

These notes reflect the views expressed at the consultation meetings held to obtain stakeholder feedback on the discussion document 'Building the Future: Towards a New Zealand Housing Strategy'. As far as possible, the notes are presented exactly as recorded at the meeting by participants and note-takers. The notes do not represent current Housing New Zealand Corporation or government policy.

Lower Hutt Hui 14 June 2004

What do we need to do to meet future housing needs in New Zealand?

Planning for Housing Needs

- Do we have the right stats? And projections. Got to get accurate stats - lots of houses not appropriate
- Need to know why there is a decrease

Community Development

- Ghettoisation - need a mix of housing
- Look at where want to be eg: Wainuiomata
- Pressure from these from the elderly
- Don't create ghetto housing look : mix of housing and people
- Little diversity built into stock therefore have to be standard because less than 3 bedroom, value goes down - economic driven prejudices against flexibility - modern ones less flexible - old state houses etc could add on.

Affordability

- Need to provide stock that is affordable
- Unemployment is a big problem - unable to afford rentals
- Affordability - take into account the family setup
- Family income should be able to be used to access home ownership
- Aotea block - tendering process to buy sections - our people can't afford sections.
- Affordability - particularly for single parent families - no choice about where you live
- Employment is the most important thing - if able to be employed will be able to buy a house in future.
- Student loans cripple
- Everyone wants material things - easy access to credit.
- Unrealistic understanding of debt
- How can I save for my retirement when I can't save for a house - needs to be incentive
- Savings on average wage is not realistic - single income families need lenders who will lend on no deposit

Local Government Role

- Will local bodies have incentives to stay in the business of providing housing

Māori Housing Needs

- Need more accommodation for Kaumatua from other iwi in urban environment - if not Te Atiawa / Ngati toa unable to access kaumatua housing
- 2 groups prominent, eg: Porirua - young people / older people
- Kaumatua / Retirement Village - our people can't afford to live in a retirement home

Home Ownership

- Is it realistic to still be thinking about home ownership?
- Hardest part is getting deposit
- Home ownership gives a different sense of community

These notes reflect the views expressed at the consultation meetings held to obtain stakeholder feedback on the discussion document 'Building the Future: Towards a New Zealand Housing Strategy'. As far as possible, the notes are presented exactly as recorded at the meeting by participants and note-takers. The notes do not represent current Housing New Zealand Corporation or government policy.

- State housing was backstop - many people have difficulty going from there to home ownership
- Māori want home ownership
- Home ownership is that an economic driver or is it a choice driver, economists saying it's a bad choice to get into home ownership
- Suspect it isn't a choice to not be in home ownership, eg: Mangakino - hard fighting against external demand / makes it unaffordable for Māori / market forces drives the price up.
- Interest rates are ridiculously high - Reserve Bank driving up interest rates for no apparent reason
- People need to be educated about different programmes to achieve home ownership
- Taking / setting aside \$ for deposit
- Home buy - rent to buy - thinks its really worthwhile
- Home ownership dream still relevant
- Educate people to save - and to pay off mortgages
- Savings on average wage is not realistic - single income families need lenders who will lend on no deposit
- High valuation on properties, few bargains - if home ownership to be realistic, has to work for those on low income / no savings - no deposit.
- Change the thinking - I could never buy a house
- Paying the equivalent of mortgage and ending up with no asset.

Social Housing Provision

- Being a landlord of stock for low income always a bigger risk

Private Rental Market

- Can be better quality than living in state houses - quality OK locally but expensive
- Renting private almost paying a mortgage
- Cheap end of rental market not good and not cheap
- If can't make the margin, quality suffers
- Bad where own people can't afford to rent homes
- Lucky to get a place in Wainuiomata for under \$200,000 - people buying to rent as part of boom has contributed to rising house values / prices
- Case of taking landlord to Tenancy Tribunal because high rent rise and no maintenance done
- Some landlords entered the market and though would make a killing - squeeze - companies going belly-up
- A number buying rental accommodation haven't done the homework - local government etc a better provider
- Tax incentives to people to own low income rentals
- Need to think of other models eg: Retirement village - licence to occupy - different economic models - so mix of rental with perception of ownership
- Māori population move a lot - licence to occupy - stronger sense of ownership - long term lease - put roots down without owning - lease would also work for young people

Quality of Homes

- Not about raising standards, problem is that the standards fell down - about fashion, building adobe house in temperate climate where it rains a lot rather than in the desert - compare state houses with eaves
- About design and fashion that suits NZ
- Not a problem if do it regularly - should be easier with new building materials.
- Those with disabilities - sometimes need lift rather than a ramp

These notes reflect the views expressed at the consultation meetings held to obtain stakeholder feedback on the discussion document 'Building the Future: Towards a New Zealand Housing Strategy'. As far as possible, the notes are presented exactly as recorded at the meeting by participants and note-takers. The notes do not represent current Housing New Zealand Corporation or government policy.

- Elderly important
- How many new houses have less / more than 3 bedrooms
- Less difference in \$ new housing divisions - comply to subdivision design standards and about local government rules

Capacity and capability

- Serious problem - skill sets - apprenticeships - aren't builders in Wellington region
- Extra costs of building houses enormous - cost of building permit - add \$10,000 to building - people don't see that - has to be factored into equation when borrowing.

Miscellaneous

- Formula enable Wellington Tenth Trust under usual economic criteria (beneficial ownership at lower end) – incentives get into lower end of market but still maintain economic returns.
- Builder and owner of accommodation - what are the incentives - potential operation in joint venture sense - come in to do subdivision - particularly with Treaty settlements
- Need financial support and incentives if others are to provide social housing but maintain some economic return
- How incentives
- Take family income as realistic block of income eg: group of single parents grouping together - Kiwibank too low threshold for Wellington Region.

Six Areas of Strategy

- Public / private interplay important - rental market
- Stronger statement for council provision
- Multiple owned land – bank won't lend – hardest part – downfall from Matouri Ex?
- Banks need to get more used to multiple owned land- need to push banks on this issue
- Need more information on partnerships.

These notes reflect the views expressed at the consultation meetings held to obtain stakeholder feedback on the discussion document 'Building the Future: Towards a New Zealand Housing Strategy'. As far as possible, the notes are presented exactly as recorded at the meeting by participants and note-takers. The notes do not represent current Housing New Zealand Corporation or government policy.

Priorities

- Banks - low interest loans
- More flexible criteria for home ownership
- Include rent to buy
- Collective, single income families rather than one size fits all - case by case
- Rules still major problem to enable shifting to different types of housing in areas where cost of housing is high/urban centres eg: terraced houses
- Get away from idea that more intensive housing is poor quality - Councils innovative, eg: Christchurch, other councils more reluctant
- More flexible about local government allows – lending on by central government