

MINISTRY OF HOUSING AND URBAN DEVELOPMENT

June 2019

# **Public Housing Quarterly Report**

The Public Housing Quarterly Report is published by the Ministry of Housing and Urban Development. It provides the latest facts on public housing supply and demand, housing support, and the movement of people through the public housing system.



New Zealand Government

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The Public Housing Quarterly Report is released by the Ministry of Housing and Urban Development (HUD). HUD formed on 1 October to deliver the Government's housing and urban development programme to end homelessness, make housing affordable and cities more liveable. The Public Housing Quarterly Report contains information on public housing and housing support from both HUD and the Ministry of Social Development (MSD).

As at 30 June 2019, there are 69,317 public housing places. Consisting of 62,934 Housing New Zealand properties and 6,383 registered Community Housing Provider properties.

Compared to June 2018, public housing tenancies have increased by 1,749 tenancies. The increase in tenancies was from both Housing New Zealand (794) and registered Community Housing Providers (955). For June 2019 quarter transitional housing places increased to 2,789 places. Compared to June 2018 transitional housing places have increased by 448.

806 households have been housed through the Housing First programme. 1,216 households so far have been accepted into the programme.

During this quarter 1,609 applicants from the Housing Register were placed in public housing.

This quarter, the Housing Register increased by 11% over the previous quarter, and is up 41% on the same time last year.

# **Housing Support**

Support is provided to anyone who needs assistance with housing. Support ranges from assistance to sustain private housing and subsidised public housing to transitional housing and Emergency Housing Special Needs Grants.

# \$730.7 million

Total housing support provided in the quarter ending 30 June 2019

(\$717.2 Million - 31 March 2019)







**\$394.0 million** Accommodation Supplement **\$47.6 million** Temporary Additional Support **\$34.3 million** Emergency Housing Special Needs Grant



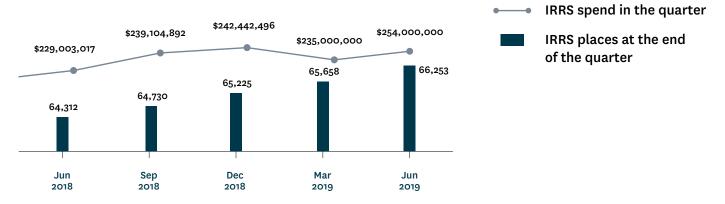
**\$0.8 million** Housing Support Products

### **Income-Related Rent Subsidy**

Income-Related Rent Subsidy (IRRS) payments for individual households increased from last quarter, with the total number of IRRS tenancies increasing by 595 over the June 2019 quarter.

Most tenants in public housing pay an Income-Related Rent (IRR) which generally limits the amount of rent they pay to 25% of their net income. The Ministry of Housing and Urban Development pays IRRS to registered housing providers to cover the balance between the tenant's rental payment and the market rent for the property.

### Income-Related Rent Subsidy – Places and Spend



The total number of IRRS places has increased by 3% on the same time last year.

 \$19.5 million

 IRRS payments per week

 (\$18.1 million - 31 March 2019)

 Note: The IRRS payment figure is a weekly average based on a quarterly total of \$255 million.

Note: A change in accounting disclosure has been incorporated in the Accommodation Supplement figure this quarter.

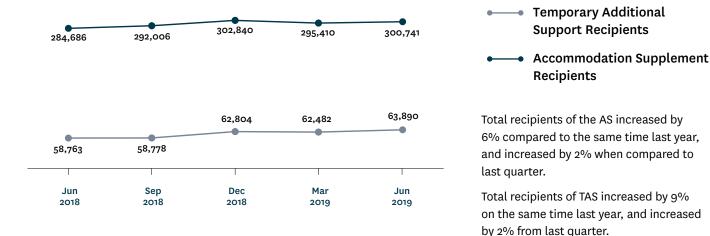
## **Accommodation Supplement & Temporary Additional Support**

# The number of people receiving the Accommodation Supplement (AS) has increased in the June 2019 quarter, while receipt of Temporary Additional Support (TAS) has increased.

Accommodation Supplement is a weekly payment to assist people who are not in public housing, with their rent, board or the cost of owning a home. A person does not have to be receiving a benefit to qualify for AS. From 1st April 2018, the AS regional boundaries and maximum payments changed as a result of the Government's Families Package.

Temporary Additional Support is a weekly payment that helps to cover essential living costs that cannot be met from their income and through other resources. It is paid for a maximum of 13 weeks, and the recipient does not have to be receiving a benefit to qualify for TAS.

### Accommodation Supplement and Temporary Additional Support recipients



300,741

People receiving Accommodation Supplement as at 30 June 2019 (295,410 - 31 Mar 2019)

# \$30.3 million

Accommodation Supplement payments per week (\$30.1 million - 31 Mar 2019)

## 63,890

People receiving Temporary Additional Support as at 30 June 2019 (62,482 - 31 Mar 2019)

# \$3.7 million

Temporary Additional Support payments per week (\$3.5 million - 31 Mar 2019)

### **Housing Support Products**

Housing Support Products (HSPs) consist of a range of products designed to assist people to achieve or sustain accommodation in private housing.

The use of HSP increased by 36% from last quarter. The value of HSP increased by \$245,507 to \$782,296.

**\$549,736** Bond Grants (\$392,038) **\$50,648** Moving Assistance (\$36,736) **\$121,533** Rent in Advance

(\$85,193)

**\$9,357** Tenancy Costs Cover (\$4,823)

### \$51,022

Transition to Alternative Housing Grant (\$18,000)



### Grants for 443 distinct clients (total \$782,296)

(518 grants for 318 distinct clients, total \$536,790 - 31 March 2019)

- Accommodation Supplement figures excludes Special Benefit (which was replaced by TAS in April 2006, but continues to be grand-parented to clients that were receiving it prior to this date), therefore the figures in this Housing Quarterly Report will differ to those published in MSD's quarterly Benefit Fact Sheets.
- A client may have multiple grants during the period for different purposes, but will only be counted once in the overall total of distinct clients.
- A change in accounting disclosure has been incorporated in the Accommodation Supplement figure this quarter.

# **Public Housing Supply**

# Public houses are properties owned or leased by Housing New Zealand (HNZ) and registered Community Housing Providers (CHPs) that can be tenanted by people who are eligible for public housing.

There are currently 69,317 public houses, an increase of 1,037 from the previous quarter (68,280). Of these, 62,934 state houses are provided by Housing New Zealand, and 6,383 community houses are provided by 36 registered Community Housing Providers across New Zealand.



### **Housing New Zealand**

Housing New Zealand is the primary provider of public housing in New Zealand. They own and manage 62,934 homes across the country which accommodates more than 180,000 people.

Over the June quarter, HNZ have increased their total places by 826.



**59,944** HNZ IRRS Places (59,585 - 31 March 2019)

**1,206** HNZ Market Renters (1,262 - 31 March 2019)



527 HNZ Short-term Vacant (349 - 31 March 2019)



# 1,257

### HNZ Long-term Vacant (912 - 31 March 2019)

- There may be some variations in MSD and HNZ reporting. This is due to differences in timing and processes. The MSD data provides a snapshot at a specific point in time, the HNZ data is drawn from an operational database that reflects changes in tenant status.
- HNZ short-term vacant properties are those that are currently between tenancies and are about to be re-tenanted.
- As advised by HNZ, HNZ long-term vacant properties are generally vacant for the following reasons: undergoing major repairs or upgrades, pending redevelopment, or properties that are pending sale, lease expiry or demolition.
- HNZ short-term vacant and HNZ long-term vacant excludes Community Group Housing managed by Housing New Zealand.
- Number of community house represents existing tenancies and does not include vacant properties.

# **Community Housing Providers**

Community houses are homes owned, leased or managed by non-governmental organisations (NGOs) or independent government subsidiaries.

CHPs are diverse in size and structure, offering a range of housing options and specialised and support services. Providers span from local iwi and charitable trusts to large scale Government-Council partnerships, and are located across the country.

Since 2014, registered CHPs have become eligible to receive Income-Related Rent Subsidy. Some providers are also contracted by the Ministry to provide support services for Government programmes such as Housing First and Transitional Housing.

Over the June 2019 quarter, registered CHPs have increased their total tenancies by 211.







74 Registered CHP Market Renters (99 - 31 March 2019)

# **Supporting Housing Needs**

The Ministry of Housing and Urban Development (HUD) and the Ministry of Social Development (MSD) provide a range of products and services to help people with their housing needs, from addressing homelessness to emergency housing special needs grants and transitional housing.

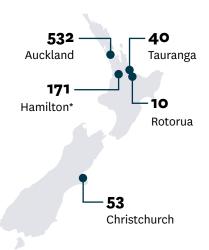
### **Housing First**

Housing First is a collective response to homelessness in a community. It offers people immediate access to housing and then wraps around tailored support for as long as needed, to help people remain housed, and address the issues that led to their homelessness.

HUD's role in Housing First is to bring together local health and social service providers, housing providers, local government, iwi, and other agencies to develop a localised community response to homelessness.

No Housing First collective or programme is the same because no community or region is the same. We facilitate the development of a fit-for-purpose community programme around a series of core Housing First principles.

Housing First programmes began operating in Wellington and the Hutt and Blenheim during July 2019 and the programme is on target to be operational in the Whangarei area during August 2019. Reporting for these areas will be available in the next report.



Housing First programmes in the Mid-Far North, Hawke's Bay and Nelson will be operational in the coming months.

**806** Total households placed as at 30 June 2019 (720 - 31 March 2019)

**1,216** Households accepted into the programme (1,064 - 31 March 2019)

\*HUD commenced contracted funding of the Housing First programme in Hamilton in August 2018. The People's Project in Hamilton has been operating since 2014.

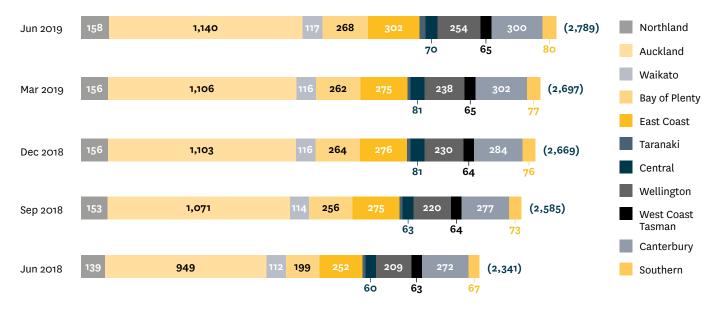
# **Transitional Housing**

An additional 92 transitional housing places became available in the quarter, with a total of 2,789 places secured for tenanting.

### What is transitional housing?

The intention of transitional housing is to provide housing and support to vulnerable households, and support to transition to long-term housing. The specific nature of the support and intensity of this support, for each household, will vary according to the characteristics and needs of the household.

### **Transitional Housing Places**



#### Notes:

• Data labels have been excluded where the number of places is fewer than 60.

**2,789** Places secured for tenanting as at 30 June 2019 (2,697 - 31 March 2019)

# \$585 million

Funding from 2016 to 2022

### **Emergency Housing Special Needs Grant**

# The number of Emergency Housing Special Needs Grants (EH SNGs) administered by MSD increased compared to the last quarter.

The purpose of the EH SNG is to help individual and families with the cost of staying in short-term accommodation (usually a motel) if they are temporarily unable to access a contracted transitional housing place or private rental.

The EH SNG pays for short-term accommodation for up to seven days at a time.

### **EH SNG recipients**



Number of distinct clients who received one or more EH SNGs (in the quarter)

Every applicant for an EH SNG must make reasonable efforts to find secure accommodation. For most applicants, this includes applying for transitional housing and public housing.

The EH SNG payment normally does not need to be paid back by the applicant, but where the household has contributed to their own housing need, the EH SNG may be made recoverable at 25% of the applicants weekly income.

In the June 2019 quarter, 4% of EH SNG grants were recoverable payments. This has reduced from 5% for the June 2018 quarter.

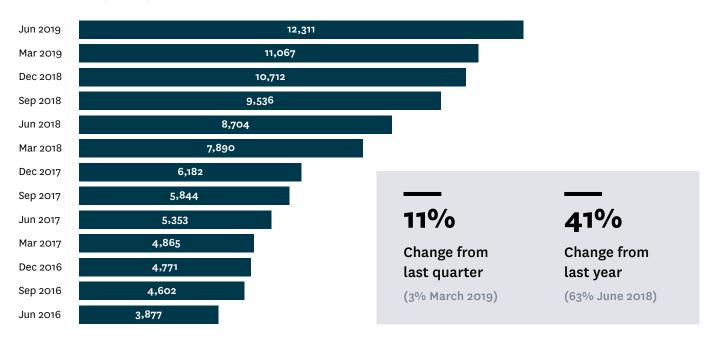
The number of clients receiving EH SNGs increased by 25% compared to last quarter and compared to June 2018 quarter increased by 77%.



- This is a count of grants. A client can have more than one grant in the time period.
- Emergency Housing assistance payments are granted as Special Needs Grants.
- The total amount granted may not be the same as the amount spent.

## **Housing Register**

The Housing Register captures the housing requirements of people who have applied for public housing through MSD.



### Priority of applicants on the Housing Register

The Housing Register is prioritised by need and consists of applicants who have been assessed as being eligible for public housing.

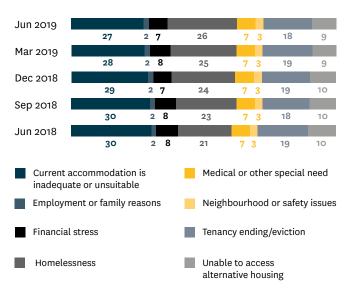
Priority A applicants are considered to be 'at risk' and include households that have a severe and persistent housing need that must be addressed immediately. Priority B applicants are those with a 'serious housing need' and include households with a significant and persistent need.

In the June 2019 quarter, Priority A applicants on the Housing Register increased to 84% (from 81%) and Priority B applicants shifted to 16% (from 19%).

### **Priority of applicants**



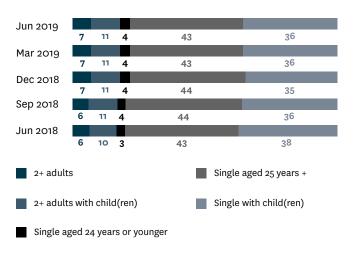
## Characteristics of the applicants on the Housing Register



### Main reason for application (%)

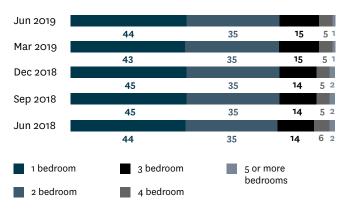
The main reason for applying for public housing is captured during the application process.

### Household composition (%)



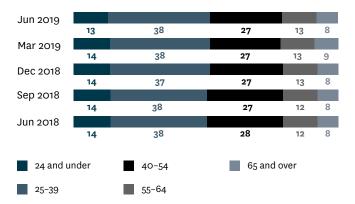
Household composition describes the people who will be housed with the applicant. This may include extended family or boarders who are permanent members of the household, and provide or receive financial, physical and emotional support.

### **Bedrooms required (%)**



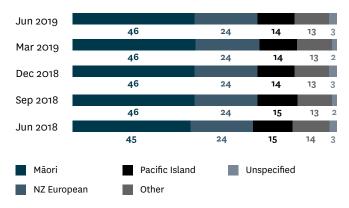
Number of bedrooms required is based on the composition of the household.

### Age of main applicant (%)



The age group data in this report is for the main applicant only and does not include any other individuals associated with the application.

### Ethnicity of main applicant (%)

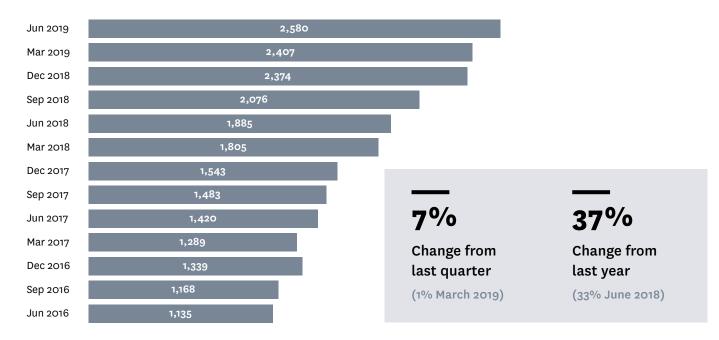


The following ethnicity data is self-identified and multiple ethnicities may be chosen by an individual as fits their preference. Multiple selected ethnicities are then prioritised into a hierarchy. Ethnic groups to not currently align with Statistics New Zealand ethnicity groupings.

## **Transfer Register**

# The Transfer Register is prioritised by need and consists of applicants who are already in public housing, but have requested and are eligible for a transfer to another public housing property.

The Transfer Register has increased in the June quarter by 7% compared to March 2019. Over the past 12 months the number of applicants requesting a change to their housing situation has increased by 37%.



### Priority of applicants on the Transfer Register

In the June quarter, Priority A applicants on the Transfer Register increased slightly to 78% (from 72%) and Priority B applicants shifting to 22% (from 28%).

### **Priority of applicants**

 Priority A
 Priority B

 Jun 2019
 78%
 22%

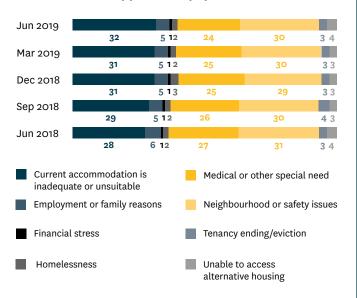
 Mar 2019
 72%
 28%

 Dec 2018
 69%
 31%

 Sep 2018
 66%
 34%

 Jun 2018
 64%
 36%

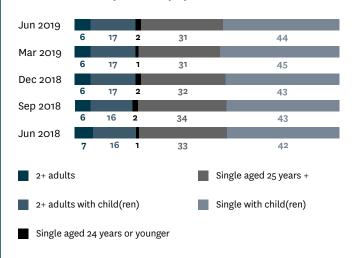
## Characteristics of the applicants on the Transfer Register



Main reason for application (%)

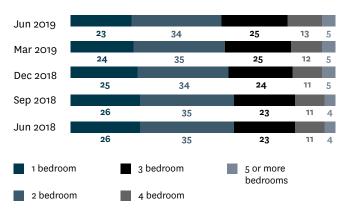
The main reason for applying for transfer is captured during the application process.

### Household composition (%)



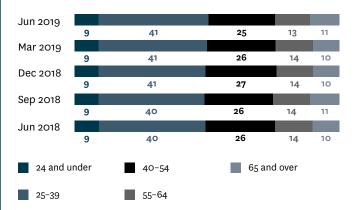
Household composition describes the people who will be housed with the applicant. This may include extended family or boarders who are permanent members of the household, and provide or receive financial, physical and emotional support.

### **Bedrooms required (%)**



Number of bedrooms required is based on the composition of the household.

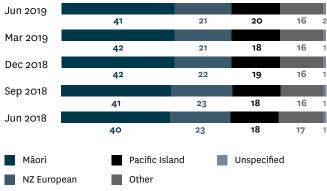
#### Age of main applicant (%)



The age group data in this report is for the main applicant only and does not include any other individuals associated with the application.

The following ethnicity data is self-identified and multiple ethnicities may be chosen by an individual as fits their preference. Multiple selected ethnicities are then prioritised into a hierarchy. Ethnic groups to not currently align with Statistics New Zealand ethnicity groupings.

### Ethnicity of main applicant (%)



## **Regional Overview**

The demand for public housing has increased in all housing regions during the June quarter and compared to June 2018. The top five increases by percentage in the Housing register compared to June 2018 were Waikato (84% or 521 applicants), Central (67% or 273 applicants), Bay of Plenty (59% or 331 applicants), Canterbury (52% or 361 applicants) and Taranaki (52% or 76 applicants).

Northland	Applicants on the Housing Register <b>414</b> (406)	Public Housing tenancies <b>2,074</b> (2,058)	Number of EH SNG approved <b>347</b> (195)
1.9	Applicants on the Transfer Register	Transitional Housing places	Amount of EH SNG approved
	<b>77</b> (78)	<b>158</b> (156)	<b>\$278,363</b> (\$152,096)
Auckland	Applicants on the Housing Register	Public Housing tenancies	Number of EH SNG approved
8	<b>4,846</b> (4,409)	<b>31,110</b> (30,854)	<b>8,905</b> (6,651)
15	Applicants on the Transfer Register	Transitional Housing places	Amount of EH SNG approved
	<b>1,170</b> (1,104)	<b>1,140</b> (1,106)	<b>\$15,223,976</b> (\$10,342,550
Waikato	Applicants on the Housing Register	Public Housing tenancies	Number of EH SNG approved
	<b>1,144</b> (934)	<b>4,464</b> (4,409)	<b>3,299</b> (2,504)
13	Applicants on the Transfer Register	Transitional Housing places	Amount of EH SNG approved
	<b>216</b> (170)	<b>117</b> (116)	<b>\$5,689,361</b> (\$4,063,045)
Bay of Plenty	Applicants on the Housing Register	Public Housing tenancies	Number of EH SNG approved
	888 (720)	<b>2,691</b> (2,677)	<b>3,450</b> (2,701)
1.5	Applicants on the Transfer Register	Transitional Housing places	Amount of EH SNG approved
	<b>84</b> (76)	<b>268</b> (262)	<b>\$4,566,759</b> (\$3,167,373)
East Coast	Applicants on the Housing Register	Public Housing tenancies	Number of EH SNG approved
	<b>959</b> (851)	<b>4,088</b> (4,057)	<b>1,796</b> (978)
and the second s	Applicants on the Transfer Register	Transitional Housing places	Amount of EH SNG approved
	<b>133</b> (127)	<b>302</b> (275)	<b>\$2,453,522</b> (\$1,232,682)
Central	Applicants on the Housing Register	Public Housing tenancies	Number of EH SNG approved
	<b>683</b> (611)	<b>2,262</b> (2,261)	<b>773</b> (575)
1.5	Applicants on the Transfer Register	Transitional Housing places	Amount of EH SNG approved
	<b>114</b> (107)	<b>70</b> (70)	<b>\$721,744</b> (\$519,762)

Taranaki	Applicants on the Housing Register	Public Housing tenancies	Number of EH SNG approved
	<b>221</b> (196)	<b>1,239</b> (1,242)	<b>234</b> (219)
4	Applicants on the Transfer Register	Transitional Housing places	Amount of EH SNG approved
<b>"</b>	<b>35</b> (31)	<b>35</b> (19)	<b>\$159,705</b> (\$162,639)
Wellington	Applicants on the Housing Register	Public Housing tenancies	Number of EH SNG approved
	<b>1,331</b> (1,252)	<b>8,445</b> (8,429)	<b>2,311</b> (1,648)
1	Applicants on the Transfer Register	Transitional Housing places	Amount of EH SNG approved
	<b>376</b> (357)	<b>254</b> (238)	<b>\$3,322,325</b> (\$2,098,006)
West Coast	Applicants on the Housing Register	Public Housing tenancies	Number of EH SNG approved
Tasman	<b>441</b> (391)	<b>1,448</b> (1,452)	<b>655</b> (440)
	Applicants on the Transfer Register	Transitional Housing places	Amount of EH SNG approved
- And	<b>80</b> (75)	<b>65</b> (65)	\$527,528 (\$361,625)
Canterbury	Applicants on the Housing Register	Public Housing tenancies	Number of EH SNG approved
	<b>1,061</b> (1,004)	7,806 (7,674)	<b>1,407</b> (1,122)
A CONTRACT	Applicants on the Transfer Register	Transitional Housing places	Amount of EH SNG approved
<b>F</b>	<b>258</b> (248)	<b>300</b> (302)	<b>\$1,088,895</b> (\$797,024)
Southern	Applicants on the Housing Register	Public Housing tenancies	Number of EH SNG approved
	<b>310</b> (282)	<b>1,843</b> (1,843)	<b>393</b> (224)
	Applicants on the Transfer Register	Transitional Housing places	Amount of EH SNG approved
	<b>37</b> (34)	<b>80</b> (77)	\$304,636 (\$177,277)
Other/	Applicants on the Housing Register	Public Housing tenancies	Number of EH SNG approved
unknown	<b>13</b> (11)	<b>63</b> (63)	<b>4</b> (7)
	Applicants on the Transfer Register	Transitional Housing places	Amount of EH SNG approved
	-	-	<b>\$1,800</b> (\$5,458)

- $\cdot$   $\;$  Numbers in brackets denote previous quarter figure.
- Emergency Housing Amount of EH SNG is the total value of grants approved in the quarter ending 30 June 2019, in each housing region.
- Public Housing (PH) Tenancies includes Housing New Zealand & community housing provider tenanted properties that are either subsidised through Income-Related Rent Subsidy or the tenant is paying market rent, and is at 30 June 2019.

# **People Housed**

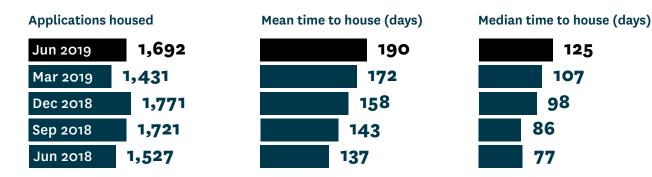
# Over the quarter, 1,692 applicants from the Public Housing Register were housed, an increase of 18% from the last quarter. The median time to house these applicants was 125 days, this is 18 days longer than last quarter.

Over the June quarter, 1,609 applicants from the Housing Register were housed, and 83 applicants from the Transfer Register were re-housed. The majority of applicants housed from both registers were for Priority A applicants (1,628 compared to 64 Priority B applicants). A majority of the housed applicants went into Housing New Zealand properties 1,310, while 382 were housed in a community housing provider properties.

### **Time to House**

The length of time an application remains on the Register can be dependent on a number of reasons. For example, an applicant may remain on the Register for a longer period of time where they have specific preferences or requirements about where they need to be housed, have had a change in circumstances while they are on the Register, or seek housing in areas which have high demand.

Time to house is defined as the number of calendar days between the date an application is first confirmed on the Public Housing register as an 'A' or 'B' priority and the date a tenancy is activated for that application.



#### Notes:

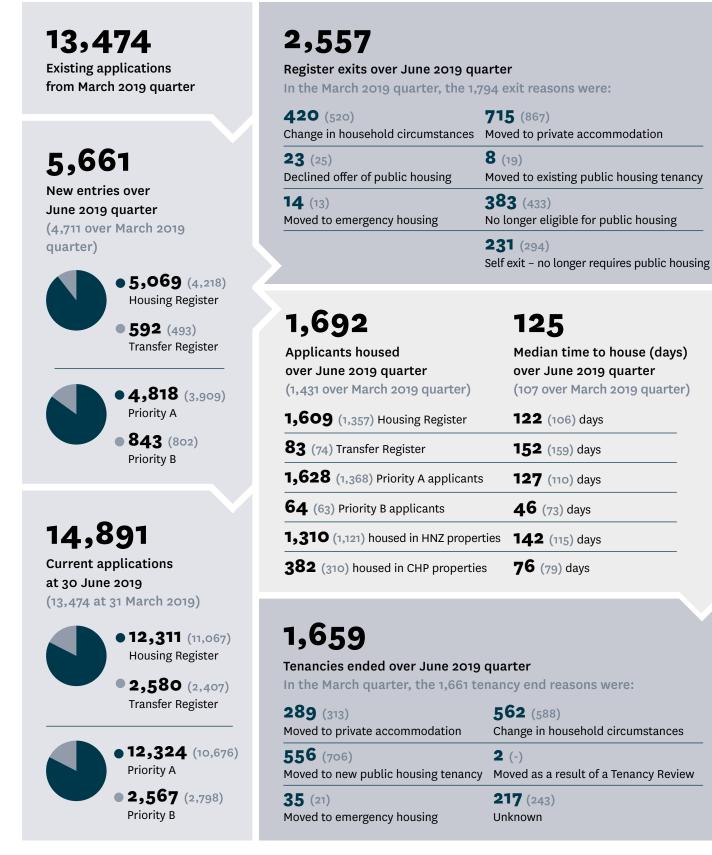
• Mean is an average of a set of numbers and median is the central value of a set of numbers.

• The date a tenancy is activated may differ from the tenancy start date.

- This table includes both A and B priority applications.
- The quarter in which the tenancy was activated is the quarter in which the application has been reported as housed.

# **Public Housing System Overview – June 2019**

The information below illustrates the entries on and off the Public Housing Register for the June 2019 quarter, with the numbers in brackets showing the March 2019 quarter.



**Note:** The difference in register flow and outcomes is generally due to tenancy transfers where a tenancy is ended and a household is housed but do not originate from the Public Housing Register. Register exit and tenancy end reasons are measured 28 days after the register exit or tenancy end, to ensure an accurate outcome, and are therefore shown for the previous quarter (March), with a comparative to the previous quarter (December) shown in brackets. Change in household circumstances includes relationship changes, deceased, imprisonment, left NZ, entered residential care, or changes in living arrangements.