roof, as well as being self-sufficient in water**
- **Includes space to grow vegetables and fruit trees**
- **Native planting covering 70% of garden**
- **Close proximity to park, supermarket, dairy or public transport.**

www.homestar.org.nz/homestar-ratings-guide



2.2 Sustainable housing – key issues and trends

Table 1 contains an overview of the current housing issues identified for each Territorial Authority (based on interview data with key informants and statistical information). The data demonstrates that the majority of areas experience issues with poor housing quality, and lack of affordable rentals. For individual district area overviews, including issues, see Appendix C.

Table 1 Overview of current housing issues by Territorial Authority

Current Housing Issue / Territorial Authority		Rotorua District	Opotiki District	Kawerau District	Taupo District	WBOP District	Whakatane District	Tauranga City
Affordability	Unaffordability to own							
	Lack of affordable rentals (short/long-term)							
Quality	Poor housing quality: old, cold, damp, stock in disrepair							
	“Reluctant”, “amateur” or “absent” ³ investors/whānau owned rentals and/or landlords who have insufficient funds to make improvements	X						
Availability & Suitability	Lack of family suitable dwellings (3+ bedroom)							
	Lack of 1-2 bedroom dwellings							
	Overcrowding: absolute and/or functional ⁴							
	Lack of suitable low cost and suitable housing: older People (1-2 bedroom)	X	?	?				
	Insufficient emergency/short term accommodation for women and children (non-family violence related), men, young people, families (for days up to 3 months)		?	X				
	Homelessness		X	X		?		
	Seasonal worker accommodation	?		?	?	?	?	X

³ Murray, W. (2015) Drivers of landlord motivation to upgrade and maintain their rental properties Summary prepared for Healthy Homes Initiatives providers meeting September 2015, Ministry of Health

⁴ Absolute overcrowding: exceeding the accepted standard for number of people per bedroom. Functional overcrowding: where there are enough bedrooms in the house but due to coldness, dampness etc. occupants live together in one room

Key	High need/pressing current issue	Current issue	?	X
			Unknown	Identified as not a current issue

2.3 Conceptualisation of housing issues

It is important to understand housing issues within the **broader contexts** of regional economic development, regional growth plans, transport infrastructure and employment trends, since all these factors influence housing markets and are interrelated. For example:

- (i) The planned aqua-farming in Opotiki presents a substantial opportunity to bring economic benefit to the town and surrounding areas. This development will have an impact on a number of issues, including local employment, local internal migration, population change and the need for sufficient and suitable housing.
- (ii) The lack of adequate and affordable inter-town public transport infrastructure which inhibits the use of housing in satellite towns to service larger centres due to the cost of private transportation (e.g., Mangakino to Taupo or Edgumbe to Whakatane).

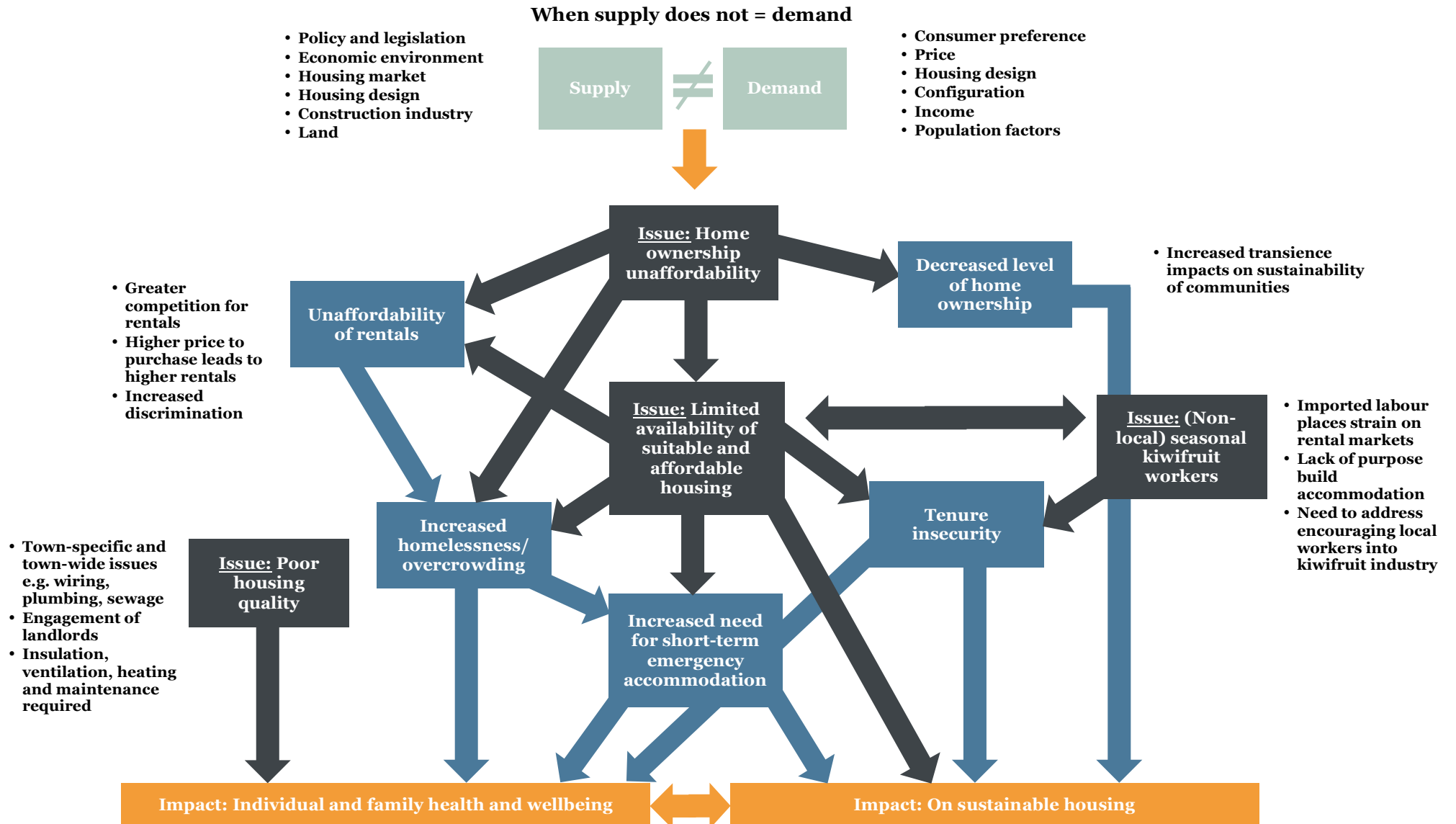
Also worthy of consideration is how **housing issues in different geographical localities influence each other**, particularly neighbouring areas. For example:

- (i) Flow-on effects from the buoyancy of the Auckland housing market have been widely recognised, as have its substantial impact on Tauranga, which in turn impacts on Rotorua. The further flow-on to the smaller centres of Whakatane, Taupo and Kawerau are, according to key informants, starting to be seen and are expected to increase (to a greater or lesser extent). In relation to Whakatane, some influx has been seen from Rotorua but mainly from the Auckland/Tauranga drift.
- (ii) A shortage of rental housing in Rotorua places greater pressure on the rental market in surrounding towns of Taupo and Whakatane.

The following figure provides a way to conceptualise the complexity of housing issues identified across the Bay of Plenty region, their initial and ultimate impact on individual and family/whānau, health and well-being and housing sustainability (in a broad sense including the notion of community sustainability) (see Figure 2).



Figure 2 Issues and Impacts within the Bay of Plenty Housing Sector



2.4 Current housing sector issues

2.4.1 Affordability

Housing affordability is influenced by housing demand and supply.⁵ Higher house prices in turn affect affordability to rent, which is reflected in higher rental outgoings for tenants. The factors influencing supply and demand are manifold and interrelated. Those most commonly identified are listed below⁶ and summarised in Table 2 along with key trends.

2.4.2 Demand

- (i) *Underlying*: population, external migration, internal migration
- (ii) *Effective demand*: Household wealth and income, financial factors (credit availability, inflation and interest rates), economic growth, consumer preferences, investor demand

2.4.3 Supply

Supply is affected by the number and configuration of existing dwellings, land availability, cost of land, construction and compliance, and the construction industry.

According to the Real Estate Institute of NZ....

"Sales across the (BOP) region were 'buoyant' in February after a slow start to 2016 with prices continuing to firm across the region. Demand for properties, sales volumes and prices are all lifting in smaller centres as well as the larger cities across the region, with some centres, such as Taupo seeing very strong demand in February. Listings remain in very short supply, with a drop of 45% in the number of properties available compared to February last year. There has been a recent slight increase in the number of properties for sale, but supply remains very tight".

(REINZ Regional Director, Philip Searle, www.reinz.co.nz, April 2016)

⁵ Briefing paper Understanding Housing Affordability, A. Grimes 2015, Motu Economic and Public Policy Research, NZ

⁶ From NZ Housing Report (2009/2010): Structure, Pressures and Issues. Dept. of Building and Housing, NZ.

Table 2 Supply and Demand: Key Factors in the Bay of Plenty

Bay of Plenty Supply And Demand: Key Factors	Key Trends
<p>Population projection (see Appendix D for population projections graphs)</p> <ul style="list-style-type: none"> Tauranga City is one of nine TAs projected to experience average annual growth greater than the national average at 1.4% and to have one of the highest rates of population growth. Medium level population projections show the population will increase by around 50,000 over the next 30 years, to reach 172,100 (but this could be as high as 194,000). There will be moderate increases for those aged up to 65, with the population of 65 and over projected to double from 22,740 to 46,900.⁷ Based on medium level projections, the population of Rotorua District in 2033 will be approximately the same as in 2013 (around 68,000) but the population of people over the age of 65 will double (from 9,250 to 18,050). Decreases will occur across all other age brackets. The districts of Taupo and WBOP are also projected to have increases (albeit more modest). Kawerau, Opotiki and Whakatane Districts are all projected to have decreases in populations.⁸ <p>Projected household type</p> <ul style="list-style-type: none"> The population of older people in Tauranga is growing rapidly. Trends of falling rates of home ownership prior to retirement for younger age cohorts, and the requirement for aged residential care in later old age create demand for two sorts of housing: (i) rental housing amongst as many as 30% to 35% of retired baby boomers and (ii) aged residential care as baby boomers reach 85.⁹ Tauranga City and the Western Bay of Plenty are the only districts in the BOP projected to have increases in both family and one-person households by 2038. Rotorua, Taupo, and Whakatane Districts are projected to have increases only in one-person households.¹⁰ <p>Supply</p> <ul style="list-style-type: none"> Assuming medium population projections, the BOP region is estimated to have an increase of 27,000 households by 2038. The projected increases for each TA by 2038 are: <ul style="list-style-type: none"> Tauranga City 19,500 WBOP 3,800 Rotorua 1900 Taupo 1600 Whakatane 400 	<ul style="list-style-type: none"> Projected increase in population for the region overall, most of which will be experienced in Tauranga City. Smaller districts are projected to experience declining populations. Increasing demand for residential care and rental housing for older population from 2031 onwards. While there is not a one to one relationship between the projected number of households and the number of dwellings that will be required, it can be considered indicative of a forecasted undersupply of suitable housing in the BOP region.

⁷ NZ Statistics Subnational population projections

⁸ Population projections should be understood as a statistical measure only based on fertility, mortality and migration assumptions that do not take into account planned economic development or other key factors that can influence town population growth or decline

⁹ Homeless Baby Boomers Report 2015, Salvation Army Social Policy and Parliamentary Unit

¹⁰ Subnational Family and Household Projections: 2013(base)-2038 Statistics NZ

Bay of Plenty Supply And Demand: Key Factors	Key Trends
<ul style="list-style-type: none"> Nationally, Tauranga City is projected to experience the third greatest numerical growth in households over the 2013–38 period (19,500). In 2010, a shortfall of around 1500 dwellings was forecast by 2021.¹¹ Land availability is an issue in Tauranga-Western Bay of Plenty but not all parts of EBOP or Taupo. No publicly available information was found for the current state or impact of compliance or construction costs. 	

2.4.4 Issue 1: Affordability to buy

Affordability to buy is a major issue in Tauranga, Western Bay of Plenty and increasingly in other areas (see Table 3).

Table 3 Affordability to Buy: Factors and Trends

Factors	Trend
<ul style="list-style-type: none"> Tauranga-Western Bay of Plenty is the second most unaffordable region in the country (after Auckland) and is deemed to be ‘severely unaffordable’ by international standards, with a median multiple of 8.1 meaning that the median house price is over 8 times the median income.¹² Other ratings indicate a lower 5.51 median multiple.¹³ Unaffordability particularly impacts on first home buyers who are not necessarily just young buyers. All districts in the BOP region showed an increase in average house value from February 2015 to February 2016¹⁴: 	<ul style="list-style-type: none"> Increasing unaffordability of home ownership due to price increases and relatively lower incomes in the BOP overall, and for Māori in particular. Increased house values in the last year were seen in Tauranga, WBOP, Rotorua and Opotiki. There is an expectation that house prices will rise in Taupo. Housing affordability is now a constraint for some middle income groups, whereas it had previously mainly been an issue for those on

¹¹ New Zealand Housing Report 2009/2010: Structure, Pressures and Issues

¹² Final Housing Affordability report 2016, NZ productivity commission (based on last quarter 2015 data)

¹³ <http://www.interest.co.nz/property/house-price-income-multiples> for Jan 2016

¹⁴ <https://www.qv.co.nz/resources/monthly-residential-value-index>

Factors					Trend
					lower incomes.
District	Increase in house value (%) 2015-16*	Median household income 2013**	Average house price Feb 2016*	Median multiple (2016)***	
Taupo	8.8%	\$56,600	\$372,261	-	
WBOP	13.4%	\$55,600	\$484,340	-	
Tauranga City	22.3%	\$55,800	\$564,547	5.51	
Rotorua	10.2%	\$55,500	\$299,964	3.25	
Whakatane	6.2%	\$55,300	\$315,504	-	
Kawerau	4.8%	\$37,300	\$114,965	-	
Opotiki	11.7%	\$40,300	\$221,279	-	
<p>* https://www.qv.co.nz/resources/monthly-residential-value-index</p> <p>** Statistics NZ, Census 2013</p> <p>*** http://www.interest.co.nz/property/house-price-income-multiples</p> <ul style="list-style-type: none"> • The percentage of disposable income that households spend on housing is inversely proportional to their income quintile: in less wealthy households more is spent on housing (30% or more) and typically, tenants pay more in housing costs than home-owners. • Relatively lower incomes in the Bay of Plenty result in increasing unaffordability, particularly for Māori¹⁵ : <ul style="list-style-type: none"> ○ The median income of people aged 15 years and over in the Bay of Plenty is lower than the national median: \$26,200 (\$20,600 for Māori) compared to the national median of \$28,500 (\$22,500 for Māori as a whole). ○ 39.3% of people aged 15 years and over in the Bay of Plenty Region have an annual income of \$20,000 or less (49% for Māori), compared with 38.2% of people for New Zealand as a whole (46.3% for Māori as a whole). 					

2.4.5 Issue 2: Affordability to rent

Affordability to rent is highly related to affordability to buy: rental demands increase as house prices increase. There is a need for more affordable rentals, long-term rental tenure and rentals suitable for older people and seasonal workers (see Table 4).

¹⁵ NZ Statistics Census 2013

Table 4 Affordability to Rent: Factors and Trends

Factors	Trend
<ul style="list-style-type: none"> • Higher than average rent increases as a result of increased demand from the influence of the Auckland housing market. In 2015, Bay of Plenty had the second highest increase in average rents (5.6%) (Auckland was higher at 6.0%)¹⁶. • Average weekly rents are on the rise for new tenancies for most dwelling types provided by private landlords. Currently, the median rent for a three bedroom house is \$390/wk in Tauranga (increased from \$360 in 2015). The median rent for a three bedroom house in Rotorua is \$330 per week, increased from \$290/wk in 2015¹⁷. • 93% of Accommodation Supplement recipients spend more than 30% of their income on housing costs, three in four spent more than 40% and almost half spent more than 50%¹⁸ (30% is agreed OECD upper threshold). • There is limited social and affordable housing provision in Tauranga, with a shortage of emergency and transitional housing for single people and families. There are no social housing providers that operate in Rotorua. • Impact of short-term rental tenures to accommodate seasonal Kiwifruit workers affects short-term availability and affordability of rentals and long-term tenure of rentals for the wider population (particularly Opotiki). <p>Nationally:</p> <ul style="list-style-type: none"> • Of all severely housing-deprived adults¹⁹, 49% worked, studied or did both. Despite this, they had insufficient resources to obtain a minimally adequate home for themselves or their family. Most affected are children and young adults, ethnic minorities and sole-parent families. • Severe housing deprivation is associated with new migration, especially from the Pacific or North Asia, high residential mobility, limited education, unemployment, labour force exclusion and unskilled work. • There is an increased need for low cost rental housing for older people based on the forecasted doubling of people receiving both the Accommodation Supplement and Superannuation over the next ten years and the falling rate of home ownership²⁰. 	<ul style="list-style-type: none"> • Average rent increase higher than national average. • Increasing need for short-term, low-cost rental solutions. • Increasing need for long-term rental tenures. • Increasing need for low-cost rentals to service retired older people.

¹⁶ Homeless Baby Boomers Report 2015, Salvation Army Social Policy and Parliamentary Unit

¹⁷ <http://www.landlords.co.nz/housing-statistics/rental-graphs.php>

¹⁸ Household Incomes Report and the companion report using non-income measures (NIMs): Background and Key Findings, MSD 2015

¹⁹ Amore, Kate, Viggers, Helen, Baker, Michael G, and Howden-Chapman, Philippa, *Severe Housing Deprivation: The problem and its measurement*, Official Statistics Research Series, 6, Statistics New Zealand, September 2013

²⁰ Homeless Baby Boomers Report 2015, Salvation Army Social Policy and Parliamentary Unit

2.4.6 Issue 3: Availability and suitability

Availability refers to the sufficiency of quality and affordable housing stock supply sustainable over time. Lack of available housing is associated with overcrowding, ‘couch surfing’, increased need for emergency accommodation and increased homelessness. Those most often affected by under-supply are those on low income, unemployed or under-employed, sole parent families and Māori. The **suitability** of housing refers here to how well the dwelling meets the needs of its occupants in terms of accessibility and configuration. Key factors and trends are contained in Table 5.

Table 5 Availability and Suitability: Factors and Trends

Factors: Availability	Trend
<ul style="list-style-type: none"> • Overcrowding was identified in Rotorua by Toi Te Ora Public Health (Lakes/BOP). Key informants also indicated overcrowding was an issue in Opotiki, Whakatane, Tauranga and Taupo. • An increase in Tauranga, Taupo and Whakatane of homelessness, overcrowding and transient tenancies have been linked to the general undersupply and unaffordability of housing that is interrelated with the areas’ low median income.²¹ • Need for long-term accommodation for families disadvantaged by short rental tenures used to accommodate seasonal workers. • Landlords able to charge premium rental in response to short term demand from seasonal workers, and some existing tenants sublet to take advantage of demand. • Anecdotal evidence of working individuals and families living in cars in Tauranga and Taupo. • There is concern that young people in general (not just those at risk) are finding it increasingly difficult to obtain affordable and suitable accommodation.²² 	<ul style="list-style-type: none"> • Increasing need to address emergency/short-term accommodation issues. • Increasing need for accommodation to house seasonal workers. • Increasing need for longer rental tenures. • Need for one and two-person affordable houses is projected to increase.
Factors: Suitability	Trend
<ul style="list-style-type: none"> • Housing must meet the needs of the diverse population in relation to: <ul style="list-style-type: none"> ○ Demographic changes: By 2038, couple-without-children families are projected to be the most common family type in the BOP region and the most common households will be families and one-person.²³ ○ Older people: ageing population and associated issues related to accessibility and taking into consideration social care and community services, social infrastructure (proximity to services), transport, quality of housing and psycho-social factors of aging in place, identity, connectivity and inclusion.²⁴ 	<ul style="list-style-type: none"> • Changing composition of households will require more homes to house 1 person households (1-2 bedroom) and families. • Greater demand for houses with intergenerational qualities, universal access design (to enable aging in place) and greater accessibility for all uses – including wider doorways, and double rooms that

²¹ Tauranga Community Housing Trust. Environmental Scan February 2016.

²² Housing Health Report, Bay of Plenty DHB Toi Te Ora - Public Health Service, 2008 and anecdotal evidence

²³ Statistics NZ (2013-base) Projected households and families by type and for each Territorial Authority.

²⁴ Homeless Baby Boomers Report 2015, Salvation Army Social Policy and Parliamentary Unit

<ul style="list-style-type: none"> ○ Accessible housing: houses that have universal access design and are able to accommodate inter-generational requirements. This enables aging in place for older people and greater accessibility for people with impaired mobility or parents with mobility-impaired children. ○ Culture: capacity to accommodate extended families, not necessarily in the same dwelling but on the same property. 	<p>can fit bunks.</p> <ul style="list-style-type: none"> • Greater variation in dwelling type will be required to accommodate different needs over time.
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2.4.7 Issue 4: Quality of housing

Housing quality refers to the extent to which the dwelling is healthy and safe for its occupants. According to the NZ Business Council for Sustainable Development energy usage for heating is directly related to insulation levels.²⁵ In 2008, 1.04 million homes (65% of current housing stock) were built before insulation was required and 45% of existing homes were mouldy. While only 6% of housing was completely uninsulated, 64% of houses did not have insulation under their floors; 29% did not have fully insulated ceilings and 71% did not have all walls insulated.²⁶

It is well known that damp, cold, and mouldy houses are associated with poor health and that insulating existing houses makes the indoor environment significantly warmer and drier, while lowering energy use. Fitting insulation significantly improves occupants' health, reduces days off school or work, and visits to general practitioners, and results in fewer hospital admissions for respiratory conditions.²⁷ It is also cost-effective as it is estimated that for every \$1 invested into insulating homes, there is a \$5.20 return to the community through health benefits and power savings.²⁸

Additionally, key informants highlighted the need to ensure maintenance and repair issues are addressed to maximise effectiveness and utility of insulation installation. This includes attending to draughts, rotting window frames, poor roofing and guttering, and ensuring adequate and appropriate ventilation and heating. Key factors and trends are contained in Table 6.

²⁵ NZ Business Council for Sustainable Development *Better Performing Homes for New Zealanders: Making it Happen*, 2008

²⁶ NZ Business Council for Sustainable Development *Better Performing Homes for New Zealanders: Making it Happen*, 2008

²⁷ Howden-Chapman, P., Matheson, A., Crane, J., Viggers, H., Cunningham, C., Blakely, T., Cunningham, C., Woodward, A., Kay Saville-Smith, K., O'Dea, D., Kennedy, M., Baker, M., Waipara, N., Chapman, R., & Davie, G. (2007) Effect of insulating existing houses on health inequality: cluster randomised study in the community. *BMJ* doi:10.1136/bmj.39070.573032.80 (published 26 February 2007)

²⁸ Smart Energy Solutions cited in Central Lakes Trust media release, 2015

Table 6 Quality of Housing: Factors and Trends

Factors: Quality of Housing	Trend
<ul style="list-style-type: none"> • Housing quality issues are experienced across the income spectrum but are more prevalent in lower-income households and households experiencing higher levels of deprivation.²⁹ • Housing stock in smaller towns and rural settlements built in the same era tends to be old and/or built cheaply and is now facing widespread electrical wiring and/or plumbing repair needs. Many whānau-owned homes in high deprivation areas require major maintenance due to age. • In the BOP, rates of households reporting problems with damp or mould vary from 29.5%³⁰ (minor problems, no major) to 22%³¹ (experience noticeable dampness or mould inside their house). • A higher proportion of Māori than non-Māori have noticeable dampness and mould inside their homes (28.5%). While 62% of non-Maori effectively heat their homes in winter, 16.4% of Māori experienced great difficulty in heating their homes in winter • So-called 'reluctant' or 'accidental' landlords or amateur investors are often less willing or financially able) than professional investors to address housing quality issues³². • The areas with the highest hospitalisation rate for respiratory infections were Kawerau District and Rotorua District. The areas with the lowest rate were Taupo District and Western BOP District. The Eastern BOP had a higher rate than the Western BOP.³³ • Some groups are over-represented in childhood hospitalisation data for respiratory infections including in the wider BOP region: <ul style="list-style-type: none"> ○ Infants aged less than 1 year (particularly for bronchiolitis) ○ Children aged less than 5 years ○ Males (particularly for bronchiolitis) ○ Māori (particularly for bronchiolitis) ○ Children from high deprivation areas (particularly for bronchiolitis and pneumonia) ○ Children from the Eastern BOP and Rotorua • The 2013 asthma hospitalisation rates are higher than the national average in the Bay of Plenty.³⁴ • The new Rental Tenancy Act will not address the 	<ul style="list-style-type: none"> • Need for housing repairs and maintenance of old stock in small towns will continue to rise without intervention. • Sub-regional and ethnic inequalities continue for childhood hospitalisation rates for respiratory infections. • Without intervention, rates of households experiencing dampness and mould will continue, resulting in associated costs in terms of hospitalisations, visits to GP, days missed at school and work. • Difficulty in engaging some landlords to address issues of housing quality. A housing WOF may address this but requires agreement at a political level.

²⁹ Perry, B. The material wellbeing of New Zealand households: trends and relativities using non-income measures, with international comparisons, Ministry of Social Development 2015

³⁰ NZ General Social Survey, Housing Quality Measures 2014, Statistics NZ. (minor problems with damp or mould (no reported major problems) compared to 25.6% minor problems and 6.2% major problems reported for total population)

³¹ Issues of Health and Wellbeing, 2012 Population Survey, Public Health Survey Technical Report, November 2012 (Toi Te Ora Public Health Service, Bay of Plenty District Health Board)

³² Murray, W (2015) Drivers of landlord motivation to upgrade and maintain their rental properties, presentation to Healthy Homes initiative providers meeting. Ministry of Health.

³³ Childhood Admissions to Hospital for Respiratory Infections 2008-2012 April 2015 Bay of Plenty DHB Toi Te Ora - Public Health Service

³⁴ The impact of respiratory disease in New Zealand: 2014 update, published by the Asthma Foundation 2015

Factors: Quality of Housing	Trend
<p>quality of thermal envelope needed to make a home healthy - it will provide a lower acceptable standard that does little to improve the health of the occupants or their ability to stay warm and dry. The 1978 standards are a minimum well below the desired international practice. There is a need for even greater education and awareness that the legislated requirement is not a health standard and much more needs to be done.</p>	

2.5 Potential roles and opportunities for Community Funders

The potential roles and opportunities for Community Funders were identified through interviews with key informants, and based on national and international examples (see Table 7). While acknowledging there are differences between the Community Funders in terms of their stated purpose, Trust Deeds and level of resources available for investment, there are a number of opportunities that can be considered by the Community Funders individually and as a group in the housing space. Some of these are current roles, expansions of current roles or new roles. However most are funding-related. Just as housing issues are complex and exist across the continuum, the opportunity also exists to invest in different issues to different levels.

Table 7 Potential roles of Community Funders

#	Role	Purpose
1	Direct investment in housing stock and/or land purchase	<p>A proportion of trusts' endowment funds could be used to invest in housing outcomes in the local community. For example \$x million in a fund could be used to invest in local houses and land. This could be applied only to new builds increasing potential spin-off benefits, for example, of employment and training programmes and social benefits. This would be a long-term investment where the capital gain can be reinvested.</p>
2	Social Lending	<p>To enable the purchase and/or development of land, buildings to provide social housing (including emergency accommodation) or micro-financing for home improvements (particularly maintenance, repairs, upskilling and DIY programmes) or building community capacity to respond to improvement needs.</p> <p>A mechanism to raise a pool of philanthropic and socially responsible investment capital to enable loans to community housing providers at lower interest rates and on more favourable terms. Trusts could set up a potentially combined fund to provide low interest social lending to providers to purchase housing. In this way, Community Funders could influence the housing sector by selectively supporting housing providers that intend to provide:</p> <ul style="list-style-type: none"> • 1 and 2 bedroom accommodation • New properties

#	Role	Purpose
		<ul style="list-style-type: none"> • Accessible houses • Low occupancy cost housing
3	Shared Equity Schemes	<p>Investment in shared equity schemes to enable the delivery of affordable homes and social housing. This can mean either horizontal shared equity (see below) or vertical shared equity where funders purchase the land and lease it back to the purchaser who buys the buildings.</p> <p>How it works:</p> <ul style="list-style-type: none"> • Purchaser buys into the home at a percentage of the market price (e.g. 70% - 75%) based on what they can afford. • Purchaser raises a deposit (minimum 5% of entire property price) and mortgage for their share and is responsible for mortgage repayments plus all other costs of ownership (rates, insurance, maintenance etc). • The Trust purchases the remaining share of the home (e.g. 25% - 30%) and acts as a silent co-partner. • When the purchaser decides to move, they sell their share (e.g. 70% - 75%) to the Trust based on an independent valuation - or the property is sold on the open market if the Trust does not wish to buy it. • Capital appreciation/depreciation on a sale is shared in proportion to ownership.
4	Housing Loan Guarantor	<p>This is a mechanism through which it may be possible to effectively partner with iwi, land trusts, or hapū to enable greater access to bank loans.</p> <p>In the future, Community Funders could also consider acting as a guarantor for returns on a joint pool of investment to enable affordable housing.</p>
5	Grants and Strategic Funds	<p>To enable effective community organisations operations in the housing space and deliver outcomes related to addressing housing issues and/or need: Operating costs, community development housing-related projects³⁵, electrical items, healthy homes.</p> <p>Supporting a more holistic approach to healthy homes, rather than a product-based solutions approach, where a staged approach to building healthy homes is based on a house assessment and includes sealing, repairs, insulation, ventilation, and heating.</p> <p>Within the framework of a community development approach, supporting programmes to build the capability of tenants and home-owners to carry out home maintenance and repairs themselves.</p>

³⁵ For example, in partnership with building industry training provider and community organisations, enable the purchase of a house in need of rebuild or renovation which can be undertaken by building trainees and the house then sold on, the profit of which could be invested for another house and so on.

#	Role	Purpose
6	Developing Community Housing Provider Capability	<p>Developing the capability of community housing providers in order to become more effective social housing providers through:</p> <ul style="list-style-type: none"> • Funding training provision in property management and associated legalities • Funding legal costs associated with tendering for housing stock
7	Advocacy	<p>Lobbying central government to enable improvements to housing stock, in areas of need and advocating for a Housing Warrant of Fitness for rentals.</p> <p>Advocacy for community housing providers to have a voice at national government level, for example identifying issues with existing programmes or requesting greater accessibility of less advantaged to affordable housing.</p>



2.6 Central and local government - roles and responsibilities

The commonly accepted current roles and responsibilities in the housing area of central and local government are detailed below (Table 8)³⁶:

Table 8 Central and local government roles in housing

Central Government	Local Government
<ul style="list-style-type: none"> • Overall policy and market shaping through its budget, regulatory and law-making powers including the Building Act and other legislative or regulatory standards • Provision of housing for those in need (MSD, Housing NZ, Minister for Building and Housing responsible for social housing, building and construction) • Improving energy efficiency of homes (EECA): Warm Up NZ delivers free ceiling and underfloor insulation to low-income households with health needs related to cold, damp housing issues • Māori Housing – Te Puni Kōkiri Housing Fund for emergency repairs, building capability around papakāinga housing, new builds and renovation, land development 	<ul style="list-style-type: none"> • Management of land resources – District Plans including zoning for land available for property development • Processing of building and environmental consents and other associated regulatory administration • Traditional providers of pensioner housing. However, amendments to the Local Government Act (2012) question the future role of Councils in social housing • SmartGrowth Joint Agency Group (TCC, WBOP DC, RBOPC, WBOP Māori Housing Forum, Māori Land Courts and Te Puni Kōkiri) facilitates development of Māori housing and encourages relationship between Land Trusts and Councils³⁷

³⁶ It is acknowledged that this is what CG and LG are currently doing however there are many other roles that they potentially could play, particularly central government, that could be demonstrated by the varying roles state or federal governments play in housing in different countries and that CG or LG roles could well change if there was political will, change of government

³⁷ (i) through papakāinga workshops provide practical application of the Māori Housing Toolkit, builds Trust capability and relationships with Agencies to develop their Housing processes and plans and (ii) through JAG Facilitator role assist Māori Land Trusts post workshops, prepare funding and finance proposals; co-ordinate project through to code of compliance

2.7 Findings by housing sector segment

2.7.1 Private Housing Ownership

Key providers/role	Current issues (BOP wide and local where possible)	Key govt. policy indicators/strategic directions related to issues	Potential role(s) of Community Funders
<p>Central Government: Responsible for overall policy and market shaping through its budget, regulatory and law-making powers</p> <p>Te Puni Kōkiri: Housing Fund</p> <p>Local Government: Regulatory consents framework</p> <p>Private Developers: Providers of market rate housing serving significant portions of the housing continuum. Potential partners in consortia for stock regeneration.</p> <p>Lending Institutions</p> <p>Land trusts: Provide land for housing development (e.g. Nga Potiki and Mangatawa Trust).</p> <p>Community Providers:</p>	<p>Affordability</p> <ul style="list-style-type: none"> Housing is currently 'severely unaffordable' in Tauranga-Western Bay of Plenty. Housing is expected to become more unaffordable for Whakatane, Rotorua, Taupo, Opotiki where house prices have increased. <p>Availability</p> <p>Need to address population projections and demographic considerations:</p> <ul style="list-style-type: none"> Increased population in Tauranga City, Taupo and WBOP with a growing population of older people Decreased populations in Kawerau, Opotiki and Whakatane Districts Projected increase of 27,000 households in the BOP region by 2038 Need for more housing to accommodate both family and one person households in WBOP and Tauranga City Need for more for one-person households in Rotorua, Taupo and Whakatane <p>Suitability/Quality</p> <ul style="list-style-type: none"> Need to target housing quality solutions geographically in order to address those with 	<p>Central Government:</p> <p>In late 2012, Deputy Prime Minister Bill English announced the following policies to directly address the nation's housing affordability crisis:</p> <ul style="list-style-type: none"> Increased land supply To restore a competitive market for land, the lack of which is the core of the affordability problem. There is also to be an emphasis on alternative infrastructure finance, the costs of which have often been imposed on new housing construction, raising its costs and further exacerbating the affordability problem. The government also intends to reduce delays in planning consents and to achieve a 20% increase in construction productivity by 2020. <p>WBOP Housing Accord 2014 between the Council and the Government is intended to result in increased housing supply and improved housing affordability in the Western District including the development of seven Special Housing Areas that would allow up to 2000 new homes to be built.</p>	<ol style="list-style-type: none"> Shared Equity Programmes First Home Buyer's market Investment in Shared Equity programmes either directly or via start-up funding to enable shared equity programme delivery. Funding initiatives to address issues of housing quality or that enable affordable housing for most disadvantaged. Housing Loan Guarantor for Partnering with iwi/land trusts to increase affordability for Māori land and housing development.

Key providers/role	Current issues (BOP wide and local where possible)	Key govt. policy indicators/strategic directions related to issues	Potential role(s) of Community Funders
Habitat for Humanity	<p>greatest need. This will reduce sub-regional and ethnic inequalities in childhood hospitalisation rates for respiratory infections: Kawerau District and Rotorua District and Māori.</p> <ul style="list-style-type: none"> • There is a greater demand for houses with intergenerational qualities, universal access (to enable aging in place) and greater accessibility for all uses- wider doorways, double rooms that can fit bunks etc. • Not all home-owners can afford retrofitting, repairs and maintenance required to ensure healthy homes – the “working poor”. • Many new homes being built, meet the minimum building code and with the lowest possible quality considerations in both land and home - these homes will be a big problem in 20 - 30 years 	<p>SmartGrowth Strategy 2013 is the spatial plan for the western Bay of Plenty sub-region within the context of the wider Bay of Plenty region and Upper North Island. It has a 50 year horizon with a strong focus on the next 20 year planning period. It contains five interest areas:</p> <ul style="list-style-type: none"> (i) Strengthen visionary leadership and collaboration (ii) Sustain and improve the environment (iii) Build the community (iv) Grow a sustainable economy (v) Recognise tāngata whenua cultural identity and change. <p>It also contains a Settlement Pattern which includes the SmartGrowth corridors, population projections and demographic analysis, staged development of the Settlement Pattern, residential land, residential intensification, business land, transport and other infrastructure.</p>	

2.7.2 Private Housing: Rental

Key providers/role	Current issues (BOP wide and local where possible)	Key govt. policy indicators/strategic directions related to issues	Potential role(s) of Community Funders
<p>Central Government: Responsible for overall policy and market-shaping through its budget, regulatory and law-making powers</p> <ul style="list-style-type: none"> • EECA (Energy Efficiency and Conservation Authority) Warm Up New Zealand: Healthy Homes programme <p>Approved EECA Providers: Delivering the Warm Up New Zealand: Healthy Homes programme.</p> <p>Private Developers: Providers of market rate housing serving significant portions of the Housing Continuum. Potential partners in consortia for stock regeneration.</p> <p>Property Investors/landlords: Diverse category including professional investors, amateur investors (small scale, “Mum and Dad” investors), accidental</p>	<p>Affordability:</p> <ul style="list-style-type: none"> • Higher than average rent increases resulting from increased demand from internal migration. The increase in average rents was greater than the national average (4.5%) in the Bay of Plenty (5.6%). • The current research suggests this is increasingly widespread across the BOP. <p>Availability:</p> <ul style="list-style-type: none"> • Increasing need for low cost rentals to service retired baby-boomers and for more one-person households in Rotorua, Taupo and Whakatane. • Increasing need for long-term rental tenures. • Lack of suitable housing for seasonal workers (EBOP). <p>Housing Quality: Healthy and Safe housing: Related to poor air quality, substandard housing and overcrowding, the areas with the highest childhood hospitalisation rate for respiratory infections were Kawerau District and Rotorua District. Those in highest need are:</p> <ul style="list-style-type: none"> • Infants aged less than 1 year and children aged less than 5 years and those from high deprivation areas • Males • Māori <p>Pre-2000 dwellings uninsulated or under-insulated account for 42% of all housing stock in the BOP region</p>	<p>The Residential Tenancies Reform Bill</p> <p>Proposes that from 1 July 2019 all rental properties have underfloor and ceiling insulation where it can practically be installed. It will prescribe how much insulation and how many smoke alarms will be required as well as exclusions.</p> <p>An issue with the proposed legislation is the use of the 1978 standard for insulation (lower than the 2000 standard).</p>	<ol style="list-style-type: none"> 1. Continued grants to Healthy Homes programme. 2. A combined regional Trusts approach would produce better economies of scale for providers, resulting in a greater number of dwellings insulated for same investment. 3. Extension to grant funding of Healthy Homes to include improvements beyond insulation (heating, maintenance): via grants, social lending and micro-finance. 4. Advocating for a housing WOF for private rentals.

Key providers/role	Current issues (BOP wide and local where possible)	Key govt. policy indicators/strategic directions related to issues	Potential role(s) of Community Funders
<p>landlords (bequeathed property), whānau owned (multiple owners)</p> <p>Iwi and Land Trusts: e.g. Mangatawa Trust</p> <p>Community Housing Providers: e.g. IHC Social Housing</p>	<p>(excluding Taupo) (49,561 homes), 16% of all housing stock is currently insulated under Healthy Homes or Heat Smart Programmes (18,593).</p> <p>So-called reluctant landlords, accidental landlords or amateur investors who are often less willing and sometimes less financially able than professional investors to address housing quality issues.</p> <p>Local issues:³⁸</p> <ul style="list-style-type: none"> • Kawerau: greatest issue is the need to replace electrical wiring in houses built in the 1950s³⁹. Following that is guttering, roofing, insulation and maintenance to address draughts and dampness • Murupara: electrical wiring, plumbing • Opotiki: mostly housing stock built cheaply in the 1970s now degenerating, most urgently requiring plumbing work • Rotorua: damp, cold, poor quality and old housing stock, heating regulations prohibit open fires⁴⁰ • Tauranga City, WBOP: pockets of housing in disrepair, cold, damp • Whakatane: many homes that are in dire need of maintenance and are of poor condition. 		

³⁸ It was noted that decaying homes, poor housing conditions, poor building materials, low housing maintenance are common throughout the BOP.

³⁹ It was noted that there was little point in investing maintenance into a home with rubber wiring because of obvious health and safety risks and also related insurance issues or lack of. The wiring doesn't have the direct effect on health that draughty or broken windows would for example, or lack of insulation. But the wiring is least likely to be replaced because of the cost.

⁴⁰ There are regulations to address the wintertime air quality problem requiring the removal of older solid fuel heaters when there is a ready supply of firewood which may be more affordable for home heating than alternatives.

2.7.3 Public Housing: State

Key providers/role	Current issues (BOP wide and local where possible)	Key govt. policy indicators/strategic directions related to issues	Potential role(s) of Community Funders																					
<p>Central Government: Responsible for overall policy and market-shaping through its budget, regulatory and law-making powers</p> <p>Housing New Zealand Corporation: Continuing role as significant provider in housing markets across New Zealand. Participant in stock transfer transactions to achieve portfolio realignment goals and address needs of local communities</p> <p>Private Debt/Equity Institutions: Potential new partners in social and affordable housing if policy and market settings are favourable</p> <p>Community Housing Providers: Accessible Properties, Community Housing Trust</p>	<p>Affordability:</p> <ul style="list-style-type: none"> 29,000 people in the BOP receive the accommodation supplement (\$1.8m/wk in total) and income related rent subsidy is paid to around 1200 in state houses. There is an increasing trend in income related rents in the city⁴¹. <p>Availability:</p> <ul style="list-style-type: none"> HNZ has 912 social housing units in Tauranga with around 1200 in the wider Tauranga region and owns 694 houses in Rotorua⁴². As at Dec 2015, for the BOP region the MSD Social Housing Register showed 385 applications for Priority A housing⁴³ and 93 for Priority B housing.⁴⁴ The breakdown by sub-region is as follows⁴⁵: Insufficient supply of 4-5 bedroom houses for families <table border="1" data-bbox="539 1023 996 1267"> <thead> <tr> <th>TA</th> <th>Priority A</th> <th>Priority B</th> </tr> </thead> <tbody> <tr> <td>Tauranga City</td> <td>127</td> <td>43</td> </tr> <tr> <td>Rotorua</td> <td>25</td> <td>18</td> </tr> <tr> <td>WDBOP</td> <td>18</td> <td>14</td> </tr> <tr> <td>Whakatane</td> <td>15</td> <td>18</td> </tr> <tr> <td>Opotiki</td> <td>-</td> <td>-</td> </tr> <tr> <td>Kawerau</td> <td>-</td> <td>-</td> </tr> </tbody> </table>	TA	Priority A	Priority B	Tauranga City	127	43	Rotorua	25	18	WDBOP	18	14	Whakatane	15	18	Opotiki	-	-	Kawerau	-	-	<p>The Social Housing Reform Programme will increase the supply of social housing in New Zealand. It builds on a number of measures taken over recent years to provide more New Zealanders in need with quality and affordable housing. The key objectives of the programme are to:</p> <ul style="list-style-type: none"> Ensure social housing is the right design and size, and in the right place for people who need it Increase affordable housing supply Ensure people who need housing support can get it and receive social services that meet their needs Encourage and develop more diverse ownership of social housing, with more innovation and responsiveness to tenants and communities Help social housing tenants to independence, as appropriate <p>The proposed transfer of approximately 1124 Tauranga Housing New Zealand Corporation (HNZ) properties and tenancies has proceeded to the next commercial transaction stage, with the</p>	<ol style="list-style-type: none"> Social Lending to enable the purchase of affordable housing stock as it becomes available Investing in developing the capacity of potential Community Housing providers in order to become (more) effective social housing providers through: <ul style="list-style-type: none"> Funding training provision in property management and associated legalities. Funding legal costs associated with tendering for housing stock.
TA	Priority A	Priority B																						
Tauranga City	127	43																						
Rotorua	25	18																						
WDBOP	18	14																						
Whakatane	15	18																						
Opotiki	-	-																						
Kawerau	-	-																						

⁴¹ Minutes from Public Meeting on social housing attended by MP Todd Muller. Welcome Bay Community Centre. 2016

⁴² HNZN internal document

⁴³ A priority = people considered at risk, with a severe and persistent housing need that must be addressed immediately

⁴⁴ B priority = people who have a serious housing need and a significant and persistent need

⁴⁵ <http://www.housing.msd.govt.nz/information-for-housing-providers/register/2015/territorial-local-authority-december.html>

Key providers/role	Current issues (BOP wide and local where possible)	Key govt. policy indicators/strategic directions related to issues	Potential role(s) of Community Funders																																																																				
	<p>The majority (86%) of the stock are two or three bedroom homes. There is a need for more one bedroom homes as only 3% of the housing stock is one-bedroom homes but 40% of those on the social housing register require one-bedroom homes. The need for affordable one and two-bedroom houses is projected to increase.</p> <table border="1" data-bbox="510 507 1099 791"> <thead> <tr> <th rowspan="2">TA</th> <th colspan="5">Bedrooms Required</th> <th rowspan="2">Total available</th> </tr> <tr> <th>1</th> <th>2</th> <th>3</th> <th>4</th> <th>5+</th> </tr> </thead> <tbody> <tr> <td>Kawerau</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>0</td> </tr> <tr> <td>Opotiki</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>12</td> </tr> <tr> <td>Rotorua</td> <td>14</td> <td>11</td> <td>10</td> <td>-</td> <td>-</td> <td>43</td> </tr> <tr> <td>Taupo</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>9</td> </tr> <tr> <td>Tauranga</td> <td>62</td> <td>61</td> <td>33</td> <td>-</td> <td>-</td> <td>170</td> </tr> <tr> <td>WBOP</td> <td>7</td> <td>16</td> <td>-</td> <td>-</td> <td>-</td> <td>32</td> </tr> <tr> <td>Whakatane</td> <td>11</td> <td>16</td> <td>6</td> <td>-</td> <td>-</td> <td>33</td> </tr> <tr> <td>Total</td> <td>94</td> <td>104</td> <td>49</td> <td>-</td> <td>-</td> <td>299</td> </tr> </tbody> </table> <p>Note:</p> <ul style="list-style-type: none"> (i) The need measured via the MSD Social Housing Register refers to the location of the applicant and not where they wish to move to. It is likely that the need in more popular areas is under-estimated (e.g. Tauranga) and in less popular areas is over-estimated. The number of bedrooms required is influenced by the configuration of available houses. (ii) To enable a more accurate assessment of need it would be useful for MSD to align data collection to the area in which there is the need. (iii) Anecdotal evidence suggests MSD may be under-reporting need due to stringent filtering on initial contact. <p>Housing Quality: Healthy and Safe housing</p>	TA	Bedrooms Required					Total available	1	2	3	4	5+	Kawerau	-	-	-	-	-	0	Opotiki	-	-	-	-	-	12	Rotorua	14	11	10	-	-	43	Taupo	-	-	-	-	-	9	Tauranga	62	61	33	-	-	170	WBOP	7	16	-	-	-	32	Whakatane	11	16	6	-	-	33	Total	94	104	49	-	-	299	<p>selection of three organisations approved to tender (to be concluded by end June).</p> <p>The Residential Tenancies Reform Bill proposes that from 1 July 2019 all rental properties have underfloor and ceiling insulation where it can practically be installed. It will prescribe how much insulation and how many smoke alarms will be required as well as exclusions. It has passed its first reading in Parliament.</p>	
TA	Bedrooms Required					Total available																																																																	
	1	2	3	4	5+																																																																		
Kawerau	-	-	-	-	-	0																																																																	
Opotiki	-	-	-	-	-	12																																																																	
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Taupo	-	-	-	-	-	9																																																																	
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Key providers/role	Current issues (BOP wide and local where possible)	Key govt. policy indicators/strategic directions related to issues	Potential role(s) of Community Funders
	Due to its age, most HNZ stock is in need of repair and maintenance that will be a cost borne by the successful tenderer for the housing stock.		

2.7.4 Public Housing: Territorial Local Authority (TLA)

Key providers/role	Current issues (BOP wide and local where possible)	Key govt. policy indicators/strategic directions related to issues	Potential role(s) of Community Funders																								
<p>Central Government: Responsible for overall policy and market-shaping through its budget, regulatory and law-making powers</p> <p>Local Government: Continuing provider of social housing in many communities. Potential partner in stock transfer transactions where community needs are better met by other providers. Responsible for planning and consenting to foster mixed-income, mixed-tenure communities</p> <p>Community Housing Providers: Accessible Properties, Community Housing Trust</p>	<p>Availability:</p> <p>There are waiting lists for pensioner housing across the Bay of Plenty. In Tauranga the wait can be in excess of two years.</p> <p>The Whakatane District Council's 79 pensioner housing units were sold to Tauranga Community Housing Trust (TCHT) for \$2.5 million. Ownership of the units transferred on 1 October 2015, with all existing tenancy arrangements continued under the same terms and conditions⁴⁶:</p> <p>2015 TLA housing stock provision levels:</p> <table border="1"> <thead> <tr> <th>Rotorua</th> <th>No. Units</th> <th>No. People</th> </tr> </thead> <tbody> <tr> <td>Taupo DC</td> <td>57</td> <td>57</td> </tr> <tr> <td>Tauranga CC</td> <td>274</td> <td>261</td> </tr> <tr> <td>WBOP DC</td> <td>60</td> <td>60</td> </tr> <tr> <td>Whakatane DC</td> <td>79</td> <td>81</td> </tr> <tr> <td>Rotorua CC</td> <td>152</td> <td>150</td> </tr> <tr> <td>Opotiki</td> <td>-</td> <td>-</td> </tr> <tr> <td>Kawerau</td> <td>-</td> <td>-</td> </tr> </tbody> </table> <p>Faced with aging housing stock, changing demographics and increased cost of housing operations and maintenance, there is a continuing trend of Local Authorities disinvesting pensioner housing stock.</p>	Rotorua	No. Units	No. People	Taupo DC	57	57	Tauranga CC	274	261	WBOP DC	60	60	Whakatane DC	79	81	Rotorua CC	152	150	Opotiki	-	-	Kawerau	-	-	<p>Social Housing Reform influence at local government level and the definition of social housing provider (contained in the Reforms) that excludes local authorities due to their ineligibility to access Income Related Rental funding.</p> <p>Amendments to the Local Government Act (2012) where the future involvement of councils in social housing is questioned, particularly with reference to the Social Housing Reforms⁴⁷.</p>	<ol style="list-style-type: none"> Social Lending for purchase of TLA stock. Investing in developing the capacity of community housing providers in order to become more effective social housing providers through: <ul style="list-style-type: none"> Funding training provision in property management and relevant legalities. Funding legal costs associated with tendering for housing stock.
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⁴⁶ <http://www.whakatane.govt.nz/residents/pensioner-housing>

⁴⁷ Kessaram, T (2013). Getting into the Act: Local government and public health in 2013 and beyond. Public Health Association of NZ

2.7.5 Community Housing: Community Housing Providers

Key providers/role	Current issues (BOP wide and local where possible)	Key govt. policy indicators/ strategic directions related to issues	Potential role(s) of Community Funders																																																
<p>Central Government: Responsible for overall policy and market-shaping through its budget, regulatory and law-making powers</p> <p>Community Housing Providers: Deliver full continuum of housing services from short-term emergency support through to pathways to home ownership for low-income families (e.g. Habitat for Humanity, Accessible Properties, Community Housing Trust)</p> <p>Potential Community Housing Providers: Potential consortiums to purchase Housing NZ stock (made up of iwi and/or other providers)</p> <p>Potential Iwi and Land Trusts: Financial and asset-providing partners with CHOs</p>	<p>Current level of community housing: Community Housing provided by estimated Community Housing Associated (CHA) affiliated, Registered Community Housing Organisations (CHO) and non-CHA affiliated providers⁴⁸ is approximately 150 across the BOP.</p> <table border="1" data-bbox="533 579 1144 842"> <thead> <tr> <th>TA</th> <th>Bedsit /1-bed</th> <th>2-bed</th> <th>3-bed</th> <th>4+ bed</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Tauranga CC</td> <td>22</td> <td>42</td> <td>12</td> <td>28</td> <td>104</td> </tr> <tr> <td>Rotorua CC</td> <td>1</td> <td>2</td> <td>2</td> <td>9</td> <td>14</td> </tr> <tr> <td>Taupo DC</td> <td>4</td> <td>4</td> <td>0</td> <td>5</td> <td>13</td> </tr> <tr> <td>Whakatane DC</td> <td>3</td> <td>5</td> <td>0</td> <td>2</td> <td>10</td> </tr> <tr> <td>Opotiki DC</td> <td>1</td> <td>2</td> <td>1</td> <td>4</td> <td>9</td> </tr> <tr> <td>Kawerau</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> </tr> <tr> <td>WBOP DC</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> </tr> </tbody> </table> <p>Tauranga Community Housing Trust owns and leases around 100 homes in Tauranga and 100 in Whakatane. This primarily provides housing for people with disabilities, but also houses older people</p> <p>Increasing need to address emergency/short-term accommodation issues: Rotorua, WBOP, Tauranga, Taupo</p> <p>Main issues for Community Housing Providers⁴⁹</p>	TA	Bedsit /1-bed	2-bed	3-bed	4+ bed	Total	Tauranga CC	22	42	12	28	104	Rotorua CC	1	2	2	9	14	Taupo DC	4	4	0	5	13	Whakatane DC	3	5	0	2	10	Opotiki DC	1	2	1	4	9	Kawerau	0	0	0	0	0	WBOP DC	0	0	0	0	0	<p>Social Housing Reform Programme</p> <p>Our Place: All NZers are Well-housed⁵⁰: Drafted by Community Housing Aotearoa, this Strategy was prepared on behalf of the Community Housing Sector. Five Priority areas:</p> <ul style="list-style-type: none"> Housing policy: leadership from a sector perspective Sector Expertise: assist government to align its work-streams Strong providers: build the capability and capacity of diverse housing providers Grow Supply: increase social and affordable housing in mixed-tenure, mixed-income communities Measure achievements: evaluate social outcomes and demonstrate our value 	<ol style="list-style-type: none"> Direct investment in housing stock or through purchase of land Investment in Shared Equity programmes either directly or via start-up funding to enable shared equity programme delivery, to enable the purchase of affordable housing Social Lending Housing Bond guarantor for community housing providers that have low equity Investing in developing the capacity of community housing providers in order to become (more) effective social housing providers through: <ul style="list-style-type: none"> Funding training provision in property management, relevant legalities
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⁴⁸ Community Housing Provision Prepared for Community Housing Aotearoa Kay Saville-Smith, Ruth Fraser and Nina Saville-Smith Centre for Research, Evaluation and Social Assessment 17 December 2014

⁴⁹ Details Matter: Taking Stock of the Community Housing Sector in Aotearoa, Community Housing Aotearoa, 2015

⁵⁰ Community Housing Aotearoa Our Place All New Zealanders Well-housed: Setting a proposed direction for the community housing sector in Aotearoa. 2015

Key providers/role	Current issues (BOP wide and local where possible)	Key govt. policy indicators/ strategic directions related to issues	Potential role(s) of Community Funders
<p>Private Debt/Equity Institutions: Potential new partners in social and affordable housing if policy and market settings are favourable</p>	<ul style="list-style-type: none"> • Lack of long-term policy settings to increase certainty • Need for the commitment of required resources to ensure providers are not burdened with high needs tenancies without the long term resources to effectively provide high quality management and service • A competitive tendering process that (i) includes smaller organisations due to the significant investment of human and financial resources required for an uncertain outcome and (ii) ensures that focus improved outcomes for communities, families and individuals are central to the evaluation of proposals • Greater facilitation of private sector engagement to work in partnership with a CHO through clearly defined roles and responsibilities of the parties to the transaction, increased certainty of the transaction structure and alignment with funding tools. Other structures need to be developed which address iwi land holdings. • Address current uncertainty re. charitable status of CHOs: Concern about the potential direct tax costs, but also the indirect costs of professional tax and legal advice required to continue addressing their local housing needs while complying with legal obligations. The sector believes the right tax settings can enable alternative income streams and the provision of a range of services across the housing continuum. It seeks confirmation of the central role of the non-profit, no private 		<ul style="list-style-type: none"> • Funding legal costs associated with tendering for housing stock • Operating costs grants

Key providers/role	Current issues (BOP wide and local where possible)	Key govt. policy indicators/ strategic directions related to issues	Potential role(s) of Community Funders
	<p>pecuniary gain structure of trusts as a core means by which public investment is retained and recycled.</p> <ul style="list-style-type: none"> • Need for new financial tools to address the need for additional production which bring new resources to the table. By providing an investment return to private capital, housing bonds are a tool to attract the new capital sources required to complement government investment. <p>Key informants indicated that increasing amounts of community organisation resources are being spent on supporting and actively advocating for those in need to navigate through the relevant government agencies to access housing support. This is due to both increase in numbers of those seeking assistance and complexity of government agency processes.</p>		

2.7.6 Community Housing: Housing for Māori

Key providers/role	Current issues (BOP wide and local where possible)	Key govt. policy indicators/strategic directions related to issues	Potential role(s) of Community Funders
<p>Central Government: Responsible for overall policy and market-shaping through its budget, regulatory and law-making powers</p> <p>Te Puni Kōkiri: Housing Fund contains five housing related funding streams:</p> <ol style="list-style-type: none"> 1. Special Housing Action Zone: Support Māori building own capability around papakāinga housing initiatives 2. Kāinga Whenua Housing: Kāinga housing programme used in conjunction with partnership with Kiwibank: for infrastructure (roadways, power, sewerage) to support new housing (or homes moved onto land). 3. Whānau Emergency 	<p>Affordability:</p> <ul style="list-style-type: none"> • There are greater unaffordability issues for Māori due to relatively low-income levels, which are lower than the national Māori average and high unemployment. This causes difficulties in renting, applying for and servicing loans for home ownership. • Some Māori whānau and Hapū face the issue of being asset-rich but in a market where no one will lend to multiple-owned landowners, so cannot develop the land or build property. Trusts can give occupancy but not get loans to develop and build. <p>Availability:</p> <ul style="list-style-type: none"> • Need for more kaumātua housing and housing that meets cultural and intergenerational needs (capacity to house extended whānau) <p>Process of land development</p> <ul style="list-style-type: none"> • The significant issues for the region in relation to Māori and Māori land are: <ul style="list-style-type: none"> ○ The potential for growth in the Māori economy, particularly in the EBOP, and the associated need for affordable housing for workers to support growth (e.g. aqua-farming in Opotiki) ○ Multiple-owned Māori land is problematic for registering loan security 	<p>The release of Te Whare Ahura He Oranga Tangata – the Māori Housing Strategy (2015-2018) seeks to:</p> <ul style="list-style-type: none"> • Improve housing outcomes for Māori whānau; and • Increase housing choices for Māori by growing the Māori housing sector. • To begin implementation of the Strategy, government allocated \$4 million in the 2014/15 budget and in each of the following three years. <p>Reforms include:</p> <ul style="list-style-type: none"> • Reducing barriers for Māori with multiple ownership land. The Māori Land Court will no longer administrate but successions and land trusts will go through a Māori land service (just registration) – make things faster and easier • Accessing loans on Māori land with multiple owners will be easier through the ability of loan guarantee by a third party. 	<p>Housing Loan guarantor for multiple owned land-owners. In this role Community Funders would alleviate the issue some Māori whānau and hapū face of being asset rich in a market where no one will lend to multiple-owned land owners. Even if land is owned by a Trust, trusts can give occupancy but not get loans to develop and build.</p> <p>Housing is one component if funders looked at how to support communities coming together utilising a community development approach consistent with kaupapa Māori. Land trusts as a collective can (and do) work with local and regional government in housing development to utilise this approach.</p>

Key providers/role	Current issues (BOP wide and local where possible)	Key govt. policy indicators/strategic directions related to issues	Potential role(s) of Community Funders
<p>Response Fund: Focus on supporting homeless into homes (no programmes funded in BOP)</p> <p>4. Emergency Repairs Fund: For whānau housing needing urgent repairs (to address safety and health issues). EBOP requires it the most (mainly rural areas), and to a lesser extent, Tauranga.</p> <p>5. Māori Housing Fund (since Oct 2015): For new builds (none in BOP region yet). Driven by community need and not necessarily on Māori land. TPK fronts 75% of building costs.</p> <p>Iwi, Land Trusts and Hapu: Continuing providers of social services and housing e.g. iwi based Ngā Potiki Trust provides home ownership and rental housing in BOP area. Land Trusts that want to develop</p>	<p>as this needs to be carried out through the Māori Land Court and enforcing debt is challenging. Kiwibank appears to be the only commercial sector lender that lends on multiple-owned Māori land.</p> <ul style="list-style-type: none"> • Several barriers that have hindered its development⁵¹ <ul style="list-style-type: none"> ○ Failure of some Local Authorities (except WBOP and Tauranga) to provide appropriate descriptions of papakāinga and reflect these in city and district plans. ○ Inappropriate restrictions on dwelling numbers, density and proximity to marae. ○ Difficulties in obtaining resource consents due to zoning classifications placing greater importance on agricultural utility of land than on social benefits for Māori. • Lack of financial capacity and institutional governance/administrative capability in some Māori organisations (due to either scale or the diversity of roles) that makes it difficult to plan for or make a credible application for funding for development. <p>Housing Quality: Healthy and Safe housing</p> <ul style="list-style-type: none"> • Poor housing condition, particularly in the EBOP and especially in rural areas. Poor 	<p>The Māori Housing Strategy is also consistent with the vision for social and affordable housing described in the Aspirations Paper. The participation of iwi and Land Trusts is fundamental to achieving better community outcomes. The reasons for this include a natural alignment with Māori cultural and economic aspirations and also the land owning potential of Māori Land Trusts and Post-Settlement Governance Entity Iwi groups.</p>	

⁵¹ Toi Te Ora Public Health (2008) Housing and Health Report. Public Health Service Bay of Plenty District Health Board. Confirmed as still current by key informants.

Key providers/role	Current issues (BOP wide and local where possible)	Key govt. policy indicators/strategic directions related to issues	Potential role(s) of Community Funders
<p>Treaty settlement land.</p> <p>Private companies such as Papakāinga Solutions Ltd who assist in the facilitation of the development of Māori land and housing through training and advice, from education to implementation to status as community providers in the provision of affordable housing.</p>	<p>housing condition gives rise to a range of health issues from lack of heating, insulation, overcrowding; safety issues such as fire safety from heating and lack of smoke and fire alarms; and degradation or loss of housing stock due to poor maintenance or lack of dwelling insurance to enable replacement following fires or natural disasters.</p> <ul style="list-style-type: none"> • Multi-generational whanau homes in need of major repairs and maintenance in order to be healthy and safe 		

2.7.7 Emergency Housing; Hostels, Lodges and Boarding; Rough Sleeping

Key providers/role	Current issues (BOP wide and local where possible)	Key govt. policy indicators/strategic directions related to issues	Potential role(s) of Community Funders
<p>Central Government: Responsible for overall policy and market-shaping through its budget, regulatory and law-making powers</p> <p>Community providers (NGOs): Night Shelters (Tauranga), Women’s Refuges (Tauranga, Rotorua)</p> <p>Community Housing providers: (Tauranga Community Housing Trust)</p> <p>Private providers: Backpackers, Hostels, Lodges, Boarding Houses.</p> <p>DHB: Funder of mental health services</p>	<p>A long-term committed approach is required to address the need for joined-up accommodation options that enable the transition of people from homelessness to sustainable home solutions. Central to this is the requirement to provide wrap-around support services related to factors often linked to homelessness including lack of affordable accommodation, poverty and unemployment, mental health issues, emotional trauma and addiction.</p> <p>Increasing amount of community organisation resource is being spent on supporting and actively advocating for those in need to navigate through the relevant government agencies to access housing support. This is due to both the increase in numbers of those seeking assistance and complexity of government agency processes.</p> <p>Rough sleeping tends to be more an urban issue, while the need for short-term emergency accommodation affects all areas – particularly for women and children without family violence issues.</p> <p>In relation to homelessness, there is a fundamental requirement for access to health and social services, not just a dwelling. For many homeless, this wrap-around support will be critical to the sustainability of any housing options.</p> <p>Further research required</p> <p>The need for short-term emergency accommodation should be quantified and explored more fully in terms of the relative requirements of those seeking such housing. For example, key informants identified that women with children seeking short term emergency accommodation do not wish to go into a shared housing type accommodation (e.g. Serenity House) with other women and children.</p> <p>The need for research to identify the extent of the issue of</p>	<p>Regional action plans on Homelessness: Rotorua, Tauranga (in progress)</p>	<ol style="list-style-type: none"> 1. Direct investment in housing stock or through purchase of land 2. Investment in Shared Equity programmes either directly or via start-up funding to enable shared equity programme delivery, to enable the purchase of affordable housing 3. Social Lending 4. Investing in developing the capacity of community housing providers through operating cost grants and by assisting community organisations to coordinate and link up services, funding of operation costs 5. Lobbying for community/social housing to have a voice at national government level

Key providers/role	Current issues (BOP wide and local where possible)	Key govt. policy indicators/strategic directions related to issues	Potential role(s) of Community Funders
	<p>the “hidden homeless” including those sleeping in garages, or with friends or relatives and overcrowding across the BOP.</p> <p>Local issues</p> <p>Tauranga:</p> <ul style="list-style-type: none"> • The estimated number of people who are chronic street homeless is 30 to 40. There is a need for short-term low-cost accommodation to assist in transitioning men from the night shelter. • Need for emergency accommodation to house women, and women with children. • There is anecdotal evidence from the TCC of employed people sleeping in cars. Increase in demand for community housing. <p>Taupo:</p> <ul style="list-style-type: none"> • There is a need for emergency accommodation that has a wider service offering than Women’s Refuge. • There is a lack of coordination in the sector usually staffed by part time coordinators with limited capacity. • Growing homeless is an issue for the working poor with reports of people living in cars. • Some issues are seasonal where homelessness will decrease over winter but may be disguised in couch surfing and where living with relatives leads to overcrowding. <p>Rotorua:</p> <ul style="list-style-type: none"> • There is no emergency accommodation. While being identified as a need, a night shelter is not necessarily the solution. Estimated chronic street homeless numbers around 28. • According to Rotorua Salvation Army statistics, 		

Key providers/role	Current issues (BOP wide and local where possible)	Key govt. policy indicators/strategic directions related to issues	Potential role(s) of Community Funders
	<p>those staying with friends of relatives numbers around 170 and has increased consistently since 2011. The vast majority of both homeless and those staying with friends are Māori. Overcrowding identified by Public Health as an issue</p> <p>Whakatane:</p> <ul style="list-style-type: none"> • Need for emergency accommodation for women and children, and women alone. • Homelessness, including anecdotal evidence of people sleeping in cars. <p>Other areas:</p> <ul style="list-style-type: none"> • Unable to establish issues due to lack of information. 		

3.0 Strategic considerations

3.1 International trends in the philanthropic sector

Internationally, the focus of philanthropy has shifted over the last decade from a more traditional issue-based focus with unknown or non-attributable impact, to a **more strategic or systemic** focus that recognises the opportunity foundations and trusts have to accelerate change, lead social progress and tackle root causes with a better understanding of the difference made. Figure 3 illustrates the sector shift.

Figure 3 Shift in Philanthropic Sector Approach

Taken from *Centre for Social Impact Environmental Scan: Social impact intermediaries, emerging practice and drivers of change, February 2016*



“**Systems grant-making**” is an approach to funding that takes into consideration:

- (i) The issue in relation to the systems of which it is part
- (ii) The relationships among system parts
- (iii) The relationships between the parts and the whole system
- (iv) What is emerging beyond the parts where funders consider the broader social sector⁵²

⁵² GEO Grant Makers for Effective Organisations & Management Assistance Group. Systems Grant-making Resource Guide. 2016. <http://systems.geofunders.org>.

Fundamental to systemic thinking is understanding:

1. The dynamic nature of a continually evolving system that is more than the sum of its parts.
2. That every part of the system affects and is affected by other parts of the system, and that cause and effect are not necessarily linear. They can be two-way, circular, and disproportionately large or small and not predicted definitively.
3. That patterns in systems and their evolution, or moments when the system temporarily reorganizes into a new pattern.
4. The use of a continuous learning, and an experimental and adaptive approach.
5. The need to collaborate with, and engage a diverse set of stakeholders (including those who are directly affected by the system).
6. Power and identity, and the different amounts and types of power among groups, as well as monitoring the larger context of power relations (e.g. social, racial, cultural, political, economic) that can visibly or invisibly impact how systems function and change.

In New Zealand, more trusts and foundations are interested in pursuing strategic models of giving; and are showing greater interest in understanding outcomes to improve impact over time.

The **impact investment** model implicit in systemic philanthropy has the potential to significantly change the wider social impact sector. The concept of impact investing describes the use of financial investment to generate measurable social or environmental impact alongside financial returns. Impact investment has grown rapidly, and is expected to grow further. For example, in Australia the impact investing market 'could reach A\$32 billion in a decade'.⁵³

⁵³ Volynets, I. (2015). *Social Innovation and Aboriginal Communities*. UAKN National Secretariat cf. Centre for Social Impact Environmental Scan: Social impact intermediaries, emerging practice and drivers of change, 2016

3.2 Considerations for Community Funders' collective action

3.2.1 Strategic Approach

Use of a systemic approach is appropriate in the analysis of housing issues and the responses of the Community Funders in relation to mechanisms to address those issues. Housing issues are part of a wider system including, for example: economic development, employment and transport factors (all of which were beyond the scope of this report).

The following issues need to be considered by Community Funders:

1. The need for a long-term strategic approach:

- As identified by key informants, while there are issues requiring immediate attention (e.g. provision of short-term emergency one to two bedroom accommodation), a long-term (10 to 20 year) strategic approach is required to address housing issues. For example, in relation to improving housing quality in a more holistic and systemic manner, there is a need to consider a staged approach over time to improving local housing stock focused on broader maintenance and repair issues beyond insulation (for example wiring, plumbing, roofing, heating and ventilation and DIY home maintenance training programmes). Any approach should also consider the overall state of houses in relation to the level of investment required to make homes habitable.
- Related to the above is the issue of engaging absent or reluctant landlords and owners. This will partly be addressed by insulation requirements contained in upcoming legislative changes but can also be addressed through the quality of relationships established between home improvement providers and landlords/owners over time.
- A long-term commitment to funding identifies the importance of developing and sustaining strategic funds among Community Funders.

2. Improving housing quality:

- The advantages of economy of scale and increased leverage can be employed when considering joint community funding of programmes such as Healthy Homes, particularly in light of the upcoming Residential Tenancies Reform Bill. While it is reasonable to expect funders to target where improvement grants may be spent, there is a need for sufficiently flexible funding criteria to enable a complete response to local needs.

3. Coordinated holistic approach:

Key informants also identified the need for:

- Better coordination around identifying pockets of greatest need
- Avoiding projects that tend to be one-off and
- Facilitating better linking across services and/or locations
- A combined funder approach. This was largely viewed favourably by key informants, as it was seen to have a greater potential for collective impact. However, the need to take a holistic view of projects to ensure grantees/loan recipients are not financially or otherwise disadvantaged by

any collective funding measures or criteria was also noted. The potential benefits to funding recipients of collective funding include reduced application and reporting costs.

CASE STUDY 1: He Korowai Trust: An example of a holistic approach to housing

Northland based He Korowai Trust combines the expertise, resources and abilities of a consortium of Māori organisations including Government and business interests who collectively seek to improve the quality of life for whānau within five years. Whare Ora, the social housing programme aims to ensure:

- **Access to stable affordable housing with integrated support services**
- **Current homeowners are supported to retain their current homes (prevent mortgagee sales)**
- **Increased affordability of Māori home ownership**
- **Homeowners are funded to bring or maintain their homes up to a liveable standard**

This programme is delivered in conjunction with several others (health, justice, employment and training, rural regeneration, budgeting and whānau assistance) in order to provide a holistic response to local needs.

www.hkt.org.nz



CASE STUDY 2: Queenstown Lakes Community Housing Trust: Approach to affordable housing

The QLCHT offers a variety of solutions to address housing affordability:

1. Starter loans are provided by Queenstown Housing Bonds Ltd, a wholly-owned subsidiary of the QLCHT (funded by Central Lakes Trust) for eligible first home buyers provides buyers with:
 - Five year, fixed interest mortgage
 - Current low rate of 4.09%
 - No penalty for early exit
 - A pre-approved market mortgage with SBS after five years.
2. Shared Ownership Programme for first home buyers where both the Trust and homeowner are shareholders in the property as “Tenants in Common” through the Property Sharing Agreement. The homeowner is responsible for providing between 60% and 85% of the property’s market value through own deposit and a mortgage from a QLCHT lending partners (Kiwibank or SBS Bank).
3. Affordable Rental Programme where households are charged a below-market rent (usually around 80% of market) which will enable them to get on top of their finances by clearing debt and setting savings goals. Some tenants may be eligible for the Income Related Rent Subsidy, in which case MSD will set their rent at 25% of their income.
4. Rental Saver Scheme, Rent Saver, is a market rental programme that combines high quality secure tenure rental accommodation with a savings incentive built in to assist low and moderate income households (HH’s) into home ownership. The goals of this are to:
 - Provide good quality rental properties to low and moderate income HH’s with housing need
 - Provide long-term secure tenure to these HH’s
 - Encourage a savings culture by providing a savings incentive.

Some outcomes...

- (i) QLCHT development of a 44 lot site in Shotover Country, utilising three construction firms to provide variety across the 44 properties. The Trust is targeting a lower price range by focusing on smaller homes and section sizes. Property prices range from \$445,000 for 2 bedrooms up to \$565,000 for four bedrooms.
- (ii) Around three-quarters of the properties have been sold into the Shared Ownership programme with the remainder retained for the Trust’s rental portfolio, under either the Rent Saver or Affordable Rental programmes.
- (iii) 34 of the 81 households assisted with Shared Ownership since its creation in 2008, having now moved on to become independent of the Trust.

www.qlcht.org.nz

3.2.2 Prioritised Issues

The following issues were prioritised for Community Funders based on the evidence collected and alignment with Community Funder ethos:

1. Availability and suitability:

Greater provision of suitable housing types to address the following current and future needs is required:

- a. Shortage of one and two bedroom universally accessible houses
- b. Shortage of short-term and emergency rental housing for periods from three days to six months
- c. Housing for people who are currently homeless.

2. Housing quality:

Increasing the stock of healthy and safe homes is required.

3. Affordability:

Reducing the cost of home ownership is required.

4. Other:

Greater local level collaboration across stakeholders is required:

- a. At a sub-regional level
- b. In response to housing issues.

3.2.3 Solutions and their barriers

Key informants identified several solutions for addressing housing issues, and barriers to these solutions, see Table 9.



Table 9 Solutions and Barriers to addressing Housing Issues

	Solutions	Barriers
Affordability to buy	<p>1. Lower cost/assisted home ownership</p>	<ul style="list-style-type: none"> • Lack of available and affordable land except in Taupo where land availability is not an issue • Lack of building affordability that doesn't compromise quality • Lack of funding options, including capital equity investment, operating costs, preferably provided through grants, as loans are not self-funding • Despondency of some population segments resulting in shift towards consumerism coupled with poor financial literacy • Cost of building materials
Housing quality	<p>2. Increasing stock of healthy and safe homes</p> <p>a. Retrofitting of insulation</p>	<ul style="list-style-type: none"> • No utilisation of existing community data (for example DHB and PHO data) to ensure those with the greatest need receive retrofit regardless of eligibility for a Community Services Card • Criteria set by Ministry of Health too narrow and restrictive leading to lack of referrals in some areas. • Reluctant and or absent landlords⁵⁴ or dwellings owned by multiple partners (family) who are yet to be convinced of value of retrofitting or who cannot reach consensus regarding action • Criteria for selecting homes becomes too narrowly defined or specific • Lack of public and home-owner awareness on home heating and benefits
	<p>b. Addressing issues of sealing, heating, ventilation and maintenance (to ensure healthy home)</p>	<ul style="list-style-type: none"> • Lack of funding for wiring, guttering and maintenance to fix issues creating damp, unhealthy homes and to ensure heating and ventilation (this requires funding for improvements beyond insulation) • Lack of central government support • Lack of sufficiently funded curtain-banks, where not physically possible to insulate • Lack of heater banks • Lack of home-owner and public awareness on home heating and benefits • Lack of education of tenants • Issues around <i>The Residential Tenancies Reform Bill</i> which uses the 1978 building standard when determining whether insulation needs to be upgraded, and not the 2000 standard. When insulation has to be upgraded, the 2000 standard applies.

⁵⁴ The so called "mum and dad" investors who have purchased for investment or been left homes in estates. Absent, particularly in smaller cities, where people have left to find work but can't sell their houses so rent them out. Elsewhere according to socio-economics e.g. Kawerau or Opotiki or parts of Rotorua – capital gain is not as great, landlord not as interested (nor tenants)

	Solutions	Barriers
	3. Community development based housing-related projects	<ul style="list-style-type: none"> Lack of funding
Availability & suitability	4. Greater provision of suitable housing types to address needs	<ul style="list-style-type: none"> Failure and reluctance of property developers to provide sufficient housing configuration variation in new builds to meet the housing needs e.g. medium density housing, one to two bedroom dwellings Lack of funding for community housing providers to purchase stock to make suitable housing available Lack of capability and know-how identified in some areas (e.g. Rotorua) preventing community organisations from playing a greater role in social housing provision
	5. Greater local level collaboration across stakeholders	<ul style="list-style-type: none"> Lack of coordination across the community housing sector and funding to undertake local and regional coordination
Other	6. Advocacy	<ul style="list-style-type: none"> Lack of advocacy for affordable housing solutions to be integrated into planning (e.g. percentage of new housing development projects to be affordable housing, universal access housing and variation in configuration and density of housing) Lack of advocacy for those most in need of housing at central and local government levels.



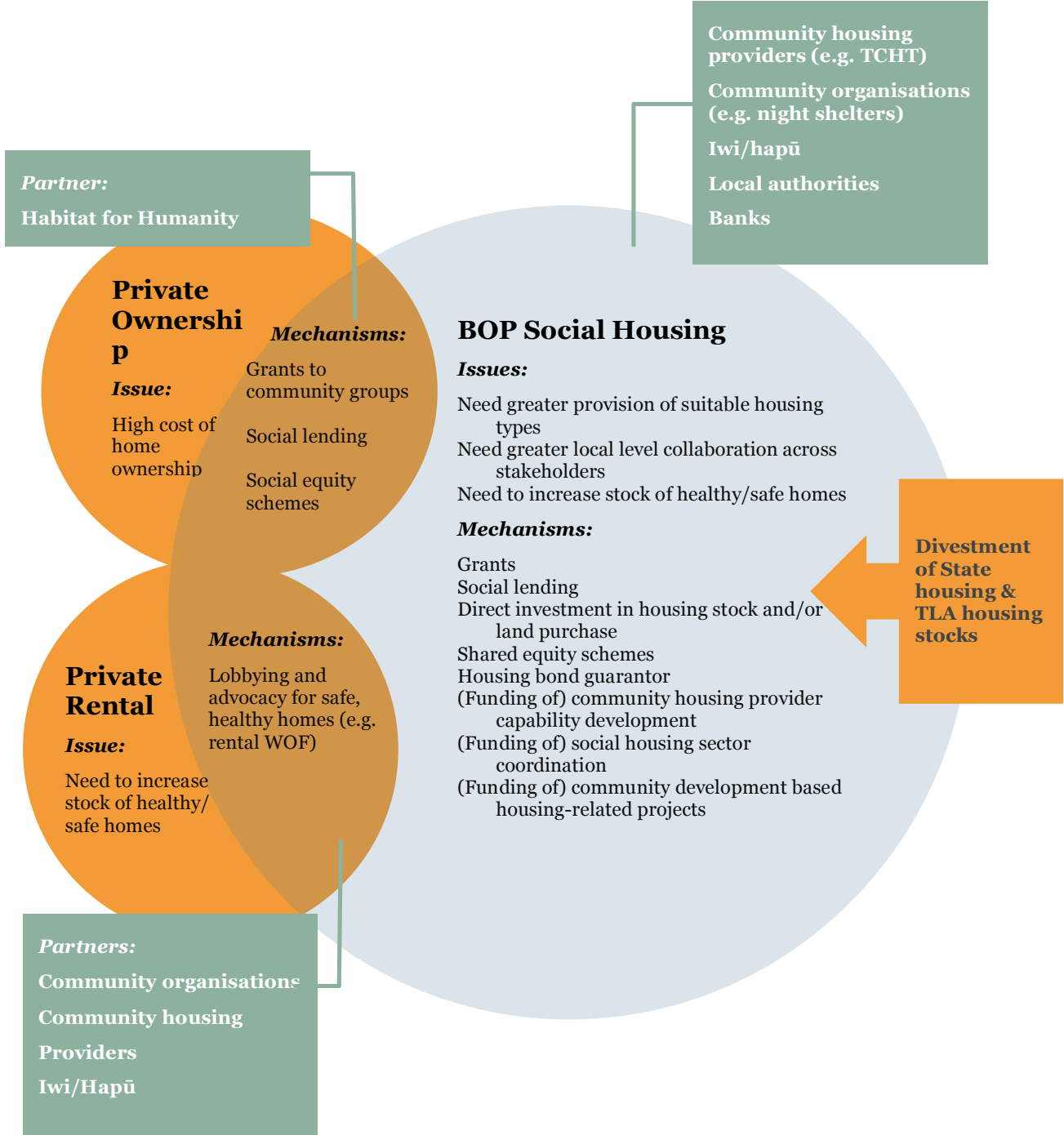
4.0 Strategic options

4.1 Where can Community Funders make a difference?

As might be expected, and in alignment with philanthropic intent and government strategy of social housing divestment, the Social Housing sector contains the greatest opportunity for Community Funders (see Figure 4). However, there is also potential opportunity for Community Funders to have some impact in the private housing ownership and rentals sectors, and this already exists in the case of private ownership (addressing the issue of affordability) via the support provided to Habitat for Humanity.



Figure 4 Opportunities for Community Funders, Existing and Potential Partners within Housing Sectors



4.1.1 Partnership development

The key informants were willing and interested in a partnership approach but it was clear this would be a relatively new way for them to work with Community Funders. Taking this into account, a new leadership opportunity exists for Community Funders to develop working partnerships. However, this will also require investment in its own right. Additionally, it will be important to ensure clarity of partners' roles and responsibilities.

Many philanthropic organisations in New Zealand have supported social housing for many years, and there are examples of a range of partnerships between philanthropic funders and other organisations. For example, legislative changes in 2014 opened the way for new levels of innovative partnerships with government to provide social housing projects. In Christchurch the Comcare Charitable Trust (and the Canterbury Community Trust) are building 29 housing units for people affected by the earthquakes through a joint funding venture designed to ensure government and community funding together go further and deliver more impact.

Around the same time the JR McKenzie Trust supported Te Ahikaa Roa to build owner-built rammed earth houses on Māori land in the far north, by funding the establishment of a trust to support the project.⁵⁵

The Western Bay of Plenty Māori Housing Forum (a collective of 52 Māori land trusts) has successfully led the development of a small number of housing projects. There is potential for the Forum, along with the Government and private sector, to improve housing quality and affordability for many Māori who live in substandard homes. In 2014 Tauranga became a participating pilot site for the government-led Warrant of Fitness (WOF) for rental housing. Both these initiatives are included in the Bay of Plenty's Child and Youth Plan as examples of initiatives that will improve health for people with complex health and social needs.⁵⁶

4.2 Continuum of investment

In making any investment, the Community Funders should be mindful of regional sustainable housing as a goal. There are a range of funding approaches available to Community Funders from 'business as usual' through to innovative impact investment responses designed to bring about systemic change (see Figure 5). These approaches could be used in combination by Community Funders individually and communally to achieve strategic goals and to fit the resources available for use by individual funders.

⁵⁵ A place to call home: New ways of providing social and affordable housing. Philanthropy News. No:63 Winter 2014, ISSN 1175-9151, p10-11

⁵⁶ Bay of Plenty Child and Youth Health and Wellbeing Strategy 2014-2019 (Bay of Plenty DHB, Ministry of Social Development, Ministry of Education), p33

Figure 5 Philanthropic Approaches Available to Community Funders

<p>Traditional philanthropy</p> <p><i>Responding to immediate need with charitable gifts spread across many issues</i></p>	<p>Strategic philanthropy</p> <p><i>Investing in key issues and addressing root causes for greater impact</i></p>	<p>Venture/Systemic philanthropy</p> <p><i>Investing in systems change to catalyse long-term social impact</i></p>
<p>Annual: Short-term targeted</p> <p>E.g.</p> <p>“Business as usual”</p> <ul style="list-style-type: none"> • Healthy Homes funding • Electrical items • Operating cost grants • Curtain and heater banks etc. 	<p>5-15 year: Targeted “with a wider brush”</p> <p>E.g.</p> <ul style="list-style-type: none"> • Strategic funds • Community development approach investment (e.g., Safe as Houses programmes) • Partnering with iwi/land trusts 	<p>5-15 year: Long term view</p> <p>E.g.</p> <ul style="list-style-type: none"> • Direct investment in housing and housing stock • Rental/ownership affordability schemes • Partnering with iwi/land trusts • Housing projects

Sector shift 

4.3 Current level of investment

Between 2011 and 2016 the housing-related grants investment of the Community Funders as a group was over \$8.79m in the Bay of Plenty region (see Appendix E for more detail)⁵⁷. In addition, BayTrust invested \$2.7m in social loans to Habitat for Humanity and the Tauranga Community Housing Trust for the purchase of property.

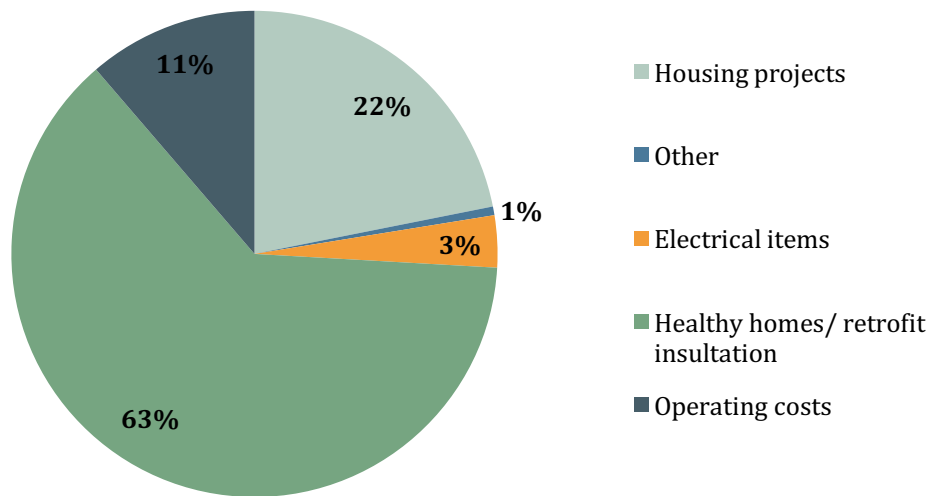
In relation to housing-related investment, TECT was the largest contributor (48%), followed by EBET (26%), RECT (15%), BayTrust (10%), and Acorn (0.5%). Annually, Community Funders allocated between 0% and 34% of their total investment to housing. The Community Funder investment over the five year period averaged between 2% and 9% of their total spend, with the exception of EBET which invested 30% of its total spend for that period.

The Community Funders have invested relatively heavily in addressing **housing quality issues** with almost two-thirds of the investment (63%) in insulation retrofitting in connection with the Healthy Homes or similar programmes. This could be considered ‘business as usual’.

There is some investment in addressing **housing availability** through the funding of Housing Projects, including the purchase of land and housing development that accounted for 22% of the investment (see Figure 6). This type of funding would be considered impact investment. The remaining 11% of the overall investment was in organisations’ operating costs, 3% in electrical items and 1% in “other” (e.g. vehicles, computers, programmes).

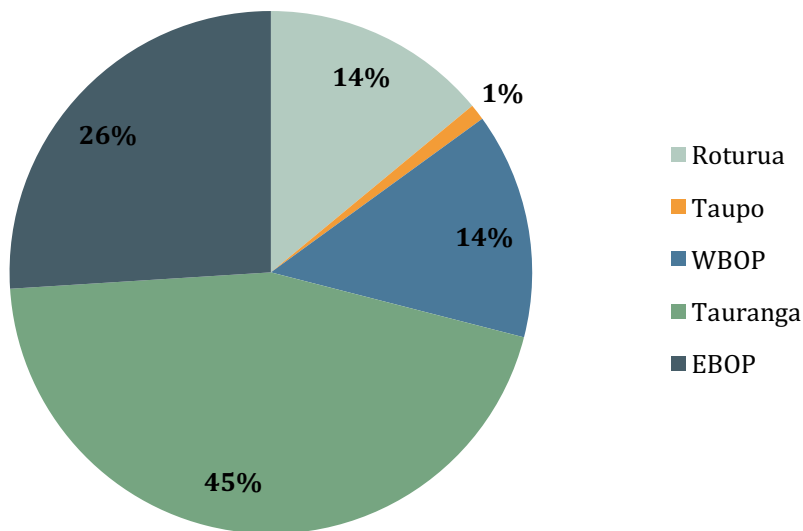
⁵⁷ 2013 to 2016 for RECT

Figure 6 Community Funders Investment 2011-2016



When considering where the investment was made, consistent with the geographical boundaries of the Community Funders, Tauranga City received just under half of the investment (45%), followed by the Eastern Bay of Plenty (26%). While Rotorua and Western Bay of Plenty each received 14% of the investment, Taupo received a minimal 1% (see Figure 7).

Figure 7 Proportion of Overall Community Funders Investment per Area 2011-2016

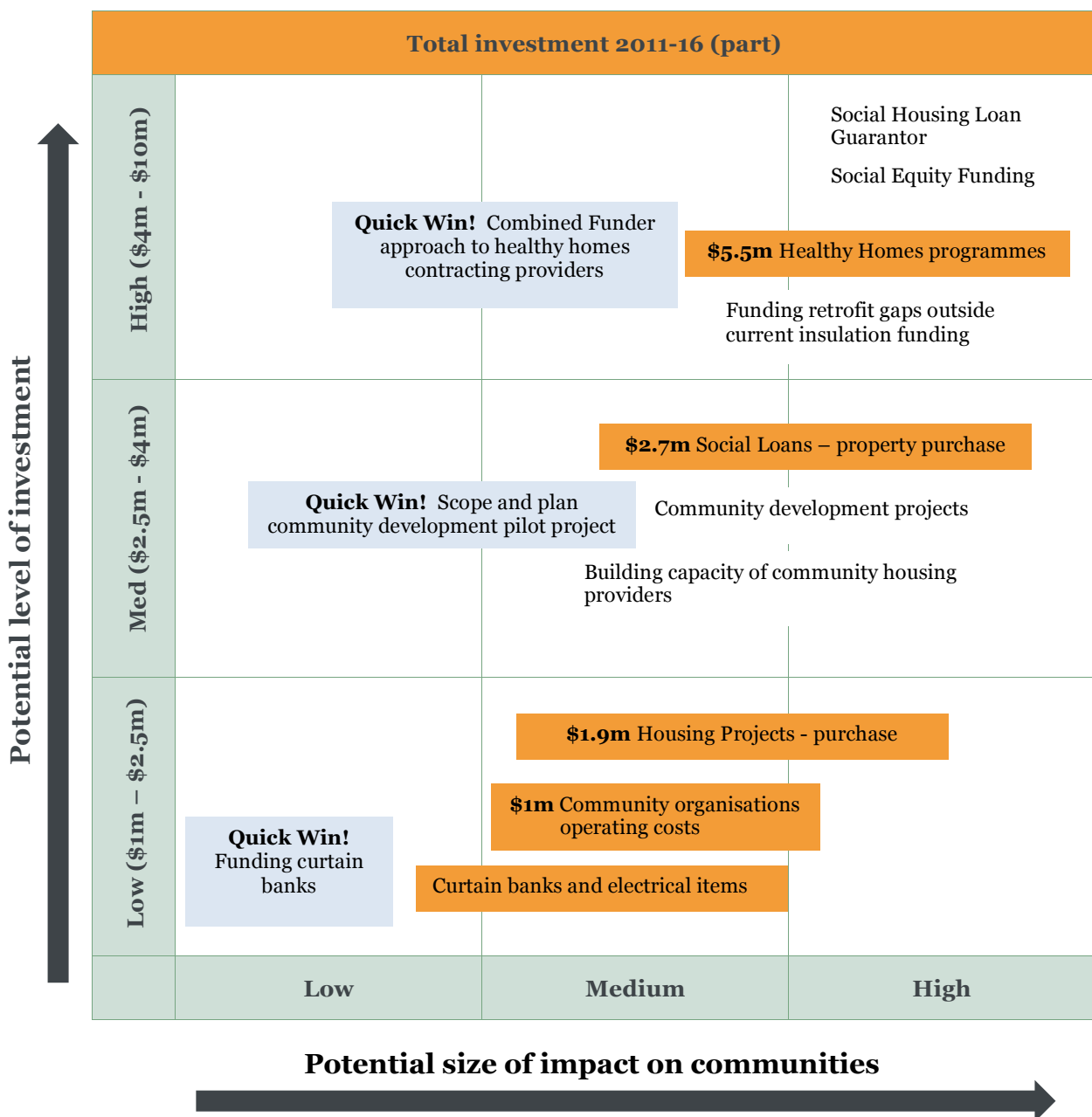


4.4 Potential impact investment

Depending on which philanthropic space(s) Community Funders decide to operate in, there are a number of possible roles for funders in relation to the level of investment and potential size of impact on communities. One way of analysing strategic options is to weigh funding options against impact.

Figure 8 is a visualisation of this approach and is based on the assumption that the greater the potential number of people affected the greater the impact. Ideally, resources would be focused to achieve maximum impact, with the best option being low investment for high impact (bottom right quadrant of the diagram).

Figure 8 Funding Options by Potential Impact Size (also showing current funding levels)



4.5 Strategic questions for Community Funders

In order to move towards considered plans of action to address the housing issues that impact on sustainable housing, Community Funders face some strategic decision making to determine their individual and, perhaps more challenging, collective approach. This includes decisions on how to invest, what and where to invest in, and the selection of the various strategic funding options available. Community Funders are urged to consider the following **strategic questions** to stimulate discussion and facilitate decision-making..

1. **In which philanthropic spaces (i.e. traditional through to impact investment do the Community Funders wish to operate?** And to what degree? Currently, the funding could be considered mostly traditional with some strategic. The decision to fund differently could represent a leadership opportunity for the Community Funders, both locally and at a national level. How would this be demonstrated by Community Funders?
2. **What could Community Funders do collectively and individually?** And who are the most appropriate partners to assist in achieving sustainable housing across the region? (e.g. private, iwi and community)? What should they not do?
3. **Where does housing fit into individual funders' strategies and together as a collective group of funders?** What is the relative priority of funding housing related issues individually and as a group of funders, compared to other strategic focus areas e.g., children and youth, arts and culture etc.?
4. **How should the housing needs of small towns be addressed?** As a group of funders, what agreed strategic approach will be taken for small towns with projected or current declining populations in relation to their identified housing needs that are mostly related to very poor, substandard housing requiring varying levels of rebuild, repair or maintenance?

These areas often have the greatest need but also the highest levels of deprivation. In relation to the long-term sustainability of any investment, there is a need to consider not only population projections but also any iwi, hapū or rohe development plans, regional economic plans and business developments and associated employment projections, and potential for use as satellite towns for larger towns and cities.

The approaches to responding to this issue range from “retrenchment” or gradual withdrawal of services, through to plans for economic regeneration.

5. **Where should the focus of intervention(s) and/or investments be to increase likelihood of making most difference to identified housing issues?** On which issues and on which parts of the housing continuum will community funders focus and/or spread efforts? On what basis will this be prioritised?
6. **How much investment is enough?** To what extent do Community Funders intend to address the prioritised issues? For example, in relation to the need for short-term emergency accommodation for women and children, assuming a solution involves the provision of more one to two bedroom housing, what size investment is required to make a “real difference” i.e., the provision of 10 units? Or 100 units?
7. **How will equity across the region be addressed?** According to area of deprivation? And will this be addressed in the framework of collective or individual funding?

4.6 Funding scenarios

Depending on the responses to the strategic questions raised in 4.5 above there are many funding scenarios that can be envisaged.

The following two scenarios are not mutually exclusive and are provided only as examples of ways of thinking about strategic options. It is not intended that Community Funders should select one or both.

1. Scenario One:

Following a **traditional/strategic philanthropic approach**, one issue could be selected on which to prioritise resources.

For example, **Long-term Goal: Ensure all housing stock in the BOP region is healthy and safe:**

- (i) Community Funders collectively lead a regional healthy housing strategy, where individual funders follow the same approach sub-regionally.
- (ii) Through annual grants or the use of strategic funds, ensure retrofit insulation is carried out on all homes required in a staged approach in high deprivation areas (highest need first). This could potentially be expanded to include repairs and maintenance on housing stock.
- (iii) Coupled with this, the energy trusts could provide solutions to ensure **affordable heating** for these houses.
- (iv) Support the provision of curtain and heater banks via grants.

2. Scenario Two:

Following a **systemic philanthropic approach**, one issue could be selected that can be addressed via broader means involving more partners.

For example, **Long-term goal: Ensure the adequate provision of affordable short-term emergency accommodation in the BOP region**

- (i) Community Funders lead the implementation of a collective strategic plan including key partners (such as community housing providers, property developers, iwi, land trusts, local authority, local kiwifruit industry and banks) to ensure sufficient availability of affordable one and two bedroom units where needed in the BOP (based on further analysis of need).
- (ii) Through the most appropriate mechanisms (including options of social lending, equity schemes, and/or bond guarantor) support community housing providers to purchase suitable existing property or to develop one and two bedroom homes and to implement affordability schemes.
- (iii) Work with kiwifruit growers, iwi, the Economic Development Agency and the Ministry of Social Development to consider how to reduce the pressure on the rental markets and invest in local economies by addressing:
 - How to encourage and incentivise local people into seasonal work alleviating the need to “import” labour
 - How to ‘fill the gap’ in seasonal work with other industry work
- (iv) Support promotion of seasonal work opportunities through education in schools, and work opportunities for tertiary students etc.

5.0 Conclusions

1. The Bay of Plenty region is currently experiencing housing issues of **affordability (to buy and rent), availability, suitability and housing quality** that affect different sub-regional districts to various degrees. There are also future housing demands to be considered, such as the housing types required based on predicted population composition changes. Added to this is the current divestment of Housing NZ housing stock in Tauranga, which is poised to have a substantial impact on the local social housing sector, community housing providers and tenants. In response to this strategy, the capability and capacity of the community housing sector across the BOP could be enhanced, particularly where required in Rotorua and Taupo.
2. **Affordability to buy** is an issue creating a rapidly changing landscape mainly related to the larger districts (Tauranga and WBOP) but also Taupo, while **affordability to rent** is much more widespread across the region. The impact of the Auckland housing market on the Bay of Plenty markets, particularly Tauranga and Rotorua, is widely recognised.
3. **Housing quality** is a widespread issue. Of particular note is the need to address wider house repair and maintenance issues that impact on safe and healthy housing, beyond insulation. This is particularly relevant for smaller towns where housing was typically built in the same era, meaning the issue is widespread throughout the town due to the same age of housing stock (e.g. Kawerau, Maketu, and Murupara). Some infrastructure issues were also identified in some towns (e.g. electrical wiring or sewerage systems). Impacting on the success of programmes such as Healthy Homes is the willingness and ability of landlords and homeowners to engage. This will be partially addressed by the requirements contained in the proposed Residential Tenancies Bill. Existing evidence demonstrates that some interventions (e.g., insulating homes) provide significant returns on investment.
4. Housing availability issues centred on the need for **emergency short-term accommodation** or temporary accommodation of one to two bedrooms for two days to three months, particularly for women and women with children. This was identified as a widespread issue resulting at least in part from the current pressure on rental markets, but also arising from an increasing gap between income and housing affordability. The need to 'future-proof' the housing stock was also identified through the greater provision of one and two bedroom homes.
5. In relation to emergency accommodation there is a need to ensure a **continuum of options** from night shelters in larger urban areas, to short-term temporary accommodation to affordable rentals.
6. **Long-term housing sustainability** implies being able to respond and adapt to changing population demands, both in size and composition. For example, there is a clear immediate need to provide more one and two bedroom accommodation. This is necessary not only to alleviate the current need for emergency accommodation and to provide more suitable housing options, but also to prepare for the predicted increase in one person households. Housing sustainability also requires dwellings to be sufficiently versatile in design to enable inter-generational occupation and be universally accessible. This also implies that a range of housing densities will be required beyond the standard three to four bedroom stand-alone home.

7. There has been a shift in international philanthropy **from a more traditional issue-based** focus to a **more strategic or systemic** approach, which recognises the issue in the context of a wider system and seeks to facilitate change at a broader level. In a systems context, addressing housing issues should be viewed not only in relation to population projections and government strategies, but also strategic regional economic development and district council/regional growth plans, employment trends, social welfare system changes, plans for transportation and environmental considerations.
8. The **Social Housing** sector offers the **most investment and partnership opportunity** to Community Funders, although there is also limited opportunity available in the private ownership and rental markets.
9. Lastly, this paper identified the need for **future investigation** including:
 - (i) Specific technical analysis of type of housing required in each district based on population projections, regional growth plans, district council plans and economic development projections
 - (ii) More detailed analysis on the need for emergency accommodation in Tauranga
 - (iii) Investigating how well the Auckland Council housing bond scheme is working, including the identification of drawbacks, unforeseen costs, benefits and barriers.



6.0 Where to from here?

A draft action plan was developed by the Community Funders at a sense-making hui held on May 25th. Following consideration of the findings and recommendations contained in this report the Funders identified priorities, preferred partners, short-term and longer-term actions (see Table 10).

Table 10 Community Funders draft action plan

Immediate Priorities	Long Term Priorities	Potential Partners	Immediate Actions	Plan now for Longer Term Actions and Impact
<p>Healthy Homes supporting activities that seek to address the issues of sub-standard housing including insulation retrofitting programmes</p>	<p>Analysis of interface between Future Housing Requirements and Healthy Homes - ensuring that Healthy Home initiatives and programmes that Funders support are sustainable by taking into account and prioritising demographic impacts, changing house size requirements and community appetite/potential for ongoing repairs and maintenance</p>	<ul style="list-style-type: none"> • EECA • DHB • Local Government • TPK, Iwi, hāpu, land trusts • Community organisations 	<ul style="list-style-type: none"> • Look into opportunities for bulk (i.e. combined RFP) - purchase/contracting with EECA providers to drive lower costs and increase value adds through the retro-fitting process • Look to implement a targeted Community Development pilot project on a selected Māori community • Targeted project to include DIY, renovation workshops, insulation, keeping warm, home maintenance. Should be community- led and 	<ul style="list-style-type: none"> • Explore whether Funders can leverage greater traction associated with the RTA (Residential Tenancies Act), rental housing WOF's to ensure any healthy home improvements are sustained • Utilise the proposed Future Housing Requirements information and analysis to determine a longer term plan on which houses and

Immediate Priorities	Long Term Priorities	Potential Partners	Immediate Actions	Plan now for Longer Term Actions and Impact
			driven Should be community-led and driven	<p>where should be improved</p> <ul style="list-style-type: none"> Determine approach to ensure key housing issues (e.g. rental housing WOF) are kept at the forefront of key stakeholders' minds
<p>Emergency Accommodation</p>	<p>Analysis of interface between future housing requirements and emergency accommodation - ensuring that short-term emergency accommodation solutions have longer-term solutions behind them to create pathways to secure housing</p>	<ul style="list-style-type: none"> Tauranga Moana Night Shelter Trust Social housing providers Iwi Land Trusts TCC Church groups Iwi Taupo Jezreel House in Whakatane. 	<ul style="list-style-type: none"> Facilitate meeting with TCC (and WBOPDC) (and providers/interested parties) re housing forum on emergency housing - what is being planned, what is needed, what can be done right now, is there a role for funders? Enable provision of stop-gap accommodation 	<ul style="list-style-type: none"> Dependent on outcomes from immediate actions
<p>Future Housing Requirements - look to facilitate future investigation on specific technical analysis of the type of housing required in</p>	<p>Future BOP Housing Requirements – obtain a comprehensive and in depth understanding of BOP future housing</p>	<ul style="list-style-type: none"> Social Housing Consortium Tauranga Community Housing trust 		<ul style="list-style-type: none"> Post social housing transfer completion, collaborate to develop long term collective strategies to facilitate funder

Immediate Priorities	Long Term Priorities	Potential Partners	Immediate Actions	Plan now for Longer Term Actions and Impact
in each district ⁵⁸	requirements including a GAP analysis from the current position, the roles and responsibilities of key stakeholders and how Funders can best influence Long Term decision making	<ul style="list-style-type: none"> • Iwi • Land trusts • Habitat for Humanity • Papakainga Solutions Ltd • Community and social housing providers • DHB • EECA • Councils 		support where analysis indicates there are gaps and, in alignment with the Future BOP housing requirements, to increase the capacity and potential of community and iwi social housing providers (i.e. how we can help them raise external capital.)

⁵⁸ Contained in the proposed National Policy Statement on Urban Development Capacity (Ministry of Environment), it is being proposed that local authorities must, by the end of 2018, or within 12 months becoming a high growth area complete a housing assessment and thereafter review/undertake again at least every three years.

6.1 Next steps

1. Community Funders to discuss this report and proposed draft action plan with their individual Trust boards
2. Release the findings of this document in conjunction with a number of fora dedicated to further discussion and planning with key partners.



Appendix A:

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Appendix B: Key informants and questions

Representatives from the following organisations were interviewed:

Bay Of Plenty DHB

Toi te Ora Public Health Unit for Bay of Plenty and Lakes DHBs

Whakatane District Council

Opotiki District Council

Kawerau District Council (3 key informants from the Kawerau Neighbourhoods of Healthy Homes programme team whose expressed views/comments were purely in the context of the programme and not of Council per se)

WBOP District Council

Rotorua Lakes Council

Taupo District Council

Papakainga Solutions Ltd (telephone)

Te Puni Kōkiri

Habitat for Humanity (3 key informants)

Tauranga Community Housing Trust

Sustainability Options

Smart Energy Solutions

EECA

Tauranga Moana Night Shelter

Salvation Army (Rotorua)

Accessibility Housing/Carrus

Housing Foundation (2 key informants)(Telephone)

Welcome Bay Community Centre

Ministry for Social Development

SMART Growth

Key question areas

- 1. What is your role (in this sector) and where do you see yourselves in the future** Who needs to be involved and how?
- 2. What are the current/likely issues in your community?**
In which areas do you see the greatest need for your services?
- 3. What is sustainable housing? What would be the key indicators of success?**
What actions need to be taken to ensure sustainable housing?
- 4. What do you see are the barriers to delivering solutions?**
- 5. Can you provide any examples of good/bad solutions funding (in own and other sector)?**
- 6. How trusts (and philanthropic sector) can best make a difference beyond funding?**
Where do they fit in the matrix?
Where are the major gaps in the matrix in order to provide sustainable housing?
- 7. What do you think Community Trusts could do to better support relationship-building and effective partnerships with iwi in relation to the housing sector?**



Appendix C: Sub-regional profiles

Kawerau

Overview

Statistics NZ info

- Kawerau is projected to have a decrease in population. Between 2013 and 2043 Kawerau is projected to have an average decrease of -1.7% per year (total reduction of -2,650).
- Under the medium projection, the areas with the highest proportion of children in 2043 will be Wairoa and Kawerau districts (23%).
- No. of households projected to decrease by -2.2% per year (total reduction of -1,100)
- (It is noted that Kawerau's population increased by 50 to 6660 (a rise of 0.8 percent) according to provisional figures released by Statistics New Zealand in October 2015)

Local information

- Below shows tenure of local iwi compared to the general population

Iwi	N. Tūwharetoa	Ngāti Awa	Gen. pop.
Rent from private	40.1%	35.2%	22.9%
Rent from Govt	10.6%	9.7%	4.5%
Own house without mortgage	10.1%	13.2%	26.9%
Own house with mortgage	28.7%	31.9%	31.7%

- EECA Warm-Up New Zealand insulation retrofits:

TLA	Insulation Retrofits	Total Occupied Dwellings	Percentage
KAWERAU DISTRICT	838	2,388	35.1%

Social housing provision

- Housing provided by Estimated CHA Affiliated, Registered CHO and non-CHA Affiliated Providers (Charities) 2015

Council: KawerauDC

	Number	Bed-sits	1-Bed	2-Bed	3-bed or more
Detached dwellings	0	0		0	0
Semi-detached dwellings		2			0
Low rise/ multi-unit		3			0
Apartment/tower blocks	0	0		0	0
Total	27	5		22	0
Rent Single		\$90.00	\$121.00		
Rent Couple			\$121.00		

Issues

- Kawerau District has the highest rate for bronchiolitis
- The capital gain on houses in Kawerau is not as great as other places: landlords not as interested (nor tenants) in retrofitting
- EBOP lot of rentals owned by family members – can be difficult to get consensus on retrofitting
- Poor quality housing where a lot of houses were built in the same era (around 1953) – household electrical wiring is a health and safety issue and all needs replacing (before insulating)



Tauranga City

Overview

Statistics NZ info

- Tauranga City is predicted to have a 0.7% increase or 5,800 more children by 2043.
- Population increase by 1.2% per year between 2013 and 2043 (total of 52,300) to reach 172,100 (but could be as high as 194,000)
- No. of households projected to increase by 1.4% per year (total of 19,500)
- There will be moderate increases for those aged up to 65, with the population of 65 and over projected to double from 22,740 to 46,900.
- Tauranga City is projected to have increases in both family and one-person households by 2038 (total number of households projected to increase by 19,500)
- In 2010, a shortfall of around 1500 dwellings was forecast by 2021⁵⁹

Local information

- Below shows tenure of local iwi compared to the general population

Iwi	Ngāti Ranginui	Ngāi te Rangi	Gen. pop.
Rent from private	36.1%	34.9%	22.9%
Rent from Govt	10.4%	13.1%	4.5%
Own house without mortgage	13.5%	13.8%	26.9%
Own house with mortgage	29.9%	28.7%	31.7%

- Accessing TPK funding: In Tauranga funding is mostly for papakāinga housing (workshops) and Kiwibank lending
- Social Housing Reform a concern particularly from the rights of tenants and long-term sustainability perspectives
- TCC is facilitating the initial stages of developing a city response to homelessness. A steering group is being formed (April)
- EECA Warm-Up New Zealand insulation retrofits:

TLA	Insulation Retrofits	Total Occupied Dwellings	Percentage
TAURANGA CITY	7,499	45,366	16.5%

Social housing provision

- Housing provided by Estimated CHA Affiliated, Registered CHO and non-CHA Affiliated Providers 2014 (Tawanui Community Housing (Tauranga Community Housing Trust))

Council Area	Bedsit/1-bedroom	2-bedrooms	3-bedrooms	4+-bedrooms	Total

⁵⁹ New Zealand Housing Report 2009/2010: Structure, Pressures and Issues

Tauranga	22	42	12	28	104
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- 246 TLA units for older people (housing 261)

Council: TaurangaDC

	Number	Bed-sits	1-Bed	2-Bed	3-bed or more
Detached dwellings	0	0	0	0	0
Semi-detached dwellings	34	0	34	0	0
Low rise/ multi-unit	212	0	212	0	0
Apartment/tower blocks	0	0	0	0	0
Total	246	0	246	0	0
Rent Single			\$122.50		
Rent Couple			\$146.50		

State Housing

Housing New Zealand owned properties in Tauranga as at 30 April 2015	
Territorial Local Authority	
Census Area Unit	
Tauranga City	Properties
Arataki	83
Bellevue	33
Brookfield	89
Doncaster	21
Gate Pa	80
Gravatt	5
Greerton	55
Hairini	35
Judea	53
Kaitemako	5
Matapihi	1
Matua	19
Maungatapu	23
Mt Maunganui North	3
Omanu	8
Otumoetai North	12
Otumoetai South	10
Palm Beach	22
Palm Springs	2
Papamoa Beach East	14
Poike	8
Pyes Pa	13
Tauranga Central	1

Tauranga Hospital	103
Tauranga South	106
Te Maunga	67
Te Reti	5
Welcome Bay East	75
Welcome Bay West	55
Yatton Park	152
Tauranga City Total	1,158
Note: The above table provides data on properties Housing New Zealand own and excludes the following:	
• properties Housing New Zealand lease	
• properties Housing New Zealand manages in Katikati.	

Issues

- **Affordability:** Step change in provision of affordable housing is required but necessitates a change in the private sector and how they perform. Need to increase housing density e.g. terraced housing. First home buyers not just young but from all ages.
- Need models to reduce the costs of building houses (e.g. prefabrication of materials)
- Land cost and availability to develop affordable homes
- Affordability – access to safe and healthy homes
- More papakāinga and greater access to Māori land – kaingawhenua
- Tauranga – quick builds – competition between builders operating to minimum building code – reduced quality for sustainability means greater cost to address issues later
- **Availability:** Mismatch in stock and demographic
- Need for more private rentals, greater tenure for renters and control over quality private rentals needed
- **Emergency Accommodation:** Lack of emergency housing and particularly for those with mental health or multiple complex issues, overcrowding, homelessness
- Issue long-term: how to house low-income, those off –radar, those living in campsites etc not eligible for Housing NZ housing? The need will increase as HNZ is not going to build anymore houses. Smiths Road (TCC owns) could retain land and develop affordable housing – legislate for development stipulates % of housing in area to be affordable.

Taupo

Overview

Statistics NZ info

- Population expected to increase by 0.1% per year between 2013 and 2043 (total of 600)
- No. of households projected to increase by 0.4% per year (total of 1,600)
- Taupo is projected to have increases only in one-person households
- Assuming medium projection the projected increase in Taupo households by 2038 is 1600

Local information

- 49% of houses are vacant (holiday homes)
- Land availability isn't an issue, there is land consented and ready to be developed for 2000 homes and the private sector has another 2000 new stock but not at affordability houses end
- Council set up a trust 10 years ago to address housing affordability strategy but it folded as it was set up at a house price peak (timing). Council as a landowner opened up a subdivision and built affordable housing (based on payment plans) but the project did not succeed as the properties were bought and then sold at profit rendering them unaffordable to subsequently buyers.
- Growing part of the population is semi-retired or retired often in houses that are too big
- Healthy Homes Taupo/ Turangi project initially funded by Pinnacle Health and the Ruapehu Community Board was extended with funding from Lake Taupo PHO, Lakes District Health Board, the Taupo/Turangi Community Board and Genesis Energy to install insulation in houses in Taupo and Turangi (2008)
- EECA Warm-Up New Zealand insulation retrofits:

TLA	Insulation Retrofits	Total Occupied Dwellings	Percentage
TAUPO	2,299	13,395	17.2%

- Below shows tenure of local iwi compared to the general population

Iwi	N. Tūwharetoa	Gen. pop.
Rent from private	40.1%	22.9%
Rent from Govt	10.6%	4.5%
Own house without mortgage	10.1%	26.9%
Own house with mortgage	28.7%	31.7%

Social housing provision

- Housing provided by Estimated CHA Affiliated, Registered CHO and non-CHA Affiliated Providers.

Council Area	Bedsit/1-bedroom	2-bedrooms	3-bedrooms	4+-bedrooms	Total
Taupo DC	4	4	0	5	13

- 66 TLA for older people (as of 2014)

Council: TaupoDC

	Number	Bed-sits	1-Bed	2-Bed	3-bed or more
Detached dwellings	4	0	1	0	3
Semi-detached dwellings	0	0	0	0	0
Low rise/ multi-unit	62	0	62	0	0
Apartment/tower blocks	0	0	0	0	0
Total	66	0	63	0	3
Rent Single	\$81.00				
Rent Couple	\$122.50				

Issues

- Lack of affordable rentals, growing issue of the working poor
- Lack of affordable housing
- Insulation requirements are higher due to colder temperatures (average 7° in the winter months)
- Need for emergency accommodation (short term): lack of coordination in the sector due to limited capacity, anecdotal evidence of working people sleeping in cars and overcrowding



Whakatane

Overview

Statistics NZ info

- Whakatane is projected to have a decrease in population. The population is expected to decrease by -0.3% per year between 2013 and 2043 (total reduction of -2,500).
- No. of households projected to increase by 0.2% per year (total of 800)

Local information

- The district has a wide variation of housing profile, from high value ocean front in Ohope through to very substandard housing in Minginui/Murupara
- Below shows tenure of local iwi compared to the general population

Iwi	Tūhoe	Ngāti Awa	Ngāti Manawa	Ngāti Whare	Gen. pop.
Rent from private	40.2%	35.2%	36.4%	32.0%	22.9%
Rent from Govt	14.4%	9.7%	10.3%	9.4%	4.5%
Own house without mortgage	9.4%	13.2%	15.0%	14.1%	26.9%
Own house with mortgage	23.9%	31.9%	26.5%	31.0%	31.7%

- In relation to accessing TPK funding: In Whakatane and east of Whakatane, funding has been accessed for urgent repairs but there is also some interest in papakāinga workshops.
- Some indication of house prices increasing
- Considered a 'minor hotspot' by MSD in terms of those accessing Income Related Rental supplement
- A substantial number of rentals in the Eastern Bay of Plenty are owned by family members or have multi-person ownership
- EECA Warm-Up New Zealand insulation retrofits:

TLA	Insulation Retrofits	Total Occupied Dwellings	Percentage
WHAKATANE	2,688	12,192	22.0%

Social housing provision

- The Whakatāne District Council's 79 pensioner housing units were sold to Tauranga Community Housing Trust (TCHT) for \$2.5 million. Ownership of the units transferred on 1 October 2015, with all existing tenancy arrangements continued under the same terms and conditions.
- Housing provided by Estimated CHA Affiliated, Registered CHO and non-CHA Affiliated Providers.

Council Area	Bedsit/1-bedroom	2-bedrooms	3-bedrooms	4+-bedrooms	Total
Whakatane DC	3	5	0	2	10

Issues

- Poor housing quality and difficulty engaging landlords, some of whom do not have financial means to make necessary repairs
- Housing sewerage (Tūhoe) can be an issue with sometimes no connections in the infrastructure. Poor housing quality across Tūhoe region.
- Seasonal (summer) market has an impact on rental accommodation



Rotorua

Overview

Statistics NZ info

- Based on medium level projections, the population of Rotorua District will be approximately the same in 2033 as in 2013 (around 68,000) but the population of people over the age of 65 will double (from 9,250 to 18,050). Decreases will occur across all other age brackets
- The population is expected to decrease by 0.2% per year between 2013 and 2043 (total reduction of 3,200)
- No. of households projected to increase by 0.3% per year (total of 1,900)

Local information

- Below shows tenure of local iwi compared to the general population

Iwi	Te Arawa	Gen. pop.
Rent from private	37.1%	22.9%
Rent from Govt	9.5%	4.5%
Own house without mortgage	12.1%	26.9%
Own house with mortgage	31.2%	31.7%

- Need to address emergency accommodation but not necessarily through provision of night shelters as the need is greater than only accommodation and includes access to mental health services, budgeting, drug/alcohol counselling etc
- Feed the Homeless programme attracted other homeless people from around North Island (Auckland, Taupo and Tokoroa).
- The Rotorua Trust has funded a retrofit program in the Eastern Bay of Plenty since 2001, insulating homes at no cost to home owners who meet the eligibility criteria.
- EECA Warm-Up New Zealand insulation retrofits:

TLA	Insulation Retrofits	Total Occupied Dwellings	Percentage
ROTORUA	4,804	24,573	19.5%

Social housing provision

- Housing provided by Estimated CHA Affiliated, Registered CHO and non-CHA Affiliated Providers.

Council Area	Bedsit/1-bedroom	2-bedrooms	3-bedrooms	4+-bedrooms	Total
Rotorua DC	1	2	2	9	14

- 152 TLA units for older people (housing 150)

Council: RotoruaDC

	Number	Bed-sits	1-Bed	2-Bed	3-bed or more
Detached dwellings	0	0	0	0	0
Semi-detached dwellings	0	0	0	0	0
Low rise/ multi-unit	152	82	70	0	0
Apartment/tower blocks	0	0	0	0	0
Total	152	82	70	0	0
Rent Single		\$80.24	\$108.70		
Rent Couple		\$107.72	\$134.97		

Issues

- **Housing Affordability and Housing Quality:** Housing quality: old, cold, damp
- Rotorua District has the highest rate for pneumonia and LRTI hospitalisations in the Bay of Plenty
- In parts of Rotorua the capital gain is not great, so landlords are not as interested (nor tenants) in fitting insulation
- Absentee landlords in Rotorua around 50%
- At least 6000 homes in Rotorua still need insulation (EECA)
- Housing availability: Overcrowding was identified in Rotorua by the Te Toi Ora Public Health Unit (Lakes/BOP). Anecdotal evidence also indicates overcrowding in Opotiki, Whakatane, Tauranga and Taupo
- An emerging issue is the purchase of domestic properties as holiday homes reducing the available primary stock for rent or purchase
- **Emergency Accommodation:** no one is providing emergency accommodation in Rotorua,
- Rotorua's greatest need for emergency accommodation is from family violence, overcrowding, living in garages, and couch surfing. The problem is increasing.
- Women's Refuge don't accommodate enough in comparison to the need.
- Increased need arising from more complex issues families face in relation to housing (people not having life skills to be able to maintain a house, budgeting, rent arrears, power arrears, not knowing about cleaning), drug/alcohol addiction, Mental health services are a big need.
- More options for single person and families required.

Opotiki

Overview

Statistics NZ info

- A median age of 50 years or older is projected Opotiki (by when?). Opotiki is projected to have decrease in population. Under the medium projection, Opotiki will decrease in population by -1.1% per year (total of -2,410 by 2043)
- No. of households projected to decrease by -1.3% per year (total reduction of -1,000)

Local information

- Below shows tenure of local iwi compared to the general population

Iwi	Whakatohea	Te Whānau a Apanui	Ngāi Tai	Te Ehotu o te Iwi	Gen. pop.
Rent from private	37.0%	38.6%	35.0%	not available	22.9%
Rent from Govt	8.9%	10.8%	12.7%	not available	4.5%
Own house without mortgage	13.3%	11.9%	14.0%	not available	26.9%
Own house with mortgage	30.6%	28.4%	33.8%	not available	31.7%

- Aqua-farming venture: Licence for 6000 hectares off Opotiki. A harbour entrance is to be built (\$50m project), the tendering for which is likely to be finished by mid-2017. Aqua-culture farming has commenced in advance of harbour redevelopment. When in full production the project will require a 2-300 skilled / semi-skilled workforce that will impact on demand for housing.
- Sewage reticulation capacity is at limit in places – project to assess upgrade underway
- Papakāinga housing: four - five schemes
- In terms of accessing TPK funding: the funding accessed from Opotiki and west of Opotiki has been for emergency repairs
- EECA Warm-Up New Zealand insulation retrofits:

TLA	Insulation Retrofits	Total Occupied Dwellings	Percentage
OPOTIKI	696	3,279	21.2%

Social housing provision

- Housing provided by Estimated CHA Affiliated, Registered CHO and non-CHA Affiliated Providers.
- No TLA units for older people

Housing provided Estimated CHA Affiliated, Registered CHO and non-CHA Affiliated Providers.

Council Area	Bedsit/1-bedroom	2-bedrooms	3-bedrooms	4+-bedrooms	Total
Opotiki DC	1	2	1	4	8

Issues

- Need for economic regeneration: aqua-farming, Manuka honey, kiwifruit
- Harbour construction before aqua-culture farming project begins will require labourers (probably imported) that will impact on demand for housing.
- There will be a need for affordable (and more affordable) housing.
- Multiple-owned Māori land is problematic as the land is not sold so the number of owners keeps increasing. There is 200-300 hectares available of horticulture land on the coast if ownership could be unlocked.
- **Housing quality:** housing stock is from the '70s – cheap materials, plumbing issues.
- Opotiki– capital gain not as great, landlords not as interested (nor tenants) in insulation
- A lot of rentals owned by family members.
- 250 homes in Opotiki need insulation (EECA)
- Lack of **affordable housing**
- Lack of **rentals**, need for seasonal kiwifruit workers' accommodation, RSE workers (seasonal workers agreement with other countries) come to Opotiki some of whom are housed in campgrounds, a few backpackers, on-site in orchards/packing houses but also anecdotal evidence of people renting out spare rooms, and houses and going to live with friends in sleep-outs for the duration of the season.

Western Bay of Plenty

Overview

Statistics NZ info

- Population expected to increase by 0.5% per year from 2013 to 2043 (total of 7,400)
- No. of households projected to increase by 0.8% per year (total of 3,800)

Local information

- Healthy Whare commenced in 2014 in response to the identification of potentially dangerous and unhealthy homes as a result of the installation of a wastewater system in Maketu. Western Bay of Plenty District Council convened a working group comprised of Te Runanga o Ngati Whakaue ki Maketu, Bay of Plenty District health Board, TE Puni Kōkiri Sustainability Options and Toi Te Ora Public Health Services who all provided financial and in-kind support. The project aims to improve the health and safety of the housing conditions in Maketu through raising community awareness on healthy and safe housing, undertaking assessments of homes to identify housing health and safety issues, and building community capacity to address the issues identified. Over 80 homes have been assessed with the majority having insulation installed and/or repairs undertaken. Three skill building workshops have been held in Maketu on draught proofing and energy efficiency. Funding has been received from Te Puni Kōkiri, Bay of Plenty District Health Board, Western Bay of Plenty District Council and Bay Trust.
- An evaluation of the pilot stage of the project (January to July 2014) found that the initiative has been effective in improving the health and safety of homes in Maketu.
- Key findings include:
 - The project was effective in targeting those with housing-related health issues, and vulnerable populations including Māori and Pacific peoples, children and the elderly.
 - The project was effective in undertaking assessments, making minor repairs and installing insulation. It was less effective in supporting whanau to complete major repairs.
 - Whanau experienced increased comfort of their homes and improved safety.
 - Providing homeowners with fully subsidised insulation is likely to have longer term impact on health outcomes
- Hotspots for those receiving Income Related Rental supplement are Tauranga and WBOP
- Need for more housing to accommodate both family and one person households in WBOP
- Assessment of homes for electrical energy (WDBOPC)



- EECA Warm-Up New Zealand insulation retrofits:

TLA	Insulation Retrofits	Total Occupied Dwellings	Percentage
WESTERN BAY OF PLENTY	2,183	16,941	12.9%

Social housing provision

- Housing provided by Estimated CHA Affiliated, Registered CHO and non-CHA Affiliated Providers.

Council Area	Bedsit/1-bedroom	2-bedrooms	3-bedrooms	4+-bedrooms	Total
Western Bay of Plenty DC	0	0	0	0	0

- 60 TLA units for older people

Council: **WesternBoPDC**

	Number	Bed-sits	1-Bed	2-Bed	3-bed or more
Detached dwellings	10	0	7	0	3
Semi-detached dwellings	0	0	0	0	0
Low rise/ multi-unit	50	1	48	1	0
Apartment/tower blocks	0	0	0	0	0
Total	60	1	55	1	3
Rent Single			\$112.00		
Rent Couple			\$160.00		

State Housing

Housing New Zealand owned properties in Tauranga as at 30 April 2015	
Territorial Local Authority	
Census Area Unit	
Western Bay of Plenty District	
Te Puke East	57
Te Puke West	41
Western Bay of Plenty District Total	98
Note: The above table provides data on properties Housing New Zealand own and excludes the following:	
• properties Housing New Zealand lease	
• properties Housing New Zealand manages in Katikati.	

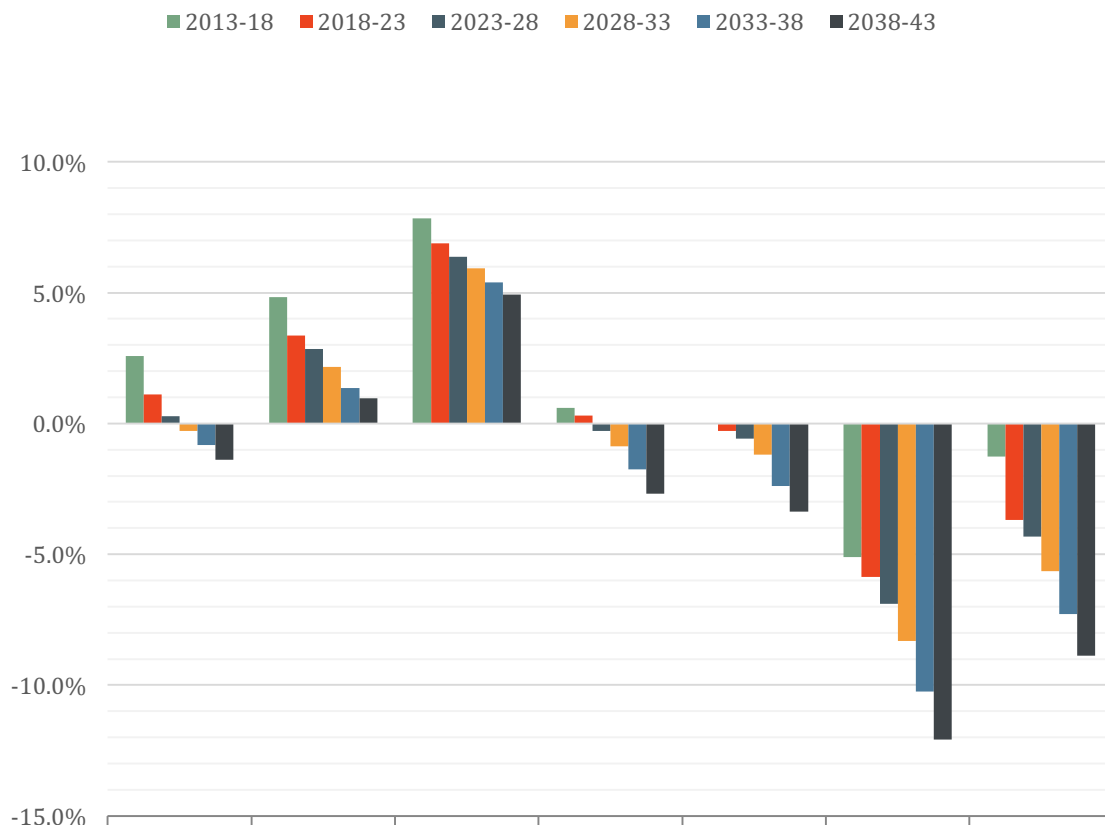
Issues

- Affordability
- Availability of rentals, low cost rentals for older people
- Need for kaumātua housing
- Shortage of emergency housing in WBOP for families and women and children
- **Maketu:** Biggest issue is in getting money for maintenance issues and for infrastructural issues like sewerage



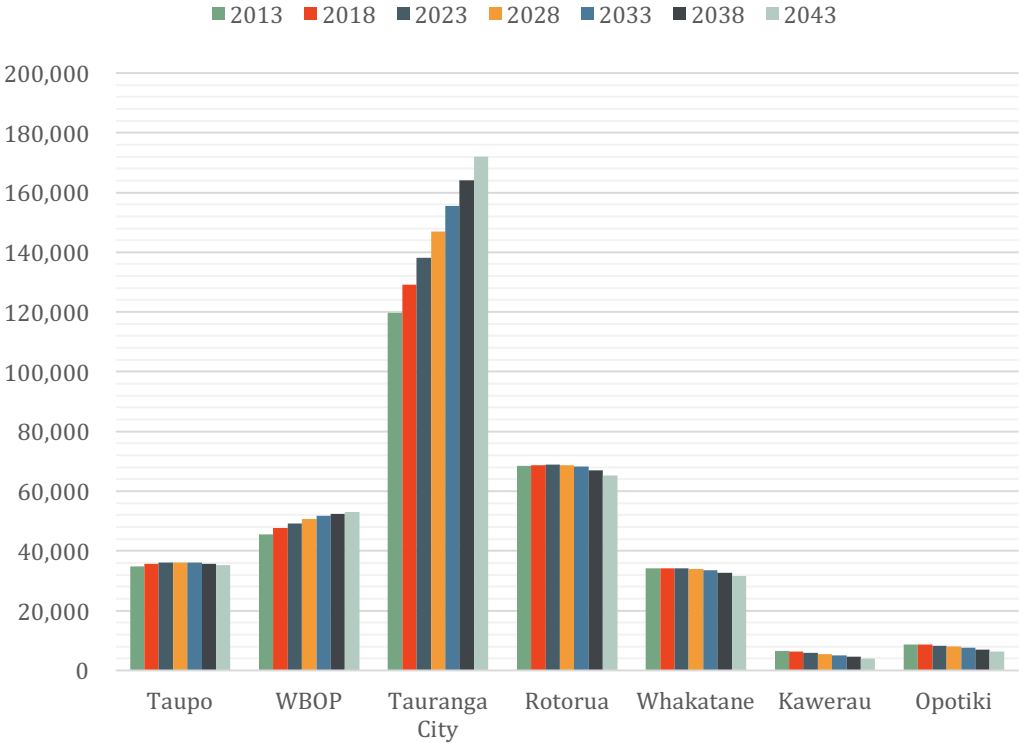
Appendix D: Population Projections

Percentage change in population 2013-2043 by District

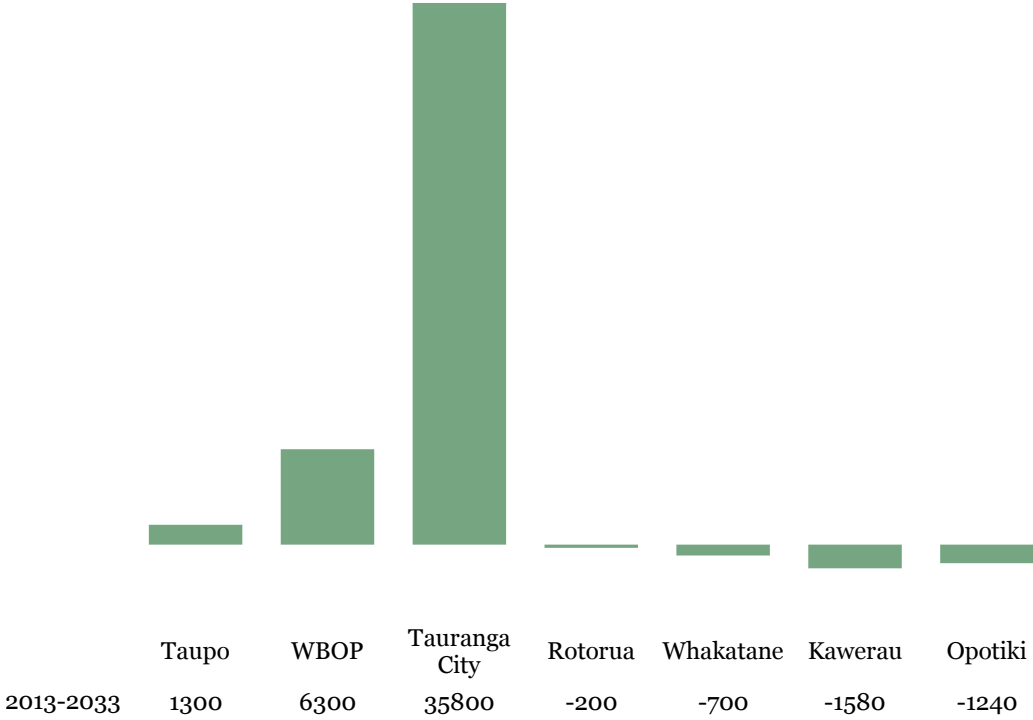


	Taupo	WBOP	Tauranga City	Rotorua	Whakatane	Kawerau	Opotiki
2013-18	2.6%	4.8%	7.8%	0.6%	0.0%	-5.1%	-1.3%
2018-23	1.1%	3.4%	6.9%	0.3%	-0.3%	-5.9%	-3.7%
2023-28	0.3%	2.8%	6.4%	-0.3%	-0.6%	-6.9%	-4.3%
2028-33	-0.3%	2.2%	5.9%	-0.9%	-1.2%	-8.3%	-5.6%
2033-38	-0.8%	1.4%	5.4%	-1.8%	-2.4%	-10.3%	-7.3%
2038-43	-1.4%	1.0%	4.9%	-2.7%	-3.4%	-12.1%	-8.9%

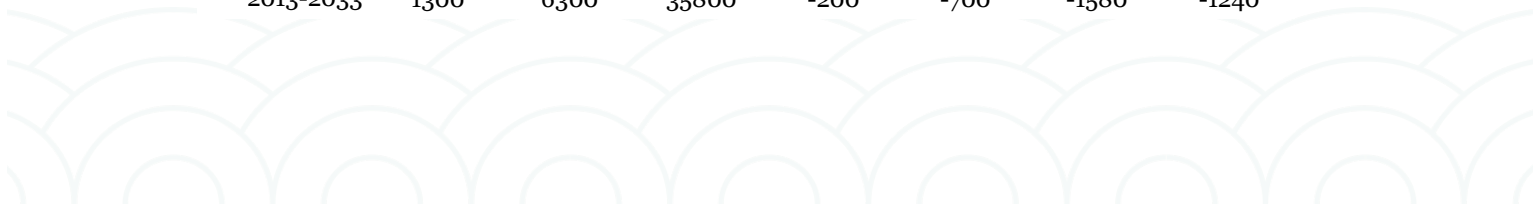
Population projections 2013 to 2043 by District



Projected population increase 2013-2033



2013-2033 Taupo WBOP Tauranga City Rotorua Whakatane Kawerau Opotiki



Appendix E: Community Funder investment

Community Funder Investments 2011-2016

	Healthy Homes/retrofit insulation	Operating costs	Electrical items	Housing projects	Other	Total Grants	% of total grants made	Avg over 5 years	
BT	\$820,500	\$75,000				\$895,500	0%-17%	6%	10%
Acorn		\$40,240				\$40,240	1%-5%	2%	0.5%
TECT	\$1,900,000	\$878,517	\$303,989	\$1,114,172	\$50,750	\$4,247,428	2%-13%	9%	48%
RECT	\$550,000			\$810,000		\$1,360,000	2%-11%	7%	15%
EBET	\$2,253,980					\$2,253,980	23%-34%	30%	26%
Total	\$5,524,480	\$993,757	\$303,989	\$1,924,172	\$50,750	\$8,797,148			
%	63%	11%	3%	22%	1%				

Housing projects inc purchase of land, housing development

Other: vehicles, computers, programmes

