

Iwi Leaders' Group for Housing

Submission – Affordable Housing, Productivity Commission

Summary

The Iwi Leaders Group (ILG) for Housing is a working of the Iwi Chairs Forum. The ILG - Housing is chaired by Ngāti Whātua and includes, Ngāti Porou, Raukawa, Waikato, Ngā Rauru, Ngāti Ruanui, Ngāti Awa and Te Rarawa. The objective of the ILG - Housing is to increase opportunities for Iwi to engage in **commercially viable housing projects which provide sustainable social outcomes**.

The Iwi members of the ILG – Housing have raised their concerns about the difficulties for whānau wishing to develop housing on their Māori land and the increasing challenge for whānau to purchase their own homes, particularly in the urban centres. The ILG – Housing also notes that key policy changes are required to enable the development of the third sector in social housing provision. The ILG – Housing work programme has overlapping work streams - identifying partnership opportunities; influencing policy and programmes, supporting Iwi specific projects and growing Iwi capability.

The ILG – Housing is encouraged by the commissioning of this report on housing affordability and looks forward to working with the Ministers, government agencies and the private building and finance sector to implementing a range of solutions to addressing this issue.

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Questions from the Productivity Commission's consultation with Māori document

The Commission welcomes your feedback on ways to address the affordability of housing in rural areas or on Māori land, that preserve connection to land, tradition, and tūpuna.

Has the Commission understood how housing contributes to the wellbeing of Māori communities, allowing for the fact that individuals will place greater significance on different elements of wellbeing?

1. Has the Commission balanced social, cultural, and economic challenges and opportunities for building housing in rural Māori communities?

The Iwi Leaders' Group for housing supports the Office of the Auditor General's recommendations for housing on Māori Land. In particular, that:

- the public sector improve their understanding of the issues and work collaboratively to assist whānau through the process
- Support and advocacy based in Iwi or Māori providers to assist with housing issues generally and specifically towards home ownership (funded by the Crown)
- Changes to Kāinga Whenua including increase in loan amount available, focus on quality housing (ie. permanent foundation, two story if suitable site), allow for sale/transfer of ownership within the rules of the land owners, remove stand down period once debts are paid, able to use welfare assistance as part of the income source, open to all not just first home buyers, able to use other forms of lease agreements

2. What do you think of the options the Commission sets out for making lending easier? See pages 7-8. How else could security be offered for loans on Māori land?

Issues:

- Lending institutions do not seem to understand both the legislation in which Māori land operates and the values attached to Māori land
- Applicants also face institutional racism from banks, especially at the retail banking which is often the face of banking in the community
- Lack of innovation, not considering similar security options and reliance on Crown assistance programmes (Kāinga Whenua)

Solutions

- Education and engaging with key networks in the Māori housing sector.
- Reviewing other asset finance products and lease based options (churches)

3. Would the unit titles model or retirement villages approach to licences to occupy be useful for housing developments on Māori land? Are they worth further exploration by the Commission?

In addition to answering these questions the Commission would like to:

4. Know more about urban Māori housing issues (potentially to inform a section on this in the report);

Issues:

- State Housing – intergeneration trap both financially and by location, old designs, concentration of housing, poor community engagement on redevelopments, commercial tendering model for redevelopments doesn't value Iwi or community partnerships
- Māori Housing providers – limited number, difficulty growing capability and scale, competing with HNZA as no access to Income Related Rental; subsidies, Accommodation Supplement at a lower level and not available directly to providers
- State/ social housing are the responsibility of the Crown and therefore should be heavily subsidised when devolved to third sector providers
- Private rental market not regulated, concerns on the unaffordable rent and low quality housing

Solutions:

- Early (at least two years ahead) Iwi and community engagement and partnerships for redevelopments
- Contract HNZA property and tenancy management to the third sector so they can grow their capability and capital, integration with social service providers (Whānau Ora), access to Income Related Rental subsidy for third sector providers, accommodation supplement at the same level as IRR,
- Establish housing provider certification/standards and increase funding to those providers, Increase funds available (SHU - \$34m) and level of subsidy (SHU 50% to 75% of development)
- Regulation of private rental market to ensure that houses meet a min healthy, warm and safe standard