

2021  
**ANNUAL  
REPORT**

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# CHAIRMAN'S MESSAGE

The past year has, as most will acknowledge, been one of uncertainty and challenge as we, and the rest of the world, come to grips with the impact of Covid-19. Despite these challenges, I'm proud to say that Housing Foundation has had a successful year in delivering homes to many families. During the past financial year, we delivered 43 new homes for families participating in our shared equity and rent-to-own programmes. Our flagship project, the Puhinui Partnership in Barrowcliffe, Manukau, which is a joint venture with Te Tumu Kainga and CORT, has delivered 62 homes during the year and the remaining 115 homes will be completed by mid-2023.

At the beginning of this year, we relocated our team and operation from our very inadequate premises in Pt Chevalier to a new office in Nugent Street, which was long overdue. This new space enables our team to work more efficiently and collaboratively and is an important part of growing our capacity to do more in terms of delivery of homes in the years ahead.

With the stresses of living with the Covid-19 pandemic, we have become increasingly focused on matters of health and safety, particularly in terms of our team, our families and our contractors. Covid-19 has brought the flexibility of working more from home, but it has also brought pressure in terms of separation and isolation. We feel very strongly that, as an organisation, it is our responsibility to support all our stakeholders.

Our work, particularly in Auckland, grows more challenging. Despite the predictions of the economists last year of a shrinking economy, rising unemployment and falling house prices, we have seen an economic boom, with house prices increasing at an unprecedented rate. This has been fuelled by low interest rates and quantitative easing, which has made cheap home loans available to many. At the same time, changes to the Residential Tenancies Act, restrictions on foreign ownership of houses and changes to taxation rules relating to rental properties, while well-intentioned, have seen pressure on the availability of rental properties and increases in weekly rentals which have made it harder for many to secure safe, secure and affordable accommodation.

In accordance with our mission, we want to support more families into home ownership or secure rental accommodation. In order to do this, our strategy is built around a number of key areas. We see partnerships with others, whether they are iwi, local authorities, government organisations, land developers or community and Maori housing providers, as essential to creating more opportunities to deliver affordable home ownership and secure accommodation. They provide the opportunity to deliver at scale and to implement effective place making and community development. Raising capital to fund shared ownership of homes is essential and we have been fortunate during the year to be able to access funding from the Government's progressive home ownership scheme to fund the shared equity portion of some 80 homes.

Diversity of products is also a key strategy, as we research options to be able to deliver diverse products, such as apartments, as well as catering to the needs of young people and older adults. We also aim to achieve greater geographic diversity and to truly be the Housing Foundation for all New Zealand.

At board level, we have had changes over the past year. Judy Whiteman and David Kennedy, both experienced and skilled directors, joined us early in 2021 and have added to the capability and diversity of thought of the board. I am very pleased to welcome them to the board. Sadly, we will also be farewelling two retiring directors shortly. Bill Roest and Ian Mitchell, who have both been directors and trustees of Housing Foundation for many years and have been integral to the growth of the organisation, will step down in August 2021. I would like to acknowledge and thank them for their enormous contribution to the achievements of Housing Foundation, in particular to the values and culture of who we are today.

I also wish to pay tribute to the work done by our CE, Dominic Foote, over the past year. He has provided steady and calm leadership to his team, which has been essential to the organisation as we navigated the challenges of the past year. I congratulate him and the whole team for what they have achieved this year under trying circumstances, and for their continued commitment to our cause.

Whilst we provide the products and the processes, it is the families who join with us in shared equity who are the real heroes. It is only through their commitment and determination to be home owners that we can report the number of homes delivered. It is not an easy path, and their commitment to home ownership and participation in community development is worthy of our respect and admiration.

**Sandy Foster**  
Chairman – NZ Housing Foundation



“Today we have received the house keys, me and my family are excited to see the property, to be honest your team have really given a helping hand in all aspects right from the beginning until the settlement of the property which was very appreciated.”

New Resident, Hall Avenue, Mangere



# CE'S MESSAGE

As we all know, last year was dominated by Covid-19. The impact of Covid-19 was felt in every aspect of our work and the lives of all with whom we work and our households with whom we work. It's also obvious Covid-19 will continue to impact on our lives and work in many different ways in 2022, but hopefully with lessening impact.

I am really proud of how the Housing Foundation teams and everyone associated with the Foundation responded to the lockdowns especially the Level 4 and 3 lockdowns which required us all to quickly transition to a different way of working. Our ability to transition to working from home with minimal disruption was possible because of our decision in 2019 to transition to a fully cloud-based business. This gave us the comfort that we knew we could all work from home at any time with little or no notice. Not only did video conferencing enable us all to stay in touch with each other and share our experiences; we also got to know a lot more about each other.

Our teams did a phenomenal job ensuring our day-to-day operational activities continued as best as possible during the lockdowns. The ability of the Housing Foundation to continue operating across all our operational areas is evidenced by the fact that by our financial year end Housing Foundation had housed 123 households in new warm, sustainable and affordable homes. Of these Housing Foundation built 98 houses for its households and assisted a further 25 households into new houses through our iwi and third-party management services. Overall Housing Foundation fell short by 20 homes of its target for 2020 / 2021 target. It pleases me though that the shortfall of 20 homes were delivered within the first few months of our current financial year.

This result could not have been achieved without our contractors, who responded superbly and quickly to the lockdowns, securing their sites at level 4 and then planning safe and healthy opening up of their sites so their employees and sub-contractors could work safely at levels 3 and 2. Without this level of support from our contractors we would not have been able to provide housing for so many households.

For most of the year our Household Team was focused on staying in regular contact with our households. This enabled us to understand what was happening for them and what we could do to assist them to navigate the uncertainty of the lockdowns. Feedback from households was unanimous in their appreciation of Housing Foundation being there to help them if they needed support. Because of this contact we were able to tailor solutions for several of our households to help them through the lockdowns and the uncertainty of income.

Over the previous year our Household team worked with and assisted over 400 households in our affordable home ownership programmes. We also provided guidance and direction to more than 100 households interested in our programmes but who were not yet in the position where they could apply to be in our programmes.

At the same time we experienced large numbers of households contacting us to understand our programmes and to see if they fitted the criteria. This significant increase in interest in our programmes when our programmes were not being advertised was clearly a reflection of Auckland's escalating house prices and increasing housing unaffordability.

Over the last year as our workloads became more intense and we strived to make sense of our new (Covid-19) environment it became obvious our teams and delivery partners were having to operate within more stressful environments fuelled by uncertainty and the knowledge that housing was becoming more and more unaffordable.

These changes in our working environment prompted a review and subsequent enhancement to our wellbeing policies, leading us to partner with Ignite, a wellbeing social enterprise whose employee wellbeing and mental health services our teams can access individually when they want them.

Housing Foundation also decided to partner with Mates in Construction, a not-for-profit organisation with the goal of significantly improving mental wellness and reducing suicide in the construction industry. We are all conscious the construction industry has one of the highest levels of suicide per capita employed in New Zealand, a number which needs to be reduced.

In July 2020 the Government launched its \$400m Progressive Home Ownership (PHO) funding programme to help those households trapped in the rental market purchase their first home. This is the largest investment by Government in affordable home ownership products that are designed to assist low-income renting households' transition into home ownership.

I believe credit for Government investing \$400m in PHO programmes should go to the KiwiBuy Coalition of Housing Foundation, Habitat for Humanity, The Salvation Army and Community Housing Aotearoa. The KiwiBuy coalition was established in 2018 to highlight the decline in home ownership rates and the increasing cost of home ownership for households who traditionally had been able to transition from renting to home ownership.

The KiwiBuy Coalition worked with government to demonstrate how affordable home ownership products work, who the products assist and how the products do not lead to the funding support not being captured by a single household. You'll read in this annual report how the PHO fund has assisted a working renting household become homeowners and what it means for them.

Last year saw an expansion of our Household Management Services to iwi and Maori organisations across New Zealand. The provision of our Household Management Services through partnership agreements has helped iwi, Maori and Community organisations and Tamaki Regeneration Company fund whānau into affordable home ownership. A key philosophy of our service provision is to demonstrate through action how our services work so our partners can decide whether they want to provide household management services directly to their whānau.

In conclusion while 2020-21 was a year like no other, Housing Foundation still achieved its 2020/21 objectives and then some more. This is due to the amazing attitude, focus and resilience of our Housing Foundation teams, our Board of Trustees, our delivery partners and our stakeholders who have the desire and drive to assist as many renting low income working households as possible into affordable home ownership.

While there remains much more to be done, it is with enormous gratitude that I look back with pride on how well Housing Foundation responded to incredibly testing times by delivering affordable housing outcomes for households who are working hard just to stand still. There is much more to be done, but I know with our partners we can keep rising to the challenge and in doing so, achieve so much more.

**Dominic Foote**  
CE – Housing Foundation

## Housing Foundation responded to incredibly testing times by delivering affordable housing outcomes for households who are working hard just to stand still.

# THE NUMBERS

# 994

homes have been built to date

# 305

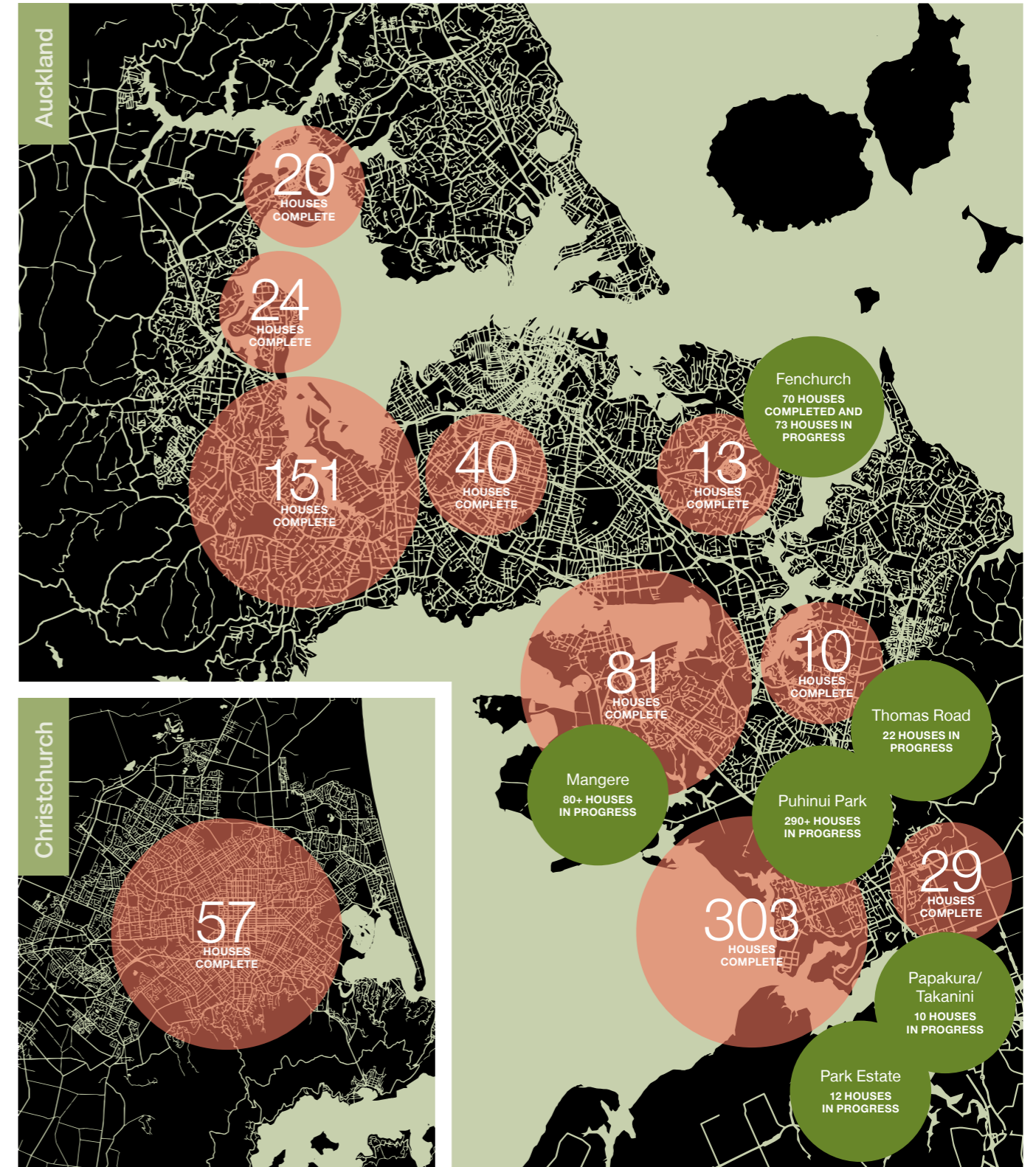
homes planned and under construction

123 houses built in the 2020/21 year

1,299 total homes planned, under construction or built

# DEVELOPMENT PROGRESS ACHIEVED

Auckland and Christchurch only, excludes Kaitia, Kaikohe, Coromandel and other locations.



# HOUSING FOUNDATION UPDATES

## Housing Foundation's move to Nugent St

In April 2021 the Housing Foundation team moved into their new office premises. The 1930s bungalow on Point Chevalier Road, whilst being reflective of our core housing business, had become unsuitable as a functioning office. We were fortunate to be able to secure a blank canvas with which to create a layout and décor far more conducive to our purposeful albeit flexible, informal and collaborative culture. The office is spacious with room to grow and has three meeting rooms, two of which are fitted with modern presentation and video communication technology. A bonus is having 17 carparks included with the property. The office based team is now happily ensconced in the new premises and there is ample room for the remote team members to work at hot desk positions or in meeting rooms if they choose.

## Working with Iwi and Third Parties

Housing Foundation is regularly approached by Iwi, Maori, Pasifika and third party housing providers for housing related advice and support. We always respond and are happy to provide this ad hoc support.

In some cases, this support becomes significant enough for the parties to develop a housing services agreement based on commercial terms. Housing Foundation does not seek to profit from these arrangements but does cover its costs and is providing services to seven organizations.

## David Kennedy

– new Trustee

**David is an experienced director and chief executive. He has held CEO roles with Ngai Tahu Property, The Eden Park Trust and St Lukes Group/Westfield NZ. David has also held senior roles with SKYCITY Entertainment Group.**

He now concentrates on board directorships and some advisory consulting work. David has significant experience in the property and building sectors and has also worked in the entertainment sector.

David is on the board of Eke Pānuku Auckland and Naylor Love.

## Judy Whiteman

– new Trustee

**A director, facilitator, mentor, executive coach and consultant in both the commercial and not-for-profit sectors, Judy is passionate about helping people achieve success for themselves, their people, and their organisations.**

Judy has many years' experience in senior management and executive positions in the global financial services industry, both in New Zealand and abroad. She has also been involved for over 30 years in the not-for-profit sector in several countries as a volunteer, board member and consultant. Judy is an Associate of the Centre for Social Impact and provides the Centre with specialist advice for capacity development programmes.

Judy has been a director (executive and non-executive) on various boards. Her many years of governance experiences are deep and diverse. She is currently an Independent Director with the Bank of India (New Zealand) Ltd. Previous governance roles include Presbyterian Support Northern (Independent Trustee, Deputy Chair, Chair of Investment Committee) Te Waipuna Puawai (Independent Director, Chair) and ANZ Staff Superannuation (Australia) Ltd (Director).

Judy is a member of Chartered Accountants Australia and New Zealand, Chartered Member Institute of Directors New Zealand and Fellow Australian Institute of Company Directors.

# FLAT BUSH DEVELOPMENT FEEDBACK



**“We have been in our new home for a month now, and still can't believe we get to live here. It is perfect in every way I can think of. The layout, the location, the build quality, it's warm! I doubt I can convey what an impact you all have on families and the wellbeing of kids that get to live in one of your homes. Truly thank you from the bottom of our hearts”** Flat Bush Resident

# OVERWHELMING SUPPORT



## The Vi whanau Salesi and Sandalyn Vi and their two children, son Pace (7) and daughter Edna (8) have enjoyed moving into the Hall Avenue neighbourhood

They have found it central to Sandalyn's dentist job in Papatoetoe and there is good access to the motorways which is important for Salesi who works on the North Shore. The house is close to amenities and local parks such as the Mangere shopping centre, Mangere Mountain, Ambury Farm and Mangere Bridge township.

For Sandalyn and Salesi the other advantage of moving into a new Housing Foundation home was the standard of the build. The house is fully insulated, and the windows are double glazed. The home included a heat pump and dishwasher.

The previous house was cold, damp and had no insulation so the children were constantly getting sick during winter.

The Vi family said,

"Since moving into this house 6 months ago the biggest difference for our family is that the children have their own bedrooms and space as our previous house only had two bedrooms so the children had to share a bedroom while we occupied the other one. The kids are much happier now that they can have their friends and cousins stay over and living in the development means there are plenty of neighbourhood kids to play with.

As homeowners we are very conscious of how we organise our finances and our aim is to buy out Housing Foundation shares within the next few years so that we can own this house 100%. We are proud that we can put our money into an asset that will grow in value over time rather than our money going into rent.

We are grateful of this opportunity we were given at the end of last year and appreciate the (Housing Foundation) staff support to get into this house, it was overwhelming at times and it happened very fast and we were into our new home on Christmas eve. So we slept there on the floor in the living room on mattresses on the Eve of Christmas and it was a true gift for our little family. We would like to thank the Housing Foundation from the bottom of our hearts for the support that we have received to buy this house"

**"We are proud that we can put our money into an asset that will grow in value over time rather than our money going into rent"**

# PUHINUI PARK

Nestled in between the vibrant business hub of Manukau City and the lush flora of the Puhinui Stream & Reserve, Puhinui Park also boasts unrivalled access to both motorways and the Manukau train station.

Housing Foundation Sales Manager Greg Freeman notes that “all our customers absolutely love the location, it’s a major drawcard. 84 houses are now occupied and the Resident Association committee is in action, making a positive contribution to community life and friendly neighbourhoods. Puhinui Park is a place our new residents now proudly call home.”





# FINANCIAL REPORT

## Statement of Comprehensive Revenue and Expenses

For the Year Ended 31 March 2021

Revenue from exchange transactions	2021	2020
Property Sales	22,542,455	18,782,276
Less Property Purchases	18,487,666	14,262,035
	<b>4,054,789</b>	<b>4,520,241</b>
<b>Other Operating Revenue</b>		
Grants Received	2,370,200	8,333
Rent Received	1,340,240	1,189,926
Other Fees, Interest and Capital Gains	3,740,396	4,255,270
	<b>7,450,836</b>	<b>5,453,529</b>
<b>Less Expenses</b>		
Operating and Administration Expenses	2,998,985	2,575,318
Interest	58,141	31,403
	<b>3,057,126</b>	<b>2,606,721</b>
Net Surplus	<b>8,448,499</b>	<b>7,367,049</b>
Partner's share of surplus / (loss) from Waimahia Inlet and Puhinui Park	470,989	(7,781)
<b>Net Surplus and Total Comprehensive Revenue and Expenses</b>	<b>8,919,488</b>	<b>7,359,268</b>

## Statement of Financial Position

As at 31 March 2021

Current Assets	2021	2020
Cash and term deposits	30,336,963	32,291,127
Receivables and prepayments	3,527,752	2,330,428
Land & Buildings held for sale	6,311,313	2,491,225
Work in Progress	3,363,674	7,879,790
	<b>43,539,702</b>	<b>44,992,570</b>
<b>Current Liabilities</b>		
Accounts Payable	1,578,205	1,165,975
Grant facilities and provisions	690,093	748,510
Term Loan Payable – Current Portion	56,108	3,441,488
	<b>2,324,406</b>	<b>5,355,973</b>
<b>Net Current Assets</b>	<b>41,215,296</b>	<b>39,636,597</b>
<b>Non Current Assets</b>		
Land and Buildings	47,782,237	39,077,041
Computers and Office Equipment	32,542	7,656
Investments	1,878,580	1,407,616
	<b>49,693,359</b>	<b>40,492,313</b>
<b>Non Current Liabilities</b>		
Term Loan Payable	4,432,071	2,571,814
<b>Net Assets</b>	<b>86,476,584</b>	<b>77,557,096</b>
<b>Trust and Shareholder's Equity</b>	<b>86,476,584</b>	<b>77,557,096</b>

The financial report has been audited by William Buck, Auckland.

Attractive vibrant communities where whānau and households thrive and neighbours connect



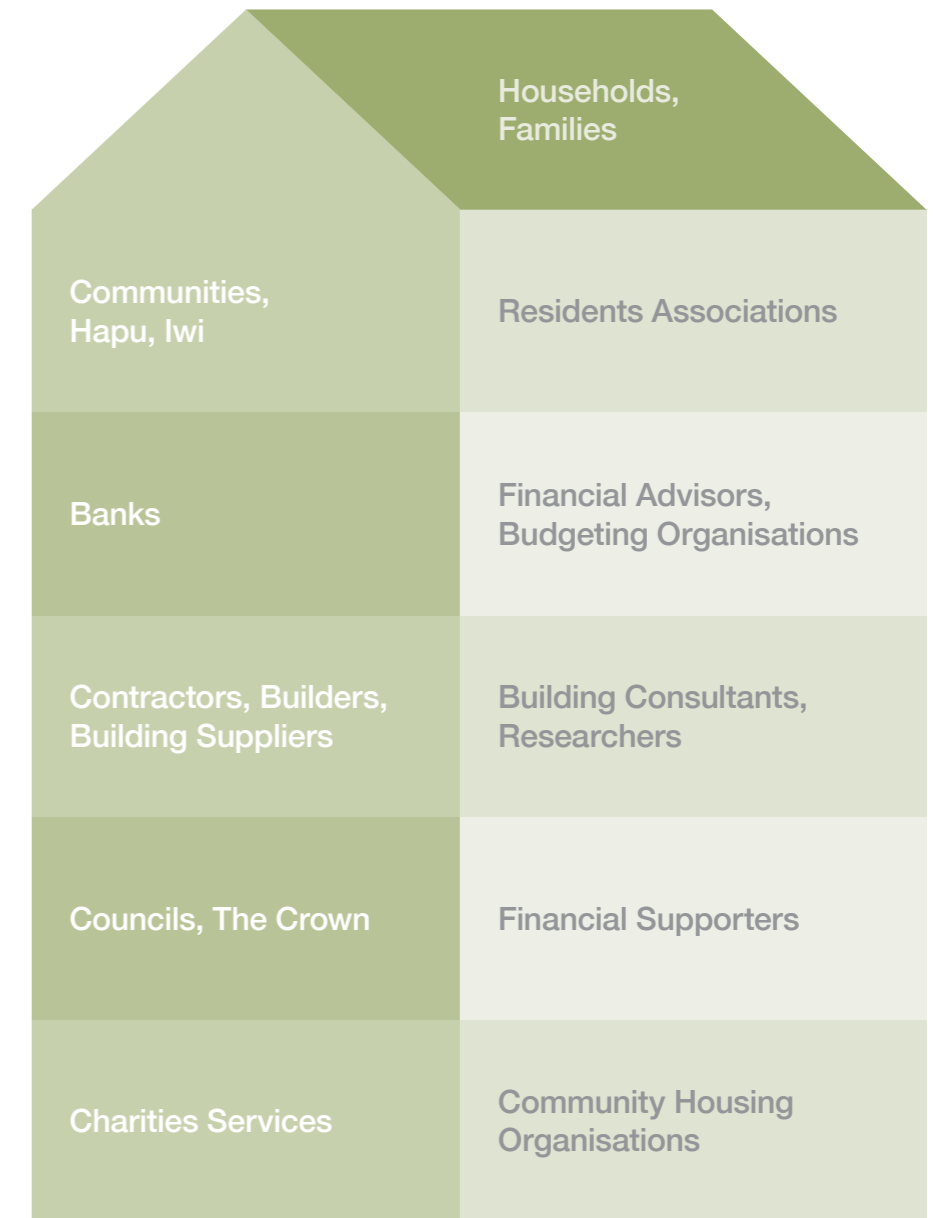
# OUR PEOPLE, PARTNERS AND SUPPORTERS

## Board of Trustees

- \_\_\_\_\_  
Kate Armstrong
- \_\_\_\_\_  
Sandy Foster
- \_\_\_\_\_  
Tony Lanigan
- \_\_\_\_\_  
Ian Mitchell
- \_\_\_\_\_  
Bill Roest
- \_\_\_\_\_  
Sarah Sinclair
- \_\_\_\_\_  
Ken Stevenson
- \_\_\_\_\_  
David Kennedy – joined March 2021
- \_\_\_\_\_  
Judy Whiteman – joined March 2021

## Team Members

- \_\_\_\_\_  
Joanne Campbell
- \_\_\_\_\_  
Angela Castles – joined May 2020
- \_\_\_\_\_  
Jason Donnelly
- \_\_\_\_\_  
Geoff Fariu – left March 2021
- \_\_\_\_\_  
Dominic Foote
- \_\_\_\_\_  
Greg Freeman
- \_\_\_\_\_  
Malcolm Hope – left December 2020
- \_\_\_\_\_  
Tom Kemp – joined October 2020
- \_\_\_\_\_  
Bill King
- \_\_\_\_\_  
Julia Kranenburg – joined June 2020
- \_\_\_\_\_  
Erin Liava'a – joined July 2020
- \_\_\_\_\_  
Issac Liava'a – joined February 2020
- \_\_\_\_\_  
Denise McCombe
- \_\_\_\_\_  
Debbie Mustill – joined February 2021
- \_\_\_\_\_  
Russell Ness
- \_\_\_\_\_  
Frank Rientjes
- \_\_\_\_\_  
Nigel Spratt
- \_\_\_\_\_  
Janice Thompson
- \_\_\_\_\_  
Juanelle Uaisele
- \_\_\_\_\_  
Talei Williams



The Housing Foundation works with a broad range of trusted individuals, groups and organisations to deliver our mission. We value your ongoing partnership, your companionship and your support. Thank you everyone. We are deeply grateful.

Special thanks to The Tindall Foundation, a foundation partner and enduring supporter.



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[www.housingfoundation.co.nz](http://www.housingfoundation.co.nz)

The New Zealand Housing Foundation is a registered New Zealand Charitable Trust (CC23927)  
and Registered Class 1 Social Landlord with the CHRA (RA019).