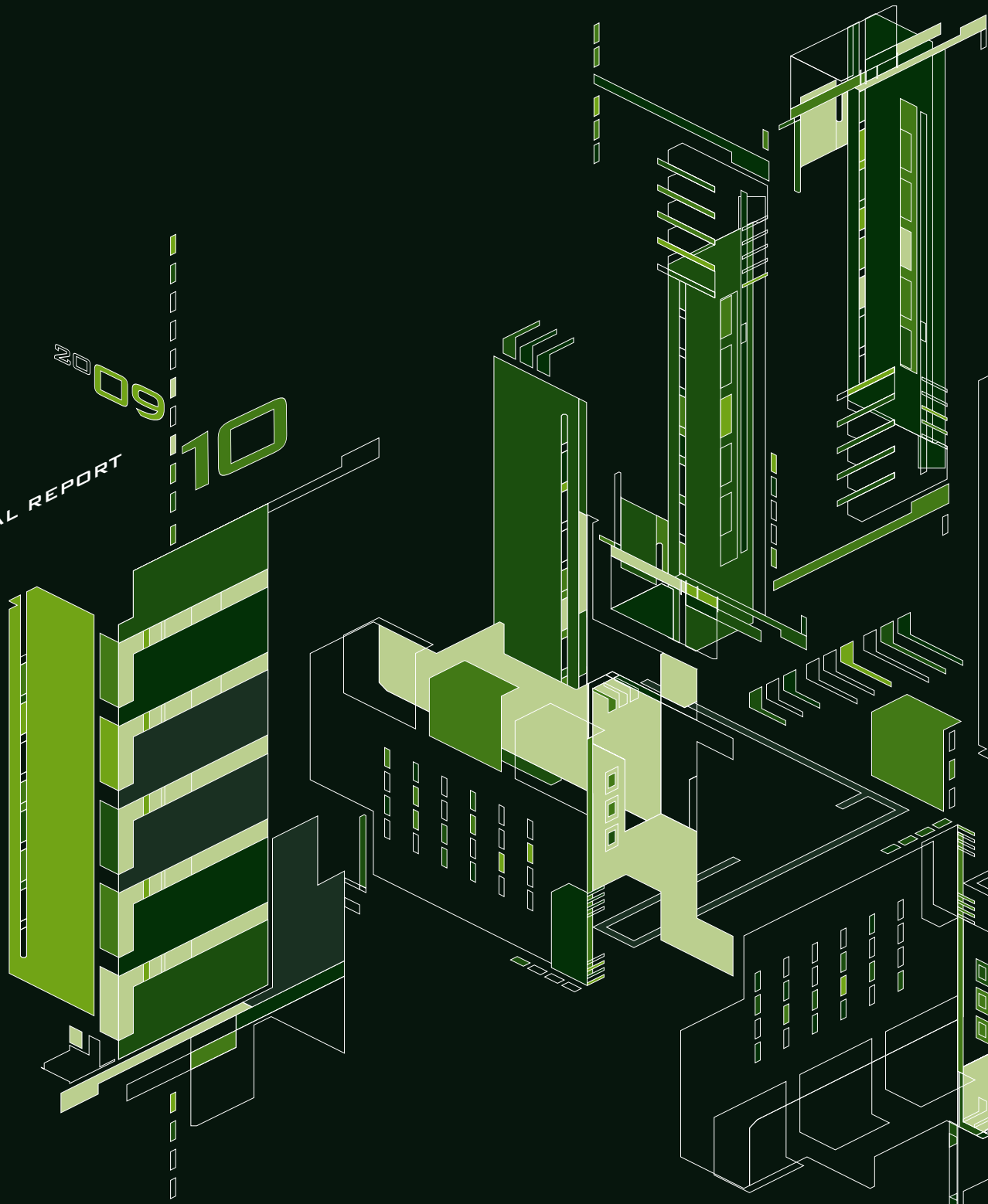




2009
ANNUAL REPORT
10



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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 a leader in identifying priorities in housing research and is an effective investor in rigorous, objective and relevant housing research.

1

CHRANZ will encourage investment in housing research.

2

CHRANZ will promote the development of housing research capacity.

3

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

4

CHRANZ will develop a sustainable organisational model.

5

ACHIEVEMENTS IN 2009/10	
	<ul style="list-style-type: none"> ■ Continuing to produce and promote an independent, high-quality and policy-relevant housing research programme.
	<ul style="list-style-type: none"> ■ The leveraging of CHRANZ's investments and capacity in housing research through expanding its co-funding and partnerships with government and other agencies.
	<ul style="list-style-type: none"> ■ Establishment of a website that provides free single-search access to New Zealand housing research and data (http://housingresearch.digitalnz.org).
	<ul style="list-style-type: none"> ■ Identification of the following issues: <ul style="list-style-type: none"> Housing's critical role in the overall health and wellbeing of New Zealand's children and on their transition to productive and independent adulthood. However, children's housing in New Zealand is compromised on several fronts: <ul style="list-style-type: none"> - Many children are exposed to living in unaffordable, crowded housing with insecure tenure in dwellings that are unsafe, cold, damp and expensive to heat. - There is a strong trend towards children being housed in the rental market. In 2006, proportionally more children 14 years or younger (39.1 percent, n = 318,330) lived in rented accommodation compared to any other age group. Almost 78 percent of children in rental accommodation are in the private rental market. - The research argues for a more child-centred approach to housing policy, assistance and provision (public and private) to actively support better outcomes for children. In the Auckland region forecasts for a housing market assessment of 14 defined housing market areas (HMAs): <ul style="list-style-type: none"> - Population growth, particularly from older, smaller, rental households will drive the region's housing demand (an additional 169,930 dwellings or 39.3 percent increase) between 2006 and 2026. - Demand for rental accommodation will increase at a significantly faster rate (63.5 percent) than demand for owner-occupied dwellings (26.2 percent) over this period. - Significant renter housing affordability issues exist, with 49.9 percent (65,670 households) of private renters in June 2009 experiencing financial housing stress – households spending more than 30 percent of that household's total gross income on housing costs. - Under current policy settings, residential land development capacity will be insufficient to cope with expected population growth from 2020 onwards in five HMAs and be near full capacity for all HMAs by 2026. For younger 20–40-year-old households in the Auckland region who are critical to developing Auckland's productive capacity, resilience and competitive advantage and are the main child-rearers as well as carers for older generations: <ul style="list-style-type: none"> - Location – connecting familiar places and people – is a top priority framing their dwelling choices. They rate place attachment and connectivity to schools, family and social networks highly. - Quality of life is important – having adequate space, privacy and warmth in areas that are well connected to public/private transport and safe. Employment change is not strongly associated with housing change. - They have experienced New Zealand's biggest fall in home ownership rates between 1986 and 2006, with rental tenure concentrated in lower-income households and among Asian, Māori and Pacific households. - Their future expected housing consumption patterns will place pressures on the region's spatial form and the costs of infrastructure – transport, amenities and services.



CHAIR'S REPORT I am privileged to have chaired the Centre for Housing Research Aotearoa New Zealand (CHRANZ) Board since September 2009.

CHRANZ was established in 2003 to fill a gap in the provision, promotion and co-ordination of independent, high-quality, public good research focused on the total New Zealand housing sector in order to inform housing policy and practices. In meeting this role, the CHRANZ Board appreciates the on-going support of the Housing New Zealand Corporation (HNZC) Board and contributions made by many agencies and individuals across the New Zealand housing sector and beyond.

CHRANZ's delivery of a strategic housing research programme to inform housing and related policies over the medium to long term is of critical importance. Housing is a complex and dynamic system that remains a strategic issue for New Zealand's society and economy due to its impacts on individual and family health and community interaction, household wealth, the business cycle, the economic cycle and responding to population and economic growth at the regional and city level.

The breadth of agencies whose strategies, decision-making and delivery of services impacts on housing and whose work is, in turn, affected by developments in the housing sector also makes CHRANZ's role an important one with far-reaching implications.

In meeting its role, CHRANZ has continued to demonstrate and build upon its capacity to scope the research agenda, broker and co-ordinate research priorities and resources across multiple agencies, facilitate the nexus between researchers and policy-makers and disseminate research findings to inform housing policy debate and development.

In 2009/10, its seventh year of operation, CHRANZ has continued to make a substantial contribution towards our knowledge of the New Zealand housing sector. CHRANZ research has examined children's housing futures, identified housing trends that affect children, assessed their impact and identified options to effectively promote the wellbeing of children through meeting their housing needs now and in the future.

CHRANZ delivered two housing research reports focused on the newly established Auckland region that: (i) identified 14 key housing market areas in the Auckland region and provided projections on housing demand and supply up to 2026; and (ii) investigated the key factors affecting the tenure and location choices of households headed by 20-40-year-olds and the longer-term social, economic and environmental implications of those choices including implications for spatial planning and urban growth management. Both research reports are part of the evidence base underpinning the development of the Auckland Spatial Plan by the Auckland Council and will add value to government agencies' planning for future service provision across the region.

CHRANZ's surveying of the application and use of its research has confirmed that it is considered to be relevant and valuable and is used widely by housing and other policy-makers and stakeholders as an evidence-based resource to inform policy advice, development and implementation.

In conclusion, I would like to thank the staff and Board members of CHRANZ and the Chair, Board and staff of HNZC for their support.

JENNY DIXON

CHAIR

CHRANZ



MANAGER'S REPORT CHRANZ's focus remains on housing research investment, housing research promotion, building housing research capacity and building on its relationships across the housing sector and beyond.

HOUSING RESEARCH INVESTMENT

Over the 12 months to 30 June 2010, CHRANZ managed four housing research investments to the value of \$623,000 (GST inclusive). CHRANZ contributed \$483,000, across two financial years, towards the research costs, and project-based funding partners contributed a further \$140,000.

CHRANZ's 2009/10 housing research projects included:

- Children's Housing Futures
- Auckland Region Housing Market Assessment
- The Determinants of Tenure and Location Choices of 20–40-year-old Households in the Auckland Region
- Why Have Residential Construction Costs Increased More than Costs in Other Sectors of the New Zealand Economy?

HOUSING RESEARCH PROMOTION

CHRANZ continues to make progress on promoting CHRANZ, publishing and promoting research results and building interest in housing research more generally. CHRANZ's goal to promote housing research has been supported by:

- the publication and dissemination of four new research reports and CHRANZ research bulletins across the housing sector and providing free copies on the CHRANZ website (www.chranz.co.nz)
- the establishment of CHRANZ housing workshops "After the Boom – Where to From Here?" (July 2009) and "Housing in an Ageing Society" (November 2009) – papers from the workshops are available on the CHRANZ website under "Links"
- the establishment of a housing research website that provides free single-search access to New Zealand housing research and data (41 contributing agencies in July 2010 – see <http://housingresearch.digitalnz.org>).

HOUSING RESEARCH CAPACITY

CHRANZ has continued to contribute to building housing research capacity in New Zealand through CHRANZ's research programmes and the promotion of multidisciplinary research teams and partnerships across research organisations and researchers (private and tertiary sector) at a national and international level. CHRANZ's New Researcher Development Grants (NRDG) programme has also allowed for some growth.

RELATIONSHIPS AND PARTNERSHIPS

The networks and partnerships CHRANZ has built across a wide range of government departments and agencies, local bodies and the academic and private sector research community (regionally, nationally and internationally) have been a critical asset that has helped facilitate a broad and sophisticated programme of research and activity that would not otherwise have happened.

RESEARCH INVESTMENTS CHRANZ's key objectives are 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 2009/10 housing research priorities were:

■ The New Zealand Housing System

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

■ Linking Housing and Cultural, Social, Economic and Environmental Outcomes

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

INVESTMENT IN HOUSING RESEARCH

CHRANZ managed four research projects in 2009/10 (\$623,000 – GST inclusive) and published the results of one research project begun in earlier financial years. CHRANZ leveraged its 2009/10 research investments through the establishment of project based co-funding partnerships of \$140,000 (GST inclusive).

RESEARCH PROJECTS

PROJECT AND DESCRIPTION	RESEARCH PROVIDER	2009/10 INVESTMENT*
Children's Housing Futures This research identifies priorities for children's housing and the information required if New Zealand is going to meet children's housing needs effectively into the future.	CRESA, Public Policy & Research Published April 2010	\$125,000 ¹
Sub-regional Housing Demand in the Northland Region This research investigates sub-regional housing demand in Northland to develop a deeper understanding of contemporary and future housing pressures within particular local housing markets. Housing demand in three sub-regions in the Far North – Kawakawa/Moerewa/Kaikohe, the Hokianga and Taipā/Mangōnui – was studied.	DTZ New Zealand Published August 2010	\$177,000 ²
Auckland Region Housing Market Assessment This report assesses current and future housing demand, need and supply (2006 to 2026) in the Auckland region, its distribution, its composition and also its implications. This is the first such assessment using the New Zealand housing market assessment manual.	Darroch Ltd Published November 2010	\$200,000* ³

* GST inclusive.

NOTES

- 1 CHRANZ funded \$60,000 of the research costs from its 2008/09 budget and \$65,000 from its 2009/10 budget.
- 2 Te Puni Kōkiri provided co-funding of \$62,500 and the Department of Labour provided co-funding of \$14,000 in the 2007/08 financial year. CHRANZ funded \$75,000 from its 2007/08 budget and \$25,500 from its 2008/09 budget.
- 3 The Auckland Regional Council and CHRANZ contributed \$50,000 each towards the research costs from their 2008/09 budgets. CHRANZ met the remaining \$100,000 research costs from its 2009/10 budget.

RESEARCH PROJECTS CONTINUED

PROJECT AND DESCRIPTION	RESEARCH PROVIDER	2009/10 INVESTMENT*
<p>The Determinants of Tenure and Location Choices of 20–40-year-old Households in the Auckland Region</p> <p>This research investigates the key factors affecting the tenure and location choices of households headed by 20–40-year-olds in the Auckland region and the longer-term social, economic and environmental implications of those choices, including implications for spatial planning and urban growth management.</p>	<p>Beacon Pathway Ltd Published November 2010</p>	<p>\$250,000*⁴</p>
<p>Why Have Residential Construction Costs Increased More than Costs in Other Sectors of the New Zealand Economy?</p> <p>The aim of this research is to understand why residential construction costs in New Zealand have increased more than costs in other sectors of the New Zealand economy.</p>	<p>Darroch Ltd Due December 2010</p>	<p>\$48,000</p>

* GST inclusive.

NOTES

- ⁴ CHRANZ funded \$160,000 of the research costs from its 2009/10 budget. A further \$90,000 was provided by the Ministry for the Environment and the Ministry of Economic Development with funding from the Ministry of Research, Science and Technology's Cross-Departmental Research Pool.

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. The following research was in progress or completed:

PROJECT	RESEARCHER	INVESTMENT*
Barriers to Affordable Housing for Mental Health Service Users. Completed.	Andy Colwell Massey University	\$1000**
Constructing and Maintaining a Central Element of New Zealand Culture and Economy: DIY (Do It Yourself) Home Renovation, Maintenance and Repair. In progress.	Michael Mackay Lincoln University	\$2400**
The Experiences of Housing Quality Amongst Homeowners and Analysis in the Auckland Region. In progress.	Corina Buckenberger University of Auckland	\$4617**

* GST inclusive. ** Funding from 2005/06, 2006/07, 2007/08 and/or 2008/09 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 was in progress or completed:

PROJECT	ORGANISATION	INVESTMENT*
<p>The Impact of Neighbourhood Characteristics and Support on Wellbeing, Housing Satisfaction and Residential Stability for People with a Mental Illness.</p> <p>Completed.</p>	<p>Joanna Elgin Comcare Trust Christchurch</p>	<p>\$5000**</p>

* GST inclusive. ** Funding from 2006/07 financial year.

No new grants from the Community-Based Research Pool were made in CHRANZ's 2009/10 financial year.



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

OUTCOMES

1. The CHRANZ website (www.chranz.co.nz) remains a key communication platform. The following information was provided:
 - The results of 40 CHRANZ-commissioned housing research reports, 13 post-graduate research reports and three community housing research reports.
 - Details of housing research work in progress.
 - Copies of CHRANZ Research Bulletins 1–22.
 - Link to CHRANZ housing research database.
 - CHRANZ's 2008/09 Annual Report and quarterly Chair's letters to housing sector stakeholders.
 2. CHRANZ distributed its 2008/09 Annual Report to housing sector stakeholders.
 3. CHRANZ published the results of five housing research projects:
 - Older People's Housing Futures in 2050: Three Scenarios for an Ageing Society (October 2009) CRESA, Public Policy & Research, Motu Economic Public Policy and Research.
 - Children's Housing Futures (April 2010) CRESA, Public Policy & Research.
 - Sub-regional Housing Demand in the Northland Region (August 2010) DTZ New Zealand.
 - Auckland Region Housing Market Assessment (November 2010) Darroch Ltd.
 - The Determinants of Tenure and Location Choices of 20–40-year-old Households in the Auckland Region (November 2010) Beacon Pathway Ltd.
 4. CHRANZ added to its series of research bulletins:
 - CHRANZ Research Bulletin 18, October 2009, *Older People's Housing Futures in 2050: Three Scenarios for an Ageing Society*.
 - CHRANZ Research Bulletin 19, April 2010, *Children's Housing Futures*.
 - CHRANZ Research Bulletin 20, August 2010, *Sub-regional Housing Demand in the Northland Region*.
 - CHRANZ Research Bulletin 21, November 2010, *Auckland Region Housing Market Assessment*.
 - CHRANZ Research Bulletin 22, November 2010, *The Determinants of Tenure and Location Choices of 20–40-year-old Households in the Auckland Region*.
 5. CHRANZ, with support from the Reserve Bank of New Zealand, held a housing workshop in July 2009: "After the Boom – Where to From Here?". The six papers presented are on the CHRANZ website under "Links".
 6. CHRANZ, with support from the Ministry of Social Development, held a housing workshop in November 2009: "Housing in an Ageing Society". The six papers presented are on the CHRANZ website under "Links".
 7. CHRANZ, with support from Digital New Zealand, led the establishment of the Housing Researchers for New Zealand website (<http://housingresearch.digitalnz.org>), which has now grown to 41 contributing agencies.
- 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 and new appointments being made between 2005 and 2010.

CHRANZ is a semi-autonomous body, with the HNZC 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 HNZC Board. The CHRANZ Manager is employed by HNZC and is accountable to the CHRANZ Board.

CHRANZ receives core funding directly from HNZC and seeks to secure further funding from an amount included in the Corporation's Non-departmental Output Class Appropriation Housing Policy Advice and from other agencies. A Memorandum of Understanding between the HNZC and CHRANZ Boards defines mutual roles and responsibilities and the level of HNZC support (research and organisational funding plus access to administrative and support services).

The CHRANZ Board members are:

	INSTITUTION	TERM	TERM ENDS
Prof Nigel Haworth, Chairman (to August 2009)	The University of Auckland	Three years	25 August 2009
Prof David Thorns	University of Canterbury	Three years	25 August 2009
Ms Sandra Lee	HNZC Board	One year	27 October 2009
Mr Philip Bell-Booth	Capping Corporation Limited	Three years	1 December 2010
Prof Jenny Dixon, Chair (from September 2009)	The University of Auckland	Three years	1 August 2012
Prof Philip Morrison	Victoria University of Wellington	Three years	1 March 2012
Prof Harvey Perkins	Lincoln University	Three years	1 March 2012
Ms Lesley Baddon	Auckland Council	Three years	1 September 2012
Mr Colin Dale	HNZC Board	Two years	1 April 2012
Mr Len Cook	SPEaR	Three years	1 April 2013

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.01 PROF NIGEL HAWORTH

.02 PROF DAVID THORNS

.03 MS SANDRA LEE

.04 MR PHILIP BELL-BOOTH

.05 PROF JENNY DIXON

.06 PROF PHILIP MORRISON

.07 PROF HARVEY PERKINS

.08 MS LESLEY BADDON

.09 MR COLIN DALE

.10 MR LEN COOK

FUNDING AND FINANCIAL INFORMATION						
	2009/10	2008/09	2007/08	2006/07	2005/06	2004/05
	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
FUNDING						
Appropriation				274.0	159.0	
HNZC	815.0	770.0	772.3	613.2	510.0	548.0
EXPENDITURE						
Output Class One – Research Investment	483.6	422.3	416.8	599.6	367.0	254.0
Output Class Two – Research Promotion	50.4	49.7	70.2	57.6	30.0	22.0
Output Class Three – Organisation Services	281.0	298.0	285.3	277.7	302.0	272.0
TOTAL EXPENDITURE	815.0	770.0	772.3	935.0	699.0	548.0

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 audit. This financial information has not been audited in its own right.
- 2 All amounts are GST inclusive.
- 3 The appropriations totalling \$433,000 from Vote Housing in 2005/06 and 2006/07 were towards these research projects: The Future of Homeownership and the Role of the Private Rental Market in Auckland; Housing and Disability: Future-Proofing New Zealand's Housing Stock for an Inclusive Society; Pacific Island Housing Experiences: Emerging Trends and Issues; and Affordable Housing in the Bay of Plenty Region: Solutions Study.
- 4 This financial information does not include research co-funding from third parties paid to CHRANZ as income or paid directly to research providers. For example, \$773,000 of research project co-funding between 2004–2009 is not included. \$90,000 of project co-funding in 2009/10 is also not included.
- 5 Research investment includes CHRANZ New Researcher Development Grants and Community-Based Research Pool grants and external project management and support costs.

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