

12 June 2024

9(2)(a)

Dear 9(2)(a)

Thank you for your request of 1 May 2024, to Kāinga Ora - Homes and Communities, requesting further information under the Official Information Act 1982 (the Act), for:

*“please provide me with the prep pack and/or any documents prepared for representatives of Kāinga Ora for the Annual Review of Kāinga Ora at the Social Services and Community Committee on 4 March 2024.”*

The following documents were provided to the Chief Executive and Acting Board Chair for the Annual Review hearing on 4 March 2024:

- Annual Review Hearing – Key stats 2022/23 factsheet
- Draft Opening Remarks
- Select Committee Briefing Note
- Annual Review of Kāinga Ora – Homes and Communities (Responses to written questions 1 to 195)

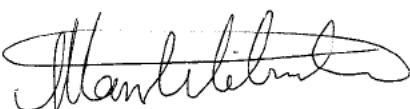
The responses to written questions 1 to 195 are available online here: [Kāinga Ora - Homes and Communities \(Responses to written questions 1 to 195\) - New Zealand Parliament \(www.parliament.nz\)](http://www.parliament.nz). The remaining documents are attached.

Some information has been withheld under the following sections of the Act:

- 9(2)(b)(ii) to protect information where the making available of the information would be likely unreasonable to prejudice the commercial position of the person who supplied or who is the subject of the information.
- 9(2)(g)(i) to maintain the effective conduct of public affairs through the free and frank expression of opinions.

Please note that the material provided was prepared in late February 2024, and that the content reflects that point in time. Material in the Select Committee Briefing Note was prepared as a back pocket reference for the Acting Chair and Chief Executive to use to prepare for the Select Committee Hearing, and was not intended for publication.

Yours sincerely



Al Witcombe  
**Acting Deputy Chief Executive – Government and Sector Relationships**

# 2022/23 Annual Review hearing - KEY STATS

## Performance stats - Housing supply, urban development and customer

Housing supply and renewal	Housing delivery system	Urban development	Customer / vacancies
<b>11,000 gross PH</b> delivered since <b>2018</b> .	<b>30%</b> reduction in cost to build a home.	<b>5,200</b> market and affordable homes enabled since 17/18	A tenant / family is housed every <b>15 minutes</b>
Around 7 new homes delivered <b>every working day</b> in the past six years.	<b>13%</b> reduction in capital costs - \$820m over four years	Land under development – <b>3309 sqm</b> up from 90 sqm in 2018	In 2023 <b>5,300 applicants</b> housed off the register
Over <b>6,300</b> homes in construction 22/23  Around <b>4700</b> homes to be delivered in this FY	Overall build time for a home <b>halved</b> .		<b>21,000</b> applicants housed off the register from 2019-2023
<b>5,200</b> market and affordable homes enabled.	<b>1,400</b> homes have been through HDS (since mid		<b>97.4%</b> vacancy rate
<b>750</b> homes retrofitted in 22/23 – <b>2,000</b> competed to date.			<b>21 days</b> – average time to have vacant home ready to let

## Hot topic stats

Disruptive behaviour	Rent arrears	Accessibility	Acquisitions
In the six months to December 2023: <b>121</b> households relocated. <b>66</b> section 55A notices issued.	<b>85%</b> of customers pay rent on time. <b>66%</b> of customers in arrears are repaying it. Rent debt is <b>4.5%</b> of annual rental income	<b>19% (423)</b> of new builds in 22/23 met FUD. Target is <b>15%</b>	<b>510</b> homes purchased in 22/23  Just <b>0.82%</b> of all residential sales
Staff numbers	Operating loss	Contractors	
<b>3,346</b> FTEs as at 22/23 <b>69%</b> frontline People costs as a % of expenditure is declining.	\$520 million loss was consistent with our budget – these are mostly non-cash losses. KO delivered a \$37m cash surplus	<b>100</b> fewer contractors compared to a year ago. Of the 391 contractors, <b>61%</b> are on IT projects	

## 2022/23 Annual Review – **DRAFT** opening remarks

Word count 600 – 120 words per minute = 4/5 minutes

### *Vui to open and cover delivery targets*

Kia ora koutou

#### INTRODUCTION.

Before taking questions from the committee we'd like to open with some very brief comments and provide further information on a couple of matters which are outlined in our 2022/23 Annual Report.

#### ***Environmental impact on delivery targets***

With our delivery targets, the committee will be aware Kainga Ora has significantly increased its capacity to supply more houses and renew its existing properties.

We build additional public housing according to the Government's public housing plan, and retrofit homes to our Asset Management plan. The scale we and our private sector build partners are operating at continues to grow.

This has seen Kāinga Ora deliver **11,000** (gross) new public and supported homes and retrofit **2,000** homes in recent years – that's around 7 new homes delivered and 1.5 renewed and upgraded **every working day** in six years.

We're on track to deliver **around 4700** homes in 23/24 and renew almost 1,000. We renewed **750** homes in 22/23 (33% uplift on 22/23)

We're delivering thousands more much-needed homes, and we're doing it more efficiently as we further embed our Housing Delivery System, which we can talk to in detail later.

In 2022/23 we delivered 2,893 new public and supported homes against our target of 3,400 - this was more than 1,000 additional homes compared to the previous year's total. We increased our total portfolio by 2,526 against the target of 2,200.

The severe North Island weather events in January and February 2023 delayed the programme by two months, with the balance of our gross target delivered in August 2023.

I'll now pass to Andrew McKenzie, chief executive, to provide some comments on the agency's finances.

#### ***Operating loss***

The committee will also be aware of the (after-tax) accounting loss of \$520 million in 2022/23.

This loss was consistent with our budget as we renew thousands of our old assets, grow the portfolio and leverage existing landholdings so more homes can be built on them. There are

a number of non-cash elements to this loss - from a cash perspective, Kāinga Ora generated a surplus of \$37m.

Those non-cash elements include depreciation at \$344 million and accounting losses of \$124 million (**TBC**) on land sales in our large scale programmes, where the value of land sold is less than the book value of that land + costs associated with developing the land for sale.

Importantly, we are making these losses because we are driving intensification and affordability outcomes rather than the value associated with highest and best use.

### ***Financial sustainability***

With an aging portfolio that is expensive to maintain (and live in), we are delivering 40 years of build and renewal activity in a decade. This compressed timeframe will see debt increase and some operating deficits, but it provides warmer, and healthier homes for our customers and protect the value of our assets – one of the Crown's largest.

We are working with the Ministry of Housing and Urban Development and Treasury on the financial settings that we operate within, so we can continue to meet the housing priorities set by the Government.

Longer term, as we complete our capital expenditure renewal programme, and more rental income is received from the extra housing, we are able to repay debt and push down interest costs leaving strong surpluses.

Currently our asset based is valued at over \$43 billion with debt of around \$12 billion. As we take a long term view of our assets, we forecast that by 2080, Kāinga Ora will have \$260 billion of assets with around \$9 billion of debt.

Thank you for your time, and we look forward your questions.

# 2022/23 Annual Review

## Briefing note topics

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# Key statistics – 2022/23<sup>1</sup>

## Housing Supply

We're delivering thousands more much-needed homes, and we're doing it more efficiently as we further embed our Housing Delivery System

Our increased activity is highlighted by:

- **11,000** (gross) public and supported homes delivered since 2018 – that's **7** new homes delivered every working day in six years
- **4,500 – 4700** homes to be delivered in 23/24
- The numbers of houses delivered in 2023 is a 100% increase on 2019.
- Over **8,000** homes delivered, committed or contracted in our pipeline from July 2023 till June 2025
- **750** homes retrofitted in 22/23 – **2,000** competed to date

## Land development

- land under development has risen from 80sqm in mid-2017 to 3309sqm in 2023.
- YTD for 23/24, we have 3,539sqm under development – already exceeding the activity in 2022/23.

## Supporting our customers

- 78% of customers satisfied with their Kāinga Ora home maintenance
- 84% of customers felt treated with respect by their Housing Support Manager
- 82% of customers satisfied with the services we provide
- 1,310 transitional housing places (as at 31 December)
- 91 beds for Corrections service providers

## Managing our homes

- 2,893 new homes built for public and supported living
- 2,526 net increase in public and supported homes
- 277,693 maintenance jobs completed (as at 31 December)
- 2.0 hours average response to urgent health and safety maintenance queries (as at 31 December)

## Home ownership

- 9,994 homes purchased with our home ownership products (as at 31 December)

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<sup>1</sup> Source – Annual Report 2022/23



- \$64 million in funds granted for First Home Grants (as at 31 December)

## Pipeline

As of 30 June 2023, Kāinga Ora had 30,112 Public and Supported homes in our pipeline, with 6,354 of those contracted or in construction:

Pipeline as at 30/06/2023	New Build	Redevelopment	Grand Total
<b>In Evaluation</b>	-	20,658	20,658
2.Planning	-	16,825	16,825
3.Feasibility	-	3,833	3,833
<b>In Progress</b>	3,159	6,295	9,454
4.Procurement	192	2,908	3,100
5.Contractured	1,685	922	2,607
6.Construction	1,282	2,465	3,747
<b>Grand Total</b>	<b>3,159</b>	<b>26,953</b>	<b>30,112</b>

## Breakdown of 2022/23 additions and disposals

Addition Type	Community Group Housing	Transitional Housing	State Housing	Grand Total
Acquire Existing	17	30	463	510
Acquire New	1	136	1,032	1,169
Lease New Build	-	-	100	100
Leases	-	-	10	10
Redevelopment	3	31	1,590	1,624
<b>Grand Total</b>	<b>21</b>	<b>197</b>	<b>3,195</b>	<b>3,413</b>

\*excludes ICPTs

\*\*Includes 76 non-public homes which are part of the Greys Ave complex (delivered in June 2023)

Note – total newly built properties consist of redevelopments (1,624) + acquire new (1,169) + Lease New Build (100) = 2,893

Disposal Type	Community Group Housing	Transitional Housing	State Housing	Grand Total
Demolished	1	1	617	619
Lease	-	-	224	224
Sold	2	-	30	32
Sold to Tenant	-	-	5	5
<b>Grand Total</b>	<b>3</b>	<b>1</b>	<b>876</b>	<b>880</b>

\*excludes ICPTs

#### Number of newly built properties by year

Financial Year	Property Count
2021/22	1,815
2022/23	2,893
<b>Grand Total</b>	<b>4,708</b>

\*excludes ICPTs

\*\*Includes 76 non-public homes which are part of the Greys Ave complex (delivered in June 2023)

#### Breakdown by TLA of properties built in 2022/23

TLA	Property Count
ASHBURTON DISTRICT	17
AUCKLAND	1,477
CHRISTCHURCH CITY	398
DUNEDIN CITY	26
FAR NORTH DISTRICT	22
GISBORNE DISTRICT	62
HAMILTON CITY	205
HASTINGS DISTRICT	73
HOROWHENUA DISTRICT	3

INVERCARGILL CITY	12
KAIPARA DISTRICT	2
KAPITI COAST DISTRICT	4
LOWER HUTT CITY	30
MARLBOROUGH DISTRICT	38
MASTERTON DISTRICT	16
MATAMATA-PIAKO DISTRICT	14
NAPIER CITY	36
NEW PLYMOUTH DISTRICT	2
OPOTIKI DISTRICT	8
PALMERSTON NORTH CITY	21
PORIRUA CITY	10
RANGITIKEI DISTRICT	2
ROTORUA DISTRICT	93
RUAPEHU DISTRICT	2
TARARUA DISTRICT	2
TASMAN DISTRICT	7
TAUPO DISTRICT	6
TAURANGA CITY	13
TIMARU DISTRICT	2
WAIKATO DISTRICT	32
WAIPA DISTRICT	2
WELLINGTON CITY	213
WHANGAREI DISTRICT	43
<b>Grand Total</b>	<b>2,893</b>

\*excludes ICPTs

\*\*Includes 76 non-public homes which are part of the Greys Ave complex (delivered in June 2023)

## Briefing note topics

### Debt and financial sustainability

- **Due to the increasing demand for housing, we are channelling, and delivering, 40 years of build and renewal activity into a decade.**
- **Kāinga Ora debt levels have risen rapidly since 2018 to finance the largest build programme in decades. The scale of the build programme reflects not only demand for new housing, but the need to renew a higher-than-average number of homes that have come to the end of their economic lives (around 45,000 over the next 20 years).**
- **The upfront capital required for the build programme is expected to be repaid within the 60-year projection period (our assets generate revenue for 60+ years) under the range of modelled scenarios.**
- **Importantly, financial sustainability is expected to improve considerably as key cost-saving initiatives are embedded. These initiatives are focussed on asset management and maintenance, new methods of housing delivery, as well as a focus on FTE growth.**

We take a long-term, fiscally responsible, view to managing the housing portfolio. This involves looking at our plan to grow, maintain and renew the portfolio over the next 60 years.

Over that 60-year period, with the scale of the new building currently underway, and the large existing asset base, Kāinga Ora will be better off in the long term. As we build more homes, our income streams increase which means we will have the ability to repay the debt over time.

We forecast that by 2083 we will have an estimated \$260 billion in total assets with likely less than \$9 billion in debt, with debt-to-assets peaking at 42% around 2033 (coinciding with the end of the first significant programme of renewal).

The Board-approved December 2023 Budget Update included cost-saving initiatives that significantly reduce both capital and operating expenditure to improve cash flow.

Over the four-year Budget period, capital expenditure and operating expenditure are expected to be \$1.8 billion and \$500 million lower than the May 2023 Budget, respectively, because of these focussed savings initiatives.

The key initiatives are focussed on:

- asset management and maintenance, following a review of these activities<sup>9</sup>
- Housing Delivery System gains beyond that assumed at Budget 2023, following learnings as new homes are delivered using the system, and
- reductions in vacancies and further controls on FTE growth.

## Independent Review into Kāinga Ora – Homes and Communities

- **Ministers announced an independent review of Kāinga Ora-Homes and Communities on 18 December 2023. The review aims to provide Ministers with assurance over the approach and delivery of the significant investment programmes currently being delivered by Kāinga Ora and identify ways to improve Kāinga Ora performance and long-term financial sustainability.**
- **Kāinga Ora management and Board are actively engaged with the review team and have already provided the Review with a significant volume of information. We will continue to work closely with the Review Team and ensure they receive accurate and timely responses to their information requests.**

On 18 December 2023, the Minister of Finance and Minister of Housing announced an independent review of Kāinga Ora-Homes and Communities under section 132 of the Crown Entities Act 2004, as part of the new Government's 100-day action plan.

The review aims to provide Ministers with assurance over the approach and delivery of the significant investment programmes currently being delivered by Kāinga Ora. Ministers have decided to utilise external independent reviewers with the support of the Treasury and Ministry of Housing and Urban Development to undertake this review.

The review aims to identify ways to improve Kāinga Ora performance and value for money, and manage the impacts of Kāinga Ora debt and operating surplus / deficits excluding asset valuation changes (OBEGAL - Operating Balance before extraordinary gains and losses). The scope of the review includes:

- The financial viability of Kāinga Ora – including the efficiency of funding arrangements, costs of renewal of its portfolio to revenues and appropriateness of its portfolio valuation methodology.
- Asset procurement and management – including housing procurement strategies, costs, value for money of its programmes, engagement with key stakeholders and asset management performance.
- Tenancy management - including consistency with a goal of delivering better outcomes for tenants.
- Kāinga Ora remit – consider whether the remit of Kāinga Ora, including legislation, regulations and Government policies, is conducive to good performance of its core functions.
- Institutional arrangements to incentivise better performance – to encourage better performance and reduce fiscal impacts on debt and surplus / deficits (OBEGAL).

Kāinga Ora management and Board are working closely with the Review Team to ensure that they have all the information they require to undertake the review. To date, we have provided two tranches of information to the Review Team.

This included:

- Tranche 1 information (provided 10 January 2024) – a suite of existing organisational documents, policies, financial reports, asset management strategy, and Board reports.
- Tranche 2 information (provided 26 January 2024) – a comprehensive suite of specific questions asked by the Review team which included detailed breakdown of Kāinga Ora financial actuals / budgets, approach to investment planning, asset information, tenancy management information, and explanations around Kāinga Ora remit and role in the wider system.

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## Operating loss of \$0.52 billion for the year

### For the 2022/23 financial year:

- Kāinga Ora made an (after-tax) loss of \$520 million, (which includes \$344m in interest costs associated with our significant recent capital programme), which was generally consistent with the approved budget expectation
- However, this includes two material non-cash items:
  - Depreciation and amortisation of \$433m
  - Losses associated with asset write downs, impairments and disposals of \$124m
- From a cash perspective, Kāinga Ora generated a surplus of \$37m

In terms of depreciation, this is designed to represent the wear and tear on our assets in a given year. While we aren't specifically setting this aside we are investing heavily to improve our homes, and long-term we end up in a more sustainable position.

In terms of losses associated with asset write downs, impairments and disposals, this is primarily made up of accounting losses through the large scale programmes, where the value of land sold is less than the book value of that land + costs associated with developing the land for sale. Importantly, we are making these losses because we are driving intensification and affordability outcomes rather than the value associated with highest and best use. (Of note, the book value of the land in almost all cases will be significantly higher than what we paid for it, but that appreciation in land value over the years is captured through the revaluation reserve on the balance sheet rather than the P&L.)

There are other significant factors to note in relation to opex expenditure for abnormal items:

- R&M opex: Healthy Homes and catch up relating to COVID lockdowns.
  - Healthy homes opex spend in 2022/23 was \$38m (up \$5m on 2021/22). Original Budget was \$45m.
  - Catch up from Covid in 2022/23 was estimated to be \$7m. This is in the context of a \$15m budget approved by the Board for FY23. An additional \$35m is budgeted in 2023/24.
- Retrofit opex spend in 2022/23 was \$64m (up significantly from \$29m in 2021/22) , in line with increased activity (739 units delivered in 2022/23 Vs 288 the year prior).

The operating deficit has been a feature of our financials (actual and budgeted) for a number of years, noting the quantum obviously changes year on year as elements shift. These are reviewed and discussed in detail on an annual basis as we set the organisation's budget which involves review by our monitoring agencies (Including Treasury) as our SPE and budget goes through Ministerial consultation prior to approval. This has in effect been a



planned deficit, as the government considers other perspectives and options to deliver on their housing ambitions. This has included an intent to review the financial settings within which we operate which commenced 2019, although delayed for a range of reasons.

Looking forward:

- We anticipate a deterioration in our operating surpluses in the short-medium term due to the significant capital programme driving interest costs increases, however as recent savings initiatives take hold, and more homes come on stream we are continuing to project cash surpluses.
- Operating expenditure on retrofit activity is expected to grow over the Budget period (FY24 \$84m opex budget), in line with activity, and remain elevated through to FY33, averaging around \$100m per year.
- Longer term, as the level of new capital expenditure slows, inflation induced growth in rents takes hold, and we are able to repay debt and push down interest costs leaving strong surpluses which can be returned to government or set aside for the next renewal cycle.

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## Housing supply

We're delivering thousands more much-needed homes, and we're doing it more efficiently as we further embed our Housing Delivery System

Our increased activity is highlighted by:

- **11,000** (gross) public and supported homes delivered since 2018 – that's **7** new homes delivered every working day in six years
- **4,500 – 4700** homes to be delivered in 23/24
- The numbers of houses delivered in 2023 is a 100% increase on 2019.
- Over **8,000** homes delivered, committed or contracted in our pipeline from July 2023 till June 2025
- **750** homes retrofitted in 22/23 – **2,000** competed to date

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## **SPE gross build target of 3,400 for 22/23**

- **Kāinga Ora had a 22/23 SPE 2.1 target to build 3,400 gross new public homes. This was more than 1,000 additional homes compared to the previous year's total. Due to the adverse weather events that impacted the North Island in January and February 2023, the delivery of around 850 homes was delayed. Our updated forecast indicated that although we would not achieve the SPE 2.1 target by the end of June, the balance of delayed homes would be delivered by August 2023.**
- **By minimising these delays where possible, and working to deliver homes earlier than planned, we were successful in achieving our net increase in homes measure (SPE 2.2), delivering an increase of 2,526 against the target of 2,200.**
- **Our Minister and monitoring agencies received regular updates on the progress of achieving both these SPEs during the relevant period.**

The approach to not formally reset our SPE target post the weather events, and monitoring when we would hit the initial number into the new financial year, is also consistent with the approach when COVID had a similar operational impact on delivery of volumes. Whilst the SPE was not changed, regular monthly/quarterly performance reporting was always transparent on the impact on delivery numbers and when we would deliver, and is provided to our monitoring agencies. These set out the actions underway to ensure delivery as soon as practicably achievable, noting that this number is only one of the delivery numbers we are monitored against, and we balance our achievements across the suite of measures.

## 10,000 Homes

- **We understand that these numbers came from a Treasury report**

For context though, we have submitted to Treasury, as part of our asset management strategy, scenarios for the renewal and growth of our housing portfolio.

This includes options to continue upgrading our older houses – 45,000 over the next 10-15 years – and the number of new public homes the Government requires us to supply, which is determined as part of the Budget process.

Our asset management strategy includes redeveloping our sites, where we demolish older state homes and replace them with two or three new homes. With our large scale projects we also redevelop and sell surplus land which enables more public and market homes to be delivered.

Our forecasting with our asset management strategy and redevelopment activity shows our public housing portfolio will not reduce, while enabling the supply of more housing.

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## Cost to build (public housing compared with private developers)

- **an average comparison of our build costs with private sector developers is not an equal comparison.**
- **Our build programme spans across a wide range of diverse developments and housing types (free standing homes, duplexes, terraces and apartment buildings) throughout New Zealand, and often include components of wider urban development.**
- **Kāinga Ora design requirements differ from private developers to cater for the needs of public housing customers, and us as New Zealand's largest landlord.**
- **Our design requirements often exceed legislative controls, such as the Building Act, the New Zealand Building Code and Residential Tenancies (Healthy Homes Standards) Regulation. One example of this is our apartment dimensions often need to be larger than private developments given the mobility and universal design requirements of our customers. Our homes also need to be able to withstand accelerated wear and be cost efficient to operate as a public home for over 70 years.**

We also build to minimise environmental impacts (in construction as well as ongoing use of our homes) such as carbon emissions, minimise construction waste and ensure the preservation of natural heritage features.

We have been delivering new developments to a minimum of 6 Homestar (V4.1), and a few innovative buildings have achieved 7 and 8 Homestar (V4.1). This delivers a range of environmental benefits and increases water and energy efficiency, delivering less expensive ongoing bills for Kāinga Ora customers. Private developers have no obligation to deliver developments achieving 6 Homestar or above.

In addition to this, Kāinga Ora has engagement and consultation obligations under the Kāinga Ora Homes and Communities Act 2019 - this all adds time and costs to our developments that are not required by private developers, and it is therefore difficult to directly compare Kāinga Ora build costs with the costs of private developers given these differences.

## Community Engagement

- **Kāinga Ora is undertaking more development activity than ever, and through our engagement work we aim to keep communities up-to-date about the homes being built in their area, and to support thriving communities.**
- **Kāinga Ora “Community Engagement on Kāinga Ora development activities” policy sets-out our approach for community engagement on our public housing delivery programme. The policy was approved by the Kāinga Ora Board in October 2023.**
- **This policy is a high-level document which:**
  - **clarifies the purpose of Kāinga Ora engagement with communities on development activities**
  - **provides a set of principles which underpin our approach to engagement**
  - **outlines five key components of our overall engagement approach**

The policy introduces the portfolio engagement approach – a commitment to engage with communities earlier and more strategically about our development portfolio intentions for a whole community so they can see and understand how individual developments fit into the strategic intent and wider context of the Kāinga Ora work programme for an area or region.

The portfolio engagement approach supports a focus on strengthening strategic relationships with key community leaders and undertaking early and broad portfolio engagement with communities on their housing needs and how Kāinga Ora is proposing to address these.

We have legal requirements and organisational commitments to have early and meaningful engagement with communities affected by our urban development. Community expectations of our engagement with them can vary widely.

We need to balance the need to deliver new homes and community expectations.

Kāinga Ora has engagement staff within each of its place-based teams, who have expertise and local knowledge.

This proactive engagement with communities on our portfolio intentions was trialled over the past year and has provided positive connections with the community in areas where it was undertaken. Communities are engaged through proactive media releases, online information, targeted mail outs and community events.

When planning our approach to engagement we aim to understand how a community is affected by our public housing developments and enable participation that is proportionate to that affect. The extent and type of community engagement we choose to undertake can be flexible and will vary from case-to-case.

### **Kāinga Ora engagement complements and enhances consenting processes**

Decisions about whether social housing should occur, the amount of social housing that is needed and even where it is needed are made by government.

Planning rules about the location and density of future housing developments are determined by local government based on frameworks and processes determined by central government.

If communities want to influence decisions about what Kāinga Ora must deliver and the planning parameters it must work within, then communities should engage in these wider national, regional and local government processes.

Most new housing developments, whether initiated by Kāinga Ora or by a private developer, need to go through a local authority led resource consent process.

This takes into account factors such as whether there is enough infrastructure and services to support the proposed new development and how it aligns with relevant Regional or District Plans. The resource consent process also considers environmental and community impacts of development (including during construction) and can specify mitigations for these when necessary.

It is the Council that decides whether there is a need for the public to be notified of the consent application. If a local council approves a non-notified resource consent for a new housing development; then Kāinga Ora does not have a legal obligation under the RMA to consult with the wider community for that development. Where Council requires a resource consent for a development to be notified then the council will manage the formal consultation process and will make the consent decision after considering submissions from affected parties.

To avoid duplication and/or re-litigation of decision making; there needs to be a clear distinction between the effects that are considered by local authorities as part of the resource consent process and those that Kāinga Ora are expected to consider when engaging in accordance with the operating principle in the Kāinga Ora Act.

## Disruptive behaviour

- **Neighbours should not be expected to put up with intolerable situations and Kāinga Ora is committed to responding effectively to disruptive behaviour when it occurs.**
- **The vast majority of the almost 185,000 people who live in Kāinga Ora homes are good neighbours and members of their communities. However, in a small number of cases, disruptive behaviour causes highly stressful and unacceptable conditions for neighbours.**
- **Kāinga Ora is committed to responding effectively to disruptive behaviour when it occurs. Earlier this year we made changes to improve our ability to respond to disruptive behaviour and have a range of tools in place to support this.**
- **This financial year to December 2023 Kāinga Ora has moved 121 households for disruptive behaviour by agreement**

Kāinga Ora takes complaints very seriously and seeks positive outcomes for both the people we house and their communities, working closely with customers and whānau – often alongside support services – to address what can be complex social needs. Where there is illegal behaviour, we support the involvement of police.

We have a range of tools in place to help respond to disruptive behaviour when it occurs, including tools to support relocation through the Residential Tenancies Act (RTA) where appropriate.

These include an internal review group to support our customer facing teams to work through complex tenant issues and tools to support relocation using provisions from RTA.

The vast majority of the time, Kāinga Ora is able to resolve matters or initiate a move for the customer without needing to resort to eviction. It's important to keep in mind that eviction is a specific process involving the Tenancy Tribunal which occurs only if a person refuses to leave the property after a tenancy is ended.

### The Review Group

An internal review group has been established to provide advice and guidance on more complex tenancy issues, and to support or endorse action when needed. This group comprises a range of people from across Kāinga Ora, who each have different skills and perspectives. The group provides a forum for a different lens to be applied to support and advise our people, while having oversight of nationwide issues.



As at 31 December 2023, approximately 50 percent of submissions the Review Group has considered relate to complex cases of disruptive behaviour. Since being established, the review group has supported a number of the relocations and provided expert advice on matters including:

- raising awareness of specialist expertise across the organisation and externally via support agencies that can be utilised or accessed to drive positive outcomes for our customers
- sharing learnings across regions to support better practices and quicker response times in situations of disruptive behaviour
- supporting our people to develop robust engagement and communication plans when responding to private owners and members of the community impacted by significant disturbances due to disruptive behaviour

Analysis of the Review Group's considerations and outcomes also provides broader learning opportunities for Kāinga Ora to continually improve its engagement with customers who are experiencing complex life circumstances via policies, processes and training. We will continue to focus on sharing and embedding these learnings across the organisation.

#### **Disruptive Behaviour Notices (Section 55a)**

Issuing a section 55A notice to a customer under the Residential Tenancies Act (RTA) not only enables Kāinga Ora to address the behaviour occurring, but it also provides the customer with an opportunity to reflect on the situation and to work on changing their behaviour.

We have seen encouraging signs of this happening to date. Since we took up this tool earlier this year, the customers who have been issued notices positively changed their behaviour so that further notices have not been required at this point.

For the financial year 2023/24 to 31 December 2023, Kāinga Ora has issued 66 notices under section 55A(2)(a) or (b) of the RTA.

Ultimately, seeing a demonstrated improvement of behaviour is the best outcome for both our customers and their communities. To support this, Kāinga Ora actively works with customers to help identify the root cause of behaviour and support sustainable change.

#### **Tenant Relocations**

While our first approach is to support a change in behaviour, we can and do move people where necessary. In these situations, Kāinga Ora follows one of two pathways:

- If the customer is willing to be relocated, Kāinga Ora is able to take steps to do this without requiring any notices to be issued. This financial year to 31 December 2023 there have been 121 households relocated due to disruptive behaviour by agreement.

- If the customer is not willing to work with us, Kāinga Ora can use Section 53B of the RTA to support relocation by ending a tenancy and transferring the customer to another home. This financial year to 31 December 2023 two notices to relocate under S53B have been issued.

What we typically find is that when relocated, the majority of customers take the opportunity to make a fresh start and we see positive results. All relocations are deliberate and carefully considered, taking into account the implications for the person and their whānau, and we provide strong wrap-around support to the customer to help them settle into their new home and community.

An example of a successful tenant relocation is a customer in Te Puku Ikaroa (Central), where there were ongoing tensions between our customer and several neighbours. A number of agencies were engaged to support our tenant including NZ Police, MSD, and the People's Project. Kāinga Ora relocated our customer to a standalone home and supported them to help them settle into their new home and community. There have been no further complaints about this customer and they are now well settled and happy in their new home.

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## Staff numbers

- Between 2021/22 to 2022/23 Kāinga Ora has grown by six per cent. This growth is driven by System Transformation and Housing Delivery System business groups to help find ways to transform our delivery systems so Kāinga Ora can deliver on the vision of building better, brighter homes, communities and lives across the motu.
- Since Kāinga Ora – Homes and Communities was established in 2019, the organisation has undergone significant growth and transformation in response to changing Government priorities, customer needs and thousands of older homes that need upgrading. These expanded roles have significantly increased the scale of delivery required of Kāinga Ora.
- We have increased our staff to match the vastly increased work programmes. The majority of the growth in staff has been in our place based regional teams which provide frontline support to our housing customers, in our construction and urban development and planning areas, and delivering a range of new functions and accountabilities under the legislation.

### Frontline Staff

Kāinga Ora has defined the split the front and back office based on mapping cost centres. Cost centres that deliver the customer facing and core delivery activity as Frontline and support services like finance, IT, leadership team is defined as Back office. As any definition of this terminology evolves and guidance provided, we would update our mapping in accordance with any requirements.

The table below gives the number of permanent and fixed term employees by frontline or non-frontline roles in 2022/23 and previous years.

	2020/21	2021/22	2022/23
Frontline	1,512	2,143	2,318
Back office	818	1,029	1,028
<b>Total</b>	<b>2,330</b>	<b>3,172</b>	<b>3,346</b>

The table below gives the number of frontline employees as a proportion of all permanent and fixed term employees.

	2020/21	2021/22	2022/23
Frontline	65%	68%	69%

## Contractors

- **Kāinga Ora continues to reduce its contractor numbers, with 100 fewer contractors YTD.**
- **This reduction is expected to continue\* though the ongoing work to reduce internally focussed change programmes and resources as we enhance efficiency and reduce capital and operating costs.**
- **As at Jan 2024, over 60 percent of the 391 contractors at the agency were working on IT projects, with others based in our Commercial group, Delivery Transformation and C&I – the latter two groups being instrumental in our programmes to reduce our construction costs, while delivering more housing.**
- **9(2)(g)(i)**

In the 2022/23 financial year, Kāinga Ora spent \$64.797 million on contractors and consultants. This is a decrease of 15.6 percent compared to the \$76.796 million spent in 2021/22.

Kāinga Ora manages over 70,000 tenancies housing approximately 185,000 people and whānau in our homes. Kāinga Ora is also responsible for delivering large-scale developments, including affordable and market housing, as well as complex build programme on brownfield sites that are changing communities across New Zealand. This includes the largest build programme of state housing in decades, with over 11,000 new houses built in recent years. In the longer term, our large-scale development projects are expected to deliver up to 40,000 state, affordable and market homes over 15 to 20 years. Contractors and consultants provide valuable services and advice that is integral to delivering on our commitments.

Spend on consultants has reflected the growing delivery expectations of Kāinga Ora and the need to better support our work.

Kāinga Ora has a large mandate and we have deliverables that cannot always be quickly delivered by our existing team structures and capacity, particularly in a highly competitive labour market. One solution is the use of contractors to deliver quick outcomes, especially where we need specialist knowledge, particularly in the short-term.

Contractors and consultants provide valuable services and advice that are integral to delivering on our commitments. We will also contract specialist skills and experts where it is not appropriate for Kāinga Ora to employ people on a permanent basis, until, in certain circumstances, the pipeline of work gets to a point that warrants it.

The table below shows expenditure on consultants and contractors in 2022/23 and previous years.

<b>Financial Year</b>	<b>Expenditure \$</b>
2022/23	64,797,459
2021/22	76,795,818
2020/21	55,830,831
2019/20	64,238,765*

\*previous responses to Annual Review questions had a higher total – this was an error in classification.

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## Vacant Homes

- 2% vacancy rate, which is world-class
  - 9(2)(g)(i)
  - Of our lettable homes 97.4 percent are occupied
  - In 2023 we housed 5,300 applicants off the MSD housing register – that's 100 people and whanau every week
  - From 2019 to 2023, we have housed over 21,000 people and families off the register
- 
- We are improving the quality of our vacant homes and construction data and the way in which we categorise them.
  - In responding to previous information requests some homes and sites within the construction process, retrofit programme or sale/lease return categories have been incorrectly categorised, with an inference they are available to live in. That relates to a reliance on system generated numbers.
  - When homes are relocated, deconstructed, or demolished, and the site is empty, these are recorded as vacant homes within our computer system until the removal or demolition has been completed and signed off, which may include steps such as decontamination. For groups of houses, the empty site may be recorded as a vacant home while the entire demolition process is undertaken.
  - We are reviewing our systems and processes to ensure that more accurate information is provided in the future and in a consistent format.

## Vacant homes details: 31 December

<b>All occupied public homes</b>	<b>64,209</b>
<b>Category 1 - Vacant homes being prepared for letting</b>	
Ready to let	559
Under repair	456
Coming into service	284
<b>Sub-total</b>	<b>1,299</b>
<b>Total public occupied + public homes being prepared for letting</b>	<b>65,508</b>
<i>Utilisation of available public homes</i>	<i>98.0%</i>
<b>Category 2 - Vacant unavailable homes (long-term repairs)</b>	
Major repair	335
Pending decision	60
<b>Sub-total</b>	<b>395</b>
<b>Total occupied and vacant public homes</b>	<b>65,903</b>
<i>Percentage occupied</i>	<i>97.4%</i>

Kāinga Ora currently has 65,903 homes in its lettable portfolio, with approximately 185,000 social housing customers across Aotearoa New Zealand in those homes. We also manage more than 3,950 supported homes and 970 homes leased to community housing providers (CHPs) – almost 71,000 homes in total. More than 50,000 of those homes are old, thermally poor, expensive to live in and expensive to maintain.

Of these lettable homes, 64,209 or 97.4 percent are occupied. There are 1,299 vacant homes available to be let or in minor repair process and a further 395 that will eventually be returned for letting after undergoing major repairs.

Vacant homes available for letting include:

- 'homes under repair' - awaiting our trades specialists to complete their works (currently 456 homes)
- 'homes ready to let' – homes where repairs have recently been completed or homes that have recently been acquired / redeveloped and are awaiting the placement of new tenants from the housing register (currently 559 homes)
- 'homes coming into service' – new homes that have recently been built or acquired that either require minor works prior to being ready for a tenant (newly acquired homes in particular can require some remedial work in order to meet our social housing standards) or where for operational reasons, we have decided to fill a large complex in a staged manner to enable tenants to settle in - e.g. Te Mātāwai complex in Greys Avenue (currently 284 homes).

Vacant unavailable homes that will be returned to the letting portfolio:

- homes undergoing major repair (335)

- homes pending final decisions (60)

There are also over 8,200 sites and homes within different construction processes – 5,591 homes contracted or in construction, a further 2,700 in pre-construction, including 1,100 sites where homes have been demolished or are in the process of being demolished to enable construction of new homes, and over 700 homes within our retrofit process. We also have a small number of leased homes that are being readied for return to their owners. The table below provides a breakdown of our vacant homes that are available for re-tenanting.

## Rent arrears

- **Most Kāinga Ora customers – approximately 85 percent– continue to pay their rent every week on time and are up to date with their rent payments.**
- **When a customer falls behind on their rent, Kāinga Ora works closely with them to address the debt and establish a payment arrangement that is both manageable and sustainable for the household.**
- **With a focus on early intervention and prevention, this approach includes taking the time to understand the circumstances and needs of the household. We are focused on supporting customers to get on top of their financial circumstances, while continuing their tenancies wherever possible. However, it is also essential that rent is paid.**

Financial hardship is a primary driver of public housing need and many of the people who live in our homes experience challenging financial circumstances. Most Kāinga Ora customers – almost 98 percent – are on low incomes and qualify for an income-related rent. In these situations, even small, unexpected life events can push a person or whānau into debt, from which it can be difficult to recover.



The COVID-19 pandemic had a significant impact on the financial circumstances of some Kāinga Ora customers and the impacts of the pandemic continue to be felt. Disruption to household incomes and reduced capacity from service providers to support customers influenced Kāinga Ora customers' ability to pay their rent. During this period, rent debt rose from \$4.2 million on March 2020 to \$21 million by December 2023.

Inflation and the rising cost of living are currently having a significant impact on people throughout New Zealand. Many Kāinga Ora customers live on very low incomes, and research shows that the effects of inflation are twice as impactful for those living on low incomes. Despite these challenges, the current level of rent debt is equivalent to 4.46% of annual rental income paid by Kāinga Ora customers.

### Responding to rent arrears

As at December 2023, of the 64,209 households residing in Kāinga Ora homes, 9,472 were in rent arrears. This means approximately 85 percent of Kāinga Ora customers continue to pay their rent on time every week.

When a customer falls behind on their rent, we contact them early and work closely with them to develop a plan that will support them as they work through rent-related issues. We have focused debt conversations with customers who may require further assistance and help with referrals to support agencies (such as budgeting services) when required. This is a sensitive and time-consuming task, which we do in a kind and empathetic way by providing support aimed at identifying root causes of debt.

On average, more than three quarters of customers with rent arrears are actively repaying their arrears as a result of arrangements we have put in place. As at 31 December 2023, 66% of customers in rent arrears are making regular payments towards their arrears as well as paying their weekly rent on time. This slight decrease is typically seen during December and January, as customers juggle additional costs during the holiday season and back to school on very tight budgets. Despite this slight drop in the number of customers making repayments to arrears, the average for the 2023/24 Financial year is currently 76%.

While most customers work with us to address their rent arrears, in a small number of situations, customers consistently choose not to pay their rent or refuse to work with us. Allowing this to continue is neither in their best interests nor those of Kāinga Ora. In the small number of situations where we've exhausted all options to address the debt, we can and will apply to end their tenancy.

### Rent arrears

Total households	Number in rent arrears	Payment plan in place
64,209	9,427 (15%)	66%

As at 31 December 2023

### Working across Government

- Kāinga Ora was involved in the all-of-government debt work taking place which is developing a framework that categorises different types of debt and proposes a person-centric approach to managing debt. The approach took into account a range of different factors like hardship, limitations to collections and the potential for cross agency information sharing.
- The policy framework for Debt to Government was considered, and agreed, by the Cabinet Social Wellbeing Committee in July 2023. The framework has a particular focus on the way government agencies create and manage personal debt owed by low-income households.
- The framework has three main parts:
  - a set of over-arching principles for creating and managing debt,
  - a “purpose-centred approach”, which classifies debt into different groups according to its policy purpose and discusses how different settings might be more appropriate for some purposes than others, and
  - a “person-centred approach”, which discusses how to take a debtor’s personal circumstances into account, with a focus on the consideration of financial hardship.
- Agencies were expected to review their existing debt management policies for alignment with the approved framework, and this informs the operational policy work currently underway to develop options to address rent debt, including tenants not engaging with Kāinga Ora to address their rent arrears, and options to deal with hardship cases. This work will be completed by the end of the first quarter of this year.
- Cabinet invited joint Ministers to report back in July 2024 on implementation of the debt framework.

## Housing Delivery System (HDS)

- **The Kāinga Ora Housing Delivery System (HDS) continues to drive productivity, reliability and reduce costs. Through the HDS we're already reducing the design to consent phase of houses by 94 percent – from 17 months to six weeks – and halving build times**
- **As the HDS continues to evolve, we discover even more ways to increase its efficiency and achieve greater value for investment. This includes looking at wider productivity, labour and material initiatives.**

With the need to continue building homes at scale and pace, we're constantly adapting and transforming our approach to construction, creating further efficiency in the way we work.

The Kāinga Ora Housing Delivery System (HDS) is a new way of planning and building quality homes faster, and at a lower cost.

Cross-functional professional teams are co-located, co-ordinating and tracking the thousands of tasks involved in planning and building a home to schedule work more efficiently and make best use of resources.

Professionals from multiple disciplines work together in one place from day one of each housing project - including architects, planners, surveyors, development and project managers and engineers.

This integrated approach emphasises collaboration and tight scheduling to reduce waste, errors and rework.

It's about detailed planning, resourcing and sequencing of tasks to create a predictable and steady workflow. The output of a high-quality home doesn't change from our usual standards, just the way we get there.

### Supporting messages

- Through the HDS we're already reducing the design to consent phase of homes by 94 percent – from 17 months to six weeks – and halving build times. Importantly, it means more homes for New Zealanders in a shorter time.
- Approximately 1,400 public homes are progressing through the HDS design and build process or were completed as at December 2023.
- Homes of various typologies are now being built using this method in more than 20 towns and cities throughout the country.
- The current average HDS construction time is currently just over three months and we're ultimately aiming for a target of 65 days.

- The HDS recently delivered three new quality homes in a record 59 days. This latest milestone includes foundations, civil works and construction, and reduces the standard build time for a similar project by more than half.
- One of our productivity initiatives includes a pilot in Rotorua which sees us more actively involved in the housing delivery supply chain.
  - This involves co-designing the commercial agreement with our supplier and build partner, ensuring aligned outcomes and shared accountability.
  - We're aiming to save at least 30% in costs per home delivered, through increased productivity, material savings, less waste and reduced margins and overheads.
  - The relational agreement is being piloted on the construction of more than 100 homes in Rotorua that are scheduled to be delivered through the HDS over the next 18 months.

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## KiwiBuild

- **The Buying off the Plans underwrite programme works with residential developers to increase access to more affordable housing opportunities for first home buyers and increases the pace which new homes are brought to market. It supports developments of all sizes – from single residential housing projects, through to integrating more affordable housing options into large-scale urban regeneration developments.**
- **As at 31 January 2024, the programme has contracted 3,574 affordable homes to be built. The programme has also enabled around 3,750 market homes to be built. Of the contracted affordable homes, 2,280 have been completed, with another 1,294 under construction or awaiting consent.**

Kāinga Ora – Homes and Communities manages the Buying off the Plans Underwrite Programme on behalf of the Crown.

The objective of the programme is to work with private residential developers to facilitate the delivery of new and affordable homes in areas of demand. To expedite supply the programme underwrites a portion of homes in new developments to unlock development funding and bring forward construction dates.

To enable affordable homes the programme has price caps which are aligned with lower quartile new build house prices. Participating developers sell the underwritten homes to eligible buyers.

In most cases, developers will also have a portion of market homes in their developments. These market homes are not underwritten, but as the underwrite releases development funding the build of the market homes is enabled by the underwrite.

The programme supports qualifying developments and is a useful countercyclical tool to encourage the supply of new builds at a time when the residential construction industry may be contracting. This makes it harder to achieve pre-sales and this then impacts their ability to obtain finance.

Kāinga Ora does not manage the construction of homes contracted through the underwrite programme. This is the responsibility of the participating developers.

In current housing market conditions, an underwrite enables developers to continue new housing supply that may otherwise be stalled and, in return the Crown assumes some of the sales risk for the underwritten homes.

As at 31 January 2024:

- 2,280 affordable homes have been built, with another 1,294 under construction or awaiting consent .
- In addition, the programme has enabled 3,750 market homes to be built.
- 2,352 affordable homes have sold to eligible buyers.
- The Crown has acquired 321 completed homes as part of the Buying off the Plans programme (225 underwrites and 96 outright purchases) of which all 321 homes have been on-sold by the Crown. All of those homes have been on-sold at or above the Crown's purchase price, meaning more funds have been returned to the Crown than expended.

As at 31 January 2024 the regional breakdown of delivery of affordable homes is:

Region	Completed	Under construction or awaiting consent
Auckland	1,994	1,022
Bay of Plenty	41	45
Canterbury	11	0
Hawkes Bay	10	0
Greater Wellington (incl Hutt and Kapiti Coast)	100	86
Manawatu	0	2
Nelson	0	6
Northland	19	0
Otago/Southland	19	95
Taranaki	68	0
Waikato	18	38
<b>Totals</b>	<b>2,280</b>	<b>1,294</b>

## Healthy Homes Standards

- **As we approach the compliance deadline of 1 July 2024, 99.3 percent of Kāinga Ora homes required to meet Healthy Homes Standards either met them or had work in progress to meet them.**
- **We recognise the impact that a warm, dry and healthy home has on the long-term wellbeing and happiness of our customers, and we continue to complete as many homes as possible, as quickly as possible.**
- **We are racing towards full compliance, working through the final one percent.**

Kāinga Ora is New Zealand's largest landlord, with approximately 66,500 homes required to meet compliance with Healthy Homes Standards. This is Kāinga Ora's largest and most complex delivery programme to date.

At 31 December 2023, 99.3 percent of these homes either met the Healthy Homes Standards or had work in progress to meet them. Of this, 98.7 percent (65,694 homes) were confirmed as meeting the Standards. A further 0.6 percent (411 homes) had Healthy Homes maintenance in progress.

Our Healthy Homes Delivery Programme is upgrading over 80 percent of the portfolio while customers are in their homes. Alongside the Healthy Homes Programme work, we complete Healthy Homes improvements when homes become vacant and through renewals; our older homes going through our Retrofit Programme receive the full suite of healthy homes improvements. New builds include healthy homes requirements as part of the build design standards.

To speed up delivery, we implemented a range of ongoing activities to ensure every effort is made to achieve compliance across the balance of the portfolio by 1 July 2024, including:

- mobilising our maintenance partners and contractor base to deliver as quickly as possible by increasing the size of our contractor base and increasing working times.
- working with suppliers to increase buffer stocks to mitigate any supply chain challenges.
- collaborating with our place-based teams and customer service centre to ensure customers are willing and ready to receive the improvements.

Tools are in place to monitor ongoing compliance, track progress updates and ensure quality work is completed by all Kāinga Ora maintenance delivery partners.

Around 0.1% are homes where Kāinga Ora has experienced challenges gaining access to the home to either undertake the assessment or complete the necessary work.

Where there are access challenges, Kāinga Ora Housing Support Managers are actively working with these tenants to ensure they understand the benefits of the improvements, the Kāinga Ora obligations under law to meet Healthy Homes Standards, and their obligations under their Tenancy Agreement with us. There can be a range of reasons why tenants are reluctant to engage with Kāinga Ora, some of which are complex, including mental health challenges. However, in instances where the tenant continues to refuse to allow access, we are using options available to us under the Residential Tenancies Act (RTA), including issuing notices under section 53B to require the tenant to relocate to another property.

### Healthy Homes (additional statistics)

At 31 December, 99.3 percent of Kāinga Ora homes required to meet Healthy Homes Standards either met them or had work in progress to meet them. Of this, 98.7 percent (65,694 homes) were confirmed as meeting the Standards. A further 0.6 percent (411 homes) had Healthy Homes maintenance in progress to meet the standards by 1 July 2024.

Month	% of homes confirmed as compliant	Number of homes confirmed as compliant
Dec-19	0%	87
Jan-20	1%	481
Feb-20	1%	884
Mar-20	2%	1,444
Apr-20	3%	1,701
May-20	3%	1,927
Jun-20	4%	2,539
Jul-20	4%	2,775
Aug-20	5%	3,172
Sep-20	6%	4,077
Oct-20	8%	4,864
Nov-20	9%	5,858
Dec-20	11%	6,855



Jan-21	12%	7,499
Feb-21	13%	8,309
Mar-21	14%	9,343
Apr-21	16%	10,155
May-21	17%	11,345
Jun-21	21%	14,055
Jul-21	23%	15,126
Aug-21	24%	15,987
Sep-21	25%	16,597
Oct-21	27%	17,921
Nov-21	30%	19,726
Dec-21	32%	21,421
Jan-22	35%	22,766
Feb-22	37%	24,727
Mar-22	41%	27,058
Apr-22	44%	28,988
May-22	48%	31,515
Jun-22	52%	34,254
Jul-22	55%	36,734
Aug-22	59%	39,601
Sep-22	64%	41,250
Oct-22	68%	43,775
Nov-22	72%	46,724
Dec-22	75%	48,969
Jan-23	78%	50,625
Feb-23	81%	52,548
Mar-23	86%	55,929
Apr-23	88%	57,399
May-23	91%	59,238
Jun-23	93%	60,508
Jul-23	93%	61,124
Aug-23	94%	61,762
Sep-23	96%	63,219

Oct-23	98%	64,416
Nov-23	98%	65,185
Dec-23	99%	65,694

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## Accessibility

- **The Kāinga Ora Accessibility Policy 2019 commits to delivering three key outcomes:**
  - **increasing the number of their homes that meet universal design standards**
  - **meeting the individual needs of customers**
  - **improving information about our customers' needs and the accessibility of our properties.**

### **Increasing the number of our homes that meet universal design standards**

Kāinga Ora makes a significant contribution to building accessible homes and creating inclusive communities that support all individuals, including our disabled customers and the elderly.

The Kāinga Ora Accessibility Policy includes an initial target of having at least 15 percent of our public housing new builds meeting full universal design (FUD) standards, with the rest meeting as many of the universal design standards as possible. Homes that have FUD elements are more liveable for the entire population; and are, or can be made to be, fit-for-purpose for most customers.

As of November 2023, Kāinga Ora has built 432 public housing new build properties that meet its FUD standards. In 2022/23 Kāinga Ora delivered 19 percent of its new build properties meeting FUD standards. In addition, Kāinga Ora has delivered 33 FUD homes within its Te Mātāwai (Greys Avenue) development that will be used for non-public housing customers, which will help deliver more accessible homes to the private housing rental market.

Kāinga Ora has also produced a document *Masterplanning for Universal Design* with input from external experts to help create more accessible communities. It is intended for use across the built environment professions in New Zealand to deliver accessible streets and spaces, as standard, that work for as many people as possible.

### **Meeting the individual needs of customers**

Kāinga Ora homes are modified to meet the accessibility needs of our customers. To facilitate this, Kāinga Ora engages Whaikaha – Ministry for Disabled People (Whaikaha) and the Accident Compensation Corporation (ACC) and their respective occupational therapists to assess individual housing needs and make recommendations for modifications. Once approved, modifications are funded by Whaikaha and ACC. Work is underway with our partner agencies (Whaikaha, ACC, the Ministry of Social Development and Oranga Tamariki) to improve modifications processes across government. Kāinga Ora is also working to improve our internal modification processes so these are clear and can be consistently applied.

Kāinga Ora is also implementing a Supporting Housing Strategic Plan. This includes a focus on engaging with Supported Housing providers who rent/lease Supported Housing properties. A recent survey was conducted to better understand how satisfied providers are with the services and properties they receive from Kāinga Ora. The results from this survey will help to develop a more detailed understanding of provider needs, and their customers' needs, including property modifications to meet accessibility needs.

### **Improving information about our customers' needs and the accessibility of our properties**

Work is underway to improve the information Kāinga Ora has about our customers accessibility needs through undertaking a deep dive analysis of the data we hold about our customers, as well as data sourced from the Statistics New Zealand's Integrated Data Infrastructure Dataset (IDI).

Kāinga Ora is also undertaking an assessment of our properties to confirm the number with accessibility features and specify the areas that have been modified. Between July 2023 and the end of December 2023, approximately 29,000 property inspections were conducted; of those, 11,585 properties had modifications or accessibility features. This data will be used to better understand our customers' needs, how these are changing over time, to make informed placement decisions and in the future inform our regional planning on the types of accessibility features needed.

### **Review of Kāinga Ora Accessibility Policy**

Kāinga Ora is reviewing our Accessibility Policy to ensure it remains fit for purpose and supports improved outcomes for disabled people. Over the course of 2023 we have confirmed the progress we have made under the current Accessibility Policy and identified future opportunities to commit to in the refreshed version that will be known as the Kāinga Ora Accessibility Plan.

## Methamphetamine

- **The health and wellbeing of our customers, staff and contractors is at the heart of our approach to managing methamphetamine contamination in our homes.**
- **Like other landlords, Kāinga Ora is faced with the issue of methamphetamine (meth) contamination in some of our homes. We take this very seriously. We also realise that meth use is first and foremost a health and addiction issue and that it can impact all members of a household, including children. For that reason, we have adopted a health-based approach to managing meth which places top priority on ensuring people and whānau are living well in our homes.**
- **If our customer is concerned about the health and wellbeing of those in their household, and suspects possible methamphetamine contamination, we will arrange for testing of the property. We'll also ensure the household remains in safe and secure housing as we work through a testing and decontamination process, and we ensure that our customers have information about how and where they can obtain support from, and access to, drug addiction services.**

### Potential methamphetamine regulations

Kāinga Ora worked closely with Te Tūāpapa Kura Kāinga – Ministry of Housing and Urban Development throughout the development of the methamphetamine regulation proposals that were publicly consulted in early 2023. The proposals included maximum acceptable levels to establish when methamphetamine residue becomes contamination, processes for testing (including when to test) and clarification around decontamination levels and processes for rental properties.

HUD has advised:

- Development of regulations for methamphetamine contamination in rental housing remains part of HUD's regulatory work programme.
- Following the general election and government formation, rephased timeframes for the project have not been confirmed.

- HUD expects reassessment of timeframes to take place from May 2024, allowing resource to be focused on progressing the Coalition Government's regulatory priorities for the Residential Tenancies Act 1986 in the interim.

A maximum acceptable level of methamphetamine contamination was proposed to be set at 15µg/100cm<sup>2</sup> (15 micrograms of methamphetamine per 100 square centimetres). If detailed assessment tests show levels over this, the property would be 'contaminated' and must be decontaminated to a level which tests at or below 15µg/100cm<sup>2</sup>.

If the proposals were adopted, Kāinga Ora estimates there would be cost savings and less disruption for tenants. This is because currently we decontaminate any premises which tests over 15µg/100cm<sup>2</sup> (15 micrograms of methamphetamine per 100 square centimetres of surfaces sampled) back to a level of 1.5µg/100cm<sup>2</sup> or less. If the proposals were adopted, decontaminating back to 15µg/100cm<sup>2</sup> rather than 1.5µg/100cm<sup>2</sup> would require fewer repeat decontamination rounds. Properties often require multiple rounds of decontamination to reach a level of 1.5µg/100cm<sup>2</sup> or below, whereas most would only require one following this change, which will lead to both cost and time savings.

### **Kāinga Ora current testing and decontamination process**

On 29 May 2018, the Prime Minister's Chief Science Advisor released a report titled 'Methamphetamine contamination in residential properties: Exposures, risk levels and interpretation of standards'.

The report noted that "exposure to methamphetamine levels below 15 µg/100 cm<sup>2</sup> (15 micrograms of methamphetamine per 100 square centimetres of surfaces sampled) would be highly unlikely to give rise to any adverse effects".

Housing New Zealand incorporated the findings of this report, including these thresholds, into the approach to testing and decontaminating meth-affected properties, but decontaminates the property down to levels below 1.5 µg/100 cm<sup>2</sup> in accordance with the NZ Standard because of the difficulty establishing with confidence whether methamphetamine has been manufactured at a property. Kāinga Ora has carried that approach through to today.

When we become aware of suspected meth contamination at a property, and have reasonable grounds to believe this to be true, we will follow a strict process to undertake testing, and decontamination if required. Where test results confirm meth contamination above 15 µg/100 cm<sup>2</sup>, this will trigger the need for decontamination of affected areas at the property. In limited circumstances and properties, a threshold of 1.5 µg/100 cm<sup>2</sup> (15 micrograms of methamphetamine per 100 square centimetres) is applied. We work with experienced and skilled contractors who specialise in meth testing and decontamination.

## Statistics

- We have carried out 1,424 initial property tests for methamphetamine in our homes over the last five years, through to December 2023.
- Of the 1,424 tests undertaken, 411 homes were recorded with contamination levels above 15 µg/100 cm<sup>2</sup> (15 micrograms of methamphetamine per 100 square centimetres of surfaces sampled), which is a level that triggers decontamination of the home.
- Decontamination work was completed on 490 Kāinga Ora homes over this period, including lease properties. On average, around 8 homes per month require decontamination.

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## First Home Products

- **During 2022/23 financial year more than 994 homes were purchased by New Zealanders with one or more of our home ownership products.**
- **Kāinga Ora is committed to supporting more New Zealanders into home ownership. We administer a range of home ownership products on behalf of the Government, which are designed to help individuals and whānau to overcome the deposit barrier, and make it easier for them to purchase their first home.**

On 31 July 2023, the previous Government announced changes to First Home Partner. The key changes included:

- All eligible applicants could purchase existing homes, in addition to new builds, through the scheme. This was intended to provide buyers with a greater choice of homes.
- The household income cap was increased from \$130,000 to \$150,000.
- The income cap criteria for intergenerational whānau was broadened to include larger whānau, allowing any eligible whānau of at least six people who normally live together to purchase a home through First Home Partner.

The changes took effect from Monday, 14 August. As a result we saw an immediate, rapid and unprecedented increase in applications, as more people were able to access the scheme. The average number of applications submitted increased 452 percent in the month following the policy changes as compared to the average monthly in the six months prior (from 164 per month to 741 per month). In September, the total number of eligible applicants per week averaged around 115.

Due to the increasing number of applications and the accelerating conversion rate of applicants the scheme, it became rapidly fully subscribed.

On 29 September Kāinga Ora made the decision to not accept any new applications while we worked through our commitments to existing applicants.

On 9 November the scheme was fully subscribed and Kāinga Ora stopped accepting any new Sale and Purchase agreements.

Applicants who had already submitted Sale and Purchase Agreements, had them approved by Kāinga Ora, and who were awaiting settlement on their new home, could proceed with their house purchase as planned.

Prospective first home buyers were encouraged to explore the other home ownership products administered by Kāinga Ora, such as the First Home Grant and First Home Loan.



- Kāinga Ora provided \$64 million in First Home Grant funds during 2022/23. And from October to December 2023, there were 2,212 homes purchased with the assistance of the First Home Grant, up five percent on the previous quarter.
- Kāinga Ora underwrote 2,773 First Home Loans during 2022/23. And from October to December 2023, there were 749 First Home Loans underwritten, a six percent decrease on the previous quarter.
- First Home Partner enabled 316 whānau to purchase a home during 2022/23. And from October to December 2023, there were 414 homes purchased through First Home Partner, an increase of 115% from the previous quarter.

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## Māori Housing

- **Kāinga Ora are funded to build houses for all New Zealanders and we have obligations to bring effect to the sections of the Kāinga Ora Homes and Communities Act that apply to Māori - Section 4 (Māori Interests) and Section 13 Functions Urban Development (i) to understand, support and enable Māori aspirations relating to urban development..**
- **As an organisation, we are committed to building our cultural capability in Te Ao Māori and recognising our heritage and obligations through all of our operations. We leverage our skills, capabilities and other investment programmes to deliver outcomes for Maori especially in the urban development setting.**
- **Te Kurutao provides guidance and advice to all teams across Kāinga Ora on the maintenance of systems and processes that require the input of Māori interests and obligations, and it is our responsibility to ensure that the operating principles specific to Māori interests are included in the planning and delivery of Kāinga Ora operations.**

When we make our decisions, there are things we need to show we're doing, or have done as part of fulfilling our mandatory responsibilities. This includes the necessity to;

- uphold the Treaty (Te Tiriti) and its principles.
- understand and apply Te Ture Whenua Māori Act 1993.
- engage with Māori and understand Māori perspectives.
- understand, support, and enable the aspirations of Māori in relation to urban development.
- identify and protect Māori interests in land and recognise and provide for the relationship Māori and their culture and traditions have with their ancestral lands, water, sites of cultural significance, wāhi tapu and other identified taonga.
- partner and deliver on early and meaningful engagement with Māori, and/or offer Māori opportunities to participate in urban development.
- build our organisational cultural capability in Te Ao Māori
- recognise our heritage obligations through all of our operations.

### Engagement with Māori.

Our engagement with Māori better supports and enables opportunity to participate in urban development activities. This also includes supporting the growth and development of Māori commercial entities and business to contribute to our all of government procurement target of 8%

Contributing to Māori housing requires us to focus engagement with Māori around:

- assist and enable iwi to unlock, utilise and develop land holdings through our public housing build programme.
- provide technical advice and support to rūpū Māori supporting the MAIHI development pipeline
- assist Māori businesses to better understand our internal processes thereby enabling and increasing Māori businesses participation in procurement activities
- support rūpū Māori/iwi to successfully navigate the housing system identifying appropriate pathways to enable their housing aspirations
- We work in partnership with other agencies – especially, Te Puni Kokiri and MHUD – to try and provide seamless access for Māori.

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## Consentium

- **Consentium became operational in March 2021 as the first private, registered non-Territorial Authority/Council building consent authority. Its role is to support faster and more reliable building consent services and to help Kāinga Ora deliver healthy, warm, quality public housing at pace. Consentium works with Kāinga Ora delivery teams and their build, design and maintenance partners to drive efficiency in the build process.**
- **In summary Consentium continues to deliver:**
  - **Consent processing significantly faster than the Council experience**
  - **Significantly faster building inspections turnaround timeframes. 24 hours delivery (major cities) and 48 hours (smaller cities and towns). This is a national service delivered consistently across the country supporting a faster build process**
  - **CCC timeframes are considerably lower than the statutory requirement enabling public housing to be occupied with minimal delay**

Performance	FY22	FY23	Six Months to Dec23	Note
Consents issued	303	1,270	1,477	
Inspections completed	13,922	34,133	27,866	
Code Compliance Certificates issued	219	812	755	

SPE / Measures	FY22	FY23	Six Months to Dec23	Statutory Requirement
Consent average working days to issue	11	12	10	Within 20 working days
Inspection wait times (24/48 hours)	100%	99%	99%	N/A

CCC average working days to issue	1.7	1.1	1.8	Within 20 working days
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Consentium works proactively with Kāinga Ora delivery partners to improve the quality of Building Consent applications and the quality of construction. There is a specific focus is on Requests for Information (RFI's) which delays issuing of consents and reporting on architect performance in resolving them. Consentium inspections team also focuses on providing reporting to drive down inspection fail rates.

Where capacity has allowed, Consentium has also provided support for other councils. For example, in Buller and Nelson where support was needed due to extreme flooding, or Christchurch and Auckland where lack of resources were causing significant delays in consent services.

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## Winter energy study

- **The Winter Energy Study is a two-year pilot programme that assesses whether an upfront investment in customer energy bills reduces government expenditure in the health and welfare systems, improves the health and wellbeing of our customers and helps address energy hardship.**
- Kāinga Ora is partnering with Mercury Energy to assess if a capped electricity product that provides cost surety to customers encourages customers to use more energy to heat their homes in the winter months.
- The project will provide robust evidence that could support the development of commercial electricity products and/or targeted government assistance to qualifying low-income New Zealanders living in public or community housing or private rentals.
- Kāinga Ora with input from Mercury Energy are analysing year one results of the study, with year 2 of the capped electricity product scheduled to begin in May.

## Kāinga Ora Land Programme

- The Kāinga Ora-Homes and Communities Act 2019 and the Urban Development Act 2020 mandate Kainga Ora to purchase land for housing and urban development.
- Escalating house prices are making it more unaffordable for first homebuyers, and one of the main ways to address this is to increase housing supply. While some private developers are providing affordable housing, this is not enough for the scale needed to support the demand from homebuyers.
- The Land Programme aims to increase the supply of build ready land; increase the pace, scale, and density of housing development; and increase the proportion of homes that are affordable for low-to-moderate income households, whether to rent or own. Kāinga Ora takes a place-based approach to land acquisition and development, partnering with central and local government, iwi and others to ensure that its activities are focused on the regions it can make the most meaningful contribution to, alleviating housing supply and affordability pressures. Purchases are made from vendors at an agreed price informed by an independent valuation.

### Current acquisitions

#### *Ferncliffe Farms, Tauranga*

Up to 1,150 new homes could be delivered in Tauranga over the coming years due to a significant acquisition. Kāinga Ora purchased Ferncliffe Farm, a 95.3 hectare greenfield site in Tauranga's Tauriko West in November 2021.

Ferncliffe Farm will enable Kāinga Ora and its partners to deliver homes to help meet the increasing housing demand in Tauranga.

9(2)(b)(ii)

## **Adelaide Road, Wellington**

A vacant, prominent brownfield site sitting on 2ha of land located in the CBD of Wellington was purchased off a developer in October 2022 who had planned a medium density development. Planning provisions should allow for a comprehensive, high density apartment development of 200-280 units.

## **Quaifes Road, Christchurch**

Christchurch City Council resolved to sell this site to Kāinga Ora for \$6.5m for public and affordable housing outcomes. The site is located in Halswell on 3.7ha and has the potential to deliver 75-86 dwellings with active travel access to reserves, public transport, shops and schools within the suburb.

## **Plimmerton Farm (conditional agreement)**

Kāinga Ora has been entered into a conditional Land Supply agreement to acquire completed lots within Plimmerton Farm, a 384ha live zoned mixed-use development from the vendor/developer, Plimmerton Development Limited. Plimmerton is 1 of 5 blocks within the Northern Growth Area, a Future Development Area within Porirua. Potential Kāinga Ora-enabled housing yield – 587 sections and 19 super-lots enabling a total of 900-1,200 dwellings.

## **Specified Development Projects (SDPs)**

The Urban Development Act 2020 (UDA) enables Kāinga Ora to undertake or facilitate complex development projects to improve the social and economic performance of New Zealand's urban areas, including 'Specified Development Projects', a comprehensive integrated process for planning and delivery of transformational urban development projects.

Kāinga Ora has a pipeline of potential SDP projects, with projects sitting in the pre-Selection, Selection and Assessment phases of the SDP process. No projects have been established as SDPs.

### **Pre-selection**

Pre-selection discussions are continuing in a number of locations including: Hamilton CBD; Westport; Ladies Mile, Queenstown; Mt Victoria Tunnel Wellington.

### **Selection**

Ngongotahā - Rotorua Lakes District Council have requested that Ngongotahā be selected for assessment as an SDP. The council are currently focused on progressing their Future Development Strategy and Plan Change 9 (Housing for Everyone). Further SDP discussions are on-hold until RLDC is ready to re-engage, following completion of this work.

### **Assessment**



Assessments of the Porirua Northern Growth Area and Tauranga Western Corridor have progressed significantly.

The Tauranga Western Corridor “sufficiently advanced” draft assessment report was approved by the GM Urban Planning and Design for release to territorial authorities and partners on 15 December.

The Porirua Northern Growth Area “sufficiently advanced” draft assessment report is expected to be provided to the GM Urban Planning and Design for their approval to release it to territorial authorities and partners in February.

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## Infrastructure Acceleration Fund (IAF)

- **To date, \$921 million in IAF funding has been contracted to critical infrastructure projects in towns and cities across the country, from the Far North to Otago. Combined, these IAF-funded projects are expected to enable around 30,000 to 35,000 new homes for New Zealanders over the next 10 to 15 years.**

The Infrastructure Acceleration Fund (IAF) is a medium-term \$1 billion fund administered by Kāinga Ora on behalf of the Crown. It is designed to help local councils fund critical infrastructure – such as transport, water or flood management – to unlock development and enable new homes to be built in areas of high housing need.

Following an evaluation of the Expressions of Interest and Requests for Proposal stages and subsequent negotiations with applicants, the funding was allocated to councils via Funding Agreements entered into in late 2022. Housing Outcomes Agreements were also entered into with councils and developers to record the housing outcomes to be realised as a result of the funding.

In early 2023 the IAF transitioned to the delivery phase. This is where Kāinga Ora partners with councils, developers and iwi to drive progress on the infrastructure projects, keep momentum up on the accelerated timeframes and ultimately, enable new dwellings in areas of high demand.

While many of the infrastructure projects are in the important early planning and design stages, work is already progressing at pace in several regions. Homes enabled by the IAF-funded infrastructure are also starting to be built around the country. As at 30 September 2023, 221 homes were completed with a further 213 under construction and 361 consented.

Payments are made to councils in stages as the infrastructure projects achieve certain milestones, as per standard practice in large-scale funding and financing projects. The milestone dates in IAF Agreements are a mechanism to keep councils accountable, and to protect IAF funding from being paid out until the activity is complete. As at 31 December 2023, \$4,051,513 in milestone payments have been made to councils.

As with all large-scale projects and housing developments, there are conditions to be satisfied and requirements to be met, and there will inevitably be challenges and surprises along the way that could result in cost, time and scope changes.

Councils, as funding recipients, are responsible for delivering the IAF-funded infrastructure within the accelerated timeframes. They work in partnership with developers and iwi, who will build the homes.

More than half of the contracted \$921 million is for water or flood management infrastructure, such as important wastewater and stormwater upgrades. These IAF-funded projects will play a key role in helping to increase community resilience against future climate events.

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## Acquire Existing

- **Kāinga Ora purchased 510 existing homes in 2022/23, which accounted for just 0.82% of the 61,961 residential house sales in the financial year (source – CoreLogic). In the same year, Kāinga Ora delivered more than 2,893 (gross) newly built public and supported homes.**

The Acquire Existing programme involves Kāinga Ora purchasing existing built homes from the market, through the use of standard sales and purchase agreements. Kāinga Ora buys existing homes for a number of reasons, including:

- the property is in a place where buying it will help to increase the number of homes available for those in need
- a property is strategically located and acquisition would enable improved development outcomes
- existing leases are coming to an end and Kāinga Ora has the option to buy the property rather than lose it from its portfolio
- there is a transfer of a housing portfolio from the current owner to Kāinga Ora
- where a specific community group housing requirement needs to be addressed to deliver a service to the community
- where redevelopment and/or retrofit activities require homes to rehouse displaced tenants in a location where there are no other public homes available.

In 2022/23 Kāinga Ora purchased 510 existing properties, which included the transfer of Tauranga City Council housing stock (198 homes). The remaining properties were acquired for Kāinga Ora public housing (265 homes), community group housing (17 homes) and transitional housing (30 homes).

### Supporting messages

- When buying property, Kāinga Ora is informed by the market valuation provided by an independent valuer.
- Kāinga Ora follows a robust and structured process for all property acquisition decisions.
- Kāinga Ora acquires existing homes where there is a specific need identified, for example stakeholder requests, wider Kāinga Ora redevelopment, or asset management.
- As every site is different, our decision-making process takes into account each individual situation.

## Offsite Manufacturing (OSM)

- Since 2021, Kāinga Ora have made commitments to increase the use of OSM within redevelopments, to build homes faster, more efficiently and sustainably, and drive innovation across the sector.
- Starting from FY24, there is a minimum OSM SPE target of 12% for delivery of OSM public and supported housing units, through the redevelopment programme.

### Background

- Kāinga Ora has established a set of definitions to better reflect current and future intentions for the use of OSM. These are:
  - Transportable – The entire building is manufactured off-site and transported on-site.
  - Volumetric – Factory produced three-dimensional products where two or more modules are brought together on-site. This includes laundry and bathroom pods.
  - Panel – These include open and closed frames or panels. Examples include, panelised building systems, CLT (Cross-Laminated Timber), structural insulated panels (SIPs panels), and unitised systems. This does not include cassette floors, pre-nail frame and truss or pre-cast concrete.

### Benefits of using OSM include

- **Time** – OSM can provide time savings compared to onsite construction times (based on modelling, delivery experience, and international evidence).
- **Cost** - OSM can provide cost savings over traditional construction methods when used effectively to provide the required scale and efficiency.
- **Quality** – OSM offers a number of quality benefits. Production takes place in a controlled environment enabling better quality control and consistency. Skilled workers and specialized machinery ensure precision construction and inspections can take place in the factory before the homes/components are transported to site. OSM also offers environmental benefits through reduced waste and sustainable building practices.

### How we're tracking

Over the last five years Kāinga Ora has delivered between 2% - 11% (averaging 6% a year) of the redevelopment programme using OSM. Kāinga Ora has been increasing the number of homes delivered using OSM products since FY19.

	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27
Actual – OSM % (#) delivered	2% (23)	8% (79)	6% (114)	3% (40)	11% (176)				
Forecast - % (#) to be delivered						12% (460)	13% (430)	15% (525)	17% (595)

The drop in deliveries in FY22 represents the phasing out of the piloting phase of OSM, prior to the commencement of delivery through a larger OSM programme.

- OSM use within Kāinga Ora has largely been for single level transportable and two-level volumetric products. However, projects using panelised and volumetric systems (from one to six levels) have also been successfully completed.
- There are currently six delivery teams, delivering redevelopment projects using OSM products manufactured both in New Zealand and overseas, with 13 different suppliers.
- Mini Business Unit 4 (MBU 4) within the Housing Delivery System, born out of Project Velocity, is one of those teams and has been operating since early 2023. The system partners with OSM providers with a targeted volume of homes using pre-approved typologies which have been developed to form a supplier design library. Through pre-approved designs, confirmed typology pricing, agreed target volumes and the intention of forward pipeline view, MBU 4 are looking to achieve efficiency through a broader programme delivery approach.

9(2)(g)(i)



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## **Migrant labour in the construction industry**

- **Kāinga Ora takes its role as Principal in the development and construction sector very seriously.**
- **Our construction contract includes this section:**
  - **The Contractor shall ensure that all Personnel on the Site:**
  - **Are fit and proper Persons to be involved in the Contract Works, the Site and the Contract;**
  - **Are legally entitled to work in New Zealand in compliance with all Laws including the Immigration Act 2009 and the Employment Relations Act 2000; and**
  - **Shall not compromise, or be likely to compromise the safety or welfare of the Principal's tenants or other occupiers of the Site, or the public, or any other Person on the Site.**
- **Kāinga Ora has also brought on a specialist staff member to enhance systems and processes for managing and mitigating risks associated with modern slavery and worker exploitation, ensuring we are well-placed to respond to any future legislative requirements.**
- **Kāinga Ora continues to engage with our main contractors to remind them of our requirements and the various legislations and codes that apply to those working with us, including sub-contractors.**

## Tāmaki Regeneration Company (TRC)

In 2016, Tamaki Regeneration Company (TRC) was given responsibility to manage the approximately 2,800 existing social housing properties in the area, and to lead the redevelopment programme. The homes were transferred from Housing New Zealand. In 2018, the master developer function in Tāmaki was transferred to the then-HLC. TRC maintained overall accountability for the Tāmaki build programme, while HLC had responsibility for its delivery.

In 2022, Kāinga Ora and TRC agreed to a mixed delivery model and TRC re-assumed responsibility for design of neighbourhoods through to resource consent. Under this new approach, resource consent for 228 homes have been lodged.

Kāinga Ora is responsible for neighbourhood planning, infrastructure delivery, superlot creation, contracting builders/developers to build the homes and selling the land (as required). TRC is responsible for leading the regeneration activities, masterplanning, community engagement, iwi engagement, tenant rehousing, providing the state housing demand and specifications, place-based marketing and managing the state housing stock.

Due to a number of factors SPE targets were not achieved in the financial year to June 2023. SPE measure 3.8 saw 174 new houses delivered against a target of 324. These factors included Covid-related impacts on workforce and supply chains (gib board and bricks in particular), and challenges around Auckland Council's resourcing as their response to the Auckland flooding delayed their inspection abilities and therefore completion of homes.

Kāinga Ora and TRC have agreed to a review of roles and responsibilities and Kāinga Ora have responsibility for procuring, contracting and managing builders to deliver both the TRC public and affordable homes on TRC's behalf. Alongside this, infrastructure governance has been established between Kāinga Ora, TRC and Auckland Council as the asset owner.

To support TRC's delivery Kāinga Ora has masterplanned a number of neighbourhoods, including urban design, infrastructure plans and delivery plans. Infrastructure planning includes Integrated Transport Plans, Stormwater Management Plans and Servicing Plans for water and wastewater.

In addition to this work a number of shovel ready projects have been completed including culvert upgrades and wetland projects to support flooding and environmental issues.

The Tāmaki development plans to deliver around 10,500 new homes over the next 20 years across seven neighbourhoods. This comprises 3,500 state homes, 3,500 affordable homes and 3,500 market homes replacing 2,800 existing state homes.

Cabinet approved \$497m from the Housing Acceleration Fund for Tāmaki in April 2022. Similarly, as part of Budget 2023, TRC was allocated \$870m. With funding now allocated the focus for TRC is shifting to delivery of homes to meet their housing outcomes.



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## Letter from the Office of the Auditor General

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19 February 2024

Our Ref: EN/CEO/3-0102

Hon Chris Bishop Minister of Housing Parliament Buildings WELLINGTON

Tēnā koe Minita

KĀINGA ORA – HOMES AND COMMUNITIES GROUP AUDIT FOR THE YEAR ENDED 30 JUNE 2023

Summary of audit results

The purpose of this letter is to inform you of the results of our audit of Kāinga Ora – Homes and Communities Group (Kāinga Ora) for the year ended 30 June 2023 and of the main matters arising from the audit.

We issued a standard audit report including key audit matters, which means we were satisfied that the information we audited fairly reflected Kāinga Ora's activities for the year and its financial position at the end of the year.

In carrying out our audit, we identified the following matters that we wish to bring to your attention:

Kāinga Ora reported an operating loss of \$0.52 billion compared with a budgeted loss of

\$0.47 billion. Kāinga Ora's financial performance continues to face challenges from increasing costs as a result of ongoing structural growth to support its expanded capital programme and the higher cost of borrowing required to fund the growth in the property portfolio. In addition, market rents have not increased in line with overall cost inflation.

Kāinga Ora's reported actual performance of 2,893 "Number of newly constructed Kāinga Ora public and supported homes" measure compared to a target of 3,400. However, this represented year on year growth compared to the 1,815 constructed in 2021/22. The key driver behind the actual performance not achieving the target in the current year was the severe weather events in January and February, which delayed the delivery of an approximate 850 homes. Despite the lower than expected new builds, the net overall increase in the Kāinga Ora public and supported homes was 2,526 against a budget of 2,200.

Kāinga Ora recognised a net decrease of \$3.1 billion in the recorded value of its property portfolio during the year to 30 June 2023. The revaluation movement for the year was a reduction of \$6 billion offset by additions in the period as Kāinga Ora continue to invest in the rental property and land available for development portfolios. The valuation was independently prepared by Quotable Value (QV) Limited and estimates the fair market value of properties in accordance with the relevant valuation and accounting standards.

The total value of the property portfolio at 30 June 2023 was \$43.2 billion (2021: \$46.3 billion).

The impact of the North Island Weather Events was immaterial on the portfolio as a whole, but significant to both tenants and properties in highly impacted locations.

Kāinga Ora has notified its insurer of the impact assessment of the floods and signalled it will be lodging a claim for the damage in the coming year. The initial calculation for the damage has resulted in the recognition of a contingent asset of \$41 million for the potential insurance recovery at 30 June 2023, on the basis that the claim had not been accepted and finalised prior to the adoption of the 2023 financial statements.

During this period the Government decided that from 2023 Kāinga Ora is required to raise debt through the Crown rather than directly from the market. This has not affected the continued holding of historical debt placed in the market.

We assessed and graded Kāinga Ora's management control environment, financial information systems and controls, and its performance information and associated systems and controls, as Good.

The rest of this letter provides more detailed information about our assessments and the matters arising from the audit.

We have already advised the results of the audit and matters arising to Kāinga Ora's

Chief Executive and its Finance, Risk and Assurance Committee. We will report the results to the Social Services and Community Committee as part of the 2022/23 annual review process. We will also advise the Public Services Commission, the Treasury, the Department of the Prime Minister and Cabinet, and the Ministry of Housing and Urban Development.

## 2 Significant matters noted during the audit

We noted the following significant matters during our audit of Kāinga Ora that we want to draw to your attention.

### Build Programme

Kāinga Ora's development programme has continued to grow significantly in the current year.

In the year to 30 June 2023, Kāinga Ora's \$3.5 billion of capital expenditure reflected the continued effort to build and buy stock to achieve its supply targets, the expenditure incurred to renew and update aging property, and the ongoing rise in building costs. Progress on the 2022/23 programme was impacted by the severe weather events in early 2023.

Capital expenditure relates to the redevelopment of land, construction of new properties, the renewal of old properties, and property acquisitions. Our work considered whether these costs were correctly classified as "capital" in nature and whether the classification and measurement of the cost of properties as work in progress at 30 June 2023 was appropriate.

As a part of our audit procedures we have obtained assurance that the level of staff time and directly attributable costs capitalised, and therefore not recognised within operational expenditure, have been appropriate. We have also reviewed the \$3.7 billion of capital work

in progress at 30 June 2023 to obtain assurance on the appropriateness of the recognition of costs within the underlying projects and their classification at year end.

Kāinga Ora recorded an impairment through the Income Statement of \$15 million in the 2022/23 year (2021/22: \$91 million impairment) relating to development properties where the net realisable value was assessed as being lower than the sum of the carrying value and estimated costs to complete.

## Rental Property Valuation

Kāinga Ora, in conjunction with its independent external valuer, QV, has consistently used indexed rating valuations as the basis of estimating the fair value of Kāinga Ora's property portfolio. We are satisfied this approach is reasonable given the nature of the asset portfolio.

The revaluation of Kāinga Ora's property portfolio at 30 June 2023 gave rise to a decrease of \$6.2 billion. This decrease was offset by continued development and investment in the rental property stock. The overall property valuation decreased from \$46.2 billion at 30 June 2022 to \$43.6 billion at 30 June 2023. The major driver behind the decrease is the continued weakening of residential housing prices over the reporting period.

The severe weather events were taken into account as part of the valuation of the land and building at 30 June 2023. However, they did not have a significant impact on the valuation for Kāinga Ora.

The valuation is required to be carried out on the basis of the highest and best use to which the asset can be applied. Assessing the highest and best use is therefore one of the key assumptions in the valuation exercise as it relates to properties held for future development by Kāinga Ora. As part of our audit we obtained assurance in regard to the integrity of this process and individual valuations undertaken on high value properties.

### Weather events

Of the two severe weather events that impacted New Zealand in January and February 2023, the floods in Auckland and Northland during January 2023 had the greater impact on

Kāinga Ora's properties. The floods have had an impact on two areas within the Kāinga Ora annual report. The property valuation took into account both management's assessment and QV's estimate of the level of value impairment incurred, based on the events that have occurred. In addition to the impact on the valuation, a contingent asset has been disclosed to reflect management's best estimate of the insurance receivable at the time of preparing the financial statement. Because the claim had not been made, or accepted, at 30 June 2023, no insurance receivable position was recorded as at 30 June 2023.

## Funding and Treasury management

Kāinga Ora has increased its level of debt drawn down through the Crown's Debt Management Office and directly from the market to \$12.3 billion (2022: \$9.8 billion).

Interest expense amounted to \$344 million in the year to 30 June 2023 (2022: \$203 million). Kāinga Ora utilises interest rate swaps to manage its exposure to interest rate fluctuations which has deferred the impact of increased interest rates. While \$7.7 billion of Kāinga Ora's debt has been raised in the commercial market, during the period a decision was made that all new debt will be raised through the New Zealand Debt Management Office.

We have confirmed all debt positions at year end and undertaken testing to obtain assurance in relation to the raising of new debt, debt repayments and the recognition of finance costs during the period. We have also assessed the valuation of the portfolio of derivatives used for hedging purposes and their recognition within the financial statements.

Kāinga Ora has mechanisms in place to manage and monitor the drawdown of appropriations through Vote Housing and Urban Development and review funding arrangements. A number of significant future funding streams were under review at balance date and represent significant accounting treatment decisions once arrangements are finalised with the Ministry of Housing and Urban Development.

These forecast capital and operating appropriations included within Vote Housing and Urban Development will require significant involvement by Kāinga Ora to enable the success of the various initiatives being funded by the Crown. We have recommended that the Ministry for Housing and Urban Development and Kāinga Ora work more closely together to provide assurance that obligations arising from funded arrangements with organisations outside of the Crown are correctly recognised by the two organisations and ultimately the Crown for reporting purposes.

### 3 Environment, systems, and controls for measuring financial and service performance

Our conclusions on Kāinga Ora's management control environment, systems, and controls for measuring financial and service performance, for the year ended 30 June 2023, are set out in the table below.

We made our conclusions in the context of our work in forming an opinion on the financial and performance statements. The purpose of commenting on the underlying environment, systems, and controls is to highlight areas for improvement we identified during our audit. The grades assigned for 2022/23 are based on the accountability documents relating to that year. They are not an assessment of overall management performance, or of Kāinga Ora’s effectiveness in achieving its financial and service performance objectives. (See the explanation of the grading scale and underlying scope at the end of this letter.)

Kāinga Ora’s financial statements are dominated by property assets and related operational costs and property funding related positions. For example depreciation expense, maintenance costs, rates, capital work in progress, debt raised to fund development and the assets themselves and rental income streams. Whilst all construction and maintenance work is outsourced to external providers payroll costs continue to represent a significant element of the organisations cost structure.

Management control environment	
2022/23 – Good	We have recommended that some improvements be made.
2021/22 – Good	Deficiencies we identified in 2021/22 have been resolved in part.
Comment	
We have not identified any significant deficiencies in the entity level control environment. However, we note that the organisation is continuously reviewing and refreshing its organisation wide systems and processes to achieve improvements in efficiencies and to ensure that the organisation is connected with its processes.	

Comment cont.	
Specifically, we note the continued focus on ensuring that Kāinga Ora’s corporate systems, processes and people capability evolve and mature to support the pace and scale of Kāinga Ora’s development programme. Management has a number of information systems and process orientated projects underway to improve the efficiency and timeliness of property construction.	

Other than the matters noted above, which are already the subject of ongoing work within Kāinga Ora, we found no deficiencies in the areas we reviewed during 2022-2023.

Financial information systems and controls

2022/23 – Good	We have recommended that some improvements be made.
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2021/22 – Good	Deficiencies we identified in 2021/22 have been resolved in part.
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Comment

The end-to-end process that supports the management of the development programme necessarily crosses various teams and system boundaries within Kāinga Ora. We identified some areas where the understanding and communication between teams and supporting systems could improve. With the increased volume of development programmes and funding arrangements, the information systems and controls need to continue to evolve and operate in a manner that can support the range of programmes undertaken by Kāinga Ora.

Specifically, we noted:

We recommend that annual cost updates performed over major projects include future macro-economic conditions such as future build cost increases and inflation.

In a small number of key property related financial management processes Kāinga Ora has dependency on individuals. Continued focus should be placed on documenting key elements of their roles and ensuring that appropriate capability is maintained to manage the end-to-end financial management of property.

We noted instances where the timeliness of the capitalisation of projects and monitoring of aging work in progress was below expectations. We recommend that ongoing focus should be placed on providing confidence that capital projects are capitalised or their progress investigated in a timely manner.

Other than the issues mentioned above, and based on our reviews during 2022-2023, we found that appropriate policies, systems, and controls were in place and appeared to be operating effectively.

Performance information and associated systems and controls

2022/23 – Good	We have recommended that some improvements be made.
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2021/22 – Good	Deficiencies we identified in 2021/22 have been resolved in part.
Comment	
<p>We have not identified significant deficiencies within the SSP and associated systems and controls. However, continued opportunities for improvement exist in regard to:</p> <p>The service performance reporting of both Housing New Zealand Limited and the Housing Agency Account should receive specific focus to ensure that reporting in accordance with PBE FRS 48 Service Performance Reporting appropriately reflects the nature and extent of their operations.</p> <p>Continued focus should be placed on improving performance measures to more fully reflect the organisation’s performance. For example performance measures relating to the timeliness and cost of construction could be enhanced and included for reporting alongside currently reported quality and volume based performance data for property construction.</p>	

I would be pleased to meet with you if you require further information about the matters mentioned in this letter or, more generally, about our audit of Kāinga Ora.

Nāku noa, nā

Greg Goulding Sector Manager

APPENDIX

Explanation of the approach, scope, and grades used

The reporting under Part 3 of this letter, Environment, systems, and controls for measuring financial and service performance (ESCO), is a by-product of the underlying audit work carried out to form an opinion on the financial and service performance statements. Its scope is limited to those aspects of the management control environment, information systems, and controls that the auditor has given attention to during the audit. The approach taken covers the following three aspects.

Aspects	
<p>A.Management control environment</p>	<p>This is the foundation of the control environment and might include consideration of the following:</p> <ul style="list-style-type: none"> <li>clarity of strategic planning/the way the entity manages and reports performance;</li> <li>communication and enforcement of integrity and ethical values;</li> <li>commitment to competence;</li> <li>participation by those charged with governance – for example, the involvement and influence of Audit Committee and Board (or equivalent);</li> <li>management philosophy and operating style;</li> <li>organisational structure;</li> <li>assignment of authority and responsibility;</li> <li>human resources policies and practices;</li> <li>risk assessment and risk management;</li> <li>key entity-level control policies and procedures;</li> <li>information systems and communication (including information technology planning and decision-making);</li> <li>monitoring; and</li> <li>legislative compliance arrangements.</li> </ul>

<p>B. Financial information systems and controls</p>	<p>These are the systems and controls (including application-level computer controls) over financial performance and financial reporting, and include the following:</p> <ul style="list-style-type: none"> <li>appropriateness of information provided and reported;</li> <li>presentation of financial information;</li> <li>reliability of systems;</li> <li>control activity (including process-level policies and procedures); and</li> <li>monitoring.</li> </ul>
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<p>C. Performance information and associated systems and controls</p>	<p>This concerns the quality of the main measures of outcomes or impacts and performance measures selected for reporting against, as well as the systems and controls (including application-level computer controls) over performance reporting, and includes the following:</p> <ul style="list-style-type: none"> <li>appropriateness of information provided and reported;</li> <li>review of the associated forecast information and Information Supporting the Estimates;</li> <li>the audit of the current reporting period statement of service performance and main measures of outcomes/impacts in the annual report;</li> <li>reliability of systems;</li> <li>control activity (including process-level policies and procedures); and</li> <li>monitoring.</li> </ul> <p>Comments and grades are based on conclusions drawn from the statement of service performance and annual report for the current reporting period. Further comment on improvements in progress might be included in a subsequent section on significant matters of audit interest.</p>
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Recommendations for improvement are generally limited to those findings that the auditor considers are the more notable weaknesses in the design or operation of the management control environment, information systems, or controls. The recommended improvements determine the grade assigned. A single, serious deficiency drawing a recommendation for improvement might, of itself, determine the grade. Similarly, the most serious deficiency among several will draw a stronger recommendation and affect the grade accordingly.

Deficiencies in the management control environment, information systems, or controls are the gaps between what auditors observe and what auditors consider, in their professional judgement, constitutes best practice. Auditors' professional judgement is informed by many factors, including national and international standards, knowledge of best practice, and standards and expectations for the public sector in New Zealand.

To help ensure the relevance to all entities of the auditor's recommendations and grading, the auditor's recommendations are made with reference to what is considered best practice, given the size, nature, and complexity of the entity. Thus, notions of best practice will vary among entities because what is considered necessary, sufficient, or beneficial for some entities might not be so for others. There is, therefore, not a "one size fits all" standard across the public sector. Rather, recommendations for improvement are based on the auditor's assessment of how far short the entity is from a standard that is appropriate for the entity's size, nature, and complexity of its business.

Further, notions of best practice might vary over time in response to change – for example, changes in the operating environment, changes to standards, and changes in general expectations. Therefore, grades assigned to entities might fluctuate from year to year depending on how entities respond to changes in the environment and in best-practice expectations. Grades might also be affected from year to year because of changes in emphases, in line with the auditor's risk-based approach to testing systems and controls.

Improvements are recommended only when it is considered, in the auditor's judgement, that the benefits of the improvements would justify the costs.

Recommendations for improvement are based on the auditor's conclusions about the state of the entity's management control environment, information systems, and controls as at the end of the financial year.

The following table explains what each grade means:

Grade	Explanation of grade
Very good	We have made no recommendations for improvement.
Good	We have recommended that some improvements be made.
Needs improvement	We have recommended that major improvements be made at the earliest reasonable opportunity.
Poor	We have recommended that fundamental improvements be made urgently.

Released under the Official Information Act

## Social Services and Community Committee - Bios



**Chairperson: Joseph Mooney**

[National MP for Southland] Member of Parliament since Oct 2020.

- He has an honours degree in law. He became a senior trial lawyer and later a member of the Southland Branch Council of the [New Zealand Law Society](#).
- In 2017 he was appointed by the Deputy Solicitor-General to the Crown Prosecution Panel for the Invercargill Crown Solicitor. He is also a court-appointed Youth Advocate
- From November 2020, Mooney served as National Party spokesperson for [Treaty of Waitangi negotiations](#) and associate spokesperson for defence.
- From December 2021, he was also the spokesperson for water and space. He served as a member of the Māori Affairs Committee and was also a member of the Regulations Review Committee from December 2021 to August 2022.



**Deputy Chairperson: Paulo Garcia**

[National MP for New Lynn] Member of parliament since May 2019.

- He was a barrister before entering parliament. In the Philippines, where he practised for ten years, his focus was commercial law, particularly as it applied to foreign and multinational companies operating in that country.
- He became New Zealand's first MP of Filipino descent.
- In 2020 he was briefly deputy chairperson of the [Parliamentary committee](#) on Foreign Affairs, Defence and Trade and a National Party associate spokesperson on foreign affairs and justice.



**Maureen Pugh**

[National MP for West Coast-Tasman] Member of Parliament since Dec 2015

- She was the [mayor of Westland](#) from 2004 to 2013.
- She first became a [Member of Parliament](#) for the [National Party](#) in 2015, leaving Parliament in 2017 and returning in 2018. She was initially a list MP, before winning the [West Coast-Tasman](#) electorate in 2023.



**Laura Trask**

[Act List] Member of Parliament since Oct 2023.

- Her mother grew up in a state house.
- She worked as a pharmacy technician in Christchurch for some time before moving to Wellington then Auckland and is a registered fire safety evacuation consultant.
- Her primary political concerns are oriented around regulation and the perception of "specific extra rights" for members of particular demographic groups.
- She has expressed support for transgender rights and the position that climate change is primarily caused by human actions.
- Act spokesperson for education, mental health, small business and Seniors



**Tanya Unkovich**

[NZ First List] Member of Parliament since Oct 2023

- Born in Dargaville, she is the author of four books, and has previously worked in finance, as a life coach, and public speaker.
- She has a Diploma in Counselling and was an auditor in an accounting firm.



**Willow-Jean Prime**

[Labour List] Member of Parliament since Sept 2017

- She is of Te Kapotai, [Ngāti Hine](#) and [Ngāpuhi](#) descent and grew up in [Northland](#).
- Prime has a [Master of Laws](#) from [Waikato University](#), focusing on recent developments in Treaty settlements, Māori governance and indigenous development. She also has a conjoint Bachelor of Arts and Bachelor of Laws and a post-graduate Diploma of Māori and Pacific Development with distinction. She has worked as a solicitor.
- She has been a minister for Conservation, Youth, Associate Arts, Culture and Heritage, Associate Health
- Labour spokesperson for Children, Education (Maori), and youth



**Carmel Sepuloni**

[Labour MP for Kelston] Member of Parliament since Nov 2008

- Before entering politics, Sepuloni was a teacher, with teaching experience in [Samoa](#) and with Auckland Youth in alternative education programmes; an equity manager; and a research project manager in Pacific health at the University of Auckland.
- She is the Deputy Leader of the Labour party and former Minister for Social Development as well as [Minister for Arts, Culture and Heritage](#), [Minister for ACC](#), [Minister for Workplace Relations and Safety](#), [Minister for Disability Issues](#) and [Minister for Pacific Peoples](#).
- Labour spokesperson for Auckland Issues, Child Poverty, Pacific Peoples, Social Development.



**Ricardo Menendez March**

[Green List] Member of Parliament since Oct 2020

- Menéndez March is the coordinator for Auckland Action Against Poverty, a role he took up in late 2017.
- He has been particularly critical of [Kiwibuild](#), arguing that the scheme should be targeted towards [working poor](#) and unemployed families and that the current set up will make homeownership rates fall further by encouraging increased property speculation and gentrification.
- Green spokesperson for Health, Immigration, Social Development and Employment, Workforce Planning and Development. Formerly Green spokesperson for Public Housing.
- He has been on the committee before and questioned us about Accessibility.



**Takutai Tarsh Kemp**

[Māori Party MP for Tamaki Makaurau] Member of Parliament since Oct 2023

- Kemp comes from the [iwi](#) (tribes) of [Ngā Rauru](#), [Ngāti Tuwharetoa](#), Ngā iwi o Mōkai Pātea, [Ngāti Tamakōpiri](#), [Ngāti Whitikaupeka](#), [Ngāi Te Ohuake](#), [Ngāti Hauti](#), [Ngāti Hinemanu](#) and [Ngāti Paki](#).



- She was a trustee and Auckland manager for Street Dance New Zealand, and CEO of the Manurewa Marae. She developed the Rangatahi Mental Health Youth Hub with the [University of Auckland](#), with the aim of addressing high youth suicide rates in Māori youth.



**Kieran McAnulty**

[Labour List] Member of Parliament since Sept 2017

Not a member on the Committee, but likely to be subbed in as Labour Housing spokesperson

- He is the Labour spokesperson for housing, also for local government and regional development.
- He was the [Senior Whip of the Labour Party](#) during part of the term of the [Sixth Labour Government](#). He later served as that government's [Minister of Local Government](#), [Minister for Emergency Management](#), [Minister for Racing](#) and [Deputy Leader of the House](#) Campaigned to return State housing to the Wairarapa.
- He has previously worked for the [T.A.B.](#) as a bookmaker covering the racing industry and an economic development advisor for the Masterton District Council.<sup>[6][14]</sup> He has been a volunteer firefighter.



**Tamantha Paul**

[Green List] Member of Parliament since Oct 2023. Not a member on the Committee, but may be subbed in as Greens Housing spokesperson

- Paul is Cook Island Māori (Ngāti Awa, Waikato Tainui) and hails from Tokoroa.
- She is the Green spokesperson for housing, Justice (Youth Justice), Wellington Issues, Police, Corrections, Courts, and Youth.
- She is formerly a Wellington City Councillor and campaigned with Wellington City Council housing tenants advocating for affordable rents and better public housing standards.
- She completed a Master of Resource and Environmental Planning writing her dissertation on the provision of public housing.
- Recently met with tenants from 134 Dixon Street, Wellington. Meeting was held on Wednesday 7 February at St John's Church. Local Kāinga Ora staff have been in contact with Tamatha following this meeting.