



HUD2024-004597

s 9(2)(a)

Tēnā koe s 9(2)(a)

Thank you for your request for information under the Official Information Act 1982 (the Act), which was transferred to The Ministry of Housing and Urban Development – Te Tūāpapa Kura Kāinga (the Ministry) on 24 May 2024. You requested:

*Under the OIA, I request copies of all communications and draft communications materials sent to the Minister of Housing regarding the “Government invests in 1,500 more social homes” announcement. Where these materials are refused, I request the date on which these materials were sent to the Minister’s Office”.*

Sixteen emails and ten documents have been found to be within scope of your request and all are released to you. Some information has been withheld under the following sections of the Act:

| Section of Act | Reason to withhold                                                                                                                                                                                                                                                                |
|----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 9(2)(a)        | To protect the privacy of natural persons, including that of deceased natural persons                                                                                                                                                                                             |
| 9(2)(g)(i)     | To maintain the effective conduct of public affairs through the free and frank expression of opinions by or between or to Ministers of the Crown or members of an organisation or officers and employees of any public service agency or organisation in the course of their duty |

The documents are detailed in the attached document schedule. We have released draft press releases to you and advise you that the announcement date and venue changed at short notice, hence any discrepancies with dates within the attached documents.

In terms of section 9(1) of the Act, I am satisfied that, in the circumstances, the decision to withhold information under section 9 of the Act is not outweighed by other considerations that render it desirable to make the information available in the public interest.

You have the right to seek an investigation and review of my response by the Ombudsman, in accordance with section 28(3) of the Act. The relevant details can be found on the Ombudsman’s website at: [www.ombudsman.parliament.nz](http://www.ombudsman.parliament.nz).

As part of our ongoing commitment to openness and transparency, the Ministry proactively releases information and documents that may be of interest to the public. As such, this response, with your personal details removed, may be published on our website.

Nāku noa, nā

A handwritten signature in black ink, appearing to read 'K Goodman', with a large, fluid loop at the end.

Kate Goodman

**Head of Government Services**

**Te Tūāpapa Kura Kāinga – Ministry of Housing and Urban Development**

## Annex 1: Document schedule

| Documents released – HUD2024-004597 |            |                                                                                       |                            |
|-------------------------------------|------------|---------------------------------------------------------------------------------------|----------------------------|
|                                     | Date       | Document                                                                              | Section of the Act applied |
| 1                                   | 22/05/2024 | Email: RE: Final documents as fact-checked by Tsy                                     | 9(2)(a)                    |
| 1a                                  | 22/05/2024 | Document: 2024-05-24 Pre-Budget Housing Announcement (002) FINAL HUD                  | N/A                        |
| 1b                                  | 22/05/2024 | Document: Housing Pre-Budget Announcement Fact Sheet FINAL HUD                        | N/A                        |
| 2                                   | 22/05/2024 | Email: RE: Line for checking with HUD                                                 | 9(2)(a)                    |
| 3                                   | 22/05/2025 | Email: RE: Line on the social housing spend vs FHG savings                            | 9(2)(a)                    |
| 4                                   | 21/05/2024 | Email: RE: Collateral for updating asap please                                        | 9(2)(a)                    |
| 4a                                  | 21/05/2024 | <i>Note document provided above at 1a</i>                                             | N/A                        |
| 4b                                  | 21/05/2024 | Document: Fact Sheet Housing pre-Budget announcement                                  | N/A                        |
| 5                                   | 21/05/2024 | Email: FW: Pre-Budget announcement location: Dwell Housing Trust?                     | 9(2)(a)                    |
| 6                                   | 21/05/2024 | Email: Pre-Budget announcement location: Dwell Housing Trust?                         | 9(2)(a)                    |
| 7                                   | 20/05/2024 | Email: Comms check-in: Pre-Budget announcement                                        | 9(2)(a)                    |
| 8                                   | 17/05/2024 | Email: Touching base on Budget comms support next week                                | 9(2)(a)                    |
| 9                                   | 16/05/2024 | Email: RE: Pre Budget materials for Factchecking.                                     | 9(2)(a)                    |
| 9a                                  | 16/05/2024 | Document: 2024-05-24 Pre-Budget Housing Announcement                                  | 9(2)(g)(i)                 |
| 9b                                  | 16/05/2024 | Document: Fact Sheet Housing pre-Budget announcement                                  | 9(2)(g)(i)                 |
| 10                                  | 16/05/2024 | Email: RE: Pre Budget materials for Factchecking.                                     | 9(2)(a)                    |
| 11                                  | 16/05/2024 | Email: Pre Budget materials for Factchecking.                                         | 9(2)(a)                    |
| 11a                                 | 16/05/2024 | Document: 2024-05-24 Pre-Budget Housing Announcement                                  | 9(2)(g)(i)                 |
| 11b                                 | 16/05/2024 | Document: Fact Sheet Housing pre-Budget announcement                                  | 9(2)(g)(i)                 |
| 12                                  | 10/05/2024 | Email: RE: Location options for pre-budget announcement                               | 9(2)(a)                    |
| 12a                                 | 10/05/2024 | Document: Wellington Housing Announcement location options                            | 9(2)(a)                    |
| 13                                  | 10/05/2024 | Email: FW: Housing Press Release For check by Midday Friday (Tomorrow)                | 9(2)(a)                    |
| 13a                                 | 10/05/2024 | Document: 24 05 Pre-Budget PR - Housing for MHUD_HUD suggestions 10 May               | 9(2)(g)(i)                 |
| 14                                  | 10/05/2024 | Email: FW: Housing Press Release For check by Midday Friday (Tomorrow)                | 9(2)(a)                    |
| 15                                  | 10/05/2024 | Email: Pre-Budget Announcement - Media Factsheet and Ministers Q&A                    | N/A                        |
| 15a                                 | 09/05/2024 | Document: Pre-Budget Announcement - Media Factsheet and Ministers                     | N/A                        |
| 16                                  | 08/05/2024 | Email: Please Clarify: KO Review and Pre-Budget Minister's Office media requirements. | 9(2)(a)                    |

**From:** [Nick McNabb](#)  
**To:** [Adam Brown \(Guest\)](#)  
**Cc:** [Brad Ward](#); [Claire Solon](#); [Jo Hogg](#); [Jonathon Fraser](#); [Jeremy Steele](#)  
**Subject:** RE: Final documents as fact-checked by Tsy  
**Date:** Wednesday, 22 May 2024 10:40:24 am  
**Attachments:** [image002.png](#)  
[image004.png](#)  
[image006.png](#)  
[image003.png](#)  
[image005.png](#)  
[image007.png](#)  
[2024-05-24 Pre-Budget Housing Announcement \(002\) FINAL HUD.docx](#)  
[1 Housing Pre-Budget Announcement Fact Sheet FINAL HUD.docx](#)

---

Hi Adam

Changes tracked in the attached.

- Updated to reflect that KO will have stopped taking applications by time of announcement. Simply says that the government is ending the grant and KO has stopped taking applications
- Clarifying that new social housing places are expected to be delivered by June 2027. The Fact Sheet had said 2028, which I think conflates delivery of the places and when the full cost of the new places is incurred. For homes that are completed and tenanted during 2026/27 we don't pay a full years cost of the place. We only meet the full cost of all 1500 places once they are all complete, which is not until the 2027/28 year.
- Have made change discussed around active purchaser to the fact sheet, to make clear government will consider.
- Removed line about the OS/IRRS being paid for life of property. As life of property is longer than the 25 year contract. Building act anticipates homes last for 50 years.

On the lower quartile house prices this is from Core Logic Data from the Data and Products team.

Nga mihi

Nick

**Nick McNabb** ([he/him](#))

Chief Advisor | System Insights and Strategy  
Intelligence and System Direction  
[Nick.McNabb@hud.govt.nz](mailto:Nick.McNabb@hud.govt.nz) | Phone: +64 4 832 2450 | Mobile: [§ 9\(2\)\(a\)](#)  
[www.hud.govt.nz](http://www.hud.govt.nz) | Level 9, 7 Waterloo Quay, Pipitea, Wellington

---

**From:** Adam Brown <[Adam.Brown@parliament.govt.nz](mailto:Adam.Brown@parliament.govt.nz)>  
**Sent:** Wednesday, May 22, 2024 9:38 AM  
**To:** Nick McNabb <[Nick.McNabb@hud.govt.nz](mailto:Nick.McNabb@hud.govt.nz)>  
**Cc:** Brad Ward <[Brad.Ward@hud.govt.nz](mailto:Brad.Ward@hud.govt.nz)>  
**Subject:** FW: Final documents as fact-checked by Tsy

For final factchecking and specific confirmation of the line below!

---

**From:** Mikaela Bossley <[Mikaela.Bossley@parliament.govt.nz](mailto:Mikaela.Bossley@parliament.govt.nz)>  
**Sent:** Wednesday, May 22, 2024 9:30 AM  
**To:** Adam Brown <[Adam.Brown@parliament.govt.nz](mailto:Adam.Brown@parliament.govt.nz)>  
**Subject:** Final documents as fact-checked by Tsy

The main thing to note is that Treasury said they were unable to verify the line below in the time available. HUD provided that line – are they completely confident in it?

“In 2010, when the grant was introduced, the lower quartile house price was \$255,000, compared to \$580,000 in

April 2024. For first home buyers, this means the grant has gone from being nearly 10 per cent of a standard deposit in 2010, to just over 4 per cent of a standard deposit in 2024.



**Mikaela Bossley**

**Senior Press Secretary** | Office of Hon Chris Bishop  
Minister of Housing | Minister for Infrastructure |  
Minister for Sports & Recreation | Minister Responsible for RMA Reform |  
Associate Minister of Finance | Leader of the House | Member for Hutt South |

DDI: +64 021 275 0454  
Email: [mikaela.bossley@parliament.govt.nz](mailto:mikaela.bossley@parliament.govt.nz) Website: [www.Beehive.govt.nz](http://www.Beehive.govt.nz)  
Private Bag 18041, Parliament Buildings, Wellington 6160, New Zealand

*Authorised by Hon Chris Bishop, Parliament Buildings, Wellington*

Disclaimer: The information in this email (including attachments) is confidential and may be legally privileged. If an addressing or transmission error has misdirected this email, please notify the author by replying to this email and destroy the message. If you are not the intended recipient, any use, disclosure, copying or distribution is prohibited and may be unlawful.

Please note information about meetings related to the Ministers' portfolios will be proactively released (this does not include personal or constituency matters). For each meeting in scope, the summary would list: date, time (start and finish), brief description, location, who the meeting was with, and the portfolio. If you attend a meeting with the Minister on behalf of an organisation, the name of the organisation will be released. If you are a senior staff member at an organisation, or meet with the Minister in your personal capacity, your name may also be released. The location of the meeting will be released, unless it is a private residence. The proactive release will be consistent with the provisions in the Official Information Act, including privacy considerations. Under the Privacy Act 1993 you have the right to ask for a copy of any personal information we hold about you, and to ask for it to be corrected if you think it is wrong. If you'd like to ask for a copy of your information, or to have it corrected, or are concerned about the release of your information in the meeting disclosure, please contact the sender. You can read more about the proactive release policy at <https://www.dia.govt.nz/Proactive-Releases#MS>

---



## **Hon Chris Bishop Minister of Housing**

**22 May 2024**

### **Pre-Budget announcement: 1,500 more social homes**

The coalition Government is investing in social housing for New Zealanders who are most in need of a warm dry home, Housing Minister Chris Bishop says.

Budget 2024 will allocate \$140 million in new funding for 1,500 new social housing places to be provided by Community Housing Providers (CHPs), not Kāinga Ora, thanks to savings found by ending the First Home Grant.

“Funding for new social housing places under the previous Government ends in June 2025. This is yet another unexpected situation that the coalition Government has had to confront,” Mr Bishop says.

“The Government’s new investment in 1,500 social housing places will start to become available from July 2025 onwards, giving the community housing sector much-needed certainty about the social housing pipeline, allowing them to plan for the future, and scale-up their build programmes.

“These new social housing places will only be allocated to CHPs, not Kāinga Ora. The Kāinga Ora independent review which reported back earlier this week shows that Kāinga Ora is not financially sustainable in its current form and until the Government has received and approved the turnaround plan demanded of the refreshed board, no further funding will be budgeted for additional social housing places.

“Our community housing sector does an outstanding job of housing people in need. CHPs currently provide over 13,000 social houses around New Zealand and they have the capability, expertise and desire to grow further.

“Funding for the new social housing places can be delivered by ending the government’s First Home Grant, currently delivered by Kāinga Ora.

“The Government has made a deliberate choice to reprioritise low value expenditure to more important policy priorities. At a time when the waitlist for social housing is over 25,000 applicants, we have made the tough but necessary call to focus support on New Zealanders who need it most.

“The First Home Grant, which provides eligible first home buyers with a median of \$5,000 towards a house deposit, is an expensive and inefficient way to support first home buyers.

“In 2010, when the grant was introduced, the lower quartile house price was \$255,000, compared to \$580,000 in April 2024. For first home buyers, this means the grant has gone from being nearly 10 per cent of a standard deposit in 2010, to just over 4 per cent of a standard deposit in 2024.

“Evidence shows the grant brings forward the purchase of a first home – but in most cases it does not make a difference to whether someone can buy a home or not.

“The answer to New Zealand’s housing crisis is not demand-side measures like the First Home Grant, but supply-side solutions contained in the Government’s Going for Housing Growth agenda.

“The Government will retain the First Home Loan, which is more effective at supporting buyers over the deposit barrier. The First Home Loan allows first home buyers to purchase a home with a deposit as low as five per cent. The Government is also retaining the ability for KiwiSaver members to withdraw funds for a first home house deposit.

“Discontinuing the First Home Grant is expected to generate savings of \$245 million over a four-year (2024-28) forecast period with a minimal effect on home ownership rates.

“Kāinga Ora is no longer accepting new applications for First Home Grants, but will still process applications that have already been received.

“Applicants with existing approvals can still access the First Home Grant, and pre-approvals will still be valid for six-months from the application approval date.”

**Media contact: Mikaela Bossley +6421 275 0454**



# Factsheet

## New social housing places for Community Housing Providers (CHPs)

**OVERALL BUDGET PACKAGE:** Budget 2024 provides \$140 million of new funding for 1,500 new social housing places to be provided by Community Housing Providers and delivered from June 2025 to June 2027 .

### Key numbers:

|                                        |                                                                                                                                                                                                                                                                       |
|----------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>1,500 new social housing places</b> | <b>New social housing places</b> , to be provided by Community Housing Providers, with those places to be delivered over 2025/26 and 2026/27.<br><br>There will be ongoing Income Related Rent Subsidy and Operating Supplement commitments (approximately 25 years). |
| <b>\$140 million</b>                   | Budget 2024 allocates \$140 million of new funding over the forecast period, from the 2025/26 financial year for a total of 1500 new social housing places.                                                                                                           |
| <b>25,528</b>                          | Applicants on the Social Housing Register as at March 2024.                                                                                                                                                                                                           |

### Key facts for clarity:

- Social housing is a vital part of New Zealand's social support system. This initiative will provide more individuals and whānau living in unsuitable accommodation, or homeless with a stable and affordable place to live. This new funding will contribute towards the Government's target of 75 per cent fewer households in emergency housing.
- Current funding for new social housing places ends in June 2025. This investment shows the Government's continued commitment to supporting the social housing system, and growing the Community Housing Sector, while investing in fiscally sustainable way.
- The Government has deliberately chosen not to invest further in Kāinga Ora's build pipeline beyond June 2025, while it considers the independent review including considering moving towards a more 'active purchaser approach'. Kāinga Ora has a total debt appropriation of \$10.6 billion over the forecast period to help support its capital investments, including the renewals and retrofits programme.
- Further decisions will be needed to support implementation. The Ministry of Housing and Urban Development (HUD) will provide further information to the CHP sector in the coming months.



## First Home Grants

To get better value for money and more impact from government spending, the coalition Government is discontinuing the First Home Grant (FHG).

Analysis shows the FHG, which provides eligible first home buyers with financial support towards a house deposit, is less effective since its establishment in 2010. Other measures - such as the First Home Loan – are more effective in overcoming the deposit barrier and will be retained.

### Key numbers:

|                                  |                                                                                                                                                                                                                                                                                                                               |
|----------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>10 per cent to 4 per cent</b> | The FHG has gone from making up nearly 10 per cent of a standard 20 per cent deposit on a lower quartile priced house in 2010, to just over four percent of a standard 20 per cent deposit in 2024. In 2010, when the grant was introduced, the lower quartile house price was \$255,000 compared to \$580,000 in April 2024. |
| <b>\$245 million</b>             | Discontinuing the FHG is expected to generate savings of \$245 million over a four-year forecast period (2024/25-2027/28).                                                                                                                                                                                                    |

### Key facts for clarity:

- The Government is ending the FHG scheme and Kāinga Ora is no longer accepting new applications. First home buyers with approvals and pre-approvals will still be able to access the grant until their approval expires. Applications that have been received by Kāinga Ora will still be assessed.
- For most first home buyers, the FHG has a minimal impact on their ability to save a deposit, and it is not the difference between being able to purchase or not purchase a home.
- Removing the FHG may impact first home buyers who cannot save the value of the First Home Grant within a year, which may potentially delay their purchase or reduce how much they can borrow.
- The First Home Loan is still available for first home buyers to use. This lowers the minimum deposit requirement for a home to five per cent and is a more effective product to support first home buyers over the deposit barrier.
- Rather than provide grant funding that makes a marginal impact, the Government is focussed on improving land and housing supply via the Going for Housing Growth programme, and other initiatives to support the construction sector.

**From:** [Nick McNabb](#)  
**To:** [Adam Brown \(Guest\)](#)  
**Cc:** [Brad Ward](#)  
**Subject:** RE: Line for checking with HUD  
**Date:** Wednesday, 22 May 2024 10:24:47 am  
**Attachments:** [image001.png](#)  
[image002.png](#)  
[image004.png](#)  
[image008.png](#)  
[image009.png](#)  
[image010.png](#)  
[image013.png](#)  
[image014.png](#)  
[image015.png](#)

---

Yep looks good. Will send the PR and fact sheet back shortly.

Will also provide updated key messages/Q&As in the next 30 mins

**Nick McNabb** ([he/him](#))  
Chief Advisor | System Insights and Strategy  
Intelligence and System Direction  
[Nick.McNabb@hud.govt.nz](mailto:Nick.McNabb@hud.govt.nz) | Phone: +64 4 832 2450 | Mobile: [S 9\(2\)\(a\)](#)  
[www.hud.govt.nz](http://www.hud.govt.nz) | Level 9, 7 Waterloo Quay, Pipitea, Wellington

---

**From:** Adam Brown <[Adam.Brown@parliament.govt.nz](mailto:Adam.Brown@parliament.govt.nz)>  
**Sent:** Wednesday, May 22, 2024 10:10 AM  
**To:** Nick McNabb <[Nick.McNabb@hud.govt.nz](mailto:Nick.McNabb@hud.govt.nz)>  
**Cc:** Brad Ward <[Brad.Ward@hud.govt.nz](mailto:Brad.Ward@hud.govt.nz)>  
**Subject:** RE: Line for checking with HUD

Any issues with this:

*Practically speaking, we can't ramp up the new social housing places at the same speed that we're stopping First Home Grants – houses can't be built overnight. But by the time all the 1,500 social houses are built and tenanted, the ongoing cost of that - \$70 million per year - matches the amount being saved by ending First Home Grants.*

---

**From:** Nick McNabb <[Nick.McNabb@hud.govt.nz](mailto:Nick.McNabb@hud.govt.nz)>  
**Sent:** Wednesday, May 22, 2024 9:42 AM  
**To:** Adam Brown <[Adam.Brown@parliament.govt.nz](mailto:Adam.Brown@parliament.govt.nz)>  
**Cc:** Brad Ward <[Brad.Ward@hud.govt.nz](mailto:Brad.Ward@hud.govt.nz)>  
**Subject:** RE: Line for checking with HUD

Hi Adam

It is not about forecast and appropriations. It is about timing changes to forecast spending and expenses. See table below

I have made some edits below.

| Changes to forecast               | 2024/25 | 2025/26 | 2026/27 | 2027/28 and outyears | Total  |
|-----------------------------------|---------|---------|---------|----------------------|--------|
| Savings from Removing Grant       | \$35m   | \$70m   | \$70m   | \$70m                | \$245m |
| Cost of new social housing places | -       | \$17.5m | \$52.5m | \$70m                | \$140m |

Suggested text:

*The savings from ending First Home Grants are going directly to funding the 1,500 new social housing places. That is true, even though on first glance the numbers don't appear to line up. It comes down to timing.*

*The reason it's accurate to say it's a direct swap financially is that the savings from removing the Grant and cost of new social housing places in 2027/28 and in out years is the same, \$70 million per year.*

*The 1,500 social housing places, which are forecast to cost \$140 million in the next four years, will also take some time to come online (new houses don't spring up overnight), so there will be a scaling-up period until all 1,500 social homes are tenanted with the IRRS being paid to CHPs. The expected cost the new social housing places will rise from \$17.5 million in 2025/26 to \$70 million in 2027/28 and outyears. However savings from removing the First Home Grants over the next four years, \$245 million, looks higher than this as savings kick in earlier from 2024/25.*

**Nick McNabb** ([he/him](#))

Chief Advisor | System Insights and Strategy  
Intelligence and System Direction

[Nick.McNabb@hud.govt.nz](mailto:Nick.McNabb@hud.govt.nz) | Phone: +64 4 832 2450 | Mobile: +64 9(2)(a)  
[www.hud.govt.nz](http://www.hud.govt.nz) | Level 9, 7 Waterloo Quay, Pipitea, Wellington

---

**From:** Adam Brown <[Adam.Brown@parliament.govt.nz](mailto:Adam.Brown@parliament.govt.nz)>

**Sent:** Wednesday, May 22, 2024 9:25 AM

**To:** Nick McNabb <[Nick.McNabb@hud.govt.nz](mailto:Nick.McNabb@hud.govt.nz)>

**Cc:** Brad Ward <[Brad.Ward@hud.govt.nz](mailto:Brad.Ward@hud.govt.nz)>

**Subject:** FW: Line for checking with HUD

For fact check please asap

---

**From:** Mikaela Bossley <[Mikaela.Bossley@parliament.govt.nz](mailto:Mikaela.Bossley@parliament.govt.nz)>

**Sent:** Wednesday, May 22, 2024 9:22 AM

**To:** Adam Brown <[Adam.Brown@parliament.govt.nz](mailto:Adam.Brown@parliament.govt.nz)>

**Subject:** Line for checking with HUD

*The savings from ending First Home Grants are going directly to funding the 1,500 new social housing places. That is true, even though on first glance the numbers don't appear to line up. It comes down to timing.*

*The reason it's accurate to say it's a direct swap financially is that the savings from removing the Grant and cost of new social housing places in 2027/28 and in out years is the same, \$70 million per year.*

*The 1,500 social housing places, which are forecast to cost \$140 million in the next four years, will also take some time to come online (new houses don't spring up overnight), so there will be a scaling-up period until all 1,500 social homes are tenanted with the IRRS being paid to CHPs. However savings from removing the First Home Grants over the next four years, \$245 million, looks higher than this as savings kick in earlier from 2024/25.*



**Mikaela Bossley**

Senior Press Secretary | Office of Hon Chris Bishop  
Minister of Housing | Minister for Infrastructure |  
Minister for Sports & Recreation | Minister Responsible for RMA Reform |  
Associate Minister of Finance | Leader of the House | Member for Hutt South |

DDI: +64 021 275 0454  
Email: [mikaela.bossley@parliament.govt.nz](mailto:mikaela.bossley@parliament.govt.nz) Website: [www.Beehive.govt.nz](http://www.Beehive.govt.nz)  
Private Bag 18041, Parliament Buildings, Wellington 6160, New Zealand

|

*Authorised by Hon Chris Bishop, Parliament Buildings, Wellington*

Disclaimer: The information in this email (including attachments) is confidential and may be legally privileged. If an addressing or transmission error has misdirected this email, please notify the author by replying to this email and destroy the message. If you are not the intended recipient, any use, disclosure, copying or distribution is prohibited and may be unlawful.

Please note information about meetings related to the Ministers' portfolios will be proactively released (this does not include personal or constituency matters). For each meeting in scope, the summary would list: date, time (start and finish), brief description, location, who the meeting was with, and the portfolio. If you attend a meeting with the Minister on behalf of an organisation, the name of the organisation will be released. If you are a senior staff member at an organisation, or meet with the Minister in your personal capacity, your name may also be released. The location of the meeting will be released, unless it is a private residence. The proactive release will be consistent with the provisions in the Official Information Act, including privacy considerations. Under the Privacy Act 1993 you have the right to ask for a copy of any personal information we hold about you, and to ask for it to be corrected if you think it is wrong. If you'd like to ask for a copy of your information, or to have it corrected, or are concerned about the release of your information in the meeting disclosure, please contact the sender. You can read more about the proactive release policy at <https://www.dia.govt.nz/Proactive-Releases#MS>

---

#### **Disclaimer**

This email is confidential and solely for the use of the intended recipient. If you have received this email in error, then any use is strictly prohibited. Please notify us immediately and delete all copies of this email and any attachments. Any opinions expressed in this message are not necessarily those of the Ministry of Housing and Urban Development.

---

**From:** [Nick McNabb](#)  
**To:** [Adam Brown \(Guest\)](#)  
**Cc:** [Brad Ward](#)  
**Subject:** RE: Line on the social housing spend vs FHG savings  
**Date:** Tuesday, 21 May 2024 6:46:20 pm  
**Attachments:** [image001.png](#)  
[image004.png](#)  
[image012.png](#)  
[image003.png](#)  
[image005.png](#)  
[image006.png](#)  
[image008.png](#)  
[image009.png](#)  
[image010.png](#)

---

Reworded:

*The savings from removing the first home grant will start to flow from 2024/25, while the costs of new social housing places wont kick in until 2025/26.*

*While this generates additional savings in the next couple of years, from 2027/28 removing the First Home Grant allows us to fund the ongoing cost 1500 new social housing places.*

**Nick McNabb** (he/him)  
Chief Advisor | System Insights and Strategy  
Intelligence and System Direction  
[Nick.McNabb@hud.govt.nz](mailto:Nick.McNabb@hud.govt.nz) | Phone: +64 4 832 2450 | Mobile: +64 9(2)(a)  
[www.hud.govt.nz](http://www.hud.govt.nz) | Level 9, 7 Waterloo Quay, Pipitea, Wellington

---

**From:** Nick McNabb  
**Sent:** Tuesday, May 21, 2024 6:30 PM  
**To:** Adam Brown <[Adam.Brown@parliament.govt.nz](mailto:Adam.Brown@parliament.govt.nz)>  
**Cc:** Brad Ward <[Brad.Ward@hud.govt.nz](mailto:Brad.Ward@hud.govt.nz)>  
**Subject:** RE: Line on the social housing spend vs FHG savings

Hi Adam

Had a few goes at this. How about:

.

*Savings from removing the grant will start to flow from 2024/25, while the costs of new social housing places wont kick in until 2025/26. While this generates additional savings in the next couple of years this not the case in 2027/28 and outyears, with savings from removing the First Home Grant allowing us to fund the ongoing cost 1500 new social housing places.*

Nick

**Nick McNabb** (he/him)  
Chief Advisor | System Insights and Strategy  
Intelligence and System Direction  
[Nick.McNabb@hud.govt.nz](mailto:Nick.McNabb@hud.govt.nz) | Phone: +64 4 832 2450 | Mobile: +64 9(2)(a)  
[www.hud.govt.nz](http://www.hud.govt.nz) | Level 9, 7 Waterloo Quay, Pipitea, Wellington

---

**From:** Adam Brown <[Adam.Brown@parliament.govt.nz](mailto:Adam.Brown@parliament.govt.nz)>  
**Sent:** Tuesday, May 21, 2024 5:42 PM  
**To:** Nick McNabb <[Nick.McNabb@hud.govt.nz](mailto:Nick.McNabb@hud.govt.nz)>  
**Cc:** Brad Ward <[Brad.Ward@hud.govt.nz](mailto:Brad.Ward@hud.govt.nz)>  
**Subject:** Line on the social housing spend vs FHG savings  
**Importance:** High

Nick,

Can I please get a line to go into the PR (no more than a sentence or two) first thing in the morning that explains the fact that while over the forecast period FHG saves more than the social spend, in the outyears the spend is equal to the savings. Something simple and non-technical please.

Ideally tonight.



**Adam Brown**

**Private Secretary – Housing** | Office of Hon Chris Bishop  
Minister of Housing | Minister for Infrastructure | Minister Responsible for RMA Reform |  
Minister for Sport and Recreation | Leader of the House | Associate Minister of Finance

M: s 9(2)(a)

Email: [adam.brown@parliament.govt.nz](mailto:adam.brown@parliament.govt.nz) Website: [www.beehive.govt.nz](http://www.beehive.govt.nz)  
Private Bag 18041, Parliament Buildings, Wellington 6160, New Zealand

---

**From:** [Nick McNabb](#)  
**To:** [Adam Brown \(Guest\)](#); [Dennis de Reus](#)  
**Cc:** [Jeremy Steele](#); [Julia Pearce](#); [Claire Solon](#); [Jo Hogg](#); [Jonathon Fraser](#); [Brad Ward](#)  
**Subject:** RE: Collateral for updating asap please  
**Date:** Tuesday, 21 May 2024 1:35:36 pm  
**Attachments:** [image002.png](#)  
[image004.png](#)  
[image006.png](#)  
[image001.png](#)  
[image011.png](#)  
[image012.png](#)  
[2024-05-24 Pre-Budget Housing Announcement 21.05.24 \(HUD\).docx](#)  
[FACT SHEET Housing pre-Budget announcement 21.05.24 \(HUD\).docx](#)

---

Kia ora Adam

Updated attached

Note we have drafted the FHG to be clear applications will no longer be received from the time of announcement.

We have removed some of the detail that describes the active purchaser approach, noting the Ministers comments at the press conference yesterday about needing to consider the remaining recommendations from the KO review.

Nick

**Nick McNabb** ([he/him](#))

Chief Advisor | System Insights and Strategy

Intelligence and System Direction

[Nick.McNabb@hud.govt.nz](mailto:Nick.McNabb@hud.govt.nz) | Phone: +64 4 832 2450 | Mobile: § 9(2)(a)

[www.hud.govt.nz](http://www.hud.govt.nz) | Level 9, 7 Waterloo Quay, Pipitea, Wellington

---

**From:** Adam Brown <[Adam.Brown@parliament.govt.nz](mailto:Adam.Brown@parliament.govt.nz)>  
**Sent:** Tuesday, May 21, 2024 11:32 AM  
**To:** Nick McNabb <[Nick.McNabb@hud.govt.nz](mailto:Nick.McNabb@hud.govt.nz)>; Dennis de Reus <[Dennis.DeReus@hud.govt.nz](mailto:Dennis.DeReus@hud.govt.nz)>  
**Subject:** Fwd: Collateral for updating asap please

Can I get these updated by 130pm.

Also Mikaela is asking if there is a q and a? I thought there was?

Adam Brown

Private Secretary - Housing

---

**From:** Mikaela Bossley <[Mikaela.Bossley@parliament.govt.nz](mailto:Mikaela.Bossley@parliament.govt.nz)>  
**Sent:** Tuesday, May 21, 2024 11:28 AM  
**To:** Adam Brown <[Adam.Brown@parliament.govt.nz](mailto:Adam.Brown@parliament.govt.nz)>  
**Subject:** Collateral for updating asap please

Also, was there a Q&A doc? If so I have mislaid it...



### Mikaela Bossley

**Senior Press Secretary** | Office of Hon Chris Bishop  
Minister of Housing | Minister for Infrastructure |  
Minister for Sports & Recreation | Minister Responsible for RMA Reform |  
Associate Minister of Finance | Leader of the House | Member for Hutt South |

DDI: +64 021 275 0454  
Email: [mikaela.bossley@parliament.govt.nz](mailto:mikaela.bossley@parliament.govt.nz) | Website: [www.Beehive.govt.nz](http://www.Beehive.govt.nz)  
Private Bag 18041, Parliament Buildings, Wellington 6160, New Zealand

*Authorised by Hon Chris Bishop, Parliament Buildings, Wellington*

Disclaimer: The information in this email (including attachments) is confidential and may be legally privileged. If an addressing or transmission error has misdirected this email, please notify the author by replying to this email and destroy the message. If you are not the intended recipient, any use, disclosure, copying or distribution is prohibited and may be unlawful.

Please note information about meetings related to the Ministers' portfolios will be proactively released (this does not include personal or constituency matters). For each meeting in scope, the summary would list: date, time (start and finish), brief description, location, who the meeting was with, and the portfolio. If you attend a meeting with the Minister on behalf of an organisation, the name of the organisation will be released. If you are a senior staff member at an organisation, or meet with the Minister in your personal capacity, your name may also be released. The location of the meeting will be released, unless it is a private residence. The proactive release will be consistent with the provisions in the Official Information Act, including privacy considerations. Under the Privacy Act 1993 you have the right to ask for a copy of any personal information we hold about you, and to ask for it to be corrected if you think it is wrong. If you'd like to ask for a copy of your information, or to have it corrected, or are concerned about the release of your information in the meeting disclosure, please contact the sender. You can read more about the proactive release policy at <https://www.dia.govt.nz/Proactive-Releases#MS>

---



# Factsheet

## New social housing places for Community Housing Providers

**OVERALL BUDGET PACKAGE:** Budget 2024 provides \$140 million of new funding for 1,500 new social housing places to be provided by Community Housing Providers and delivered from 2025 to 2027.

### Key numbers:

|                                       |                                                                                                                                                                                                                                                                                                        |
|---------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>1500 new social housing places</b> | <b>New social housing places</b> , to be provided by Community Housing Providers, with those places to be delivered over 2025/26 and 2026/27.<br><br>There will be ongoing Income Related Rent Subsidy and Operating Supplement commitments for the life of these properties (approximately 25 years). |
| <b>\$140 million</b>                  | Budget 2024 allocates \$140 million of new funding from the 2025/26 financial year for a total of 1500 new social housing places                                                                                                                                                                       |
| <b>25,528</b>                         | Applicants on the Social Housing Register as at March 2024                                                                                                                                                                                                                                             |

### Key facts for clarity:

- Social housing is a vital part of New Zealand's social support system. This initiative will provide more individuals and whānau living in unsuitable accommodation, or homeless with a stable and affordable place to live. This new funding will contribute towards the Government's target of 75 per cent fewer households in emergency housing.
- Current funding for new social housing places ends in June 2025. This investment shows the Government's continued commitment to supporting the social housing system, and growing the Community Housing Sector, while investing in fiscally sustainable way.
- The Government has deliberately chosen not to invest further in Kāinga Ora's build pipeline beyond June 2025, while it considers the independent review of Kāinga Ora and begins to move towards a more 'active purchaser approach'. Kāinga Ora retains \$3 billion of debt to support its renewals and retrofits programme.
- .
- Further decisions will be needed to support implementation. The Ministry of Housing and Urban Development (HUD) will provide further information to the CHP sector in the coming months.

**BUDGET SENSITIVE  
MEDIA FACTSHEET**

**Pre-**

**Budget Announcement**

## First Home Grants

To get better value for money and more impact from government spending, the Coalition Government is discontinuing the First Home Grant (FHG). Analysis shows the FHG, which provides eligible first home buyers with financial support towards a house deposit, is less effective since its establishment in 2010. Other measures - such as the First Home Loan – are more effective in overcoming the deposit barrier and will be retained.

### Key numbers:

|                                  |                                                                                                                                                                                                                                                                                                                               |
|----------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>10 per cent to 4 per cent</b> | The FHG has gone from making up nearly 10 per cent of a standard 20 per cent deposit on a lower quartile priced house in 2010, to just over four percent of a standard 20 per cent deposit in 2024. In 2010, when the grant was introduced, the lower quartile house price was \$255,000 compared to \$580,000 in April 2024. |
| <b>\$245 million</b>             | Discontinuing the FHG is expected to generate savings of \$245m over a four-year forecast period (2024/5-2027/8).                                                                                                                                                                                                             |

### Key facts for clarity:

- The Government is ending the FHG scheme effective from the time of announcement on 24 May 2024. First home buyers with approvals and pre-approvals will still be able to access the grant unless their approval expires. Applications received by closure will still be assessed.
- For most first home buyers, the FHG has a minimal impact on their ability to save a deposit, and it is not the difference between being able to purchase or not purchase a home.
- Removing the FHG may impact first home buyers who cannot save the value of the First Home Grant within a year, which may potentially delay their purchase or reduce how much they can borrow.
- The First Home Loan is still available for first home buyers to use. This lowers the minimum deposit requirement for a home to five per cent and is a more effective product to support first home buyers over the deposit barrier.
- Rather than provide grant funding that makes a marginal impact, the Government is focussed on improving land and housing supply via the Going for Housing Growth programme, and other initiatives to support the construction sector.

**From:** [SDP Requests](#)  
**To:** [Adam Brown \(Guest\)](#)  
**Cc:** [Tony Wallace](#); [Andrew Gregory](#); [Jonathon Fraser](#)  
**Subject:** RE: Pre-Budget announcement location: Dwell Housing Trust?  
**Date:** Tuesday, 21 May 2024 12:23:43 pm  
**Attachments:** [image007.png](#)  
[image009.png](#)  
[image011.png](#)  
[image002.png](#)  
[image004.png](#)  
[image006.png](#)  
[image013.png](#)  
[image015.png](#)  
[image017.png](#)

---

Hi Adam;

As discussed briefly, Dwell are very amenable to a visit/ announcement from the Minister on Friday and keen to discuss this with your office.

The point of contact for this is the Dwell Housing Trust Chief Executive Alison Cadman (pretty sure she has met the Minister a few times) and she be contacted per below:

[alison@dwell.org.nz](mailto:alison@dwell.org.nz)

s 9(2)(a)

**Peter Gray (he/him)**

Principal Advisor | Housing & Service Delivery

System Delivery and Performance

Ministry of Housing and Urban Development

[Peter.Gray@hud.govt.nz](mailto:Peter.Gray@hud.govt.nz) | Phone: +64 4 832 2560 | Mobile: s 9(2)(a)

[www.hud.govt.nz](http://www.hud.govt.nz) | Level 6, 7 Waterloo Quay, Pipitea, Wellington

---

**From:** Andrew Gregory <[Andrew.Gregory@hud.govt.nz](mailto:Andrew.Gregory@hud.govt.nz)>

**Sent:** Tuesday, May 21, 2024 10:02 AM

**To:** Adam Brown (Guest) <[adam.brown@parliament.govt.nz](mailto:adam.brown@parliament.govt.nz)>; SDP Requests <[SDPRequests@hud.govt.nz](mailto:SDPRequests@hud.govt.nz)>; Peter Gray <[Peter.Gray@hud.govt.nz](mailto:Peter.Gray@hud.govt.nz)>; Jonathon Fraser <[Jonathon.Fraser@hud.govt.nz](mailto:Jonathon.Fraser@hud.govt.nz)>; Jo Hogg <[Jo.Hogg@hud.govt.nz](mailto:Jo.Hogg@hud.govt.nz)>

**Cc:** Dennis de Reus <[Dennis.DeReus@hud.govt.nz](mailto:Dennis.DeReus@hud.govt.nz)>; Tony Wallace <[Tony.Wallace@hud.govt.nz](mailto:Tony.Wallace@hud.govt.nz)>

**Subject:** Pre-Budget announcement location: Dwell Housing Trust?

Hi Team

**As part of planning for a pre-Budget announcement, can you please:**

- **Make contact with Dwell in Kilbirnie** to see if they can host the Minister and media for an announcement on Friday, 24 May at 8.30am.
  - Please note arrival and set-up time is likely to be sooner.

- Location should consider a dry weather and wet weather option. (Friday AM looks okay so far)
- If Dwell, can host **please let Adam know by 2pm today**, so that the MO can make arrangements directly.
- And if Dwell can host the Minister's announcement, to support please:
  - **Provide a (two-pager)** with Dwell contact details, background on the development, any other critical information.
  - **Include any images** of the location give the MO idea of optics.

Adam, please advise when you'd need the two-pager note by.

Regards

**Andrew Gregory** ([he/him](#))

Principal Advisor Engagement and Communications  
[andrew.gregory@hud.govt.nz](mailto:andrew.gregory@hud.govt.nz) | Mobile <sup>s 9(2)(a)</sup>  
[www.hud.govt.nz](http://www.hud.govt.nz) | 7 Waterloo Quay, Wellington

**From:** [Andrew Gregory](#)  
**To:** [Adam Brown \(Guest\)](#); [SDP Requests](#); [Peter Gray](#); [Jonathon Fraser](#); [Jo Hogg](#)  
**Cc:** [Dennis de Reus](#); [Tony Wallace](#)  
**Subject:** Pre-Budget announcement location: Dwell Housing Trust?  
**Date:** Tuesday, 21 May 2024 10:01:54 am  
**Attachments:** [image001.png](#)  
[image003.png](#)  
[image005.png](#)  
[image009.png](#)  
[image010.png](#)  
[image011.png](#)

---

Hi Team

**As part of planning for a pre-Budget announcement, can you please:**

- **Make contact with Dwell in Kilbirnie** to see if they can host the Minister and media for an announcement on Friday, 24 May at 8.30am.
  - Please note arrival and set-up time is likely to be sooner.
  - Location should consider a dry weather and wet weather option. (Friday AM looks okay so far)
- If Dwell, can host **please let Adam know by 2pm today**, so that the MO can make arrangements directly.
- And if Dwell can host the Minister's announcement, to support please:
  - **Provide a (two-pager)** with Dwell contact details, background on the development, any other critical information.
  - **Include any images** of the location give the MO idea of optics.

Adam, please advise when you'd need the two-pager note by.

Regards

**Andrew Gregory** ([he/him](#))

Principal Advisor Engagement and Communications  
[andrew.gregory@hud.govt.nz](mailto:andrew.gregory@hud.govt.nz) | Mobile: [§ 9\(2\)\(a\)](#)  
[www.hud.govt.nz](http://www.hud.govt.nz) | 7 Waterloo Quay, Wellington

**From:** [Andrew Gregory](#)  
**To:** [Adam Brown \(Guest\)](#)  
**Cc:** [Dennis de Reus](#); [Tony Wallace](#); [Ben Richards](#); [Nick McNabb](#); [Jonathon Fraser](#); [Julia Pearce](#)  
**Subject:** Comms check-in: Pre-Budget announcement  
**Date:** Monday, 20 May 2024 12:22:56 pm  
**Attachments:** [image001.png](#)  
[image003.png](#)  
[image005.png](#)  
[image002.png](#)  
[image004.png](#)  
[image006.png](#)

---

Hi Adam

Appreciate you'll be busy with other things today...

But, with the Pre-Budget announcement expected later this week, can I please check-in on a few things to assist our planning and preparation:

At this stage is there a confirmed **day and time** for the announcement?

#### **Social Housing:**

- **Minister's Calls:** Please advise if the Minister wants to call Community Housing Aotearoa (CHA) or Te Matapihi in advance of the announcement (helps set the media narrative)
  - Requires a script
  - Requires stakeholders contacts details
- **Announcement location:** Has a Wellington CHP location been chosen?
  - Do you need an event brief with talking points, CHP background information (from SDP)?
  - Do HUD technical advisors / Relationship managers need to attend?
- **Please note:** HUD stakeholder engagement with CHPs (calls and emails) will be had close to the time of announcement (30mins after).
- **Please note:** HUD digital channels (website and social media) will be updated close to the time of announcement.

#### **First Home Grant:**

- **Please advise:** If any decisions (dates) around First Home Grant have been reached yet to be incorporated into comms materials.

Thanks for all your help on this and please give me a call if you'd like to chat about any of the above – or if there is anything missing, we should factor in.

Regards

**Andrew Gregory** ([he/him](#))

Principal Advisor Engagement and Communications  
[andrew.gregory@hud.govt.nz](mailto:andrew.gregory@hud.govt.nz) | Mobile: [§ 9\(2\)\(a\)](#)  
[www.hud.govt.nz](http://www.hud.govt.nz) | 7 Waterloo Quay, Wellington



**From:** [Ben Richards](#)  
**To:** [Kevin Eames](#)  
**Cc:** [Nick McNabb](#)  
**Subject:** FW: Touching base on Budget comms support next week  
**Date:** Friday, 31 May 2024 11:29:29 am  
**Attachments:** [image001.png](#)  
[image003.png](#)  
[image005.png](#)  
[image002.png](#)  
[image004.png](#)  
[image006.png](#)

---

As discussed.

---

**From:** Ben Richards  
**Sent:** Friday, May 17, 2024 4:35 PM  
**To:** Adam Brown (Guest)  
**Cc:** Nick McNabb <[Nick.McNabb@hud.govt.nz](mailto:Nick.McNabb@hud.govt.nz)>; Tony De Gregorio <[Tony.DeGregorio@hud.govt.nz](mailto:Tony.DeGregorio@hud.govt.nz)>; Andrew Gregory <[Andrew.Gregory@hud.govt.nz](mailto:Andrew.Gregory@hud.govt.nz)>; Brad Ward <[Brad.Ward@hud.govt.nz](mailto:Brad.Ward@hud.govt.nz)>; Dennis de Reus <[Dennis.DeReus@hud.govt.nz](mailto:Dennis.DeReus@hud.govt.nz)>  
**Subject:** Touching base on Budget comms support next week

Hi Adam,

I hope you've had a good week. We know the office has been focussed on the Kāinga Ora and pre-budget announcements. When you get a chance next week, we're keen to have a quick chat about Budget Day comms, and to confirm what the office needs.

We've had a number of chats with Tsy in the last few days about the collateral being developed for MoF's office, including a summary of the savings/spending initiatives. We're keen to chat you through this. We think some reactive lines for the office would be ideal as some of the language is going to be quite technical and will raise some questions. We're also keen to get a sense from you on whether MoF's office has provided offices with some overall framing/narrative for B24 as it would be beneficial for us to include in reactive Q/As and key messages (including for internal HUD staff to answer any questions from stakeholders). If not we can craft something from the MoF's/PM's pre-budget speeches to date.

We've been pulling together some material (e.g. key messages, reactive Q/As, stakeholder scripts) that may be beneficial. We're aiming to get this finalised by Friday. However it would be good to chat about what exactly the office needs, and in what format.

Have a good weekend.

Ngā mihi  
Ben

**Ben Richards** ([he/him](#))

Principal Policy Advisor | Urban Development Enablement | Policy  
[Ben.Richards@hud.govt.nz](mailto:Ben.Richards@hud.govt.nz) | Phone: +64 4 830 6908 | Mobile: s 9(2)(a)  
[www.hud.govt.nz](http://www.hud.govt.nz) | Level 8, 7 Waterloo Quay, Pipitea, Wellington

**From:** [Andrew Gregory](#)  
**To:** [Adam Brown \(Guest\)](#)  
**Cc:** [Nick McNabb](#); [Ben Richards](#); [Tony De Gregorio](#); [Glenn Phillips](#); [Julia Pearce](#); [Jonathon Fraser](#); [Dennis de Reus](#); [Brad Ward](#)  
**Subject:** Pre Budget materials for Factchecking.  
**Date:** Thursday, 16 May 2024 4:32:22 pm  
**Attachments:** [image001.png](#)  
[image003.png](#)  
[image005.png](#)  
[image002.png](#)  
[image004.png](#)  
[image006.png](#)  
[FACT SHEET Housing pre-Budget announcement.docx](#)  
[2024-05-24 Pre-Budget Housing Announcement.docx](#)

---

Hi Adam

As requested, attached are our suggested updates in track changes, and a few comments for you for context.

Please note that we have updated the CHP housing and Housing Register numbers as at the end of March 2024, which is accurate for the Pre-Budget announcement.

These figures are due to be updated as of the 29 May – so I'll get those numbers across to you as a back-pocket once available.

Please come back to us collectively if you have any questions.

Regards

**Andrew Gregory** (he/him)  
Principal Advisor Engagement and Communications  
[andrew.gregory@hud.govt.nz](mailto:andrew.gregory@hud.govt.nz) | Mobile: § 9(2)(a)  
[www.hud.govt.nz](http://www.hud.govt.nz) | 7 Waterloo Quay, Wellington

**From:** Adam Brown <[Adam.Brown@parliament.govt.nz](mailto:Adam.Brown@parliament.govt.nz)>  
**Sent:** Thursday, May 16, 2024 12:44 PM  
**To:** Dennis de Reus <[Dennis.DeReus@hud.govt.nz](mailto:Dennis.DeReus@hud.govt.nz)>; Nick McNabb <[Nick.McNabb@hud.govt.nz](mailto:Nick.McNabb@hud.govt.nz)>; Glenn Phillips <[Glenn.Phillips@hud.govt.nz](mailto:Glenn.Phillips@hud.govt.nz)>  
**Cc:** Jo Hogg <[Jo.Hogg@hud.govt.nz](mailto:Jo.Hogg@hud.govt.nz)>; Brad Ward <[Brad.Ward@hud.govt.nz](mailto:Brad.Ward@hud.govt.nz)>  
**Subject:** FW: For fact checking please

Kia ora team,

Can we please get a fact check on this by 4:30pm today – let me know if that's not possible.

Please suggest updates as required.

Adam



**Adam Brown**  
Private Secretary – Housing | Office of Hon Chris Bishop  
Minister of Housing | Minister for Infrastructure | Minister Responsible for RMA Reform |  
Minister for Sport and Recreation | Leader of the House | Associate Minister of Finance  
M: § 9(2)(a)  
Email: [adam.brown@parliament.govt.nz](mailto:adam.brown@parliament.govt.nz) Website: [www.beehive.govt.nz](http://www.beehive.govt.nz)  
Private Bag 18041, Parliament Buildings, Wellington 6160, New Zealand

---



## BUDGET 2024

### Hon Chris Bishop Minister of Housing

24 May 2024

### 1,500 more social housing places

The coalition Government is investing in social housing for New Zealanders who are most in need of a warm dry home, Housing Minister Chris Bishop says.

Budget 2024 ~~will allocate~~ \$140 million in new funding for 1,500 new social housing places ~~over two years~~ to be provided by Community Housing Providers (CHPs), not Kāinga Ora, thanks to savings found by ending the First Home Grant ~~scheme~~.

s 9(2)(g)(i)

"Funding for new social housing places under the previous ~~G~~overnment ~~ended~~ in June 2025. This is yet another "fiscal cliff" that the coalition ~~G~~overnment has had to confront.

"The ~~G~~overnment's new ~~investment in~~ 1,500 social housing places will be available ~~from July from the end of June~~ 2025 onwards, giving the community housing sector much-needed certainty about the social housing pipeline, allowing them to plan for the future, and scale-up their build programmes.

s 9(2)(g)(i)

"These new social housing places will only be allocated to CHPs, not Kāinga Ora. The Kāinga Ora independent review which reported back earlier this week shows that Kāinga Ora is not financially sustainable in its current form and until the ~~G~~overnment has received and approved the turnaround plan demanded of the ~~new-refreshed~~ board, it will not receive further funding for ~~additional~~ social housing places.

s 9(2)(g)(i)

"Our community housing sector does an outstanding job of housing people in need. CHPs currently provide ~~13,105XX~~ social houses around New Zealand and they have the capability, expertise and desire to grow further.

"Funding for the new social housing places can be delivered by ~~ending~~ ~~winding-down~~ the ~~G~~overnment's First Home Grant ~~scheme~~, currently delivered by Kāinga Ora.

"The ~~G~~overnment has made a deliberate choice to reprioritise low value expenditure to more important policy priorities. At a time when the waitlist for social housing is over ~~250,5000~~ ~~applicants/families~~, we have made the tough but necessary call to focus support on New Zealanders who need it most.

Formatted: Highlight

s 9(2)(g)(i)

"The First Home Grant ~~scheme~~, which provides eligible first home buyers with a ~~median contribution average~~ of \$5,000 towards a house deposit, is an expensive and inefficient way to support first home buyers.

Formatted: Highlight

s 9(2)(a)(i)

"In 2010, when the grant was introduced, the ~~lower quartile median~~ house price was \$255.000~~350,000~~, compared to \$580.000~~930,000~~ in ~~April~~March 2024. For first home buyers, this means the grant has gone from being ~~around~~~~early 10~~~~seven~~ per cent of a standard deposit in 2010, to just ~~over four~~~~2-7~~ per cent of a standard deposit in 2024.

"Evidence shows the grant brings forward the purchase of a first home – but in most cases it does not make a difference to whether someone can buy a home or not.

"The answer to New Zealand's housing crisis is not demand-side measures like the First Home Grant ~~scheme~~, but supply-side solutions contained in the ~~G~~overnment's Going for Housing Growth agenda.

"The ~~G~~overnment will retain the First Home Loan ~~scheme~~, which is more effective at supporting buyers over the deposit barrier. The First Home Loan ~~Scheme~~ allows first home buyers to purchase a home with a deposit as low as five per cent. The ~~G~~overnment is also retaining the ability for KiwiSaver members to withdraw funds for a first home house deposit.

"Discontinuing the First Home Grant is expected to generate savings of \$245m (TBC) over a four-year (2024~~5-289~~) forecast period with a ~~minimal~~~~limited~~ effect on home ownership rates.

s 9(2)(g)(i)

"From ~~now~~ 30-May-~~6~~(TBC) Kāinga Ora will no longer accept new applications for First Home Grants. Kāinga Ora will still process applications that have already been received by [date and time] (TBC)

"Applicants with existing approvals can still access the First Home Grant, and pre-approvals will still be valid for six-months from the application approval date." (TBC)

s 9(2)(g)(i)

**Media contact: Mikaela Bossley +6421 275 0454**

## Factsheet



### New social housing places for Community Housing Providers

**OVERALL BUDGET PACKAGE:** Budget 2024 provides \$140 million of new funding for 1,500 new social housing places to be provided by Community Housing Providers and delivered from 2025 to 2027.

s 9(2)(g)(i)

#### Key numbers:

|                                |                                                                                                                                                                                                                                                                                                |
|--------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1500 new social housing places | New social housing places, to be operated by Community Housing Providers, with those places to be delivered over 2025/26 and 2026/27.<br><br>There will be ongoing Income Related Rent Subsidy and Operating Supplement commitments for the life of these properties (approximately 25 years). |
| \$140 million                  | Budget 2024 allocates \$140 million of new funding from the 2025/26 financial year for a total of 1500 new social housing places                                                                                                                                                               |
| 25,528                         | People on the Social Housing Register as at March 2024                                                                                                                                                                                                                                         |

#### Key facts for clarity:

- Social housing is a vital part of New Zealand's social support system. This initiative will provide more individuals and whānau living in unsuitable accommodation, or homeless with a stable and affordable place to live. This new funding will contribute towards the Government's target of 75 per cent fewer households in emergency housing.
- Current funding for new social housing places ends in June 2025. This investment shows the Government's continued commitment to supporting the social housing system, and growing the Community Housing Sector, while investing in a fiscally sustainable way.
- The Government has deliberately chosen not to invest further in Kāinga Ora's build pipeline beyond June 2025, while it considers the independent review of Kāinga Ora and begins to move towards a more 'active purchaser approach'. Kāinga Ora retains \$3 billion of debt to support its renewals and retrofits programme.
- Every region and community in New Zealand has their own housing challenges and opportunities and a 'one size fits all' approach will not work to address them. An active purchasing approach, builds on the use of evidence and data, will develop a more sophisticated understanding of current and future need in place, and working alongside communities to determine housing needs, trade-offs and who is best to deliver the most cost-effective solutions.
- Further decisions will be needed to support implementation. HUD will communicate further information to the CHP sector in the coming months.

s 9(2)(g)(i)

**BUDGET SENSITIVE  
MEDIA FACTSHEET**

Pre-Budget Announcement

First Home Grants

Note to MO: HUD has recently sent advice to seek decisions on winding down the FHG [HUD2024-004411 refers]. This media factsheet and Q&As will be updated to reflect decisions as needed.

To get better value for money and more impact from government spending, the Coalition Government is discontinuing the First Home Grant (FHG). Analysis shows ~~the effectiveness of the~~ FHG, which provides eligible first home buyers with financial support towards a house deposit, is less effective since its establishment in 2010. Other measures - such as the First Home Loan - are more effective in overcoming the deposit barrier and will be retained.

Key numbers:

|                              |                                                                                                                                                                                                                                                                                                                                                 |
|------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 10 per cent to four per cent | The FHG has gone from making up 10 per cent of a standard 20 per cent deposit on a median priced house in 2010, to four percent of a standard 20 per cent deposit in 2024. Related to seven per cent vs 2.7 per cent: In 2010, when the grant was introduced, the lower quartile house price was \$255,000 compared to \$580,000 in April 2024. |
| \$245 million                | Discontinuing the FHG is expected to generate savings of \$245m over a four-year forecast period (2024/5-2027/8).                                                                                                                                                                                                                               |

Key facts for clarity:

- The Government is discontinuing the FHG scheme effective from (TBC). First home buyers with approvals and pre-approvals will still be able to access the grant within their validity period. (TBC)
- For most first home buyers, the FHG will have a minimal impact on their ability to save a deposit and. ~~For most buyers it~~ is not the difference between being able to purchase or not purchase a home.
- Removing the FHG may ~~have~~ impact ~~on~~ first home buyers who cannot save the value of the First Home Grant within a year, which may potentially delay their purchase or reduce how much they can borrow.
- The First Home Loan is still available for first home buyers to use. This lowers the minimum deposit requirement for a home to five per cent and is a more effective product to support first home buyers over the deposit barrier.
- Rather than provide grant funding that makes a marginal impact, the Government is focussed on improving land and housing supply via the Going for Housing Growth programme, and other initiatives to support the construction sector.

s 9(2)(g)(i)

**From:** [Andrew Gregory](#)  
**To:** [Adam Brown \(Guest\)](#)  
**Cc:** [Nick McNabb](#); [Ben Richards](#); [Tony De Gregorio](#); [Glenn Phillips](#); [Julia Pearce](#); [Jonathon Fraser](#); [Dennis de Reus](#); [Brad Ward](#)  
**Subject:** RE: Pre Budget materials for Factchecking.  
**Date:** Thursday, 16 May 2024 4:43:53 pm  
**Attachments:** [image001.png](#)  
[image007.png](#)  
[image009.png](#)  
[image002.png](#)  
[image003.png](#)  
[image004.png](#)  
[image014.png](#)  
[image015.png](#)  
[image016.png](#)

---

Hi Adam

No problem – keep those versions in your back-pocket.

I'll send through clean versions for the Press Sec in two ticks.

Regards

**Andrew Gregory** ([he/him](#))

Principal Advisor Engagement and Communications  
[andrew.gregory@hud.govt.nz](mailto:andrew.gregory@hud.govt.nz) | Mobile: [\\$ 9\(2\)\(a\)](#)  
[www.hud.govt.nz](http://www.hud.govt.nz) | 7 Waterloo Quay, Wellington

---

**From:** Adam Brown <[Adam.Brown@parliament.govt.nz](mailto:Adam.Brown@parliament.govt.nz)>

**Sent:** Thursday, May 16, 2024 4:37 PM

**To:** Andrew Gregory <[Andrew.Gregory@hud.govt.nz](mailto:Andrew.Gregory@hud.govt.nz)>

**Cc:** Nick McNabb <[Nick.McNabb@hud.govt.nz](mailto:Nick.McNabb@hud.govt.nz)>; Ben Richards <[Benjamin.Richards@hud.govt.nz](mailto:Benjamin.Richards@hud.govt.nz)>; Tony De Gregorio <[Tony.DeGregorio@hud.govt.nz](mailto:Tony.DeGregorio@hud.govt.nz)>; Glenn Phillips <[Glenn.Phillips@hud.govt.nz](mailto:Glenn.Phillips@hud.govt.nz)>; Julia Pearce <[Julia.Pearce@hud.govt.nz](mailto:Julia.Pearce@hud.govt.nz)>; Jonathon Fraser <[Jonathon.Fraser@hud.govt.nz](mailto:Jonathon.Fraser@hud.govt.nz)>; Dennis de Reus <[Dennis.DeReus@hud.govt.nz](mailto:Dennis.DeReus@hud.govt.nz)>; Brad Ward <[Brad.Ward@hud.govt.nz](mailto:Brad.Ward@hud.govt.nz)>

**Subject:** RE: Pre Budget materials for Factchecking.

Hi team,

Can you please redo asap with comments/changes that reflect where you've landed rather than the thinking please.

I can't pass on to the press sec with all this included.

Adam

---

**From:** Andrew Gregory <[Andrew.Gregory@hud.govt.nz](mailto:Andrew.Gregory@hud.govt.nz)>

**Sent:** Thursday, May 16, 2024 4:32 PM

**To:** Adam Brown <[Adam.Brown@parliament.govt.nz](mailto:Adam.Brown@parliament.govt.nz)>

**Cc:** Nick McNabb <[Nick.McNabb@hud.govt.nz](mailto:Nick.McNabb@hud.govt.nz)>; Ben Richards <[Benjamin.Richards@hud.govt.nz](mailto:Benjamin.Richards@hud.govt.nz)>; Tony De Gregorio <[Tony.DeGregorio@hud.govt.nz](mailto:Tony.DeGregorio@hud.govt.nz)>; Glenn Phillips <[Glenn.Phillips@hud.govt.nz](mailto:Glenn.Phillips@hud.govt.nz)>; Julia Pearce <[Julia.Pearce@hud.govt.nz](mailto:Julia.Pearce@hud.govt.nz)>; Jonathon Fraser <[Jonathon.Fraser@hud.govt.nz](mailto:Jonathon.Fraser@hud.govt.nz)>; Dennis de Reus <[Dennis.DeReus@hud.govt.nz](mailto:Dennis.DeReus@hud.govt.nz)>; Brad Ward <[Brad.Ward@hud.govt.nz](mailto:Brad.Ward@hud.govt.nz)>

**Subject:** Pre Budget materials for Factchecking.

Hi Adam

As requested, attached are our suggested updates in track changes, and a few comments for you for context.

Please note that we have updated the CHP housing and Housing Register numbers as at the end of March 2024, which is accurate for the Pre-Budget announcement.

These figures are due to be updated as of the 29 May – so I'll get those numbers across to you as a back-pocket once available.

Please come back to us collectively if you have any questions.

Regards

**Andrew Gregory** (he/him)

Principal Advisor Engagement and Communications  
[andrew.gregory@hud.govt.nz](mailto:andrew.gregory@hud.govt.nz) | Mobile: § 9(2)(a)  
[www.hud.govt.nz](http://www.hud.govt.nz) | 7 Waterloo Quay, Wellington

**From:** Adam Brown <[Adam.Brown@parliament.govt.nz](mailto:Adam.Brown@parliament.govt.nz)>

**Sent:** Thursday, May 16, 2024 12:44 PM

**To:** Dennis de Reus <[Dennis.DeReus@hud.govt.nz](mailto:Dennis.DeReus@hud.govt.nz)>; Nick McNabb <[Nick.McNabb@hud.govt.nz](mailto:Nick.McNabb@hud.govt.nz)>; Glenn Phillips <[Glenn.Phillips@hud.govt.nz](mailto:Glenn.Phillips@hud.govt.nz)>

**Cc:** Jo Hogg <[Jo.Hogg@hud.govt.nz](mailto:Jo.Hogg@hud.govt.nz)>; Brad Ward <[Brad.Ward@hud.govt.nz](mailto:Brad.Ward@hud.govt.nz)>

**Subject:** FW: For fact checking please

Kia ora team,

Can we please get a fact check on this by 4:30pm today – let me know if that's not possible.

Please suggest updates as required.

Adam



**Adam Brown**

Private Secretary – Housing | Office of Hon Chris Bishop  
Minister of Housing | Minister for Infrastructure | Minister Responsible for RMA Reform |  
Minister for Sport and Recreation | Leader of the House | Associate Minister of Finance

M: § 9(2)(a)  
Email: [adam.brown@parliament.govt.nz](mailto:adam.brown@parliament.govt.nz) Website: [www.beehive.govt.nz](http://www.beehive.govt.nz)  
Private Bag 18041, Parliament Buildings, Wellington 6160, New Zealand

---

#### Disclaimer

This email is confidential and solely for the use of the intended recipient. If you have received this email in error, then any use is strictly prohibited. Please notify us immediately and delete all copies of this email and any attachments. Any opinions expressed in this message are not necessarily those of the Ministry of Housing and Urban Development.

---

**From:** [Andrew Gregory](#)  
**To:** [Adam Brown \(Guest\)](#)  
**Cc:** [Nick McNabb](#); [Ben Richards](#); [Tony De Gregorio](#); [Glenn Phillips](#); [Julia Pearce](#); [Jonathon Fraser](#); [Dennis de Reus](#); [Brad Ward](#)  
**Subject:** Pre Budget materials for Factchecking.  
**Date:** Thursday, 16 May 2024 4:32:22 pm  
**Attachments:** [image001.png](#)  
[image003.png](#)  
[image005.png](#)  
[image002.png](#)  
[image004.png](#)  
[image006.png](#)  
[FACT SHEET Housing pre-Budget announcement.docx](#)  
[2024-05-24 Pre-Budget Housing Announcement.docx](#)

---

Hi Adam

As requested, attached are our suggested updates in track changes, and a few comments for you for context.

Please note that we have updated the CHP housing and Housing Register numbers as at the end of March 2024, which is accurate for the Pre-Budget announcement.

These figures are due to be updated as of the 29 May – so I'll get those numbers across to you as a back-pocket once available.

Please come back to us collectively if you have any questions.

Regards

**Andrew Gregory** (he/him)  
Principal Advisor Engagement and Communications  
[andrew.gregory@hud.govt.nz](mailto:andrew.gregory@hud.govt.nz) | Mobile: § 9(2)(a)  
[www.hud.govt.nz](http://www.hud.govt.nz) | 7 Waterloo Quay, Wellington

**From:** Adam Brown <[Adam.Brown@parliament.govt.nz](mailto:Adam.Brown@parliament.govt.nz)>  
**Sent:** Thursday, May 16, 2024 12:44 PM  
**To:** Dennis de Reus <[Dennis.DeReus@hud.govt.nz](mailto:Dennis.DeReus@hud.govt.nz)>; Nick McNabb <[Nick.McNabb@hud.govt.nz](mailto:Nick.McNabb@hud.govt.nz)>; Glenn Phillips <[Glenn.Phillips@hud.govt.nz](mailto:Glenn.Phillips@hud.govt.nz)>  
**Cc:** Jo Hogg <[Jo.Hogg@hud.govt.nz](mailto:Jo.Hogg@hud.govt.nz)>; Brad Ward <[Brad.Ward@hud.govt.nz](mailto:Brad.Ward@hud.govt.nz)>  
**Subject:** FW: For fact checking please

Kia ora team,

Can we please get a fact check on this by 4:30pm today – let me know if that's not possible.

Please suggest updates as required.

Adam



**Adam Brown**  
Private Secretary – Housing | Office of Hon Chris Bishop  
Minister of Housing | Minister for Infrastructure | Minister Responsible for RMA Reform |  
Minister for Sport and Recreation | Leader of the House | Associate Minister of Finance  
M: § 9(2)(a)  
Email: [adam.brown@parliament.govt.nz](mailto:adam.brown@parliament.govt.nz) Website: [www.beehive.govt.nz](http://www.beehive.govt.nz)  
Private Bag 18041, Parliament Buildings, Wellington 6160, New Zealand

---



## BUDGET 2024

### Hon Chris Bishop Minister of Housing

24 May 2024

### 1,500 more social housing places

The coalition Government is investing in social housing for New Zealanders who are most in need of a warm dry home, Housing Minister Chris Bishop says.

Budget 2024 ~~will allocate~~ \$140 million in new funding for 1,500 new social housing places ~~over two years to be provided by Community Housing Providers (CHPs), not Kāinga Ora, thanks to savings found by ending the First Home Grant scheme.~~

s 9(2)(g)(i)

"Funding for new social housing places under the previous ~~G~~overnment ~~ended~~ in June 2025. This is yet another "fiscal cliff" that the coalition ~~G~~overnment has had to confront.

"The ~~G~~overnment's new investment in 1,500 social housing places will be available ~~from July from the end of June~~ 2025 onwards, giving the community housing sector much-needed certainty about the social housing pipeline, allowing them to plan for the future, and scale-up their build programmes.

s 9(2)(g)(i)

"These new social housing places will only be allocated to CHPs, not Kāinga Ora. The Kāinga Ora independent review which reported back earlier this week shows that Kāinga Ora is not financially sustainable in its current form and until the ~~G~~overnment has received and approved the turnaround plan demanded of the ~~new-refreshed~~ board, it will not receive further funding for ~~additional~~ social housing places.

s 9(2)(g)(i)

"Our community housing sector does an outstanding job of housing people in need. CHPs currently provide ~~13,105XX~~ social houses around New Zealand and they have the capability, expertise and desire to grow further.

"Funding for the new social housing places can be delivered by ~~ending~~ ~~winding-down~~ the ~~G~~overnment's First Home Grant ~~scheme~~, currently delivered by Kāinga Ora.

"The ~~G~~overnment has made a deliberate choice to reprioritise low value expenditure to more important policy priorities. At a time when the waitlist for social housing is over ~~250,5000~~ ~~applicants/families~~, we have made the tough but necessary call to focus support on New Zealanders who need it most.

Formatted: Highlight

s 9(2)(g)(i)

"The First Home Grant ~~scheme~~, which provides eligible first home buyers with a ~~median~~ ~~contribution-average~~ of \$5,000 towards a house deposits, is an expensive and inefficient way to support first home buyers.

Formatted: Highlight

s 9(2)(g)(i)

"In 2010, when the grant was introduced, the ~~lower quartile median~~ house price was \$255.000360,000X, compared to \$580.000030,000X in ~~April~~March 2024. For first home buyers, this means the grant has gone from being ~~approximately 10~~seven per cent of a standard deposit in 2010, to just over ~~four~~2.7 per cent of a standard deposit in 2024.

"Evidence shows the grant brings forward the purchase of a first home – but in most cases it does not make a difference to whether someone can buy a home or not.

"The answer to New Zealand's housing crisis is not demand-side measures like the First Home Grant ~~scheme~~, but supply-side solutions contained in the ~~G~~overnment's Going for Housing Growth agenda.

"The ~~G~~overnment will retain the First Home Loan ~~scheme~~, which is more effective at supporting buyers over the deposit barrier. The First Home Loan ~~Scheme~~ allows first home buyers to purchase a home with a deposit as low as five per cent. The ~~G~~overnment is also retaining the ability for KiwiSaver members to withdraw funds for a first home house deposit.

"Discontinuing the First Home Grant is expected to generate savings of \$245m (TBC) over a four-year (2024~~5-289~~) forecast period with a ~~minimal~~limited effect on home ownership rates.

"From ~~now~~30-May-(TBC) Kāinga Ora will no longer accept new applications for First Home Grants. Kāinga Ora will still process applications that have already been received by [date and time] (TBC)

"Applicants with existing approvals can still access the First Home Grant, and pre-approvals will still be valid for six-months from the application approval date." (TBC)X

**Media contact: Mikaela Bossley +6421 275 0454**

s 9(2)(g)(i)

s 9(2)(g)(i)

## Factsheet



### New social housing places for Community Housing Providers

**OVERALL BUDGET PACKAGE:** Budget 2024 provides \$140 million of new funding for 1,500 new social housing places to be provided by Community Housing Providers and delivered from 2025 to 2027.

s 9(2)(g)(i)

#### Key numbers:

|                                |                                                                                                                                                                                                                                                                                                |
|--------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1500 new social housing places | New social housing places, to be operated by Community Housing Providers, with those places to be delivered over 2025/26 and 2026/27.<br><br>There will be ongoing Income Related Rent Subsidy and Operating Supplement commitments for the life of these properties (approximately 25 years). |
| \$140 million                  | Budget 2024 allocates \$140 million of new funding from the 2025/26 financial year for a total of 1500 new social housing places                                                                                                                                                               |
| 25,528                         | People on the Social Housing Register as at March 2024                                                                                                                                                                                                                                         |

#### Key facts for clarity:

- Social housing is a vital part of New Zealand's social support system. This initiative will provide more individuals and whānau living in unsuitable accommodation, or homeless with a stable and affordable place to live. This new funding will contribute towards the Government's target of 75 per cent fewer households in emergency housing.
- Current funding for new social housing places ends in June 2025. This investment shows the Government's continued commitment to supporting the social housing system, and growing the Community Housing Sector, while investing in a fiscally sustainable way.
- The Government has deliberately chosen not to invest further in Kāinga Ora's build pipeline beyond June 2025, while it considers the independent review of Kāinga Ora and begins to move towards a more 'active purchaser approach'. Kāinga Ora retains \$3 billion of debt to support its renewals and retrofits programme.
- Every region and community in New Zealand has their own housing challenges and opportunities and a 'one size fits all' approach will not work to address them. An active purchasing approach, builds on the use of evidence and data, will develop a more sophisticated understanding of current and future need in place, and working alongside communities to determine housing needs, trade-offs and who is best to deliver the most cost-effective solutions.
- Further decisions will be needed to support implementation. HUD will communicate further information to the CHP sector in the coming months.

s 9(2)(g)(i)

**BUDGET SENSITIVE  
MEDIA FACTSHEET**

Pre-Budget Announcement

First Home Grants

Note to MO: HUD has recently sent advice to seek decisions on winding down the FHG [HUD2024-004411 refers]. This media factsheet and Q&As will be updated to reflect decisions as needed.

To get better value for money and more impact from government spending, the Coalition Government is discontinuing the First Home Grant (FHG). Analysis shows ~~the effectiveness of the~~ FHG, which provides eligible first home buyers with financial support towards a house deposit, is less effective since its establishment in 2010. Other measures - such as the First Home Loan - are more effective in overcoming the deposit barrier and will be retained.

Key numbers:

|                              |                                                                                                                                                                                                                                                                                                                                                 |
|------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 10 per cent to four per cent | The FHG has gone from making up 10 per cent of a standard 20 per cent deposit on a median priced house in 2010, to four percent of a standard 20 per cent deposit in 2024. Related to seven per cent vs 2.7 per cent: In 2010, when the grant was introduced, the lower quartile house price was \$255,000 compared to \$580,000 in April 2024. |
| \$245 million                | Discontinuing the FHG is expected to generate savings of \$245m over a four-year forecast period (2024/5-2027/8).                                                                                                                                                                                                                               |

Key facts for clarity:

- The Government is discontinuing the FHG scheme effective from (TBC). First home buyers with approvals and pre-approvals will still be able to access the grant within their validity period. (TBC)
- For most first home buyers, the FHG will have a minimal impact on their ability to save a deposit and. ~~For most buyers it~~ is not the difference between being able to purchase or not purchase a home.
- Removing the FHG may ~~have~~ impact ~~on~~ first home buyers who cannot save the value of the First Home Grant within a year, which may potentially delay their purchase or reduce how much they can borrow.
- The First Home Loan is still available for first home buyers to use. This lowers the minimum deposit requirement for a home to five per cent and is a more effective product to support first home buyers over the deposit barrier.
- Rather than provide grant funding that makes a marginal impact, the Government is focussed on improving land and housing supply via the Going for Housing Growth programme, and other initiatives to support the construction sector.

§ 9(2)(g)(i)

**From:** [Andrew Gregory](#)  
**To:** [Adam Brown \(Guest\)](#)  
**Cc:** [Dennis de Reus](#); [Brad Ward](#); [SDP Requests](#); [Ben Richards](#); [Nick McNabb](#)  
**Subject:** RE: Location options for pre-budget announcement  
**Date:** Friday, 10 May 2024 2:42:36 pm  
**Attachments:** [image002.png](#)  
[image003.png](#)  
[image004.png](#)  
[image005.png](#)  
[image006.png](#)  
[image007.png](#)  
[Wellington Housing Announcement location options.docx](#)

---

Hi Adam

As requested, please find attached some suggested Pre-Budget announcement location from SDP and Place-based.

Please let us know if they are suitable, if you have any questions, or need us to test anything with the providers.

Thank you Peter for pulling this all together.

Regards

**Andrew Gregory** ([he/him](#))  
Principal Advisor Engagement and Communications  
[andrew.gregory@hud.govt.nz](mailto:andrew.gregory@hud.govt.nz) | Mobile: [S 9\(2\)\(a\)](#)  
[www.hud.govt.nz](http://www.hud.govt.nz) | 7 Waterloo Quay, Wellington

---

**From:** Adam Brown <[Adam.Brown@parliament.govt.nz](mailto:Adam.Brown@parliament.govt.nz)>  
**Sent:** Friday, May 10, 2024 10:06 AM  
**To:** Andrew Gregory <[Andrew.Gregory@hud.govt.nz](mailto:Andrew.Gregory@hud.govt.nz)>  
**Cc:** Dennis de Reus <[Dennis.DeReus@hud.govt.nz](mailto:Dennis.DeReus@hud.govt.nz)>; Brad Ward <[Brad.Ward@hud.govt.nz](mailto:Brad.Ward@hud.govt.nz)>  
**Subject:** Location options for pre-budget announcement

Andrew,

As discussed can I please get by 3pm a page of at least 3 or 4 options of possible announcement locations.

Preferably in the Hutt, wider Wellington possible.

Ideally a CHP development.

Just options at this stage, no contacting people.

Adam



**Adam Brown**  
**Private Secretary – Housing** | Office of Hon Chris Bishop  
Minister of Housing | Minister for Infrastructure | Minister Responsible for RMA Reform |  
Minister for Sport and Recreation | Leader of the House | Associate Minister of Finance  
  
M: [S 9\(2\)\(a\)](#)  
Email: [adam.brown@parliament.govt.nz](mailto:adam.brown@parliament.govt.nz) Website: [www.beehive.govt.nz](http://www.beehive.govt.nz)  
Private Bag 18041, Parliament Buildings, Wellington 6160, New Zealand

Wellington Housing Announcement location options as at 10 May 24

## Location Options

There are two CHP developments in the region that we have identified as being appropriate at this time, with the recommended option being the Te Āhuru Mōwai development in Porirua. The Dwell Housing Trust site at Onepu Rd in Kilbirnie has a small street frontage and may not be as suitable.

## Options: CHP developments

### 7 & 9 Hukatai St, Porirua (Te Āhuru Mōwai) 1<sup>st</sup> recommendation

|                                                                                                             |                                                                                                                                                                                          |
|-------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  <p>Photo 5 March 24'</p> | <p><b>Status:</b> under construction</p> <p><b>Developer:</b> Te Āhuru Mōwai</p> <p><b>Key contact:</b><br/>James Te Puni<br/>Kaiwhakahaere Matua/Chief Executive<br/>Mob: s 9(2)(a)</p> |
|-------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

The Te Āhuru Mōwai development at 7 & 9 Hukatai St in Porirua is currently in construction. The site will see six places completed for Te Ahuru Mowai to own and manage as social housing places, and adjacent to that will be six places owned by Kāinga Ora- Homes and Communities but which are also managed by Te Āhuru Mōwai. Te Āhuru Mōwai is purchasing their six units through the contractual rights it has with Kāinga Ora in Western Porirua.

Te Āhuru Mōwai is Ngāti Toa's community housing provider. In October 2020 they took over the Western Porirua portfolio with the transfer of around 900 public homes from Kainga Ora. They are our largest iwi CHP. Te Āhuru Mōwai operates a tenant-focused service that is aligned with the tikanga and values of Te Rūnanga o Toa Rangatira. Service objectives include provision and maintenance of warm, dry homes for tenants, increasing housing choice including home ownership options as a future objective and generally contributing to improved wellbeing outcomes for the wider community.

They have also been approved as a Progressive Home Ownership Provider and were a successful applicant in Round One of the Affordable Rental Pathway in 2023 with a proposal to deliver 10 new affordable homes.

### 35 Onepu Rd, Kilbirnie (Dwell) 2<sup>nd</sup> recommendation

|                                                                                   |                                                                                                                                                                              |
|-----------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  | <p><b>Status:</b> under construction</p> <p><b>Developer:</b> Dwell Housing Trust</p> <p><b>Key contact:</b><br/>Alison Cadman<br/>Chief Executive</p> <p>Mob: s 9(2)(a)</p> |
| <p><i>Photo 3 April 24'</i></p>                                                   |                                                                                                                                                                              |

The development at 35 Onepu Rd in Kilbirnie is currently in construction, with earlier stages of the housing on the site completed and tenanted. We provided funding towards a total of ten new public housing places, comprised of six x one-bedroom single-storey units (four of which include some accessibility features), and four x three-bedroom double-storey units in a three-storey building. The overall development is expected to be complete in the new few months.

The Dwell Housing Trust has been a registered CHP since 2014. Dwell provides affordable, quality housing for people in need or on a low income in Wellington. Dwell currently operates over 60 IRRS social housing units in Newtown, Kilbirnie, Wadestown, Miramar, Island Bay and Berhampore (through a mix of owned and leased properties).

Dwell also offers and manages affordable housing through rentals and a shared ownership scheme.

#### **Options: Private housing developments (Place Based options)**

There are a number of medium density housing developments in the Wellington region which may be suitable such as the Wallaceville Estate in Upper Hutt and the Erskine Bay development in Island Bay.

### Wallaceville Estate in Upper Hutt



**Status:** Under construction, with large areas completed. Mix of density, including terrace housing and town house development.

**Developer:** Gillies Group.

**Key contact:** Malcolm Gillies

Mob: s 9(2)(a)  
s 9(2)(a)

### Erskine Development in Island Bay



**Status:** Completed. Excellent example of density done well. Includes Erskine Chappel heritage.

**Developer:** The Wellington Company.  
Key contacts Ian Cassels, Alex Cassels

Alex Cassels:  
mob: s 9(2)(a)  
s 9(2)(a)

**From:** [Ben Richards](#)  
**To:** [Kevin Eames](#)  
**Cc:** [Nick McNabb](#)  
**Subject:** FW: Housing Press Release For check by Midday Friday (Tomorrow)  
**Date:** Friday, 31 May 2024 11:32:05 am  
**Attachments:** [image002.png](#)  
[image004.png](#)  
[image006.png](#)  
[image010.png](#)  
[24 05 Pre-Budget PR - Housing for MHUD HUD suggestions 10 May.docx](#)  
[image003.png](#)  
[image005.png](#)  
[image007.png](#)  
[image015.png](#)  
[image016.png](#)  
[image017.png](#)  
[image019.png](#)  
[image020.png](#)  
[image021.png](#)

---

As requested.

**Ben Richards** (he/him)

Principal Policy Advisor | Urban Development Enablement | Policy  
[Ben.Richards@hud.govt.nz](mailto:Ben.Richards@hud.govt.nz) | Phone: +64 4 830 6908 | Mobile: <sup>s 9(2)(a)</sup>  
[www.hud.govt.nz](http://www.hud.govt.nz) | Level 8, 7 Waterloo Quay, Pipitea, Wellington

---

**From:** Ben Richards  
**Sent:** Friday, May 10, 2024 12:46 PM  
**To:** Adam Brown (Guest)  
**Cc:** Brad Ward <[Brad.Ward@hud.govt.nz](mailto:Brad.Ward@hud.govt.nz)>; Nick McNabb <[Nick.McNabb@hud.govt.nz](mailto:Nick.McNabb@hud.govt.nz)>; Tony De Gregorio <[Tony.DeGregorio@hud.govt.nz](mailto:Tony.DeGregorio@hud.govt.nz)>; Andrew Gregory <[Andrew.Gregory@hud.govt.nz](mailto:Andrew.Gregory@hud.govt.nz)>; Glenn Phillips <[Glenn.Phillips@hud.govt.nz](mailto:Glenn.Phillips@hud.govt.nz)>; Dennis de Reus <[Dennis.DeReus@hud.govt.nz](mailto:Dennis.DeReus@hud.govt.nz)>; Bronwyn Lauten <[Bronwyn.Lauten@hud.govt.nz](mailto:Bronwyn.Lauten@hud.govt.nz)>  
**Subject:** FW: Housing Press Release For check by Midday Friday (Tomorrow)

Hi Adam,

As Andrew mentioned earlier, Tsy consulted us on the attached PR seeking factual changes only. We've just gone back with a few more substantial suggestions. Appreciate KO review comms might come out first, but we think its worth mentioning in this PR expectations around Kāinga Ora's ongoing asset management pg.

Bronwyn – FYI should this come to Andrew.

Happy to discuss,  
Ben

**Ben Richards** ([he/him](#))

Principal Policy Advisor | Urban Development Enablement | Policy  
[Ben.Richards@hud.govt.nz](mailto:Ben.Richards@hud.govt.nz) | Phone: +64 4 830 6908 | Mobile: s 9(2)(a)  
[www.hud.govt.nz](http://www.hud.govt.nz) | Level 8, 7 Waterloo Quay, Pipitea, Wellington

---

**From:** Ben Richards

**Sent:** Friday, May 10, 2024 12:39 PM

**To:** Jack Wellwood [TSY] <[Jack.Wellwood@treasury.govt.nz](mailto:Jack.Wellwood@treasury.govt.nz)>; Tony De Gregorio <[Tony.DeGregorio@hud.govt.nz](mailto:Tony.DeGregorio@hud.govt.nz)>; Nick McNabb <[Nick.McNabb@hud.govt.nz](mailto:Nick.McNabb@hud.govt.nz)>

**Cc:** Mark Hodge [TSY] (Guest) <[mark.hodge@treasury.govt.nz](mailto:mark.hodge@treasury.govt.nz)>; Stephanie Sole [TSY] (Guest) <[stephanie.sole@treasury.govt.nz](mailto:stephanie.sole@treasury.govt.nz)>; Brad Ward <[Brad.Ward@hud.govt.nz](mailto:Brad.Ward@hud.govt.nz)>; Glenn Phillips <[Glenn.Phillips@hud.govt.nz](mailto:Glenn.Phillips@hud.govt.nz)>; Andrew Gregory <[Andrew.Gregory@hud.govt.nz](mailto:Andrew.Gregory@hud.govt.nz)>

**Subject:** RE: Housing Press Release For check by Midday Friday (Tomorrow)

Hi Stephanie and Mark,

Thanks for consulting us on this. Please find attached our suggested changes. Note we'll share this with MoH's office for transparency.

Note we think a few changes beyond factual changes are required, including to:

- link the savings from FHGs and new spending on CHP places
- align with the Kāinga Ora Review Comms, esp to note that Ministers expect Kāinga Ora to consult them on scenarios for its renewals/retrofits pg.

Happy to discuss.

Ngā mihi

Ben

**Ben Richards** ([he/him](#))

Principal Policy Advisor | Urban Development Enablement | Policy  
[Ben.Richards@hud.govt.nz](mailto:Ben.Richards@hud.govt.nz) | Phone: +64 4 830 6908 | Mobile: s 9(2)(a)  
[www.hud.govt.nz](http://www.hud.govt.nz) | Level 8, 7 Waterloo Quay, Pipitea, Wellington

---

**From:** Jack Wellwood [TSY] <[Jack.Wellwood@treasury.govt.nz](mailto:Jack.Wellwood@treasury.govt.nz)>

**Sent:** Thursday, May 9, 2024 3:51 PM

**To:** Tony De Gregorio <[Tony.DeGregorio@hud.govt.nz](mailto:Tony.DeGregorio@hud.govt.nz)>; Nick McNabb

<[Nick.McNabb@hud.govt.nz](mailto:Nick.McNabb@hud.govt.nz)>; Ben Richards <[Benjamin.Richards@hud.govt.nz](mailto:Benjamin.Richards@hud.govt.nz)>

**Cc:** Mark Hodge [TSY] (Guest) <[mark.hodge@treasury.govt.nz](mailto:mark.hodge@treasury.govt.nz)>; Stephanie Sole [TSY] (Guest) <[stephanie.sole@treasury.govt.nz](mailto:stephanie.sole@treasury.govt.nz)>

**Subject:** Housing Press Release For check by Midday Friday (Tomorrow)

**Importance:** High

Afternoon all,

Hope you're all having a good afternoon. This afternoon we received a draft of the press-release on new social housing places for effectively a 24-hour turn around fact checking process.

I have attached with my first comments, and noted where I think (if feasible) it would be good to get your confirmation on a few specific points.

If you could please "reply all" with any comments or tracked changes by midday tomorrow.

Goes without saying, but we are looking obviously for factual inaccuracies rather than issues around the framing.

Please let Mark or Steph know if you have any questions (I'm away through till Tuesday).

Jack.

**Jack Wellwood** | Graduate Analyst – Housing and Urban Growth | **Te Tai Ōhanga – The Treasury**

§ 9(2)(a)



CONFIDENTIALITY NOTICE

The information in this email is confidential to the Treasury, intended only for the addressee(s), and may also be legally privileged. If you are not an intended addressee:

- a. please immediately delete this email and notify the Treasury by return email or telephone (64 4 472 2733);
- b. any use, dissemination or copying of this email is strictly prohibited and may be unlawful.



## BUDGET 2024

### Hon Chris Bishop Minister of Housing

24 May 2024

### 1,500 more social housing places

The coalition Government is investing in more social housing for New Zealanders who are most in need of a warm dry home, says Housing Minister Chris Bishop says.

Budget 2024 will allocate \$140 million of new funding for a total of 1,500 new social housing places. These will now be provided operated by Community Housing Providers (CHPs) and over that will be brought on delivered over 2025 to 2027, thanks to savings found by discontinuing ending the under-performing First Home Grant.

"Quite frankly, at a time when we need to get maximum value from every taxpayer dollar of taxpayer money, we are have choosing to prioritise delivering social housing places for Kiwis in need, rather than giving money to people who can will probably be able to buy their first home regardless, even if it takes them slightly longer.

"The previous Government left a social housing fiscal cliff with the current funding for new social housing places ending in June 2025.

"This would have been is irresponsible at any time, but is particularly so given they also left a record-high social housing waitlist and thousands of Kiwis trying to raise their families in emergency housing motels.

"Our coalition Government has set a target of 75 per cent fewer people households in emergency housing.

"To achieve this goal we need target growing our social housing sector, and as we believe CHPs have the expertise and proven track record to deliver those much-needed new social homes.

"This new funding will give the community housing sector confidence to scale up their delivery of homes for New Zealanders most in need.

"As we saw earlier in the this week, the Sir Bill English-led independent review raised significant around Kāinga Ora's financial sustainability, high-cost structure and lack of financial concerns discipline.

"At this time, the Housing Ministers do not yet have confidence to invest in additional social housing through Kāinga Ora.

s 9(2)(g)(i)

s 9(2)(g)(i)

s 9(2)(g)(i)

s 9(2)(g)(i)

"Our expectation is ~~that~~ Kāinga Ora provides Ministers with investment scenarios and approaches ~~that will focus on~~ improving the quality of its ~~aged~~ housing portfolio through a more effective asset management programme as part of the approach to reduce losses, ~~recommended by the review.~~

"We have a plan to rebuild our economy to ease the cost of living, to restore law and order, and to improve the public services that New Zealanders rely on.

"We are investing more in the public services New Zealanders rely on, like social housing, by ~~reining-reducing~~ in government spending and ensuring taxpayers are getting the best value for money.

"The ~~discontinued~~ First Home Grant (FHG), ~~which~~ ~~provided~~ eligible first home buyers with a ~~a~~ ~~average median grant~~ of \$5,000 towards a house deposit ~~which~~ ~~is not~~ ~~delivered~~ value for money.

"In 2010, when the grant was introduced, the median house price was \$350,000, compared to \$930,000 in March 2024.

"For first home buyers, this means the grant has gone from being around seven per cent of a standard deposit in 2010, to just ~~a~~ 2.7 per cent of a standard deposit in 2024.

"Evidence shows ~~that the~~ grant brings forward the purchase of a first home but – and this is important – in most cases it does not make a ~~substantial~~ difference to whether someone can buy a home or not.

"The ~~First Home Grant~~ FHG has effectively become middle class welfare, topping up those who would otherwise still ~~be able to can~~ buy their first home, albeit after a few more months of saving.

"The First Home Loan, ~~which~~ is more effective at supporting buyers over the deposit barrier, ~~and~~ is being retained for first home buyers to purchase a home with a deposit as low as five per cent.

"Discontinuing the ~~First Home Grant~~ FHG is expected to generate savings of \$245m (TBC) over a four-year ~~(2025-2029)~~ forecast period with a limited effect on home ownership rates.

"From 30 May (TBC) Kāinga Ora will no longer accept new applications for First Home Grants. Kāinga Ora will still process applications ~~that have already been~~ received by ~~(date and time)~~ (TBC)

"Applicants with existing approvals can still access the First Home Grant, and pre-approvals will still be valid for six-months from the application approval date. (TBC)

**Media contact: Mikaela Bossley +6421 275 0454**

**From:** [Andrew Gregory](#)  
**To:** [Adam Brown \(Guest\)](#)  
**Cc:** [Ben Richards](#)  
**Subject:** FW: Housing Press Release For check by Midday Friday (Tomorrow)  
**Date:** Friday, 10 May 2024 10:22:49 am  
**Attachments:** [image001.png](#)  
[image002.png](#)  
[image004.png](#)  
[image006.png](#)  
[image003.png](#)  
[image005.png](#)  
[image007.png](#)  
[image009.png](#)  
[image015.png](#)  
[image016.png](#)  
[image017.png](#)  
**Importance:** High

---

Hi Adam

As mentioned for your awareness, below is the context of the Treasury pre-budget PR we are currently supporting.

Ben is taking the lead on the factcheck.

Regards

**Andrew Gregory** ([he/him](#))

Principal Advisor Engagement and Communications  
[andrew.gregory@hud.govt.nz](mailto:andrew.gregory@hud.govt.nz) | Mobile: <sup>9(2)(a)</sup>  
[www.hud.govt.nz](http://www.hud.govt.nz) | 7 Waterloo Quay, Wellington

---

**From:** Ben Richards <[Benjamin.Richards@hud.govt.nz](mailto:Benjamin.Richards@hud.govt.nz)>  
**Sent:** Thursday, May 9, 2024 5:08 PM  
**To:** Tony De Gregorio <[Tony.DeGregorio@hud.govt.nz](mailto:Tony.DeGregorio@hud.govt.nz)>; Nick McNabb <[Nick.McNabb@hud.govt.nz](mailto:Nick.McNabb@hud.govt.nz)>; Andrew Gregory <[Andrew.Gregory@hud.govt.nz](mailto:Andrew.Gregory@hud.govt.nz)>; Jo Hogg <[Jo.Hogg@hud.govt.nz](mailto:Jo.Hogg@hud.govt.nz)>; Jeremy Steele <[Jeremy.Steele@hud.govt.nz](mailto:Jeremy.Steele@hud.govt.nz)>; Brad Ward <[Brad.Ward@hud.govt.nz](mailto:Brad.Ward@hud.govt.nz)>  
**Cc:** Richard D'Ath <[Richard.D'Ath@hud.govt.nz](mailto:Richard.D'Ath@hud.govt.nz)>  
**Subject:** FW: Housing Press Release For check by Midday Friday (Tomorrow)  
**Importance:** High

Hi all,

Tsy has consulted us on a draft PR from MoH's office for the B24 new funding for CHPs and winding down FHGs. This clearly builds on the drafts we provided before. Can you please fact check by 11am tmw? I've suggested a few tweaks, primarily clarifying period for new CHPs places. Other content seems to be fine.



The FHG content is TBC subject to discussions with MoH next week on decisions to wind down the scheme.

Happy to discuss  
Ben

**Ben Richards** ([he/him](#))

Principal Policy Advisor | Urban Development Enablement | Policy  
[Ben.Richards@hud.govt.nz](mailto:Ben.Richards@hud.govt.nz) | Phone: +64 4 830 6908 | Mobile: s 9(2)(a)  
[www.hud.govt.nz](http://www.hud.govt.nz) | Level 8, 7 Waterloo Quay, Pipitea, Wellington

---

**From:** Jack Wellwood [TSY] <[Jack.Wellwood@treasury.govt.nz](mailto:Jack.Wellwood@treasury.govt.nz)>  
**Sent:** Thursday, May 9, 2024 3:51 PM  
**To:** Tony De Gregorio <[Tony.DeGregorio@hud.govt.nz](mailto:Tony.DeGregorio@hud.govt.nz)>; Nick McNabb <[Nick.McNabb@hud.govt.nz](mailto:Nick.McNabb@hud.govt.nz)>; Ben Richards <[Benjamin.Richards@hud.govt.nz](mailto:Benjamin.Richards@hud.govt.nz)>  
**Cc:** Mark Hodge [TSY] (Guest) <[mark.hodge@treasury.govt.nz](mailto:mark.hodge@treasury.govt.nz)>; Stephanie Sole [TSY] (Guest) <[stephanie.sole@treasury.govt.nz](mailto:stephanie.sole@treasury.govt.nz)>  
**Subject:** Housing Press Release For check by Midday Friday (Tomorrow)  
**Importance:** High

Afternoon all,

Hope you're all having a good afternoon. This afternoon we received a draft of the press-release on new social housing places for effectively a 24-hour turn around fact checking process.

I have attached with my first comments, and noted where I think (if feasible) it would be good to get your confirmation on a few specific points.

If you could please "reply all" with any comments or tracked changes by midday tomorrow.

Goes without saying, but we are looking obviously for factual inaccuracies rather than issues around the framing.

Please let Mark or Steph know if you have any questions (I'm away through till Tuesday).

Jack.

**Jack Wellwood** | Graduate Analyst – Housing and Urban Growth | **Te Tai Ōhanga – The Treasury**

s 9(2)(a)



CONFIDENTIALITY NOTICE

The information in this email is confidential to the Treasury, intended only for the addressee(s), and may also be legally privileged. If you are not an intended addressee:

- a. please immediately delete this email and notify the Treasury by return email or telephone (64 4 472 2733);
- b. any use, dissemination or copying of this email is strictly prohibited and may be unlawful.

**From:** [Andrew Gregory](#)  
**To:** [Adam Brown \(Guest\)](#)  
**Cc:** [Nick McNabb](#); [Ben Richards](#); [Dennis de Reus](#); [Tony Wallace](#); [Brad Ward](#); [Jeremy Steele](#); [Julia Pearce](#); [Claire Solon](#); [Jo Hogg](#); [Jonathon Fraser](#)  
**Subject:** Pre-Budget Announcement - Media Factsheet and Ministers Q&A  
**Date:** Friday, 10 May 2024 10:19:56 am  
**Attachments:** [image001.png](#)  
[image003.png](#)  
[image005.png](#)  
[image002.png](#)  
[image004.png](#)  
[image006.png](#)  
[8 - Pre-Budget Announcement - Media Factsheet and Ministers Q&A - Due 10am 9 May.docx](#)

---

Hi Adam

As requested, please find attached a first draft of the Pre-Budget Media Factsheet (pages 1-2) and Q&A for the Minister (pages 3-4).

As mentioned in our conversation, these will need to be updated and changed based on advice currently before the Minister.

The KO review documents are just going through a final review.

Please come back to us collectively if you've any questions.

Regards

**Andrew Gregory** ([he/him](#))

Principal Advisor Engagement and Communications  
[andrew.gregory@hud.govt.nz](mailto:andrew.gregory@hud.govt.nz) | Mobile: <sup>s 9(2)(a)</sup>  
[www.hud.govt.nz](http://www.hud.govt.nz) | 7 Waterloo Quay, Wellington



## **BUDGET SENSITIVE**

### **MEDIA FACTSHEET**

#### **Pre-Budget Announcement**

##### **New Social Housing places for CHPs from 2025/26**

**Note to MO:** HUD provided further advice to the Minister on Friday 9 May regarding finalising further details for this announcement [HUD2024-004447 refers]. This fact sheet therefore needs updating in the future.

Budget 2024 provides \$140 million of new funding for 1,500 new social housing places to be provided by Community Housing Providers from 2025 to 2027.

##### **Key numbers:**

|                                       |                                                                                                                                                                                                                                                              |
|---------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>1500 new social housing places</b> | <b>New social housing places</b> , to be operated by Community Housing Providers over 2025/26 and 2026/27. There will be ongoing Income Related Rent Subsidy and Operating Supplement commitments for the life of these properties (approximately 25 years). |
| <b>\$140 million</b>                  | Budget 2024 allocates \$140 million of new funding from the 2025/26 financial year for a total of 1500 new social housing places                                                                                                                             |
| <b>25,528</b>                         | People on the Social Housing Register as at March 2024                                                                                                                                                                                                       |

##### **Key facts for clarity:**

- Social housing is a vital part of New Zealand's social support system. This initiative will provide more individuals and whānau living in unsuitable accommodation, or homeless with a stable and affordable place to live. This new funding will contribute towards the Government's target of 75 per cent fewer households in emergency housing.
- Current funding for new social housing places ends in June 2025. This investment shows the Government's continued commitment to supporting the social housing system, and growing the Community Housing Sector, while investing in a fiscally sustainable way.
- The Government has deliberately chosen not to invest further in Kāinga Ora's build pipeline beyond June 2025, while it considers the independent review of Kāinga Ora and begin to move towards a more 'active purchaser approach'.
- Every region and community in New Zealand has their own housing challenges and opportunities and a 'one size fits all' approach will not work to address them. An active purchasing approach, builds on the use of evidence and data, will develop a more sophisticated understanding of current and future need in place, and working alongside communities to determine housing needs, trade-offs and who is best to deliver the most cost-effective solutions.
- Further decisions will be needed to support implementation. HUD will communicate further information to the CHP sector in the coming months.



## **BUDGET SENSITIVE**

### **MEDIA FACTSHEET**

#### **Pre-Budget Announcement**

##### **First Home Grants**

**Note to MO:** HUD has recently sent advice to seek decisions on winding down the FHG [HUD2024-004411 refers]. This media factsheet and Q&As will be updated to reflect decisions as needed.

To get better value for money and more impact from government spending, the Coalition Government is discontinuing the First Home Grant (FHG). Analysis shows the effectiveness of the FHG, which provides eligible first home buyers with financial support towards a house deposit, is less effective since its establishment in 2010. Other measures - such as the First Home Loan – are more effective in overcoming the deposit barrier and will be retained.

##### **Key numbers:**

|                                       |                                                                                                                                                                                                                                                                                                                                           |
|---------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Seven per cent to 2.7 per cent</b> | The FHG has gone from making up seven per cent of a standard 20 per cent deposit on a median priced house in 2010, to 2.7 percent of a standard 20 per cent deposit in 2024. Related to seven per cent vs 2.7 per cent: In 2010, when the grant was introduced, the median house price was \$350,000 compared to \$930,000 in March 2024. |
| <b>\$245 million</b>                  | Discontinuing the FHG is expected to generate savings of \$245m over a four-year forecast period (2024/5-2027/8).                                                                                                                                                                                                                         |

##### **Key facts for clarity:**

- The Government is discontinuing the FHG scheme effective from (TBC). First home buyers with approvals and pre-approvals will still be able to access the grant within their validity period. (TBC)
- For most first home buyers, the FHG will have a minimal impact on their ability to save a deposit. For most buyers it is not the difference between being able to purchase or not purchase a home.
- Removing the FHG may have impact on first home buyers who cannot save the value of the First Home Grant within a year, which may potentially delay their purchase or reduce how much they can borrow.
- The First Home Loan is still available for first home buyers to use. This lowers the minimum deposit requirement for a home to five per cent and is a more effective product to support first home buyers over the deposit barrier.
- Rather than provide grant funding that makes a marginal impact, the Government is focussed on improving land and housing supply via the Going for Housing Growth programme, and other initiatives to support the construction sector.



## **BUDGET SENSITIVE**

### **Minsters Questions and Answers**

#### **New Social Housing places by Community Housing Providers (2025/26)**

**Q. What does ‘active purchasing’ means in practice?**

Every region and community in New Zealand has their own housing challenges and opportunities and a ‘one size fits all’ approach will not work to address them. An active purchasing approach, builds on the use of evidence and data, will develop a more sophisticated understanding of current and future need in place, and working alongside communities to determine housing needs, trade-offs and who is best to deliver the most cost-effective solutions.

**Q. How do you have confidence that these new social housing places will be delivered?**

Yes, we are confident the Community Housing Provider sector is capable of continuing to build on its momentum for delivering houses to date, and deliver 1,500 new social houses by June 2027. There is a strong pipeline of housing projects across New Zealand intended for delivery by June 2027. In addition, engaging in strategic partnerships and moving to an active purchasing model provides new opportunities for more housing delivery.

**Q. Where will these extra places be?**

There needs to be a rebalancing of the spread of investment in social housing across the country, with a focus on delivery in the regions and areas of high need, which supports a reduction in emergency housing.

**Q. What about the additional 1000 places in Auckland, the coalition partners pledged in the lead up to the election?**

[Office to consider]

**Q. Does this announcement mean HUD can now progress the CHP proposed developments that have been paused?**

HUD continues to work with providers on social housing opportunities and these new places means this work can continue. Criteria for the new places will be refined to better meet the need in different locations including supporting a reduction in emergency housing.

**Q. 1,500 extra places will only make a small dent against demand on the housing register, and is less than was included in previous Budgets. OR What do you have to say about that?**

These places support CHPs, maintains momentum and is one of the tools in the wider housing reform programme to address housing need. The Government’s commitment to free up land for housing supply through our Going for Housing Growth policies will also provide a long-term, enduring solution to New Zealand’s housing crisis, including reducing the level of need for social housing.



## **Te Tūāpapa Kura Kāinga**

Ministry of Housing and Urban Development

### **Q. Why has the Government only committed funding for new social housing until 2027?**

Consistent with the coalition Government's objective for Budget 2024 to reduce debt, reduce government spending as a proportion of the overall economy, and get back to surplus, the new social housing places have been funded through savings from winding down the first home grant. The savings from removing the grant enabled us to fund new place Community housing providers or two years.

### **Q. Why has Kāinga Ora not been funded for social housing delivery from 2025/26?**

The Government has deliberately chosen not to invest further in Kāinga Ora's build pipeline beyond June 2025. This is because they are taking time to consider the report on the independent review of Kāinga Ora, to ensure public investment is sustainable and delivers the best possible results for New Zealanders.

### **Q. Why are there no additional transitional housing places planned like previous years?**

There is a significant transitional housing portfolio, currently funded, across New Zealand. Transitional housing continues within available funding, while the Government is committed to reducing the reliance on temporary accommodation, such as emergency housing and focusses on the housing reform programme.

### **Q. How many of the new social housing places will be especially for housing seniors?**

A. There are CHPs who have a focus on housing for seniors and it is expected that some of the new social housing to be delivered by CHPs, will be for a range of cohorts, including housing for seniors. Numbers and locations of places remain to be determined as HUD moves towards an active purchaser approach.



## **BUDGET SENSITIVE**

### **Minsters Questions and Answers**

#### **First Home Grants**

**Q: What impact does discontinuing the First Home Grant have on buyers?**

For many first home buyers, the discontinuing the grant has minimal impact. In most cases, the grant is not the difference between purchasing or not purchase a home. Many first home buyers can save the value of a First Home Grant within a year. For others, the absence of the grant might only slightly delay their first home purchase or reduce how much they can borrow. This will of course depends on individual circumstances.

**Q: Who is most impacted by the removal of the First Home Grant?**

Individual circumstance will vary greatly for those who have used the FHG to purchase a home. Using uptake data from the last two years, many first home buyers can save the value of the FHG within a year.

Analysis indicates that the group most likely to take longer than a year to save the value of the FHG are those on annual incomes under \$65,000. Officials estimate this group are around 18 percent of first home buyers.

**Q: Could the First Home Grant have been re-targeted towards those who it provides significant help to, instead of being completely disestablished?**

Retargeting the grant was considered, however it is difficult to coherently tighten the eligibility criteria to narrow down who can access the First Home Grant. The key policy settings that could be changed are the income caps, eligibility for new and existing home, and/or putting limits on deposit sizes.

It is considered better to retain the overall more effective product – the First Home Loan, and to focus on providing a pipeline for social housing delivered by CHPs, improving land and housing supply via the Going for Housing Growth programme, and other initiatives to support the construction sector.

**Q: Why have you decided to discontinue the First Home Grant but retain other home ownership support products?**

Other products, such as the First Home Loan, are more effective in supporting first home buyers over the deposit barrier. Since it was established, the grant's effectiveness has decreased as house prices have risen.

However, the First Home Loan has remained effective as it lowers the deposit requirement to five percent from the standard bank deposit minimum requirement of 20 percent, allowing first home buyers to achieve home ownership sooner.

**Q: What other government support is available for first home buyers?**



## **Te Tūāpapa Kura Kāinga**

Ministry of Housing and Urban Development

Other forms of government support will still be available to first home buyers. Eligible buyers will still be able to access the First Home Loan, which lowers the deposit requirement to five per cent. First home buyers can also continue to purchase through the Progressive Home Ownership scheme. This allows private organisations, or dedicated iwi and Māori organisations, to purchase a share of a home which the buyer then buys out over time.

**Q: What will happen to applicants with a pre-approved or approved First Home Grant?**  
TBC

**Q: What is the cost to the Government for a First Home Grant versus the First Home Loan per buyer?**

The median Government contribution to the First Home Loan Lender's Mortgage Insurance is \$4000. The median First Home Grant size is \$5000.

# DRAFT - Budget Sensitive

**From:** [Andrew Gregory](#)  
**To:** [Nick McNabb](#); [Adam Brown \(Guest\)](#); [Ben Richards](#)  
**Cc:** [Tony Wallace](#); [Dennis de Reus](#); [Kate Goodman](#)  
**Subject:** Please Clarify: KO Review and Pre-Budget Minister's Office media requirements.  
**Date:** Wednesday, 8 May 2024 2:36:03 pm  
**Attachments:** [image001.png](#)  
[image003.png](#)  
[image005.png](#)  
[image009.png](#)  
[image010.png](#)  
[image011.png](#)  
**Importance:** High

---

Hi Nick and Adam

Can you please clarify and confirm the below interpretation of the Minister's Office requirements are correct.

Please confirm the deadline (which previously was a **first draft by 10am Friday** for the Ministers [pre-budget] Factsheet.)

### Kāinga Ora Review

1. **KO review media factsheet** – to be provided at the press conferences
  - Key points of what is being announced
  - Key figures that the Minister will use in the announcement
  - Anything else that helps provide clarity
2. **KO review - Questions and Answers** for the Minister only
3. **Please confirm date of announcement is 20 May.**

### Pre-Budget (New Social Housing and First Home Grant)

4. **Ministers Factsheet** – One-pager intended for comms prep rather than for publication.
  - A one-pager for Vote Housing & Urban Development which lays out in very plain language:
  - Where savings are coming from (which teams / initiatives / programmes are being cut or proposed to be cut)
  - What any new Budget money is for (specific initiatives, is it new / additional to existing govt commitments, over how many years, is it time-limited etc)
  - Clearly articulate savings for programmes, savings for KO and savings for HUD
5. **Pre-budget media factsheet** – to be provided at the press conference
  - Key points of what is being announced
  - Key figures that the Minister will use in the announcement
  - Anything else that helps provide clarity
6. **Pre-budget Questions and Answers** for the Minister only
7. **Please confirm date of announcement is within 22 to 24 May.**

Regards

**Andrew Gregory** ([he/him](#))

Principal Advisor Engagement and Communications  
[andrew.gregory@hud.govt.nz](mailto:andrew.gregory@hud.govt.nz) | Mobile: <sup>s 9(2)(a)</sup>  
[www.hud.govt.nz](http://www.hud.govt.nz) | 7 Waterloo Quay, Wellington