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ANNUAL REPORT

06

CONTENTS	1	MISSION AND STRATEGIC GOALS
	2	ACHIEVEMENTS IN 2005/06
	3	CHAIRMAN'S REPORT
	4	MANAGER'S REPORT
	5	RESEARCH INVESTMENTS
	9	RESEARCH PROMOTION
	10	THE CHRANZ BOARD
	12	FUNDING AND FINANCIAL INFORMATION



THE CHRANZ MISSION The mission of the Centre for Housing Research, Aotearoa New Zealand – Kāinga Tipu (CHRANZ) is to: “Invest in rigorous, independent and relevant housing research to support policies and practices that meet New Zealand’s changing and diverse housing needs through sustainable, affordable, good quality and responsive housing opportunities.”

The CHRANZ approach to housing research takes in a holistic view, embodied in its Māori name Kāinga Tipu. In this sense, the word “housing” embodies both dwellings and wider living environments.

STRATEGIC GOALS

CHRANZ is the leader in setting priorities in housing research and is an effective investor in rigorous, independent and relevant housing research.



CHRANZ will encourage public, private and third sector stakeholders to invest in housing research.



CHRANZ will grow housing research capacity.



CHRANZ will promote the use of housing research findings by public, private and third sector stakeholders in the housing sector.



CHRANZ will develop a sustainable organisational model.



ACHIEVEMENTS IN 2005/06	
	<ul style="list-style-type: none"> ■ Added to a growing platform of significant housing research reports.
	<ul style="list-style-type: none"> ■ CHRANZ commissioned research identified: <ul style="list-style-type: none"> - plausible housing futures for the New Zealand housing sector in 2030 to assist in consideration of a preferred housing future and what is required to achieve that future - the contribution of land price increases to house price inflation in New Zealand and that keeping land and residential building costs under control can help to moderate house price and affordability pressures during periods of increased demand - solutions to address housing affordability, quality and supply problems in the Nelson, Tasman and Marlborough regions.
	<ul style="list-style-type: none"> ■ Grew CHRANZ's annual housing research expenditure, including co-funding, by 56%, to total \$582,000 (GST inclusive).
	<ul style="list-style-type: none"> ■ Broadened CHRANZ's project-based funding partnerships to include Department of Building and Housing, Ministry of Pacific Island Affairs, Department of Labour and the Auckland Regional Council.
	<ul style="list-style-type: none"> ■ Increased housing sector relationships based on CHRANZ's demonstrated credibility as a housing research investor, manager and promoter.
	<ul style="list-style-type: none"> ■ Successful promotion of research results.
	<ul style="list-style-type: none"> ■ Delivered three new initiatives – CHRANZ Research Bulletins, annual community-based consultation on our research programme and a Community-Based Research Pool.



CHAIRMAN'S REPORT Housing is a core component of social infrastructure and has a major influence on the well-being of New Zealanders. It contributes to the quality of individual and community life, and there are strong relationships between housing outcomes and other aspects of social and economic well-being.

The Centre for Housing Research Aotearoa New Zealand – Kāinga Tipu (CHRANZ) is the sole provider in New Zealand of a focused, independent and necessary portfolio of housing research. CHRANZ was established to address critical research gaps in the evidence base in order to support the implementation of effective housing policy and practices. In meeting this role, the CHRANZ Board appreciates the support of the Housing New Zealand Corporation (HNZC) Board.

The emphasis of the CHRANZ Board has remained on prudent governance, a strategic focus and the delivery of a high quality, relevant, housing research programme. The CHRANZ Board sees significant potential for further major gains in the New Zealand housing research effort, policy and practice, but the extent of these gains depends not on CHRANZ alone. Successful collaboration within and across the whole New Zealand housing research and housing policy community is required, and is an essential aspect of CHRANZ's activities.

CHRANZ's consultation processes with housing sector stakeholders, including key policy-makers and government agencies, ensure that CHRANZ's housing research programme addresses strategic gaps in housing research and complements housing research being undertaken by government agencies and other housing research funders and providers.

In 2005/06, its third year of operation, CHRANZ has realised a number of key achievements, in particular adding to a growing platform of significant housing research reports and increasing the level of investment in housing research through project-based funding partnerships with government agencies. CHRANZ's credibility as a housing research investor, manager and promoter has seen its relationships with housing sector stakeholders deepen.

Three initiatives were delivered by CHRANZ to extend its activities in support of its strategic goals – the establishment of a series of CHRANZ Research Bulletins, an annual community-based consultation around CHRANZ's research programme and a Community-Based Research Pool.

The requirement for a sustainable organisational model, including the supporting funding, governance and management arrangements, necessary to achieve the CHRANZ mission is seen by the CHRANZ Board as the priority strategic issue in the coming year and beyond.

In conclusion, I wish to acknowledge the commitment and efforts of CHRANZ Board members and staff. Thanks are also due to the many agencies and individuals in the housing research and policy community who have contributed to CHRANZ's success and to the growing number of research organisations delivering high-quality housing research to CHRANZ.

NIGEL HAWORTH

CHAIRMAN

CHRANZ



MANAGER'S REPORT CHRANZ has continued to improve and expand its activities with expenditure in the 2005/06 financial year of \$699,000 (GST inclusive). CHRANZ's focus has been on housing research investment, housing research promotion and building housing research capacity.

HOUSING RESEARCH INVESTMENT

Over the twelve months to 30 June 2006, CHRANZ managed nine housing research investments to the value of \$1,092,300 (GST inclusive). These investments are being delivered across CHRANZ's 2005/06 and 2006/07 financial years, with CHRANZ contributing \$682,500 and project-based funding partners contributing \$409,800. A further \$14,900 in new post-graduate research and community-based housing grants were awarded by CHRANZ in 2005/06.

CHRANZ's new 2005/06 housing research projects included:

- The Impact on Housing Energy Efficiency of Market Prices, Incentives and Regulatory Requirements
- The Future of Homeownership and the Role of the Private Rental Market in Auckland
- Housing Supply in the Auckland Region 2000-2005
- Accessible Housing for the Future Ageing and Disabled Population in New Zealand
- Pacific Island Housing Experiences: Emerging Trends and Issues
- Affordable Housing in the Bay of Plenty Region: A Solutions Study.

HOUSING RESEARCH PROMOTION

Good progress has been made on promoting CHRANZ, the results of commissioned research and housing research more generally. This was supported by:

- the effective use of the CHRANZ website (www.chranz.co.nz)
- updating of CHRANZ's housing research database
- the provision of quarterly Chairman's letters to housing sector stakeholders
- the annual launch of CHRANZ's Annual Report and research programme
- establishment of CHRANZ's research bulletin series.

HOUSING RESEARCH CAPACITY

CHRANZ has contributed towards building housing research capacity through:

- growing the level of investment in housing research
- the promotion of multi-disciplinary research teams, including private sector providers, tertiary academics, policy specialists and international housing researchers
- New Researcher Development Grants to support post-graduate research into housing-related issues
- Community-Based Research Pool to support organisations and individuals involved in community-based housing to develop their research skills and interests in housing.

RELATIONSHIPS AND PARTNERSHIPS

CHRANZ's relationships with housing sector stakeholders have continued to expand. This includes CHRANZ's current project-based funding partners (Department of Building and Housing, Ministry of Economic Development, Ministry of Social Development, Te Puni Kōkiri, Ministry of Pacific Island Affairs, Department of Labour, Building Research and the Auckland Regional Council). CHRANZ has begun to extend its relationships with community organisations with an interest in housing through the establishment of annual research consultation and the Community-Based Research Pool.

TERRENCE ASCHOFF

MANAGER

CHRANZ

RESEARCH INVESTMENTS CHRANZ's key objectives were to:

- set housing research priorities
- invest in rigorous, independent and relevant housing research
- invest in the development of housing research skills among new researchers and organisations and individuals active in the community-based housing sector.

RESEARCH PRIORITIES

The CHRANZ Board's 2005/06 housing research priorities were:

■ The New Zealand Housing System

This includes the future of homeownership, affordable housing and housing stock suitability.

■ Linking Housing and Social, Economic and Environmental Outcomes

This includes investigating connections between housing, labour markets and education and the development of sustainable settlements.

CHRANZ saw the sub-themes of the future of homeownership, affordable housing and housing stock suitability as pressing issues within the New Zealand housing system that bear research and policy attention.

The provision of appropriate, affordable housing relies not only on an understanding of the workings of the housing system but also an understanding of the strong connections between housing outcomes and social, economic and environmental outcomes. An understanding of the interrelationships between housing, labour markets and education and the pursuit of sustainable settlements are important in this regard.

INVESTMENT IN HOUSING RESEARCH

CHRANZ managed three 2004/05 research projects to completion valued at \$390,000 (GST inclusive) and commissioned six new housing research projects over the last year to the value of \$702,300 (GST inclusive). CHRANZ has leveraged its new research investments through the establishment of project-based funding partnerships to the value of \$199,800 (GST inclusive). These investments will be delivered across CHRANZ's 2005/06 and 2006/07 financial years.

CHRANZ makes its housing research investments and promotes the research results over an eighteen-month to two-year cycle. This is necessary because of the size and complexity of the projects that CHRANZ is now commissioning.

RESEARCH PROJECTS

PROJECT AND DESCRIPTION	RESEARCH PROVIDER	2005/06 INVESTMENT*
<p>The Future of Housing in New Zealand</p> <p>This research identifies some plausible housing futures for the New Zealand housing sector in 2030. The research results provide the basis for consideration by relevant stakeholders of a preferred future for the New Zealand housing sector and what is required to achieve that future.</p>	<p>Scion Research</p> <p>Completed October 2005</p>	\$30,000 ¹
<p>Affordable Housing in the Nelson, Tasman and Marlborough Regions: A Solutions Study</p> <p>This research addresses the causes of, and solutions to, housing affordability problems in the Nelson, Tasman and Marlborough regions, in the context of labour market, economic and demographic developments.</p>	<p>Motu Economic and Public Policy Research</p> <p>Completed June 2006</p>	\$90,000 ²

RESEARCH PROJECT DETAILS, CONTINUED

PROJECT AND DESCRIPTION	RESEARCH PROVIDER	2005/06 INVESTMENT*
<p>Māori Housing Experiences: Emerging Trends and Issues</p> <p>This research provides a study of the housing experiences and aspirations of Māori communities to inform policy in the housing area.</p>	<p>Family Centre Social Policy Research Unit</p> <p>Completed August 2006</p>	\$60,000 ³
<p>The Impact on Housing Energy Efficiency of Market Prices, Incentives and Regulatory Requirements</p> <p>This research addresses the effect of prices, incentives and regulations on energy efficiency within households, and recommends options for regulatory and market-based instruments that will further encourage greater levels of energy efficiency.</p>	<p>Taylor Baines</p> <p>Completed August 2006</p>	\$37,500 ⁴
<p>The Future of Homeownership and the Role of the Private Rental Market in Auckland</p> <p>This research aims to improve the understanding of how the Auckland region's private rental market might adjust to cope with the projected fall in homeownership rates and to investigate the market, social, fiscal and policy implications of these trends, particularly as low- to medium-income households become increasingly reliant on private rental accommodation.</p>	<p>DTZ Research</p> <p>To be completed December 2006</p>	\$110,000 ⁵
<p>Housing Supply in the Auckland Region 2000–2005</p> <p>This research aims to provide an analysis of primary and secondary data dealing with supply-related constraints that may have inhibited housing expansion in Auckland over 2000–2005, and examine the impacts of any constraints on the ability of developers and home builders to respond to growth in demand.</p>	<p>Motu Economic and Public Policy Research</p> <p>To be completed December 2006</p>	\$50,000 ⁶
<p>Accessible Housing for the Future Ageing and Disabled Population in New Zealand</p> <p>This research aims to assist the housing and disability sectors to effectively optimise housing access for the growing numbers of people who will be managing severe or moderate disability over the next 25 years.</p>	<p>Centre for Research Evaluation and Social Assessment</p> <p>To be completed February 2007</p>	\$75,000
<p>Pacific Island Housing Experiences: Emerging Trends and Issues</p> <p>This research aims to investigate the housing experiences and aspirations of Pacific communities in New Zealand.</p>	<p>Koloto & Associates</p> <p>To be completed May 2007</p>	\$75,000 ⁷
<p>Affordable Housing in the Bay of Plenty Region: A Solutions Study</p> <p>This research aims to investigate the links between affordable housing, infrastructure and regional development in the Western and Eastern Bay of Plenty sub-regions. The research results will contribute towards the development and implementation of locally-owned solutions to meet any identified issues arising between affordable housing and labour requirements.</p>	<p>Capital Strategy Ltd</p> <p>To be completed June 2007</p>	\$155,000 ⁸

* GST inclusive

NOTES

1. Building Research contributed a further \$30,000 from the Building Research Levy.
2. The Ministry of Economic Development contributed a further \$90,000 from the Regional Initiatives Fund, and the Ministry of Social Development contributed a further \$30,000 through the Work and Income regional office for Nelson, Marlborough and the West Coast.
3. Te Puni Kōkiri contributed a further \$60,000.
4. Building Research contributed a further \$37,500 from the Building Research Levy.
5. Auckland Regional Council contributed a further \$10,000.
6. HNZA contributed a further \$50,000 and DBH a further \$32,250.
7. The Ministry of Pacific Island Affairs contributed a further \$40,000.
8. The Department of Labour contributed a further \$30,000.

NEW RESEARCHER DEVELOPMENT GRANTS

To encourage the development of new housing researchers, CHRANZ awards New Researcher Development Grants to support post-graduate research into housing-related issues.

PROJECT	RESEARCHER	2005/06 INVESTMENT*
Buying a First Home: Generation X in the Auckland Housing Market	Amanda Findsen University of Auckland Completed 2005	\$2700**
The Home of Exile: Housing the Auckland Ethiopian Refugee Population	Zoe Meager University of Auckland Completed 2005	\$2500**
Urban Intensification and Affordable Housing in Auckland	Alice Cullen University of Otago Completed 2005	\$1081**
Village People – The Changing Role of Retirement Villages in New Zealand's Ageing Society	Sally Greenbrook University of Auckland Completed 2005	\$2205**
Digging the Dirt on Density: A Study of Medium-Density Housing in Christchurch's Living Three Zone	Susan Lilley University of Canterbury Completed 2006	\$1000**
The Assessment and Evaluation of Emerging Trends in Supported Independent Accommodation	Max Reid Victoria University In progress	\$2500**
The Impact of Sustainable Development on the Built Form of Urban Areas	Suzanne Vallance Lincoln University In progress	\$2500**
Participatory Processes of Designing and Building Our Home Environment	Andrea Ricketts Victoria University In progress	\$5000

* GST inclusive ** Funding from 2003/04 and/or 2004/05 financial years

COMMUNITY-BASED RESEARCH POOL

In an effort to increase its contribution towards building housing research capacity, the CHRANZ Board has established a Community-Based Research Pool. The research funding is to support organisations and individuals involved in community-based housing to develop their research skills and interests in housing.

The following research is currently being undertaken:

PROJECT	ORGANISATION	2005/06 INVESTMENT*
An examination of the extent to which differing types and levels of support, and connectedness to neighbourhood and community, enhances the ability of people with a mental illness to maintain tenure in rental housing	ComCare Christchurch	\$5000
Researching the housing needs of mental health consumers in Kapiti	Kites Trust Wellington	\$4900

* GST inclusive



RESEARCH PROMOTION CHRANZ's key objective was to promote the use of housing research findings by housing sector stakeholders.

OUTCOMES

1. The CHRANZ website (www.chranz.co.nz) remained a key communication platform, with an average of 1,475 visitors a month. The following information was provided:
 - The results of CHRANZ commissioned housing research reports and post-graduate research reports (twelve housing research reports and eight post-graduate research papers)
 - Details of housing research work in progress
 - Links to CHRANZ's housing research database, New Zealand Statistics, housing reports and analysis, key stakeholders and users, and international housing research sites
 - CHRANZ's 2004/05 Annual Report and quarterly Chairman's letter to housing sector stakeholders.
2. CHRANZ launched its 2004/05 Annual Report and 2005/06 research programme to housing sector stakeholders in October 2005.
3. CHRANZ established and published its series of research bulletins:
 - CHRANZ Research Bulletin 01, October 2005; Housing Tenure Aspirations and Attainment
 - CHRANZ Research Bulletin 02, February 2006; The Future of Housing in New Zealand
 - CHRANZ Research Bulletin 03, February 2006; Regional Housing Markets in New Zealand: House Prices, Sales and Supply Responses.

Free copies of CHRANZ commissioned research, research bulletins and details on work in progress are available on the CHRANZ website (www.chranz.co.nz).



THE CHRANZ BOARD The CHRANZ Board was first appointed in August 2003, with reappointments being made in 2005 and 2006.

In the medium term, CHRANZ remains an HNZN entity with the HNZN Board ultimately accountable for its activities. However, the CHRANZ Board is responsible for CHRANZ's governance, strategic direction and investment decisions. The CHRANZ Board is accountable to the HNZN Board. The CHRANZ Manager is employed by HNZN and is accountable to the CHRANZ Board.

CHRANZ is currently funded by HNZN and is seeking alternative sources of funding for the future. A Memorandum of Understanding between the HNZN and CHRANZ Boards defines mutual roles and responsibilities, and the level of HNZN support (research and organisational funding, plus access to administrative and support services).

The CHRANZ Board Members are:

		Term	Term Ends
Prof Nigel Haworth, Chairman	University Of Auckland	Three years	25 August 2009
Mr Brian Donnelly	New Zealand Housing Foundation	Two years	25 August 2008
Prof Robin Kearns	University Of Auckland	Three years	25 August 2007
Major Campbell Roberts	The Salvation Army, Auckland	Two years	25 August 2008
Mr Paul White	HNZN Board	April–November 2005	
Ms Susan Huria	HNZN Board	One year	2006
Mr Sam Knowles	Kiwibank, Wellington	Two years	25 August 2007
Prof David Thorns	Canterbury University	Three years	25 August 2009
Ms Raewyn Stone	Manukau City Council	Three years	25 August 2007
Mr Rau Hoskins	Design Tribe And Unitec, Auckland	Three years	25 August 2008

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.01 PROF NIGEL HAWORTH

.02 MR BRIAN DONNELLY

.03 PROF ROBIN KEARNS

.04 MAJOR CAMPBELL ROBERTS

.05 MS SUSAN HURIA

.06 MR SAM KNOWLES

.07 PROF DAVID THORNS

.08 MS RAEWYN STONE

.09 MR RAU HOSKINS

FUNDING AND FINANCIAL INFORMATION				
	2005/06	2004/05	2003/04	2002/03
	(\$000)	(\$000)	(\$000)	(\$000)
FUNDING				
Appropriation	159.0		152.0	
HNZC	510.0	548.0	331.0	428.7
EXPENDITURE				
Output Class One – Research Investment	367.0	254.0	272.3	204.5
Output Class Two – Research Promotion	30.0	22.0	5.0	50.3
Output Class Three – Organisation Services	302.0	272.0	205.7	173.9
TOTAL EXPENDITURE	699.0	548.0	483.0	428.7

NOTES

1. This financial information does not constitute a financial statement. The financial processes and results of CHRANZ have been audited as part of the audit of the Housing New Zealand Corporation Group financial statements. This financial information has not been audited in its own right.
2. All amounts are GST inclusive.
3. The appropriation for research investigating Accommodation Options for Older People in Aotearoa/New Zealand is from the Cross Departmental Research Pool.
4. This financial information does not include co-funding from third parties paid to CHRANZ as income or paid directly to research providers. For example \$30,000 of income from MSD in 2005/06 is not included.

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