

# Hon Chris Bishop

Minister of Housing  
Minister for Infrastructure  
Minister Responsible for RMA Reform  
Minister for Sport and Recreation  
Leader of the House  
Associate Minister of Finance



14 AUG 2024

Simon Moutter  
Chair - Kāinga Ora – Homes and Communities  
WELLINGTON 6140

Via email: [simon.moutter@kaingaora.govt.nz](mailto:simon.moutter@kaingaora.govt.nz)

Dear Simon

## **UPDATED LETTER OF EXPECTATIONS FOR KĀINGA ORA – HOMES AND COMMUNITIES**

We are writing to you as the Responsible Ministers for Kāinga Ora – Homes and Communities (Kāinga Ora) to outline detailed delivery expectations around Social Housing for the next two financial years.

As outlined in the Letter of Expectations sent to you on 21 June 2024, Ministers expect to receive a turnaround plan in November but in the interim period we understand the need for clear purchasing intentions for both 2024/25 and 2025/26 to enable you to progress projects to renew the portfolio (Area 1 of the Letter of Expectations refers).

Our understanding is that the Ministry of Housing and Urban Development has been working with Kāinga Ora to establish an approach in line with Government decisions for social housing delivery.

The Government wants to ensure that Kāinga Ora's delivery of social housing places contributes to the Government's goal of reaching the number of households in emergency housing.

As such, we are altering previous targets to align delivery efforts with regions most in need.

We also acknowledge that for 2025/26 in order to progress Large Scale Projects there is a need for demolitions in Auckland which will provide the opportunity to increase Auckland stock from 2026/27 onwards subject to approval of future renewal programmes.

We understand that you have already begun a process to assess the financial viability of pipeline projects and as Ministers we are keen to be kept informed through Officials of your progress in this area.

We expect the following deliverables to be accommodated within the debt forecast to June 2026 previously submitted as part of Budget 2024 and that both the renewal programme and retrofit programme are reporting quarterly to the Treasury under Cabinet Office Circular 23(9).

## Delivery to June 2025

We expect Kāinga Ora to deliver the following net social housing places by region for the year to June 2025

REGION	2024/25 NET DELIVERY
Northland	130
Auckland	770
Waikato	330
Bay of Plenty (excluding Rotorua)	100
Rotorua	220
East Coast (Gisborne, Hawke' Bay)	250
Taranaki	10
Central	90
Wellington	30
West Coast/Tasman	90
Canterbury	160
Southern	50
Total	<b>2,230</b>

We acknowledge that there will be slight changes to the delivery profile as projects progress, which we expect the monthly reporting to Ministers to clearly identify risks and issues to ensuring these regional targets are met.

## Delivery to June 2026

We expect Kāinga Ora to deliver the following net social housing places by region for the year to June 2026.

REGION	2025/26 NET DELIVERY
Northland	79
Auckland	(199)
Waikato	54
Bay of Plenty	57
Rotorua	90
East Coast (Gisborne, Hawke' Bay)	156
Taranaki	29
Central	36
Wellington	123
West Coast/Tasman	110
Canterbury	(91)
Southern	37
Total	420

We expect as part of the credible plan in November, further information is included on the demolition and sales approach being adopted to meet these targets acknowledging that the levels proposed within the delivery to June 2026 are at similar levels to past years.

## Retrofit to June 2026

We expect Kāinga Ora to deliver the following retrofit programme by region covering both 2024/25 and 2025/26.

REGION	2024/25 RETROFIT	2025/26 RETROFIT
Northland	60	40
Auckland	40	25
Waikato	40	35
Bay of Plenty	80	25
East Coast	70	38
Taranaki	50	30
Central	70	40
Wellington	180	90
West Coas/Tasman	70	35
Canterbury	110	82
Southern	80	55
Total	850	495

We trust these expectations will enable you to continue engagement with the relevant communities in these priority locations to keep the momentum.

Yours sincerely



Hon Nicola Willis  
**Minister of Finance**



Hon Chris Bishop  
**Minister of Housing**

cc Andrew McKenzie, Chief Executive Officer, Kāinga Ora