

Auckland Council and Māori housing outcomes; a regional Māori community housing provider; and the Wellbeing Budget

A discussion document and issues paper, May 2019

Introduction:

There are a few issue areas we haven't covered yet ahead of the summit. Here is a rundown of some of the key areas of change or interest.

Discussion document:

Auckland Council and Māori outcomes

Auckland Council operational touch-points with housing are primarily around development. In 2016, the Unitary Plan progressed through countless decisions, and in the end emerged without any 'inclusionary zoning' rules. At the same time Māori were not included on the Mayoral Housing Taskforce.

Inclusionary zoning rules require developers under some circumstances to provide affordable housing as part of their developments.

Under the Special Housing Areas Act (a form of inclusionary zoning), developers in practice sought out community housing providers to support delivery on those affordable housing requirements. By and large, developers considered the most efficient way to discharge their affordable housing duty was to get someone else – experts in the field - to do it. This may sound under-hand, but in fact it created a 'pipeline' of affordable housing opportunities for a keen community housing sector.

In March this year the Planning Committee passed this [resolution](#):

That the Planning Committee:

- a) agree that Auckland Council's preferred position and role in affordable housing is Option 3 – intervene and lead including:
 - i) *modelling inclusionary zoning, other planning mechanisms and incentives*
 - ii) *improving council processes for affordable housing outcomes*
 - iii) *concessions or grants for community housing providers*
 - iv) *partnerships with government, iwi, community housing providers and developers*
 - v) *retained affordability mechanisms and rental tenure security for renters*
 - vi) *the experience and needs of people in the intermediate housing market*
- b) *request staff to investigate:*
 - i) *the Kāinga Strategic Action Plan*
 - ii) *increasing current stock of housing for older people*

This references the Kāinga strategic action plan, and also mirrors Kāinga plan proposals in clauses 'a' i – vi, including inclusionary zoning, support for community housing, partnership, security of tenure, and kāinga outcomes for the intermediate housing market. So Council's work on this resolution is very much a watching brief.

Regional Māori housing provider of scale

There is currently one key incentive for community housing providers – the IRRS or income related rent subsidy. The Kāinga plan calls for more support for the community housing sector, and support

for Māori entities to take the step of registration. However, with only one key incentive in the market, there is little pull for an entity to take that step.

Community housing providers provide housing options to low-income whānau, an option that sits outside state social housing supply, and one that generally delivers a broader and deeper whānau outcome.

There are only 9 Māori community housing providers nationally, with 3 in Auckland. This critical sector is thriving in other jurisdictions, creating a low-income market for both housing and services, and empowering whānau with innovative services and products.

With numerous iwi reaching settlement, the Auckland Housing Programme getting off the ground, and widespread recognition of the need to provide options for low- to middle income whānau locked out of Auckland's rental and ownership market, the time is right to consider the role a regional Māori community housing provider of scale could play in Tāmaki Makaurau.

The time is also right to consider what other incentives the government could introduce to increase the stability and impact of this sector. Other incentives have come and gone through policy changes over the years, and at the moment they are in a low ebb.

Two key options are giving registered community housing providers access to the government's low interest rate, and the provision of a de-risking government guarantee on developments of affordable housing. Like a Unitary Plan change for Auckland Council, these options are low direct cost to taxpayer, rate-payer or government, with big dividends through increased provision by a sector delivering outcomes for whānau.

With all three of these options in place, Māori entities will be far more strongly incentivised to move into this market.

The Wellbeing Budget

The government's upcoming Wellbeing Budget signals an interesting – maybe even exciting – change in how the government approaches the allocation of national funds. It's hard to imagine something more important to whānau wellbeing than appropriate, safe, secure, connected, *kāinga*.

The Wellbeing Budget sounds like clear and ready adoption of The Shift – the movement to change global direction from thinking about housing as a commodity to recognising at all times the fundamental social function housing plays, for whānau.

So if that is the case, where will housing sit in this budget? And once positioned, where will any allocation to housing matters go? Housing New Zealand? Auckland Housing Programme?

As has been mentioned in other papers, the Kāinga plan and the associated project have focused in a relatively hidden dimension to Māori housing outcomes – the outcomes delivered by the not-for-profit community housing sector.

The Wellbeing Budget provides a strong statement of empathy and determination from this government, and we look forward to seeing and hearing more in its release and implementation.