Social housing projects for more than 500 homes axed



October 21, 2024



Almost 70 Käinga Ora social housing developments have been cancelled, totalling more than 500 homes. (File photo) KELLY HODEL / WAIKATO TIMES

The Government has listed its priority locations for building new public housing around the country while also axing projects for more than 500 homes.

Housing Minister Chris Bishop, in response to a Written Parliamentary question, confirmed 69 social housing projects had been cancelled, totalling 532 homes.

Meanwhile, 72 projects which were under assessment as at the end of July had progressed to contract by the end of September. Many were in Rotorua.

The future of at least 37l Kāinga Ora housing developments were being reassessed as of the end of July, while 23,000 households continued to wait for a home.

One of the cancelled developments is on Fergusson Drive, Upper Hutt, a city which has about 177 people on the waiting list.

Of 12 projects being reassessed totalling 62 proposed units, a 20-unit development on Remutaka St had progressed to contract.

The cancelled project was not a big development, said Upper Hutt Mayor Wayne Guppy. Others were going ahead and the redevelopment of older sites was positive.





Upper Hutt Mayor Wayne Guppy says more housing is always needed and the upgrade of aging sites as well as new developments going ahead in Upper Hutt is positive. (File photo)

JUAN ZARAMA PERINI / THE POST

"We need houses and we need a variation across the board, whether it's private sector or Government," Guppy said. "I don't think we're ever going to have enough, so we need to continue to be building and developing."



Wellington Central Greens MP Tamatha Paul said the axed projects meant hundreds of homes would not be built in places with "extremely high" public housing waiting lists. It was "deeply disappointing".

Auckland, which was listed as a "priority location", also had the highest number of cancelled projects which was "ironic", Paul said.

Other priority areas were Northland, Waikato, Bay of Plenty, Rotorua, Gisborne, Hawke's Bay, Taranaki, Central, Wellington, West Coast, Tasman, Canterbury, Southern – or almost every region in the country except for Nelson and Marlborough.

They were identified as locations where the biggest gains would be to get people out of motels used for emergency housing.

Public housing was one of the strongest tools to provide housing to the most vulnerable people in the community and it also brought down rent costs, Paul said.





Andrea Vance talks to Wellington MP Tamatha Paul

VIDEO CREDIT: DAVID UNWIN

Meanwhile, more than 300 staff are set to lose their jobs at Kāinga Ora.

 $Bishop\ said\ the\ Government\ was\ committed\ to\ addressing\ the\ housing\ crisis\ and\ would\ no\ longer\ be\ giving\ "K\"ainga\ Ora\ more\ money\ and\ hope\ for\ the\ best".$

"We are focusing on the fundamentals of housing supply, which is land supply and infrastructure funding and financing," he said.

"We commissioned an independent review into Kāinga Ora to get it back on track, and Ministers will receive a turnaround plan from the new Kāinga Ora board by the end of the year."

Saturday November 2, 2024





Housing Minister Chris Bishop says the Government is committed to addressing the housing crisis. (File photo)

Over the next two years, Kāinga Ora would deliver 2600 additional social housing homes while upgrading 1350 homes, he said. The Government also funded 1500 more homes delivered by Community Housing Providers.

"Our focus for Kāinga Ora is on ensuring it looks after its tenants effectively, and builds and maintains houses in an affordable way that reflects taxpayer expectations of value for money," Bishop said.

"The answer to New Zealand's housing crisis is to build more houses – developed by the private and public sector."

Gareth Stiven general manger of strategy, finance and policy at Kāinga Ora said while some projects had been cancelled, it did not mean development would never proceed and instead projects might require a re-design to achieve the best value for money.

Some canned projects were in priority areas where there were enough housing projects under construction or under contract to meet the Government's delivery expectations, Stiven said.

"The workforce changes we are proposing to make will not impact on our ability to deliver those homes."

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