**TAUĀKĪ WHAKAMAUNGA ATU** STATEMENT OF INTENT 2022–2026



# Enable



This Statement of Intent is a public accountability document required under sections 139 and 141 of the Crown Entities Act 2004. This document outlines Kāinga Ora strategic intentions for the financial years 2022/23 to 2025/26. The Statement of Intent may be updated at any time but no later than July 2025. For detailed financial and nonfinancial performance information, please refer to our Statement of Performance Expectations, which is published annually and is available on work, visit **www.kaingaora.govt.nz** 

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Karanga ki a Ranginui e tū iho nei Karanga ki a Papatūānuku e takoto ake nei Tēnei te mauri whakapiki Tēnei te mauri whakakake Tēnei te mauri ka puta ki te whai ao, ki te ao mārama Haumi e, hui e, tāiki e!

Kei ngā mate huhua o te wā, koutou ki a koutou. Haere, e oti atu ki te pō, ā, nau mai ko te ao.

Tēnei te tuku atu i te kaupapa nei ki te ao, kia kite ai i ngā whainga nui a Kāinga Ora. Tēnei anō hoki te mihi nunui ki ngā tini tāngata e whai whakaaro ana ki tēnei kaupapa whakahirahira Nā reira e te iwi, tahuri mai rā te aroaro.



Foreword

# Nau mai, haere mai

We are Kāinga Ora – Homes and Communities. Our vision is to build better, brighter homes, communities and lives: He oranga kāinga, he oranga hapori, he oranga tangata.

This is the Kāinga Ora Statement of Intent 2022–2026. Our Statement of Intent outlines what we will achieve over the next 4 years, including our ambitions and strategic intentions for building better, brighter homes and communities across Aotearoa New Zealand. B
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- Kāinga Ora was formed on 1 October 2019 with two key roles to play:
- Being a world-class public housing landlord.
- Partnering with the development community, Māori, local and central government and others on urban development projects of all sizes.
- Since our establishment, we have gained additional resources, established new programmes and lifted targets to deliver across these key roles. At the heart of our operations are nearly 200,000 customers and their whānau who live in our growing portfolio of 68,700 homes. We are working hard to make sure that all our homes are warm, dry, healthy and sustainable – supporting better wellbeing

outcomes and allowing our people to live well in their communities. As an organisation, we are proud to provide housing that uplifts people and allows for better, brighter futures, communities and lives.

# Supporting our customers to live well

Our customer programme was established to provide an enhanced level of support and services to our customers with the aim of enabling them to better sustain their tenancies, live well in their Kāinga Ora homes and connect with their communities. Increasingly, we are working across a wide range of government agencies as our housing work and support for our customers intersects more frequently with the responsibilities of those organisations.

The impact of COVID-19 on our people, communities, businesses and partners has tested the assumptions we made about our organisation when it was set up in 2019. In response to the pandemic, we changed many of our operational processes and added additional support services to meet customer need. Despite these challenges, we continue to provide services and deliver housing at unprecedented levels.

We currently provide housing stability and support for thousands of households. Over the next 4 years, we will continue to deliver much-needed homes and services for increasing numbers of New Zealanders and their whānau. As our housing portfolio grows, we want to be able to support more people and ease pressures on the public Housing Register, which has seen a significant increase in highpriority applications in the last 2 years.

#### Warm, dry and healthy homes

In addition to building modern homes that are warm and dry, we are also improving thousands of older houses to meet health and wellbeing standards and support the longevity of our housing assets. We know that better-quality housing has tangible, well-evidenced health benefits not only for individuals but for intergenerational wellbeing and productivity outcomes that have flow-on benefits for our whole country.

With this aim, Kāinga Ora has committed significant resources to bringing quality, modern standards to all our homes. Work is progressing to ensure that our entire housing portfolio meets the Government's Healthy Homes Standards by July 2024. Our 10-year renovation programme will also deliver houses that lift us above the market standard for Homestar ratings.

#### Unlocking housing supply across Aotearoa New Zealand

Kāinga Ora is the lead agency for delivering the public housing growth commitments outlined in the Government's Public Housing Plan 2021–2024. We continue to deliver our nation-wide programme of public housing supply, building homes right across Aotearoa New Zealand. In the past 5 years, we have delivered over 10,900 newly built public and supported houses with thousands more to come.<sup>1</sup> The Urban Development Act 2020 provided Kāinga Ora with a new way of unlocking housing supply by planning and funding complex and challenging urban development projects. Located in regions across the country, our large-scale projects are part of an expansive urban regeneration programme that will increase the supply and choice of guality housing over decades to come. These developments include a mix of public housing, affordable homes and market homes. They complement our efforts to help more people and families purchase their own home, where housing affordability has made it especially challenging for many prospective home buyers in recent years.

New and upgraded infrastructure is critical to unlocking greater numbers of new homes and building thriving community environments. Kāinga Ora is committed to exercising the full range of our mandate and legislative levers to drive this outcome. The Government's Infrastructure Acceleration Fund will enable Kāinga Ora to make significant investments in infrastructure across the country. This involves working closely with councils, iwi/rōpū Māori and across government agencies, including Waka Kotahi, Te Tūāpapa Kura Kāinga – Ministry of Housing and Urban Development, Treasury, Crown Infrastructure Partners and the Department of Internal Affairs.

An important area of focus for us is on partnering with iwi/rōpū Māori to address Māori housing needs and realise improved opportunities. Kāinga Ora is focused on how we can work collectively across government by using a strengths-based approach to deliver Māori housing outcomes that are Māori led.

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## Building organisational capability

Kāinga Ora has continued to grow our capabilities to support customers and deliver housing right across Aotearoa New Zealand. We have also been asked to contribute to the development of thriving communities, support Māori housing aspirations and drive sustainable building and urban development practices. This has required new capabilities and capacity within the organisation as well as a strong presence in communities across Aotearoa New Zealand.

#### Our commitment to innovation

The progress made through our building programme has been achieved against the backdrop of COVID-19. The headwinds currently facing the construction sector continue to prolong these challenges. Supply chain constraints, labour shortages and increasing material, labour and finance costs have all impacted on capacity and productivity.

In responding to these challenges, we have improved our own operational processes and we continue to work with construction sector partners to lift theirs, unlocking significant capacity and growth and improving the speed and cost-effectiveness of our build programme. We are also supporting opportunities for innovation in the sector by leveraging our scale to enable better training systems for trades and supporting investment in manufacturing processes and facilities. While Kāinga Ora is not immune to the market pressures in the construction sector, these activities allow us to continue to provide the housing much needed within communities nationwide.

This refers to the gross number of newly built public or supported houses, not the net addition to the portfolio. It includes instances where we have demolished ageing houses that are no longer fit for purpose and built new houses that are warm, dry and meet the Healthy Homes Standards.

## Introduction

Our regional presence has been established and the focus is now on ensuring that Kāinga Ora is efficient and effective in the use of resources. We have streamlined processes and trained our people to deliver enhanced customer services while working with suppliers across the country to improve their performance.

The results of our activities will be better levels of wellbeing for New Zealanders improved social, environmental and community outcomes for Aotearoa New Zealand, and more homes in more places across the country. In this Statement of Intent, we are proud and excited to present our vision for the future and what we will deliver for Aotearoa New Zealand over the next 4 years. Signed

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**Vui Mark Gosche** Chair on behalf of the Board 14 December 2022

Countersigned

John Duncan Deputy Chair 14 December 2022

Signed

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Andrew McKenzie Chief Executive 14 December 2022

We are Kāinga Ora – Homes and Communities. Our name has special significance because of the mahi we do, working in partnership with Māori. Kāinga Ora means wellbeing through places and communities. At Kāinga Ora, we understand that a house means more than a roof over someone's head. We recognise that kāinga represents the hopes and dreams of whānau - an essential foundation for lives, families and thriving communities.

## We are Kāinga Ora

We are the largest public housing provider in Aotearoa New Zealand. We currently provide warm, dry homes for 186,000 customers and their whānau in 68,765 homes across the country.

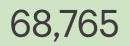
We are also a leader in the housing and urban development sector through our construction programmes and land development activities. Over the next 4 years, we will build over 17,000 new, modern homes to meet demand for quality public housing. We will also lift the supply of homes across the housing spectrum by investing in infrastructure and undertaking urban development activities.

Our large-scale projects are projected to yield 36,000 public, affordable and market homes over the next 20 years. The Infrastructure Acceleration Fund is expected to enable 35,000 new dwellings over a similar time period. These houses will be built in carefully planned neighbourhoods that are connected to jobs, transport and green spaces and support a diversity of people and cultures.

This includes pathways to enable the aspirations of Māori, including iwi and rōpū Māori, to pursue better housing opportunities and achieve improved outcomes.

This pipeline of construction activity is significant for Aotearoa New Zealand. Where Kāinga Ora is the lead developer, we continue to innovate and catalyse change in the sector by using off-site manufacturing and transforming the end-to-end process for building a home – making it faster, less costly and more sustainable.

## A snapshot of our mahi



HOMES IN OUR PUBLIC AND SUPPORTED HOUSING PORTFOLIO



## ~200K CUSTOMERS AND THEIR WHÂNAU LIVE IN OUR PUBLIC HOMES



# 440K+

MAINTENANCE JOBS ARE COMPLETED EVERY YEAR TO KEEP OUR HOMES WARM AND DRY



#### **1,815** NEW HOUSES WERE BUILT FOR OUR PUBLIC AND SUPPORTED HOUSING CUSTOMERS IN 2021/22



# 5,600+

HOMES WERE PURCHASED WITH OUR HOME-OWNERSHIP PRODUCTS THIS YEAR



# 87%

OF DEMOLITION WASTE WAS DIVERTED FROM LANDFILL AGAINST A TARGET SET FOR OUR AUCKLAND DEMOLITION PIPELINE





NEW TRAINEES ARE CURRENTLY ACTIVELY ENGAGED IN OUR CONSTRUCTION APPRENTICESHIP AND CADETSHIP PROGRAMMES



# +\$900M

AWARDED TO INFRASTRUCTURE ACCELERATION FUND PROJECTS TO ENABLE 30,000–35,000 HOMES TO BE BUILT ACROSS THE COUNTRY



These figures were prepared in September 2022 to provide a snapshot in time of the key features of our portfolio, services and build programme – they are subject to change. Figures quoted for the previous period refer to the 2021/22 financial year.

# Pressure on the housing system

The scale of our construction activity supports the wider construction sector during dynamic and challenging times. While the supply of newly constructed houses is rising steadily, the housing system is under pressure to provide the extra homes needed. A recent moderate decline in high house prices has not alleviated the housing situation for many living in this country. Ongoing challenges in the urban development environment mean that supply has not yet caught up with demand for housing, keeping property prices high and affordable housing out of reach for many New Zealanders.

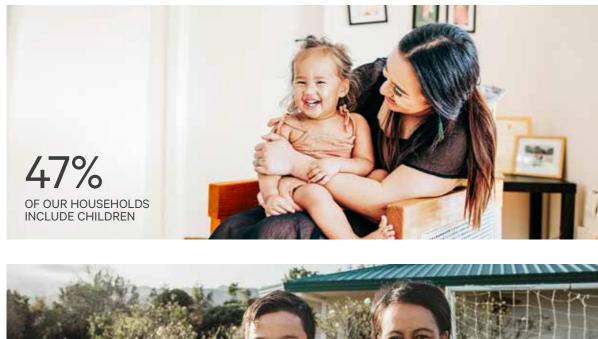
A lack of suitable land and appropriate housing infrastructure is a challenge that Kāinga Ora will work hard with our partners to address over the next 4 years. We are facing a rise in the cost of consumer goods and constructions materials, which has affected both our customers and our build partners. In the year to March 2022, construction costs rose by 18 percent - the largest increase since recording of construction costs began in 1985. The key drivers of this increase were economic headwinds that are unlikely to subside completely within the term of this Statement of Intent, including supply chain issues, higher labour costs and strong demand pushing up the cost of materials.

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Against this context, the need for good-quality housing continues to be urgent. The register for those waiting for public housing has increased to almost 26,000 applicants. The most urgent of these – Priority A applications – have increased significantly in the last 2 years. Within this cohort, Māori and Pacific peoples continue to experience the poorest housing outcomes. Of those currently waiting for public housing, 51 percent are Māori, while 35 percent of our main tenants currently identify as Māori.

The last New Zealand census showed that severe housing deprivation is being experienced especially acutely by Pacific peoples. Housing deprivation means that some people are living without shelter, in temporary accommodation, in severely crowded homes or in uninhabitable housing. We continue to work across government to tackle these issues and provide healthy housing conditions for our Pacific communities.

## About our customers







#### **Delivering more homes**

Kāinga Ora is meeting these challenges head on. Our legislative settings give us the mandate and tools to realise the Government's vision and direction to deliver better outcomes for housing and communities. The scale of our property portfolio, land holdings and resources offers a significant opportunity to encourage innovation and improve efficiency in the wider housing and urban development sector.

Our six organisational outcomes offer a shared understanding of our challenges, opportunities and strategic goals and ensure that we focus on what matters to those we serve. These outcomes describe how we will actively support customer wellbeing, increasing housing access across the country, develop thriving communities, lead innovation and system transformation across the construction sector and build sustainable and energyefficient homes to improve environmental wellbeing. Across these outcome areas, our priorities over the next 4 years are growing and maintaining Māori and community relationships, embedding improved customer support, increasing the supply of housing, accelerating construction productivity and building a high-performing organisation.

## Supporting Māori aspirations for housing

Of special importance is our commitment to enabling Māori aspirations by supporting iwi and rōpū Māori to realise improved housing outcomes. Developing and maintaining strong partnerships with Māori is essential to increasing housing options for Māori and supporting their opportunities across the housing system.

#### Strengthening our partnerships

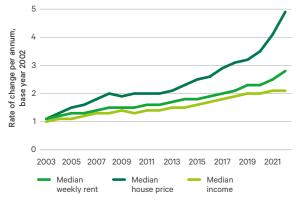
Over the next 4 years, Kāinga Ora will continue to explore ways to empower whānau, hapū and iwi Māori in building communities where they benefit from enhanced wellbeing, a sense of identity, connection and belonging. We will work closely with Te Tūāpapa Kura Kāinga -Ministry of Housing and Urban Development (HUD) and Te Puni Kōkiri, who are the lead agencies in this endeavour.

To be successful in delivering our outcomes, we must also work closely with other partners across government. HUD plays a key role in setting these expectations. We also continue to work closely with agencies that play an important role in improving the wellbeing of our customers and supporting our efforts to increase the supply of housing. These include the Ministry of Social Development, Te Puni Kōkiri, Ministry of Business, Innovation and Employment (MBIE), Te Whatu Ora - Health New Zealand, Ara Poutama Aotearoa – Department of Corrections, Whaikaha - Ministry of Disabled People and Oranga Tamariki.

We are also committed to working more responsively at a local level by engaging local communities, local councils and a wide range of community sector agencies in our programmes of work. As a public service organisation, Kāinga Ora is set up for success with place-based regional teams responding to local needs and communities. Concurrently, we continue to lift internal capabilities, emphasising the importance of responsibility, transparency and performance and reflecting the organisational values of manaakitanga (hospitality, kindness and respect), mahi tahi (working together) and whanake (being bold and progressive).

## Our operating context

# Comparison of house price, weekly rent and income growth



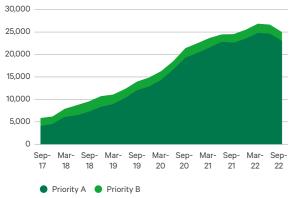
## House prices and rents have increased faster than income over the last two decades.

This indicates that there are not enough houses available and means that people have fewer choices when it comes to finding a home that they can afford.

We are already working hard to lift the supply of homes across the housing spectrum – from public homes to houses that can be purchased at affordable or market rates.

Source: Real Estate Institute of New Zealand (REINZ), Tenancy Bonds and MBIE.

#### Housing Register – application priority September 2017–2022



#### Inflation and construction costs



#### The number of applicants on the public Housing Register has grown in the last 5 years to almost 26,000 people. A significant proportion of those are Priority A applicants who have a range of complex needs.

In addition to building more public homes to house a greater number of people, our new customer programme supports customers to access the services they need to ensure their wellbeing.

Note: This excludes applicants on the Transfer Register who are already in public homes, needing rehousing for health or home suitability reasons. Source: Ministry of Social Development.

#### Construction costs for new dwellings have increased alongside the cost of everyday goods and services.

This challenge is being felt across the construction sector. Kāinga Ora is working to lessen these impacts by progressing innovation at scale. We are adopting new off-site manufacturing processes and reducing the time it takes to construct a house.

Source: Stats NZ.

#### Housing typologies such as townhouses, flats and units will make up a larger proportion of new builds in the coming years.

Kāinga Ora contributes to this important trend by ensuring that our higher-density urban communities can thrive and flourish by providing improved access to jobs, transport and green spaces.

Source: Stats NZ.

#### The proportion of people living in homes they own has declined over the last two decades. This is particularly evident for Māori and

Pacific peoples.

We are working in partnership with iwi and rōpū Māori to enable better housing outcomes for Māori. We also make land available for affordable and market housing in our largescale projects and provide access to a range of home-ownership financial products that help first-home buyers across Aotearoa New Zealand.

Source: Stats NZ.

#### More people are experiencing severe housing deprivation, with the highest

**deprivation felt by Pacific peoples.** Across the country, almost 30,000 people live in severely crowded housing and another 60,000 people in uninhabitable housing.

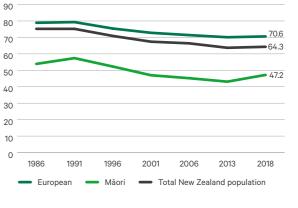
We are making significant investments in upgrading our ageing housing stock, including better heating and insulation, which have critical benefits for the health and wellbeing of our customers.

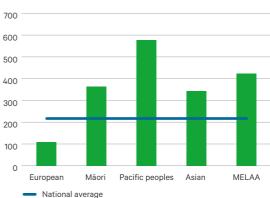
Source: Amore, Viggers & Howden-Chapman (2021) Severe housing deprivation in Aotearoa New Zealand, 2018 – June 2021 update.



#### New dwelling consents by type

#### Home ownership % (1986-2018)





#### Severe housing deprivation

## Our outcomes

#### **Delivering the Government's** vision for better housing

Given the challenges in our housing and urban development environment, it is critical for Kāinga Ora to act efficiently and strategically to deliver on Government direction and realise our shared vision of building better, brighter homes, communities and lives. Our delivery role is outlined in the Government Policy Statement on Housing and Urban Development 2021 (GPS-HUD), which holds the vision that "everyone in Aotearoa New Zealand lives in a home and within a community that meets their needs and aspirations".<sup>2</sup>

MAIHI Ka Ora – National Māori Housing Strategy 2021–2051 seeks to strengthen this response to Māori housing and is strongly connected to the GPS-HUD.<sup>3</sup> MAIHI Ka Ora determines that government agencies such as Kāinga Ora must work with each other and with Māori in genuine partnership over the next 30 years towards a shared vision that "all whānau have safe, healthy, affordable homes with secure tenure, across the Māori housing continuum".

Kāinga Ora continues to work with Te Tūāpapa Kura Kāinga - Ministry of Housing and Urban Development (HUD) to give effect to the specific expectations for Kainga Ora detailed in the GPS-HUD, including the implementation of MAIHI Ka Ora where we are a lead or contributor agency.

- 2. Please see Appendix 2 for GPS-HUD expectations for Kāinga Ora and their relationship to our organisational outcomes.
- 3. Please see Appendix 1 for an overview of these documents.

#### **Our outcomes**

Our six outcome areas give form to these directions by embedding them in our services and programmes of work – the relationship between our outcomes and each of the GPS-HUD expectations is shown in Appendix 2. Our outcomes outline what we will deliver in the medium term of this Statement of Intent. Our outcomes also state our vision for the future, ensuring that we remain focused on our long-term objectives and ambitions for improving housing in Aotearoa New Zealand.

#### Our strategic approach

Our two organisational strategies enable us to focus and prioritise this work. Kāinga Ora Strategy 2030 and Te Rautaki Māori o Kāinga Ora 2021-2026 have specific goals and longer-term priorities for our organisation. By placing these strategies alongside each other, Kāinga Ora takes an innovative approach to recognising the prominence of iwi and ropū Māori aspirations for improved housing outcomes.

Our five functional strategies offer moredetailed direction in areas that are critically important. The Urban Development Strategy outlines the objectives and actions Kāinga Ora will undertake to implement our urban development functions. The Customer Strategy sets the direction for the services Kāinga Ora provides to our customers so they can live well, with dignity and stability, within connected communities. The Asset Management Strategy describes our approach to managing, maintaining and growing our public and supported housing assets. The Community Strategy articulates our role within communities and what we will do to make them sustainable, inclusive and thriving.

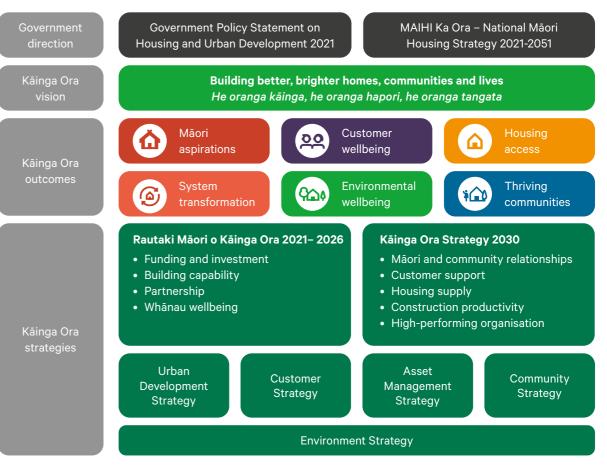
The Environment Strategy shows how Kāinga Ora can accelerate positive environmental outcomes by highlighting our environmental responsibilities, priorities and planned actions.

#### **Our measures**

Our measures provide a critical connection between our outcomes and the services, activities and outputs that enable us to achieve success. These measures are focused on activities that we are funded to deliver. They allow Kāinga Ora to gain insight and



#### Connecting our vision, outcomes and strategies



drive performance across our core services and deliverables in the medium term. Our Statement of Performance Expectations provides an annual view of our performance.

We use a scale to indicate the level of influence Kāinga Ora holds across our performance measures. In some areas of measurement. Kāinga Ora holds less influence over outcomes and results, especially in relation to the property market or areas where we facilitate housing outcomes for others. These measures remain important to us because they provide performance insights that can shape future policy decisions.





# **Māori aspirations**

Enabling Māori aspirations means investment in housing solutions that build capability and support whānau wellbeing.

#### Our vision for the future

- Māori and Kāinga Ora work in partnerships that genuinely reflect te Tiriti o Waitangi to successfully deliver improved housing outcomes that meet Māori needs and aspirations.
- Intergenerational wellbeing outcomes are improved, including greater housing options and home ownership.
- Kāinga Ora works to support and grow Māori capacity and capability across the housing system.

## Improving Māori outcomes

Kāinga Ora will work together with Māori, including whānau, iwi and rōpū Māori, using a strengths-based approach to enable us to meet Māori needs through Māori-led solutions. Our aim is for this to increase the supply of housing and provide more options to whānau and Māori across the housing system. Safe, healthy, affordable and stable homes within a chosen community are fundamentally important to enable whānau to feel a sense of connection, identity and belonging.

Developing and maintaining strong partnerships with Māori is essential to enabling Māori aspirations to be understood and protected. Kāinga Ora is exploring opportunities to empower whānau, hapū and iwi Māori in the building of their communities where they are benefiting from enhanced wellbeing, a sense of identity, connection and belonging.

Kāinga Ora is focused on how we can work collectively with HUD, Te Puni Kōkiri and the Ministry of Social Development to ensure increased delivery of Māori housing outcomes that are Māori led and to provide improved acc hou a h und to c opp sup V/Kāi • e tl • p tl • in a iv • b a

#### Whānau wellbeing

We will work with Māori to refine success indicators of wellbeing that are holistic and derived from a Māori perspective to meet their housing aspirations. These indicators will enable us to focus on improved intergenerational outcomes for Māori where they have a range of options for housing, are safe and healthy and have a strong sense of belonging.

## Partnerships with Māori

Te Tiriti o Waitangi underpins how Kāinga Ora will work with Māori. Kāinga Ora will recognise and support Māori aspirations through early and meaningful engagement, utilising opportunities to partner and creating

access to funding levers to increase Māori housing supply. We will also work to enable a higher level of coordination and greater understanding of where there are barriers to delivery. This will allow us to identify opportunities and points of leverage that will support the delivery of Māori aspirations.

- Over the next 4 years, we will focus on how Kāinga Ora can impact positively on:
- enhancing whānau wellbeing through housing
- increased opportunities for capability and capacity building with whānau, hapū, iwi and rōpū Māori
- building cultural capability within and across Kāinga Ora
- helping to focus government investment on solutions that are innovative and Māori led.

opportunities for Māori to participate in urban development.

He Toa Takitini is our Partnership and Engagement Framework that outlines how Kāinga Ora will partner and engage with Māori. We will continue to explore authentic and mutually respectful ways to partner with Māori that engender trust and are mana enhancing.

We will also support and enable Māori housing aspirations for land development and increase housing supply at a local level by supporting Kāinga Ora projects and initiatives across the organisation that impact Māori housing outcomes. This involves working closely with our MAIHI Partnership Programme partners in HUD and Te Puni Kōkiri, and utilising our technical skills and expertise for Māori housing projects.

Our internal experts provide feasibility and consenting advice, including planning, commercial leasing, divestments and relocations, special projects (rōpū Māori engagements), development management and urban design to support Māori-led projects. This also applies to smaller projects on Māori land, papakāinga and wāhi kāinga. It is yet to be determined whether these are Kāinga Ora driven or led by our partner agencies.

We will work to ensure that Māori increase their uptake of home-ownership products and tools and make sure that these are fit for purpose.

Data sovereignty and issues of cultural intellectual property are priorities for Māori, and this has implications for how Kāinga Ora manages data or information that is sourced from or about Māori. We will work alongside Māori and our government partners as we develop an approach to data sovereignty and digital issues.



#### Partnering with Te Rūnanga o Toa Rangatira

Kāinga Ora is forming a number of partnerships with iwi/rōpū Māori that support them to achieve their housing and urban development objectives. Our partnership with Te Rūnanga o Toa Rangatira (Ngāti Toa) is multifaceted and focused on increasing the number of quality homes built in Porirua, along with investing in Māori capability building. Alongside HUD, we have partnered with Te Āhuru Mōwai – the Ngāti Toa community housing provider - carrying out the tenancy management, maintenance and upgrade functions for 900 Kāinga Ora properties in western Porirua. This is one part of the larger Porirua project, which started in 2018 with the aim of delivering 3,500 new or upgraded public, market and affordable houses over the next 25 years. Eastern Porirua will receive an investment of \$136 million from the Government's Housing Acceleration Fund for infrastructure to support 2,000 additional houses.

# Capacity and capability building for Māori

Kāinga Ora will identify and actively increase opportunities for Māori to gain skills and capability across the housing sector. This will include increasing access to better jobs and training while utilising vocation and educational pathways such as internships, secondments and cadetships that support Māori to participate across the housing workforce.

Kāinga Ora will continue to demonstrate leadership with our government sector partners by supporting the development of a strong Māori construction economy. We will help Māori entities build capability through key initiatives that include:

- workforce development programmes
- apprenticeship, mentoring and cadetship initiatives
- subject-matter expert capability development, which includes providing support to contractors and professional service providers tendering for Kāinga Ora contracts
- implementing a pipeline of development opportunity for Māori businesses and organisations.

Kāinga Ora will also uphold authentic partnership relationships with Māori entities through improved, procurement<sup>4</sup> and contracting practices that include:

- targeted support to Māori entities tendering for Kāinga Ora contracts
- enabling Māori entities onto Kāinga Ora commercial opportunities
- supporting wellbeing outcomes for Kāinga Ora contracts
- enabling Construction Sector Accord Transformation Plan 2022–2025 and Māori outcome intentions.



# OUR OUTCOMES

#### Supporting Māori businesses

Māori business Yakas Construction won its first government contract with Kainga Ora to build six state houses in Kaikohe. Owner Martin Yakas of Ngāti Rēhia started his Kerikeri-based business while working for Northland iwi to repair houses to be weathertight. His team has since grown to 12 people, including two wāhine. Yakas Construction went through the Progressive Procurement capability uplift programme facilitated by Te Puni Kōkiri, where Martin was mentored by Māori business Height Project Management Limited and was also supported by Aotearoa supplier diversity intermediary Amotai. Progressive Procurement aims to use the government's annual \$51.5 billion buying power to accelerate Māori businesses and provide wider social outcomes within communities.

 Further detail on our procurement approach is being developed under Pā Harakeke – Kāinga Ora Social and Sustainable Procurement Framework.

#### **Funding and investment**

Kāinga Ora will focus efforts that prioritise housing solutions that are Māori led. There will be strong alignment between the outcomes of the funding and investment activities and Māori aspirations at a whānau, hapū and iwi level.

Benchmarking will provide an assessment of current progress against the outcomes in te Rautaki Māori o Kāinga Ora and the aspirations and priorities of Māori for housing and urban development outcomes. We will be developing a monitoring and evaluation framework grounded in te ao Māori to measure progress that will provide data insights and will be utilised to inform future funding and resourcing of business cases.

Effective funding and investment decisions will be informed by careful monitoring and evaluation of a range of activities across the organisation. Kāinga Ora will:

- ensure that options for affordable typologies, including the use of off-site manufacturing, are considered for developments on Māori land
- participate in the MAIHI Partnership Programme and identify suitable situations where Māori can advance affordable housing opportunities
- advocate for increased investment in infrastructure for iwi and ropū Māori affordable housing development
- support the use of wahi kainga models to improve affordable housing interventions.

Our stocktake of Māori land tenure types, including Māori freehold land and Right of First Refusal (RFR) under Treaty settlements, that are suitable for housing will allow targeted support for increased housing supply and support development aspirations on the whenua. Regional planning processes will be utilised to unlock resourcing at a local level to drive development.

We will support inter-agency initiatives for third-party finance options for Māori land development and housing. We will continue to investigate and support Māori housing investment in innovative housing solutions that are Māori led, including off-site manufacturing and house-relocation initiatives.

#### **Our measures**

Our level of influence		Our targets	
	Results 2021/22	Direction	Target 2025/26
Low	8%	1	Demand driven
	influence	influence Results 2021/22	influence Our targets Results 2021/22 Direction

Why this matters to us: This measure provides an insight into the availability and demand for our home-ownership products from Maori, including First Home Loan or First Home Grant assistance and KiwiBuild. These insights are valuable for shaping policy responses.

1.2 Number of homes enabled through Kāinga Ora and iwi/rōpū Māori partnership activity<sup>5</sup>



Why this matters to us: This measure will track the positive outcomes of our partnerships with iwi/ropū Maori. Measuring the number of homes enabled through partnership recognises the importance of housing supply for Māori.

1.3 Kāinga Ora net promoter score for commercial partners who identify as Māori



Why this matters to us: The net promoter score is an international standard that will be used to test the strength of our relationships with Maori commercial partners.

These new Statement of Intent measures will be finalised for publication in December 2023.





# **Customer wellbeing**

Customer wellbeing means people in our homes live well with dignity, stability and the greatest degree of independence possible.

#### Our vision for the future

- Our customers have accommodation that is stable, enabling them to remain in their homes for as long as they need to.
- Our homes are repaired, maintained or renewed so that they are always warm, dry and accessible.
- Our customers feel safe and secure in their homes and communities.
- Our customers have the skills, support and confidence to have greater control over their lives and wellbeing.

# Supporting our public housing customers

Kāinga Ora places the wellbeing of our customers and their whānau at the centre of our work. We ensure that our homes are warm, dry, safe and accessible – helping our customers to live well within connected communities with dignity and stability. As the largest provider of public homes in Aotearoa New Zealand, we support the housing needs of approximately 186,000 people and whānau.

In 2022, we established a new operating model that better supports our customers to live well in their homes with access to the right support services. This model achieves improved outcomes for customers by supporting them during the moments that matter such as placement within the home and community. We take a wellbeing approach to working with our customers by building long-term relationships and engaging in meaningful conversations and interactions.

## Ou hc Kāi

Kāinga Ora leases and rents homes to several public and social sector organisations who provide housing for customers, many of whom are vulnerable and in need of enhanced support. Our supported housing portfolio comprises 4,300 units<sup>6</sup> and includes Community Group Housing and transitional housing provided to HUD and Ara Poutama Aotearoa – Department of Corrections. We also lease supported houses to a range of other service providers funded by government, including Whaikaha – Ministry of Disabled People, Oranga Tamariki, Ministry of Health and Te Whatu Ora – Health New Zealand.

We will also work with whānau to identify a range of services that support them during their tenancy. Our aim is to build a deeper understanding of our customer and whānau experience in the public housing system. A key principle of this approach is Te Whare Tapa Whā – a holistic model that brings together te taha tinana (physical wellbeing), te taha hinengaro (mental and emotional wellbeing), te taha wairua (spiritual wellbeing) and te taha whānau (social wellbeing).

Our focus for the next 4 years is to enhance our new operating model by building strong relationships with service providers across the public and social sectors to help our customers meet their personal wellbeing needs. Beginning in 2023, we will embed, test, monitor and improve our operating model, lifting the capability of our customer-facing teams to be truly whānau centred and focused on wellbeing outcomes.

# Our supported housing services

Our Supported Housing Strategic Plan brings these services together and sets out the ideal future state for Kainga Ora-supported housing and for the role that supported housing plays in the wider housing system. Kāinga Ora will operate as a trusted partner with providers and funders, responding to their changing needs and offering support and expert insights. Guided by this strategy, we will support local, Māori-led approaches and solutions for our customers and their whanau.

#### Maintaining our warm, dry homes

We aim to give all our customers a strong foundation for health and wellbeing by making sure that our homes are warm, dry, safe and accessible. We do this by delivering significant maintenance and renewal programmes that improve our houses and protect our assets in different ways. Our planned and unplanned maintenance programmes deliver responsive fixes to essential amenities, while our renewal programmes upgrade entire homes or complexes, often requiring our customers to relocate to temporary accommodation for a period of time.

Over the course of the 2023/24 financial year, we expect to complete more than 500,000 responsive maintenance jobs and planned maintenance jobs on just over 14,000 homes across our portfolio. Working with five regional maintenance partners in conjunction with their trade partners, Kāinga Ora provides a nationwide maintenance service that operates 24 hours a day, 7 days a week.

Our planned maintenance programmes are equally significant and involve longer-term repairs or improvements to roofing and painting exteriors, home heating, and driveway changes that improve safety for whanau by creating more secure play areas for children.

#### **Designing accessible homes**

Building and maintaining homes that meet the needs of those living with disabilities is especially important to Kāinga Ora. We are making our homes more accessible for those who need them by building bespoke features that meet the requirements of specific customer cohorts. We also modify existing homes and build or buy new houses that meet universal design standards - physical housing features that support a wide variety of generational and accessibility needs. We are working hard to ensure that as many of our homes as possible include universal design<sup>7</sup> elements, in particular those features that will have the most benefit for our customers if modification is needed in the future.

Our improved outcomes for accessibility customers are not delivered in isolation. Like many of our customer initiatives, we continue to work closely with other public sector groups on improving outcomes for our mutual customers and clients. For those living with disabilities, this involves working with Whaikaha - Ministry of Disabled People, Accident Compensation Corporation (ACC), Ministry of Health, Te Whatu Ora - Health New Zealand and Ministry of Social Development.

#### **Our measures**

Customer wellbeing measures	Our level of influence		Our targets	
2.1 Percentage of public housing customers		Results 2021/22	Direction	Target 2025/26
who are satisfied with the services we provide	Medium	82%	1	85%
Why this matters to us: This measure is impo maintenance services.	rtant to unders	tanding the success	of our tenancy	and
2.2 Percentage of public housing		Results 2021/22	Direction	Target 2025/26
customers who are satisfied with their Kāinga Ora home	Medium	80%	1	85%
Why this matters to us: This offers an insight	into the quality	and suitability of our	housing stock	for our customers.
2.3 Percentage of public lettable		Results 2021/22	Direction	Target 2025/26
properties that meet or exceed the asset condition baseline standard <sup>8</sup>	High	92.5%	1	95%
Why this matters to us: We endeavour to ens external standard of quality.	ure that the phy	ysical condition of ou	r housing stoc	k meets an



2.4 Percentage of new public housing customers who sustain their tenancy for 12 months or more



Why this matters to us: This tells us that we are supporting our new customers to settle in to their tenancies with minimal disruption or early terminations.

8. Käinga Ora uses the New Zealand Asset Management Support (NAMS) asset condition scale. Each major component of a house is rated 1-5 (where 1 is the highest score and 5 is the lowest). Where the average of the components for a house is rated at less than 3.5, the house is deemed to meet the baseline quality standard

Results 2021/22	Direction	Target 2025/26
95%	$\leftrightarrow$	95%

<sup>7.</sup> Universal design means a property is built according to Käinga Ora universal design standards so it is or can be fit for purpose for most customers, whether or not they have a disability. Universal design delivers homes that are more liveable for the entire population, including (but not limited to) young and growing families, people of all ages who experience temporary injury or illness, those with mobility, visual or cognitive impairments and the growing ageing population.





# Housing access

Housing access means enabling homes that meet diverse needs and are safe, affordable and healthy to live in.

## Our vision for the future

- Public housing is provided for those in need.
- More homes are built in regions across Aotearoa New Zealand, offering a greater variety of house types and tenures.
- We renew our homes so that they are always warm, dry and accessible, meeting the needs of our changing population.

## **Providing greater access** to housing

The Kāinga Ora vision is building better, brighter homes, communities and lives for people in Aotearoa New Zealand. We do this by partnering with the development community, Māori, local and central government and other of all sizes. Our build programme and urban development projects increase the number

agencies to deliver urban development projects



of good-quality public and supported houses in our property portfolio and enable greater access to affordable and market homes. By building in the right places at the right time and scale in ways that respond to current and projected growth pressures, we can help shape positive transformation of our housing and urban systems.

Partnering with Māori is a key priority. Kāinga Ora and iwi and rōpū Māori will seek opportunities to facilitate and deliver homes and urban development projects in a way that is effective for Māori in recognition of the right of Māori to self-determine better housing and urban development solutions. We also recognise Māori aspirations to develop their own whenua in rural areas. There are challenges in developing Māori land held in multiple ownership, and we will support Māori with advice and information alongside other agencies.

# Growing and renewing public and supported housing

Kāinga Ora plays a pivotal role in delivering the Public Housing Plan 2021–2024. This plan enables us to build additional public and supported places in communities throughout Aotearoa New Zealand where there is housing need. Kāinga Ora will deliver almost 80 percent of houses in the Public Housing Plan, with the remainder delivered by Community Group Housing providers.

	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	Total
Number of new homes built (gross) <sup>9</sup>	3,775	4,929	4,284	4,274	17,262
Net increase in number of new homes	2,562	3,825	*	*	6,387*

\* We plan to update this Statement of Intent in December 2023 with full information on new performance measures. We will also update these numbers.

Over the next 20 years, around 45,000 of our public houses will reach the end of their economic life and require significant capital renewal to enable them to meet the needs of our customers. For each of these assets, Kāinga Ora will decide on the interventions required to ensure that the homes remain functional and fit for purpose with good thermal performance. Our retrofit and remediation programmes address this through complex physical interventions that reset the life of a house and make the home warmer and drier. However, renewal will also be achieved through redevelopment by making better use of our land by replacing an existing home with more than one new unit.<sup>10</sup> Renewal activity might also include rebuilding the home, retrofitting the existing property or replacing it and building a modern equivalent.<sup>11</sup> While this renewal activity does not necessarily result in a net increase to the number of homes in our portfolio, it does improve the overall quality of our assets, enabling us to maintain the wellbeing and security of our customers and our improved social outcomes. In the 4 years to June 2026, we plan to renew between 8,000 and 14,000 homes that are no longer fit for purpose.

## Kāinga Ora Land Programme and Infrastructure Acceleration Fund

Established in 2021, the Kāinga Ora Land Programme and the Infrastructure Acceleration Fund unlock funding pathways to help us increase the supply of housing. The latter is part of the Government's \$3.8 billion Housing Acceleration Fund, which aims to speed up the pace and scale of home building across Aotearoa New Zealand. This is complemented by the Kāinga Ora Land Programme, which allows us to borrow up to a debt ceiling of \$2 billion<sup>12</sup> to acquire land and develop it to build-ready status to accommodate a mix of housing types, including affordable options.

The Infrastructure Acceleration Fund is a contestable fund of \$1 billion for housing infrastructure that is administered by Kāinga Ora, with expressions of interest sought from councils, iwi and rōpū Māori and developers. The fund allows for the construction of new or upgraded infrastructure such as transport, three waters and flood management, which will enable more houses to be built. It is expected to provide infrastructure in support of up to 35,000 dwellings over the next 20 years, with Kāinga Ora maintaining close working relationships with recipients and developers from the inception of a project through to its completion.

11. The rate and scale of this renewal activity is contingent on government settings for growing the public housing portfolio beyond 2024.

# Kāinga Ora large-scale and greenfield projects

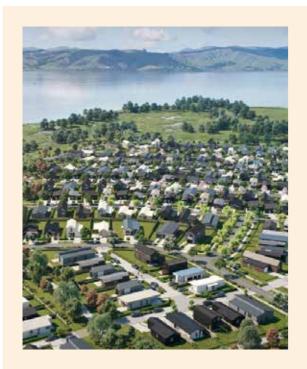
Kāinga Ora large-scale projects are complex urban development works that involve upgrading our land to increase the number of homes available to people. These projects make a significant contribution to addressing the supply of housing in Aotearoa New Zealand by supporting a mix of public housing, affordable housing and market homes. Such projects involve intensive planning as they often require significant investment in precincts, suburbs and neighbourhoods to upgrade water, sewage and transport infrastructure in support of more dwellings with better connections to quality community amenities and green spaces.

Government has approved business cases for large-scale projects that will enable approximately 17,800 new homes in Auckland over the next 5 to 16 years. There are currently five large-scale projects in Auckland, including Mount Roskill, Māngere, Tāmaki, Northcote and Oranga, and one in eastern Porirua. Further investment will enable around 36,000 new public, affordable and market homes across these precincts over the next 20 years. By building quality neighbourhood infrastructure, Kāinga Ora will also support the addition of approximately 20,000 homes on surrounding properties.

Outside of the existing residential neighbourhoods, our greenfield projects take place on land that has not been recently used for housing such as Hobsonville Point in Auckland and Lakeside in Te Kauwhata. The size and scope of these projects vary, alongside the investment needed to transform this land into functioning and sustainable urban environments that enable more homes at much higher densities than currently exist.

<sup>9.</sup> These numbers reflect the Kāinga Ora Budget 2022.

<sup>10.</sup> A retrofit is the renewal of a single home or small block of units, while complex remediation work involves the renewal of large complexes with multiple units or multiple storeys. These renewal programmes share the aim of bringing our entire housing portfolio up to established standards by 2040.



#### More homes for Lakeside

Located on the banks of Lake Waikare in Te Kauwhata, the Lakeside development sits between the large urban centres of Auckland and Hamilton. The Lakeside masterplan includes new housing areas, a reserve network, commercial centre and school site. Kāinga Ora has partnered with the property developer Winton to deliver this greenfield project over an 8-year period. We will purchase build-ready sites from Winton on a rolling basis over the term of the partnership and will onsell these to build partners to construct and sell new homes. Lakeside will provide approximately 1,650 homes, of which 1,350 will be delivered by Kāinga Ora.

#### A new Northcote Precinct

The Northcote Precinct will comprise approximately 1,700 new homes, replacing 317 old public houses. Due for completion in 2025, the number of public houses will increase to 480 homes and the remaining will be affordable and market homes. The precinct plans are integrated with the redevelopment of Northcote Town Centre, led by our partner Eke Panuku. As well as much-needed homes, Northcote residents will see improvements to infrastructure and upgraded transport and amenities, including a network of new parks connected by Te Ara Awataha Greenway.

# Pathways to affordable home ownership

Our current housing and urban development system is challenged to provide good options to enable low-income and middle-income people to own their own home. Kāinga Ora continues to support the long-term efforts of HUD to improve housing affordability by addressing systemic issues of land supply, regulation, infrastructure provision, cost of building materials and capability building in the construction sector.

In the medium term, which encompasses the period of this Statement of Intent, Kāinga Ora contributes to affordable housing outcomes by developing land for affordable housing and administering home-ownership products. These play an important role in helping people across Aotearoa New Zealand to achieve the security and wellbeing of owning a home. In each case, we actively encourage greater uptake of our home-ownership products among Māori and Pacific peoples by providing targeted information and resources.

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- Kāinga Ora will continue to support a range of activities that enable affordable housing, including:
- progressing large-scale projects that make build-ready land available to developers to offer affordable homes for purchase
- reducing the risk for developers supplying affordable homes by administering KiwiBuild, where the Crown underwrites the sale of homes in new residential developments
- supporting our tenancy customers to purchase the property in which they live, in certain circumstances
- administering Kāinga Whenua loans, First Home Grant, First Home Loan and First Home Partner financial products, each of which assists people to purchase a home by underwriting, facilitating or supplementing home loans.
- Beginning in 2023, we will work on optimising home-ownerships products with the aim of making them easier and more accessible to a range of customers, including supporting Māori aspirations.

#### **Our measures**

Housing access measures	Our level of influence		Our targets	
3.1 Number of newly constructed Kāinga Ora public and supported homes <sup>13</sup>		Result 2021/22	Direction	4-year target
• Gross		1,815	1	17,200
• Net	High	1,340	1	6,300*

\* We plan to update this Statement of Intent in December 2023 with full information on new performance measures. We will also update this number to reflect government direction.

Why this matters to us: Improving access to warm, dry and healthy houses lies at the heart of our mahi. This measure shows if we are on track to deliver the number of new homes in the Public Housing Plan 2021-2024 (net) and improve the overall quality of our housing stock (gross).

3.2 Average proportion of our public		Result 2021/22	Direction	4-year target
housing stock renewed per annum		1.5%	•	>2.5% p.a.
over the 4-year period <sup>14</sup>	High	1.070		2.070 p.d.

Why this matters to us: As our housing stock ages, it is critical that we invest in renewal activities on an annual basis to protect the longevity of our assets.

3.3 Number of homes purchased by		Result 2021/22	Direction	Target 2025/26
New Zealanders with one or more of		5.683	<b>^</b>	Demand driven
our home-ownership products	Low	0,000		200000

Why this matters to us: This measure offers an insight into the availability and demand for the home-ownership products, including First Home Loan or First Home Grant assistance and KiwiBuild. These insights are valuable for shaping policy responses.

Our large-scale projects provide a means for us to significantly increase the supply and choice of quality housing over decades to come. When we enable more homes to be built, we make land available for housing and enter development agreements with third parties who are ready to build these houses. This allows us to lift the supply of housing across the spectrum by enabling affordable homes that will be built and sold by developers at affordable prices agreed with us, market homes built and sold by developers at market prices; and public homes to be constructed by Kāinga Ora.

Housing access measures	Our level of influence		Our targets	
3.4 Number of homes enabled through Kāinga Ora large-scale projects <sup>15</sup>		Result 2021/22	Direction	4-year target
State homes		571	1	1,900
Market homes		725	1	2,800
Affordable homes	High	505	1	2,400
Total homes		1,801	1	7,100
Why this matters to us: While many of thes	e houses will be c	onstructed outside 1	the Statement o	of Intent period,

W it is important that we start measuring our performance at this early stage in the process by monitoring the number and types of houses we enable.

13. A newly constructed home is defined as a home that is newly built and has not previously been occupied before its use for public or supported housing purposes.

14. This includes Käinga Ora retrofit and complex remediation programmes as well as sales and demolitions. The target is dependent on the size of the public housing stock and will be reviewed on an annual basis to account for significant stock expansions or reductions.

15. Enabled homes refers to the number of homes that will be built on ready-to-build land handed over to a third party or as agreed to under a signed unconditional contract between Käinga Ora and the third party. This measure counts the number of homes in Lakeside, Mängere, Te Onewa, Oranga, Porirua, Pukewiwi and Tamaki large-scale projects - these are subject to business case approvals and numbers may vary. The number of public homes is included in Statement of Intent measure 3.1 - it is not in addition to this measure.





# **System transformation**

System transformation means land use, infrastructure and housing supply is integrated, efficient, effective and responsive to demand.

#### Our vision for the future

- Innovation, productivity and improvement are evident in the use of construction materials and build products.
- Housing supply responds and adapts at pace to evolving demand.
- Partnerships and collaboration deliver positive changes within the construction industry.

# Encouraging innovation in construction

The Kāinga Ora build programme is significant – we are delivering an increasing number of public and supported homes as well as renewing and maintaining existing dwellings. The scale of our residential construction activities across Aotearoa New Zealand offers us an important opportunity to actively encourage the construction sector to develop a more innovative, faster and more productive means of delivering a greater number of quality houses. Our system transformation programmes support the construction sector to adopt new practices and products and pursue innovation opportunities that will improve the delivery of new homes nationwide.

We also expect to balance the ongoing headwinds and uncertainty in the construction sector in the years to come. We aim to meet our housing commitments by leveraging our scale and continuing to deliver process innovations, working in partnership and close engagement with our construction and development partners. Over the next 4 years, we will progress significant initiatives to mitigate the impact that COVID-19 and other construction headwinds are having on our build programme by improving our processes and accelerating delivery.

## **Our plan: Building Momentum**

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The Kāinga Ora Building Momentum Plan outlines how we partner and engage with the wider construction industry to improve how we work together to deliver public and supported housing. The plan outlines the following priorities:

 Leading by example by following the Kāinga Ora Emissions Reduction Plan and responding to our obligations under the Carbon Neutral Government Programme – this is outlined in the following section on environmental wellbeing.

 Supporting the development and piloting of innovative building products and systems to help improve quality, accelerate delivery and reduce costs.

 Committing resources to enable Māori-led building innovation that aligns with placebased needs and supports Māori aspirations.

• Sharing the evidence-based learnings of any innovation that has been supported through our programmes with the construction industry and research partners.

• Designing and embedding partnering and relationship approaches that support the construction industry.

#### **Off-site manufacturing**

Kāinga Ora is working to support transformation in the building sector by expanding our use of off-site manufacturing processes. Manufacturing modular building products away from the main construction site allows us to build faster and reduce our costs, but also lift productivity across the wider sector. Off-site manufacturing is enabling the delivery of more houses at pace and has the potential to impact the wider industry and move at even faster rates when a critical mass of these modular products is reached. Alongside increasing the supply of housing, this also reduces the period of time our public or supported housing customers are temporarily relocated while we build, renew or maintain their home.

Kāinga Ora is currently identifying Māori enterprises that provide off-site manufacturing processes to work collaboratively to develop construction and development capability in support of papakainga housing projects and Māori aspirations.

## **Project Velocity: accelerating** the pace of delivery

Project Velocity aims to accelerate the pace at which Kāinga Ora builds houses by streamlining the end-to-end process for producing a new housing project. It also sets out to reduce costs and improve the reliability of our housing delivery, without compromising on quality, by reducing wait times, duplication and rework. The project team has looked at the pipeline of activities, from when we purchase land to when we hand the keys over to a new customer, and has identified processes that can be adapted and organised to accelerate delivery.

The results are significant: where a development of four to six homes typically involves 18 months in the planning and design stage, Project Velocity has reduced this to less than 2 months. Work is also currently under way on methods to reduce the length of the typical construction period from approximately 9 months to 4 months.

Early results suggest that it is possible to reduce the time to deliver a house from 2.5 years to approximately 6 months, excluding resource consenting timeframes.

These efficiency gains are the product of bringing different delivery parties into the same room to focus on the pipeline of producing houses. Our teams, commercial partners and local government partners are working side by side, from the architect and builder to the urban designer, surveyor and environmental engineer. In working closely with our partners, these more-efficient methods and processes can play a part in transforming the systems of the wider housing and construction sector. The Project Velocity team is currently working on Kainga Ora projects in Auckland and Christchurch, and we plan to expand this approach to our other project teams in the coming years.

## Consentium: a step-change for building consents

In 2021, Kāinga Ora established its own building consent authority. Consentium is leading a step-change in building consent processes by working with build partners to improve the quality of our building consent applications and shorten consenting timeframes. The authority supports the scale of our significant build programme by providing faster and more cost-effective consents for assets that Kāinga Ora intends to own for the long term. Consentium issued over 1,200 consents in its first year of operation, with average issuances within 11 working days - a notable reduction from the 20 working days set in the Building Act 2004.

In 2023, Kāinga Ora plans to expand the scope of Consentium to help deliver faster and more cost-effective consent services for building control functions for:

- public housing developments five storeys and above
- Community Group Housing

#### Our measures

#### System transformation measures

4.1 Percentage of Kainga Ora-managed redevelopment new builds of public and supported homes adopting off-site manufactured (OSM) building solutions<sup>16</sup>

Why this matters to us: Tracking our adoption of off-site manufactured building solutions is critical to lifting housing supply by driving faster and more-efficient construction practices.

#### 4.2 Kāinga Ora net promoter score for commercial partners

Why this matters to us: The net promoter score is an international standard that will be used to test the strength of our relationships with our commercial partners.

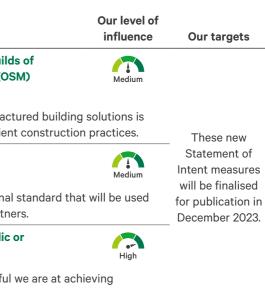
#### 4.3 Number of days to design and build a new Kāinga Ora public or supported home<sup>17</sup>

Why this matters to us: This measure will indicate how successful we are at achieving time savings across our construction programme.

16. This excludes new homes acquired from the market.

17. Project Velocity has significantly reduced the time to design and consent a house in projects in Christchurch and Auckland As Project Velocity is expanded, we will validate time savings and publish new targets.

- public housing acquisition from approved developers
- public housing developments with
- commercial units
- buildings used for non-residential activities.







# **Environmental wellbeing**

We are investing in sustaining and enhancing the environment to support the wellbeing of current and future generations.

#### Our vision for the future

- Urban development supports the health of the ecosystem and improves biodiversity, water and air quality.
- Our urban development and construction activities support emissions reductions and climate change resilience.
- Our warm, dry and low-energy homes support our customers to meet the challenges of climate change.

# Our opportunity to improve environmental wellbeing

As we increase the number of public and supported homes in our portfolio and expand our urban development activities, we have a critical opportunity to improve and protect our natural environments. Kāinga Ora will take a lead in the construction sector by engaging system transformation and minimising the environmental impact of the homes that we build through employing sustainable, low-waste construction and urban development solutions.

We will also work to support our customers in responding to the effects of climate change. In building better-quality homes and moresustainable urban environments, we aim to reduce energy, healthcare and transport costs for our customers and their wider communities. Working in partnership with iwi and rōpū Māori will help us better understand and deliver on Māori aspirations for te taiao, te whenua and te tangata – seeking to restore and maintain the mana and mauri of their whenua for current and future generations.

## Our plan to reduce emissions

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In December 2023, Kāinga Ora will produce our first Emissions Reduction Plan. This plan will respond to obligations set out in the Carbon Neutral Government Programme, established to accelerate the reduction of emissions within the public sector. It will set out the key areas where Kāinga Ora can reduce emissions, including:

- corporate activities
- construction of buildings
- land development and infrastructure provision
- energy and water use in homes
- transport to and from homes.

Delivering the Kāinga Ora Emissions Reduction Plan will require changes to the way Kāinga Ora delivers public housing and urban developments. It will need an evolution in the organisation's business case practices and design decisions, internal capability building, and the development of systems and processes for measuring the carbon emissions associated with housing construction processes.

While the Emissions Reduction Plan will be released in 2023, work is already under way to reduce our emissions profile such as the minimisation of waste produced when land is cleared to build new Kāinga Ora homes. One particularly beneficial method for reducing waste is to keep the house intact and relocate it to an appropriate area where communities are in need of this type of house.

## **Reducing the energy needed** to run our homes

As the largest provider of public housing in Aotearoa New Zealand, our aim is to mitigate the impacts of climate change in ways that are also beneficial to the lives of our customers. We aim to reduce the energy poverty that can be experienced by our customers through building homes that use energy more efficiently and will be less costly to run because they are warmer and drier. To support this, we will install energy-efficient photovoltaic solar systems in 1,000 homes by 2024 with funding from the government's Māori and Public Housing Renewable Energy Fund.

We also plan to build a selection of new homes to the MBIE's Building for Climate Change (BfCC) standard, where houses are designed so that they remain warm, dry, cool and comfortable all year round with minimal energy requirements. The aim is to review and assess the benefits of expanding these standards, at varying levels, across our portfolio of newly constructed houses in future years.

#### **Expanding our natural** environments

Kāinga Ora is working to improve the green amenity in our property portfolio by including more green spaces in new urban developments and retaining existing mature vegetation and trees. We recognise that green spaces and amenities have improved wellbeing and health outcomes for our customers, but portions of our public and supported housing portfolio also include natural environments that are significantly degraded when compared to other urban areas. We are addressing this by developing new policies to make moreconsistent decisions regarding established trees and green spaces. In addition, we aim to increase the quality of ngahere (forest) and support māra kai (vegetable gardens) within our neighbourhoods.



#### **Our measures**

Environmental wellbeing measures	Our level of influence		Our targets	
5.1 Percentage of uncontaminated materials produced during Kāinga Ora site-clearance works diverted from landfill		2021/22 Result	Direction	
Auckland		86.5%	1	
• Rest of New Zealand	High	60%	1	
Why this matters to us: We aim to make our h construction process. This measure helps us r pipeline sends to landfill.			-	These targets
5.2 Carbon dioxide equivalent emissions resulting from the construction of new Kāinga Ora homes		Baseline <sup>18</sup>	Direction	baselines will be published in the Kāinga Ora
• Total emissions (tCO <sub>2</sub> e)		586,000 tCO <sub>2</sub> e	↓	Emissions Reduction Plan in December
• Emissions per occupant (kgCO <sub>2</sub> e)	High	53,000 kgCO <sub>2</sub> e	↓	
Why this matters to us: This measure will ena carbon emissions that result from the construct			nole-of-life	2023, fulfilling our public sector
5.3 Carbon dioxide equivalent emissions resulting from the operation of Kāinga Ora homes		Baseline <sup>19</sup>	Direction	<ul> <li>obligations</li> <li>outlined in the</li> <li>Carbon Neutral</li> <li>Government</li> </ul>
• Total emissions (tCO <sub>2</sub> e)		102,000 tCO <sub>2</sub> e	↓	Programme.
• Emissions per occupant (kgCO <sub>2</sub> e)	Low	544 kgCO <sub>2</sub> e	↓	The Statement
Why this matters to us: We will also reduce the existing homes, including reducing energy commaintenance activities.				of Intent will be updated with this information concurrently.
5.4 Carbon dioxide equivalent emissions resulting from the transport activities of occupants of new public or supported housing Why this matters to us: Transport is responsi	Medium	Our transport carbon modelling tool is under development. t of this country's g	Direction ↓	
greenhouse gas emissions. Kāinga Ora has a ro by ensuring that we prioritise development in and active transport facilities.		-		

#### 5.2 res Kāi





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# **Thriving communities**

Thriving communities are inclusive and sustainable with access to employment, education and social and cultural opportunities.

#### Our vision for the future

- Neighbourhoods are safe for families. young people, older groups and those living with a disability.
- Our communities have good access to public transport and active transport networks.
- Our customers are connected to their cultures and communities and participate in community life.
- Our urban development activities enhance the cultural value of places and provide a sense of belonging and continuity.

## **Developing thriving** communities

For Kāinga Ora, increasing the number of homes across the country also means supporting neighbourhoods and communities to thrive. We recognise that homes are an essential foundation for lives, families and thriving communities. Our urban development activities are a key mechanism for Kāinga Ora to support newly developed communities where we are building more dwellings. Beyond the walls of a home, we work to ensure that people are well connected to employment, transport and open spaces and our communities are accessible to those living with disabilities. These are the facilities that neighbourhoods need in order to thrive and flourish.

In our masterplanned neighbourhoods, we upgrade and build below-ground and above-ground infrastructure, develop community amenities, enhance green spaces and improve transport connections. The Kainga Ora Land Programme and the Infrastructure Acceleration Fund unlock funding pathways that enable more houses to be built along with quality urban infrastructure such as transport, three waters and flood management.

Our urban planning and design function supports this activity by ensuring that our built environments are well functioning, efficient and integrated. This enables us to build and position more homes in the right places at the right time, scaling in ways that respond to current and projected growth pressures and supply challenges. Our placebased approach to urban development promotes a positive transformation of our housing and urban form by responding to localised challenges and conditions.

#### Tauriko West

In November 2021, Kāinga Ora made the first purchase under the Kāinga Ora Land Programme with Ferncliffe Farm - a 95-hectare block in Tauriko West in Tauranga that will accommodate 1,000 new homes and bring greater housing options to a regional area that is experiencing high demand. This is a prime example of our collaborative approach to strategically acquiring land and working responsively with communities to develop more homes and better infrastructure. We will investigate further land acquisition opportunities with an eye on long-term strategic partnerships with significant landowners and development partners.



#### **Building effective partnerships**

Building thriving communities is not an endeavour that Kāinga Ora undertakes alone. Many of our positive outcomes are delivered in partnership with iwi and rōpū Māori, local authorities, community and non-governmental organisations. We contribute to formal Crown, iwi Māori and local government partnerships in six high-growth urban areas that help government to deliver connected, thriving and sustainable urban communities: Auckland, Greater Christchurch, Hamilton–Auckland Corridor, Queenstown Lakes, Wellington– Horowhenua Region and Tauranga–Western Bay of Plenty.

The work programme for each partnership varies, but in each case, Kāinga Ora actively collaborates with local partners and national organisations to ensure that our housing and urban development activities and investments are connected. We will work with local hapū and community groups to plan for the development of our newly purchased Ferncliffe Farm site in Tauranga, ensuring that increased housing supply is responsive to different regional needs and characteristics.

He Toa Takitini, our Partnership and Engagement Framework, is critical to ensuring the quality of these partnerships and lifting the maturity of our partnering capabilities across the organisation. Over the next 4 years, Kāinga Ora will continue to work across the government sector to strengthen connections and joint ways of working through partnerships and relationships.

#### **Building Māori capabilities**

Kāinga Ora works alongside iwi and rōpū Māori to realise their distinct interests and outcomes for urban development and housing. Work is under way to partner with Māori to utilise and unlock the potential of their land to help meet their own aspirations for housing and papakāinga.

We also support iwi and ropū Māori to build capability in the urban development and construction sectors, enabling Māori to benefit from better housing options and the economic opportunities afforded by housing development. We are currently contracting Māori-owned entities for a range of construction programmes, including smaller-scale, regional construction projects and renewal work programmes. These engagements spread economic opportunities within regional areas by supporting Māoriowned entities who are likely to be smaller in scale. In Te Tai Tokerau, Kāinga Ora has partnered with Amotai, a supplier diversity intermediary, to identify Māori commercial partners with the requisite skills and expertise to deliver regional projects.

# Supporting the aspirations of Pacific peoples

Aotearoa New Zealand is home to a diverse and vibrant range of Pacific communities, and a significant proportion of our customers identify as Pacific peoples. Kāinga Ora is taking a nationwide approach to improving our understanding and support for the housing and urban development aspirations of Pacific communities. Within Kāinga Ora, we will lift the cultural competency of those engaging with Pacific peoples and communities. Across government, we will continue to contribute to Lalanga Fou – the All-of-Government Pacific Wellbeing Strategy, led by the Ministry for Pacific Peoples, and Fale mo Aiga – Housing for Families, an inter-agency Pacific housing initiative that investigates pathways for providing more homes for Pacific communities, especially in relation to homelessness, overcrowding and home ownership.

## Community development and place making

Our place-based approach recognises that our urban-development activities must reflect the local characteristics and needs of our diverse communities. In each case, our aim is to build homes with associated infrastructure that allow people to feel connected to their cultures and livelihoods. In 2023, we will invest in new engagement tools and methods to better understand different communities, including the people and groups who are affected by our decisions.

As we build a greater number of homes and develop community infrastructure, we are also sensitive to the impact of construction activities on our neighbourhoods. Our construction sites will be supported by community development and place-making initiatives to help build community resilience and sustain community integration by building social connections between neighbours and our partner organisations. Place-making activities are especially sensitive to the special characteristics of a neighbourhood - these could include the installation of public art, sports and recreation facilities in parks and greenways, or supporting community markets and pop-up events. Such projects are critical in enhancing connections to place and fostering a sense of community ownership.



#### **Greys Avenue innovation**

Kāinga Ora has launched a new and innovative approach to supporting our customers in inner-city living. The Greys Avenue building in central Auckland is a complex urban development project that is scheduled for completion in the first half of 2023. This 276-unit residential complex will better serve city-centre communities through a single-site supported operating model that combines on-site support services and permanent housing. Public housing customers who live in the Greys Avenue complex and the existing building next door will have access to 24/7 on-site support and concierge services, medical support and communal and commercial spaces designed to encourage greater community interaction and cohesion.

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## Our organisational capability

#### CONTINUED FROM PREVIOUS PAGE

As the Greys Avenue building nears completion, Kāinga Ora is developing new service and operating models to support communities living in our other higher-density projects. Over the next 4 years, we will catalyse, test and embed these new approaches in a number of urban developments including Arlington in Wellington and Highbury in Auckland. The Rolleston Street complex at Mount Cook in Wellington will be our second single-site support housing complex, scheduled for completion in mid-2023.

#### **Our measures**

Thriving communities measures	Our level of influence		Our targets		
6.1 Number of newly constructed homes resulting from Infrastructure Acceleration Fund agreements <sup>18</sup>	Low	This new Statement of Intent measure will be finalised for publication in December 2023.			
Why this matters to us: This measure will indi providing infrastructure such as transport, thr			g to unlock hou	using supply by	
6.2 Percentage of Kāinga Ora Land Fund		Result 2021/22	Direction	4-year Target	
priority locations where land has been purchased <sup>19</sup>	High	5%	1	80%	
Why this matters to us: It is important that we	•		ourchase land i	n priority location	
- areas where market conditions are unlikely t	o support qualit	y nousing options.			

6.3 Percentage of public housing customers		Result 2021/22	Direction	Target 2025/26
who feel safe in their neighbourhood	Low	69%	$\leftrightarrow$	70%

Why this matters to us: This offers a useful insight into our customers' feelings of safety within their community.<sup>20</sup>

- 18. Homes enabled by the Infrastructure Acceleration Fund (IAF) could include public, market, lower-cost and papakäinga houses. The target for this measure will be set and risk adjusted once IAF agreements are entered into in June 2023.
- 19. There are currently 20 priority locations defined in the Käinga Ora Land Programme's Strategic Land Acquisition Plan. We aim to reassess this measure over the coming years as a greater number of land fund purchases are made.
- 20. By comparison, 59.6 percent of people surveyed in the New Zealand General Social Survey in 2021 reported feeling safe or very safe walking alone in their neighbourhood after dark.

#### Our values and characteristics

Our values and characteristics are what unite us as an organisation, guiding us on how we go about achieving housing outcomes. Our values were developed by us and for us and reflect the best of who we are now and, importantly, who we want to be in the future.

**Manaakitanga** is about hospitality, kindness, generosity and support as well as showing respect and care for others.

**Mahi Tahi** is about working together, collaboration, cooperation and teamwork.

**Whanake** is about being bold to continue moving onwards and upwards.

Our characteristics complement our values. They are the foundations our work is built on – they help us make the right decisions and anchor the ways we will work every day.

- Our organisation is strategy driven, and our decisions and direction are driven by deliberate and thoughtful long-term thinking.
- Our people feel empowered. They know that our organisation cares about them, and they take personal responsibility for our work being as good as it can possibly be.
- We're outstanding at building long-term relationships with customers, suppliers and stakeholders wherever we operate.
- We are grounded in te ao Māori, recognising our heritage and obligations in how we operate.
- Operational excellence is our objective in everything we do.
- We are outstanding in how we work with our suppliers, enabling them to succeed by delivering public value – and ensuring they want to continue working with us.

• Communities trust us and genuinely engage with us.

• We are leaders in the sectors in which we operate in terms of reducing our carbon footprint.

#### **Our people**

Our people are the heartbeat of Kāinga Ora. Over the next 4 years, we will continue to build a positive and inclusive workplace where wellbeing is prioritised, and capability is a core focus that drives us as a highperforming organisation. Our people-focused work programmes involve the following:

 Translating our vision and strategic direction for our people's mahi. The way we work as an organisation is guided by Ō Tātou Uara – Our Values: Manaakitanga, Mahi Tahi and Whanake. We continue to embed our values within our working practices to guide how we face challenges, solve problems and deliver our work.

 Fostering our culture and growing our leadership capability to create great experiences. Our custom leadership programme, Waka Tangata, will support our people leaders to adopt the principles of Ārahi (to lead and serve), Whakaiti (to act with humility) and Ako (to teach and learn). This programme supports our leaders to build their capability, lead with authenticity and empathy and empower our people.

 Lifting the capability of our organisation to deliver on our purpose. We have a programme of capability development and the learning solutions to support our people at different stages and capabilities, including leadership, health and safety, Māori capability and te Tiriti o Waitangi. We continue to run our graduate programme annually to build a pipeline of talent for the future.

• Building and sustaining a safe, happy and healthy work community. We will work to make sure that we operate as a valued member of the public service and recognise the dedicated public service of our people. We continue to look for opportunities to refine and improve our internal processes so that our people are best supported to work towards our shared vision and outcomes.

## He whāinga: building a diverse and inclusive organisation

Our goal is to be a diverse and inclusive Kāinga Ora where everyone feels they belong. It is about valuing, celebrating and making the most of the diversity we have, continuing to grow our diversity and enabling a culture of inclusion in everything we do. It means all of our people seeing a future for themselves within Kāinga Ora. Over the next 4 years, we will focus our efforts on the following priority areas:

- Using data and the voice of our people to better understand our story and define our shared diversity, equity and inclusion aspirations, outcomes and priorities.
- Empowering strong, thriving and sustainable employee-led networks to play a vital role in Kāinga Ora continuing to grow our diversity, enable a culture of inclusion and progress our strategic diversity and inclusion goals.
- Building understanding and awareness of diversity, equity and inclusion and why it is important for us as an organisation, for our customers and communities and for our people.

- Equipping our leaders with the capability, awareness, tools and resources to model inclusive practices and identify and address biases that influence decision making.
- Reviewing and changing our systems, processes, and practices to address and eliminate bias, ensuring that fair, equitable and impartial decisions are made.

#### Our role as a good employer

Kāinga Ora is a gender-diverse organisation that is women-dominant and includes people from different cultures and beliefs. We respect our people and care about them and their choices.

Our Gender Pay Plan aspires to ensuring that our people are afforded pay equity. It also seeks to provide opportunities to increase the representation of women and people from diverse gender and ethnic backgrounds in middle and senior leadership roles and to take on roles that are traditionally occupationally gender segregated.

We have built a constructive strategic relationship with the Public Service Association with whom we consult regularly about important issues and programmes of work. Since 2020, our union membership has doubled from just under 500 to 1.000 members.

## Supporting Maori and building cultural competency

Building internal capability is a key priority in our efforts to support the achievements of Māori and realise their aspirations. The Mātauranga Māori Programme supports the development of cultural capability across Kāinga Ora so that we can better understand our obligations in implementing policies and practices that reflect Maori needs and aspirations. This programme includes:

- Te Reo Māori (national focused)
- Te Whare Korero (regional focused)
- Te Akoranga Whakapuawai (Māori leadership programme).

Over the coming years, we will scale these programmes to meet the growing needs of our people to enable them to better serve our Māori communities.

## **Our place-based organisation**

Our newly established place-based organisational structure is primed to better deliver localised housing solutions and customer services. While Kāinga Ora is a national urban development authority and the largest provider of public housing in Aotearoa New Zealand, we recognise that a nationwide approach will not fit every community - we must also adapt to local circumstances. Our new place-based structure puts national targets and outcomes alongside community and Māori aspirations in the different regions of Aotearoa New Zealand.

Kāinga Ora has three place-based groups: Tāmaki Makaurau Tai Tokerau – Auckland and Northland, Te Puku Ikaroa - Central and Te Waipounamu - South Island. Twelve regional teams operate within these groups to develop strong relationships with customers and communities and deliver both national and local directions. The Kāinga Ora regional planning process is a key mechanism to ensure this occurs. We want to achieve a two-way regional planning and investment process that reflects and balances community needs and

## Long-term financial planning

We are focused on delivering community wellbeing and value for money across all our work programmes both now and in the long term. Our financial planning process requires the organisation to balance investment in improving our ageing public housing assets with prudent financial management of our operations and stewardship of our balance sheet while also demonstrating high levels of operational performance. We continue to work with government to ensure that our funding and financing settings match agreed service levels and cover the activities required to fulfil our legislative responsibilities. We will also work with government to review the broader policy and funding settings for public housing to ensure we can continue to deliver quality housing and urban development outcomes as market conditions change.

aspirations with the Government's priorities and targets, the characteristics of that regional economy and housing market, our strategic direction, organisational priorities and longterm financial frameworks and disciplines.

## Appendix 1: Kāinga Ora policy settings

#### **Our measures**

Our organisational capability measures		Our targets	
7.1 Asset management maturity internal	Baseline	Direction	Target 2025/26
assessment score <sup>21</sup>	72	1	>81

Why this matters to us: This internal maturity assessment enables Käinga Ora to maintain an A Investor Confidence Rating (ICR) in the system used by Treasury to measure asset management capability.

7.2 Land development and housing portfolio maturity	Baseline	Direction	Target 2025/26
external assessment score <sup>22</sup>	2.19	1	3.36

**Why this matters to us:** This measure assesses our efforts to lift our investment management maturity through an external evaluation of our organisational portfolio, programme and project management processes and practices.

7.3 Percentage of internal staff members who have	Baseline	Baseline Direction		
completed mātauranga Māori programmes	12%	1		
Why this matters to us: This new Statement of Intent measur internal investment in building Māori capability across the org Programme supports the cultural capabilities of te reo me ōna	These new Statement of Intent measures			
7.4 Tonnes of carbon dioxide equivalent emissions (tCO <sub>2</sub> e) resulting from corporate activities – gross	Baseline 3,040	Direction	<ul> <li>will be finalised for publication in December 2023.</li> </ul>	

Why this matters to us: This new Statement of Intent measure is critical to understanding our internal efforts to reduce carbon emissions.

#### Policies

Kāinga Ora – Homes and Communities legislation sets out our of and operating principles. This legislation requires us to contribut inclusive and thriving communities that provide people with goodhousing choices that:

- meet diverse needs
- support good access to jobs, amenities and services
- sustain or enhance the overall economic, social, environmental wellbeing of current and future generations.

**Government Policy Statement on Housing and Urban Developm** the Government's vision for what it wants to achieve in housing a in the decades ahead. Kāinga Ora must give effect to the GPS-HU in implementing its implementation, which includes 30 specific ex organisation – these are outlined In Appendix 2.

#### MAIHI Ka Ora - National Māori Housing Strategy 2021-2051 red

approach to Māori housing problems. This strategy puts in place those problems and sets timeframes to make sure the work is un housing outcomes and wellbeing for whānau. The MAIHI Ka Ora i sets out how the Government will achieve the Māori outcome exp in the GPS-HUD.

The Enduring Letter of Expectations for Statutory Crown Entit Letter of Expectations from the Minister of Housing set out the direction for Kāinga Ora. Their key focus areas include:

- responding to the GPS-HUD and MAIHI Ka Ora
- meeting the needs of customers and communities in our role a housing provider
- · delivering on our public and transitional housing commitments
- facilitating urban development through partnership
- progressing our partnership with Māori and protecting Māori in
  responsible governance and stewardship, improved transparent
- public accountability.

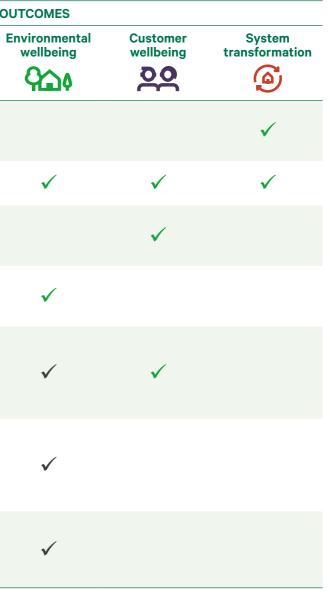
21. Our internal assessment has five categories of capability: aware (score 1–20), basic (21–40), core (41–60), intermediate (61–80) and advanced (81–100).

22. This assessment uses the AXELOS P3M3® model to assess the level of organisational project management maturity of Kāinga Ora. The scoring scale ranges from 1 to 5, and the Kāinga Ora target (3.6) is appropriate to the size and complexity of our organisation. We are investing in improvements to this score by implementing portfolio management and benefits, using a statistical parametric mapping (SPM) tool and standardising centralised approaches, assurance and risk management.

	Origin
objectives, functions te to sustainable, I-quality, affordable	Kāinga Ora-Homes and Communities Act 2019
I and cultural	
ment (GPS-HUD) records and urban development IUD and has a key role expectations for our	GPS-HUD, September 2021
ecords the Government's e actions to help solve ndertaken to improve implementation plan spectations outlined	MAIHI Ka Ora, 2021
<b>ities and the annual</b> ne Government's	Minister of Housing Letter of Expectations, March 2022
as a public s interests	Minister of Finance and Minister of State Services, Enduring Letter of Expectations
ncy and	for Statutory Crown Entities, October 2019

# Appendix 2: GPS-HUD expectations for Kāinga Ora

KE	KEY				KĀINGA O	RA OU
🗸 Primary		imary alignment 🗸 Secondary alignment	Māori aspirations	Thriving communities	Housing access	Er
		GPS-HUD EXPECTATIONS FOR KAINGA ORA	<b>☆</b>	¥ 🗘		
	1	Work with HUD, Waka Kotahi, Te Puni Kōkiri and other central and local government and iwi agencies to ensure its urban development activities are focused on the places it can make the most meaningful difference to alleviating housing supply and affordability pressures.		$\checkmark$	$\checkmark$	
	2	Take a place-based approach to developing options and strategies that deliver the Government's housing and urban development priorities.	$\checkmark$	$\checkmark$	$\checkmark$	
GPS-HUD OUTCOMES Thriving and resilient communities	3	Recognise intensification as a key consideration in delivery or enabling construction of housing and infrastructure and that intensive urban environments need to support customers and thriving communities.		$\checkmark$	$\checkmark$	
	4	When undertaking urban renewal and development 'up' and 'out', consider how investments can support greater density, mixed land use, connectivity and access to key transport hubs, jobs and amenities, while recognising the importance of the environment and preserving quality greenspace.		$\checkmark$	$\checkmark$	
	5	Consider climate change and natural hazard risks and how to adapt and respond when making investment decisions, including: a. whether to avoid development in places that are currently exposed and/or increasingly exposed to natural hazards and carry an unmanageable climate risk; b. considering when to retreat from hazardous places, when to protect land or assets, and when to accommodate existing exposure to risk; and c. the effects of climate-change-induced events on homes and customers.		$\checkmark$		
	6	Investment decisions for housing and urban development seek to lower the whole-of-life emissions profile of the development through: a. planning and delivering low-emissions infrastructure; b. recognising the connection between spatial planning and transit-related emissions; c. enabling access and mobility through low-emissions transport options; and d. use of low emissions building designs, construction materials and construction practices.		$\checkmark$		
	7	Work closely with HUD and other key stakeholders to develop and implement better processes, systems and tools to assess the options against climate-related impacts and emissions scenarios and respond to the Government's direction on climate change, including through the National Adaptation Plan, Emissions Reduction Plan and Carbon Neutral Government Programme.		$\checkmark$		



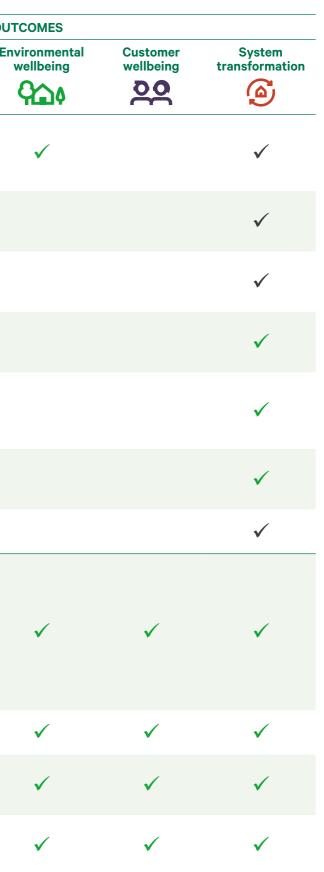
KEY	KEY				KĀINGA O	RA OU
$\checkmark$	Pr	imary alignment 🗸 Secondary alignment	Māori aspirations	Thriving communities	Housing access	En
		GPS-HUD EXPECTATIONS FOR KAINGA ORA	<u> </u>	¥ 🏠		
	8	Work with HUD to deliver and accelerate the Government's public and supported housing build plans, consistent with Budget funding decisions, ensuring a place-based approach to create local solutions and focusing on new builds to contribute to the housing supply.			$\checkmark$	
	9	Deliver transitional homes to support the Aotearoa New Zealand Homelessness Action Plan.			$\checkmark$	
housing	10	Support the Government's ambition to reduce child poverty by sustaining tenancies and preventing and reducing homelessness.		$\checkmark$	$\checkmark$	
Wellbeing through housing	11	Take a whole-of-life portfolio management approach by managing the housing stock effectively and ensuring robust strategies and approaches for managing asset performance, while enhancing liveability and the wellbeing of tenants and community.		$\checkmark$	$\checkmark$	
Wellbei	12	Build a greater proportion of homes that incorporate Universal Design principles to meet the needs of different population groups. Ensure standards for accessible design features are available publicly.			$\checkmark$	
Māori housing through partnership	13	Help achieve equitable outcomes by recognising and responding to the disproportionate housing stress and deprivation of Māori, Pasifika and other population groups.	$\checkmark$	$\checkmark$	$\checkmark$	
	14	Contribute to home ownership by administering home-ownership products effectively and efficiently, and supporting HUD proactively on improving product settings and uptake.			$\checkmark$	
	15	Align strategic priorities in relation to Māori to support the Government's actions in addressing gaps in the housing system.	$\checkmark$		$\checkmark$	
	16	Work with iwi and Māori to build and support genuine, meaningful and enduring partnerships that enables opportunities for Māori to both lead, deliver and contribute to housing solutions, and urban development projects. For example, partnering with Māori to increase housing supply and developments where available on whenua Māori.	$\checkmark$	$\checkmark$	$\checkmark$	
	17	In developing and updating the Kāinga Ora Māori strategy, ensure it is consistent with the direction in the Government's National Māori Housing Strategy - MAIHI Ka Ora and MAIHI Framework for Action.	$\checkmark$			
	18	Realise opportunities for iwi and Māori housing projects by providing data, insights and knowledge to help build capabilities.	$\checkmark$			
	19	In contributing to, and delivering on, Māori outcomes, develop tangible measures and indicators to track against those outcomes for future years.	$\checkmark$			

**GPS-HUD OUTCOMES** 



KE	KEY				KĀINGA O	
$\checkmark$	Pr	rimary alignment 🗸 Secondary alignment	Māori aspirations	Thriving communities	Housing access	En
		GPS-HUD EXPECTATIONS FOR KĀINGA ORA	<u> </u>	¥î î		
	20	Continue to contribute to the Government's initiatives (and target priority urban growth areas), resource management reforms, climate change and other system changes. For example, under the Urban Growth Partnerships, contribute to: the review and development of spatial plans, spatial planning expertise and resources; data and insights; and support with community and stakeholder engagement and consultation.		$\checkmark$	$\checkmark$	
E		Contribute to transforming the building and construction sector by helping to raise productivity and performance and being an exemplar developer, in a way that supports capability-building across the construction sector, and in line with the Construction Sector Accord.			$\checkmark$	
responsive system	22	Work collaboratively with others to better understand, promote and facilitate innovative building solutions that speed up and scale up construction and make housing more affordable, such as off-site manufacturing and adaptive reuse.			$\checkmark$	
An adaptive, respons	23	Contribute to the Government's broader housing objective to improve housing supply and affordability through urban development that increases the supply of build-ready land and the pace, scale, density and affordability of new housing supply.			$\checkmark$	
	24	• Make effective use of land resources to respond to current and future demand for housing, including through land acquisition and development, in line with joint spatial plans where they exist. In doing so, maximise value-for-money and managing risk to the Crown. Avoid holding land for solely speculative purposes.			$\checkmark$	
	25	Enable and complement private sector and non-government partners. This includes leading in areas with significant development constraints, facilitating more efficient developments through its land acquisition and development powers, and helping build capability and capacity across the system.			$\checkmark$	
	26	Maintain a pipeline of future urban development projects to provide greater certainty to the infrastructure, development and building and construction sectors.			$\checkmark$	
working		Make investment decisions that are consistent with the Government's strategic direction and priorities for housing and urban development by: a. working collaboratively across government, and with external stakeholders and iwi/Māori to inform, develop and support investment decisions, and consulting with Ministers, HUD and Treasury as appropriate; b. optimise value-for-money from a whole-of-government perspective, including monitoring construction costs effectively, and exploring a full suite of funding and financing options for efficiency and broader wellbeing benefits (for example, where marginal cost increase can achieve incremental wellbeing outcomes); and c. considering a range of options for investment having regard to relevant Cabinet guidance, and assess the wellbeing impacts of these options consistent with the Treasury's Living Standards Framework.	V	✓	V	
Ways of v	28	Work with HUD and Treasury to assess Kāinga Ora long-term funding and financing requirements to ensure delivery of the Government's housing and urban priorities.	$\checkmark$	$\checkmark$	$\checkmark$	
~	29	Maintain future-focused planning by considering new government priorities and work with HUD, Treasury and relevant local authorities on relevant policy directions; for example, working with HUD on options to increase the supply of affordable homes, including those for low- to moderate-income households.	$\checkmark$	$\checkmark$	$\checkmark$	
	30	Have planning frameworks, tools and approaches in place to give effect to the GPS, and through the entity's strategic documents, respond to the direction in the GPS, and report annually on progress against GPS expectations.	$\checkmark$	$\checkmark$	$\checkmark$	

**GPS-HUD OUTCOMES** 



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