

Social and Affordable Housing A Whole of Community Response

Homes for People is a local community-based provincial response to the impending housing issue. Developing home making partnerships across commercial, community and social sectors is crucial to the long term well-being of our community.

State of the Nation (“The Needs”)

Housing needs in our community are not being addressed adequately by the current structures. Central government through Housing NZ remains the major supplier of social housing. The model developed in the 1930’s served NZ well, but its effectiveness has diminished in recent decades. Local councils, the other significant supplier of social housing, do not have the mandate nor the resources to fill the emerging gap.

There are immediate and imminent needs to be considered. These revolve around low income people and households, **in particular the elderly and disabled**. There are also small but significant groups, including youth and released offenders, who are significantly impacted by housing demand exceeding supply.

The open market lacks the required financial incentives to effectively meet the growing need. The resources required do not match the level of financial return which can be achieved through other commercial initiatives. At the current rate of new dwelling development, by 2031, the housing supply in Palmerston North will have a **shortfall of 5,900 dwellings**.

The community response must address the entire housing continuum from the supply and management of emergency housing through to improved affordability in the private market.

Homes for People Response

Homes for People’s vision is to **empower and transform community with innovative social and affordable homes for low income people and households in our region**. Those who become Homes for People residential partners will benefit from stable and secure tenure in homes contributing to improved social, physical, emotional and financial health outcomes.

To achieve its vision, **Homes for People is engaged in a whole of community response**. Sustainable partnerships across the commercial, community and social sectors are vital to the success of addressing the housing needs ahead of our community.

Building Partnerships

Commercial sector partnership will enable Homes for People to increase the supply of suitable and affordable homes not currently being developed by the open market. Sustainable relationships with the commercial sector will be built around ‘cost plus’ supply arrangements and ‘fair market value less discount’ service agreements. Pro bono work, along with charitable donations, will enable Homes for People to supply social sector partners with emergency accommodation.

Community partnerships will enhance efficient access to resources. Central and local government remain the primary stakeholders of social housing initiatives. The ability to efficiently access and strategically use land and other commonly held resources is important to the operational success of Homes for People. Community groups are often well positioned to identify, advocate for, support and partner with people willing to become residential partners of Homes for People.

Social sector partners, working with people most affected by the housing issues, provide holistic support to residential partners which Homes for People assist into improved housing environments.

Homes for People offers a 'blended value investment' opportunity. Equity investors and financial partners receive an **extensive social return** accompanied by a cost of capital financial return. The opportunity to develop a close relationship, shared equity outcome with a Homes for People residential partner further enhances the social return.

The circumstances and housing needs of people vary over time, as do the development opportunities. Different products are available to assist people as they journey along a **pathway towards home ownership**.

Case Study – The Journey of a Residential Partner

A solo underemployed parent is helped into a suitable assisted rental home which provides stability and security as children progress through the formative years. The opportunity to make this a **home for life** motivates the parent to upskill. Once the children have begun school, the parent finds suitable employment which enables a shared equity partner to assist them into home ownership. The Homes for People residential partner has been afforded the opportunity to raise their children in an affordable, warm, secure and suitable home.

The family benefits from a conducive social, emotional and physical environment which has led to **improved health and educational outcomes**; as well as acquiring an asset which provides financial security.

Society benefits from a **more active participant and contributor to the community**, in addition to greatly reduced health, social service and housing costs.

Homes for People

A WHOLE OF COMMUNITY RESPONSE

TO A COMMUNITY ISSUE

WORKING WITH COMMUNITY PARTNERS

FOR THE BENEFIT OF THE COMMUNITY

Do any of these partnership models resonate with you? If so, Homes for People look forward to meeting you and talking through what partnering together might look like.