

CORT COMMUNITY HOUSING

[COMMUNITY OF REFUGE TRUST]



**annual
report**

2018



making a home

Faye's story is one of hope and accomplishment. After three years of uncertainty in emergency and transitional accommodation, she found a home with CORT Community Housing. Faye is grateful for the assistance she received during this difficult time from support people, from transitional housing providers and from her church. She and her son Moki now live in the newly built community at Waimahia, Weymouth.

"I've always wanted to live in a neighbourhood like this. Moki has his little friends, they come to visit him here and I can also have my other children visit me. I'm a homebody now and I feel very comfortable here.

The neighbours are great, they look out for each other, at the same time keeping to themselves. There is no litter, the trees are growing and I feel safe. It's like a real Kiwi childhood place where the kids get to know each other and go to school together. We love the playgrounds and the pools."

Faye says she's in a good place for making changes. "I feel like I'm succeeding now, moving forward and learning to accept help. My focus is on my kids. I've worked through my issues. I have a part-time job delivering advertising material and my son can come with me.

My last big goal is to buy a car. This will give me the independence I want – so I can drive Moki to pre-school, do my shopping, go to appointments and get a part-time job when Moki goes to school. I like doing men's work. Getting work will open my world for me and take a load off the people who have supported me for so long."

Faye has started developing her vege garden. She recently hosted a Resident's Association lunch and is hosting monthly coffee mornings for other women at her home. Her house is bright and beautifully decorated, reflecting Faye's attitude towards her home and her neighbourhood.

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who are we?

CORT Community Housing (Community of Refuge Trust) is a registered community housing provider which offers homes for people on very low incomes in Auckland. We are a non-government, not-for-profit community organisation and a registered charitable trust. Any operating surplus created by the trust is used to expand and improve the work we do.

The Trust was founded in 1987 by Auckland's Ponsonby Baptist Church in response to the housing needs of low-income and vulnerable people in its local area. It operates independently of the church and is governed by a board of trustees. CORT's focus has traditionally been on providing homes for people who use mental health services. This has now expanded to include other people in need including the elderly and small families.

CORT employs eleven staff and provides rental accommodation to over 260 tenants and their families. We own or manage over 240 properties across Auckland. Our homes are well managed, with a focus on tenant well-being, strong neighbourhood integration, security of tenure and careful maintenance of housing stock.

To find out more about CORT and our history visit:
www.cort.org.nz

LEFT: L-R: Charles, Harietta and Keana at a CORT Christmas beach picnic.

FRONT COVER IMAGE L-R: CORT tenants Talanoa and Sulieti in their home in Waimahia.

PHOTO: JESSIE CASSON

what motivates us?

OUR VISION:

Good homes for all

Access to good-quality housing is a fundamental human right and should not be conditional on age, education, health or employment status. It forms the foundation for stable, inclusive and functional communities.

OUR MISSION: Providing good homes for people who need them

To support the vision where every person has a good home, CORT offers people on low incomes great places to live. We do this by focussing on the quality and location of our homes, engagement with our tenants, strong community connections, and providing a supportive and well-resourced tenancy and asset-management service.

CORT is proud to be part of New Zealand's growing and vibrant community housing sector.

Community housing is affordable housing provided by not-for-profit, charitable, and community organisations. It includes assisted rental housing, assisted home ownership, emergency and transitional housing. We define affordable housing as accommodation where the total housing costs are affordable to those living in the housing unit. The commonly accepted guideline for housing affordability is a housing cost that does not exceed 30% of a household's gross income (40% net income). The community housing sector provides an alternative to the housing provided by HNZC (Housing New Zealand Corporation) and the private market.

CORT development at Mt Wellington – completed in 2015

chairperson's review



Tēnā koutou katoa

CORT Community Housing is now in its 31st year and our core mission remains the same – to deliver good-quality homes to Auckland's most vulnerable people. While our mission remains the same, the Auckland housing crisis has drastically increased the number of people without adequate housing. CORT has a strong history of supporting people with high housing needs and we are ambitious in our plans to respond to the current and unprecedented crisis. CORT began in 1987 with one home for a family in need. We now own or manage 242 homes for 327 people and we will double the number of houses we own by the end of 2019.

The current social housing shortfall is the most acute we have experienced in our 31 years. In the first three months of 2018 the public housing waiting list increased by 26 per cent, an increase of 58 per cent on the same time last year. This represents the largest quarterly increase in four years. There are now 7890 households in need of public housing and a further 1805 households waiting to be transferred from their existing public housing.¹

This is unacceptable. We are a nation that has been known for promoting fairness, justice and equality. Instead we have become a divided society with an increasing gap between those on very high incomes and those who struggle to afford the basics necessary for survival. Too many people are falling through the

cracks, denied the basic human right to warm, dry, safe housing. Becoming homeless or living in a car should not be their only option. We cannot call ourselves a fair and just society when this situation is ongoing. We know that poor physical and mental health can be more effectively addressed when people have secure housing.

We congratulate the new Government on its commitment to social housing, but we are disappointed by the narrow focus of how this will be delivered. In the Budget announced in May this year, the Government outlined its commitment to building at least 6400 social homes over the next four years and to supporting more people in urgent need of housing. This is not enough. With a current waitlist approaching 8000, an increasing population and pressure on all segments of the housing continuum, the demand for public housing will continue to outstrip this pipeline of supply. As a valuable partner of the Government working to increase the supply of new affordable housing, we are concerned that there was no specific capital funding allocated for the community housing sector in the Budget. The Ministry of Social Development has halted new project funding, leading to a period of uncertainty. Despite this, CORT has never been in a better position in terms of skills, knowledge and experience to build more homes.

“Living in a CORT home has given me the space and courage to rebuild my life, I actually have a life now” – comment from CORT's annual tenant satisfaction survey

Our goals and future direction have been identified in our three-year strategic plan. With one year complete, we have made significant progress in making CORT a provider, placemaker and influencer. Not only do we build good houses but we deliver all the other elements which make our houses great homes for our tenants to live in. Equally, we continue to play a role in advocating for the wellbeing of our tenants and a strong community housing sector.

At 31 March 2018 CORT owned 151 properties with assets of \$89.7 million. While much of the growth in the value of our assets has been derived from market increases in the value of our properties, we have built 66 new dwellings over the past five years and spent in excess of \$30 million on property development. We



ABOVE: Aerial photo of Puhinui Park, a new residential development with up to 160 affordable homes built over the next three years

currently have 167 new community housing units in the development pipeline, 44 of which will be completed by the end of 2018. Our homes are practical and well thought-out, using quality materials and incorporating best practice in sustainable design.

CORT's building programme is a highly efficient use of taxpayer dollars. For every dollar raised by CORT, the Government contributes another, and the resulting equity is recycled into the next house we build. This funding stays in the community, generating tangible long-term results for the investment. This formula has fuelled our development programme for the past two years. Combined with the strength of our balance sheet, we estimate we could fund the development of a further 500 units if this funding model were to continue. We are leveraged for growth, with robust risk-mitigation processes in place. CORT is already providing social housing solutions. We're delivering what's been asked of us and at scale. But if we are to continue to expand our capacity to provide desperately needed quality community housing, it is essential that we have continuity of Government funding.

With our focus on placemaking, we embrace our role in contributing to the building of resilient communities that are connected and neighbourly. This doesn't happen by accident. We consciously set about achieving it by

reflecting this goal in our tenancy management ethos and policies. Our approach to tenancy management is one of our core differentiators from other housing providers. Strong communities and good neighbours are created with good intentions, effective planning and robust tenancy management and support. The provision of good-quality, long-term accommodation to those who have previously had little or no housing security can encourage people to put down roots in their communities, to feel a sense of belonging, and to connect with their neighbours.

In terms of the homes we build and the services we offer, CORT provides some of the best-quality community housing in New Zealand. Under the stewardship of our CEO Peter Jeffries, with the assistance of a capable and committed board and dedicated staff, we are making, and will continue to make, a significant contribution to solving our housing crisis.

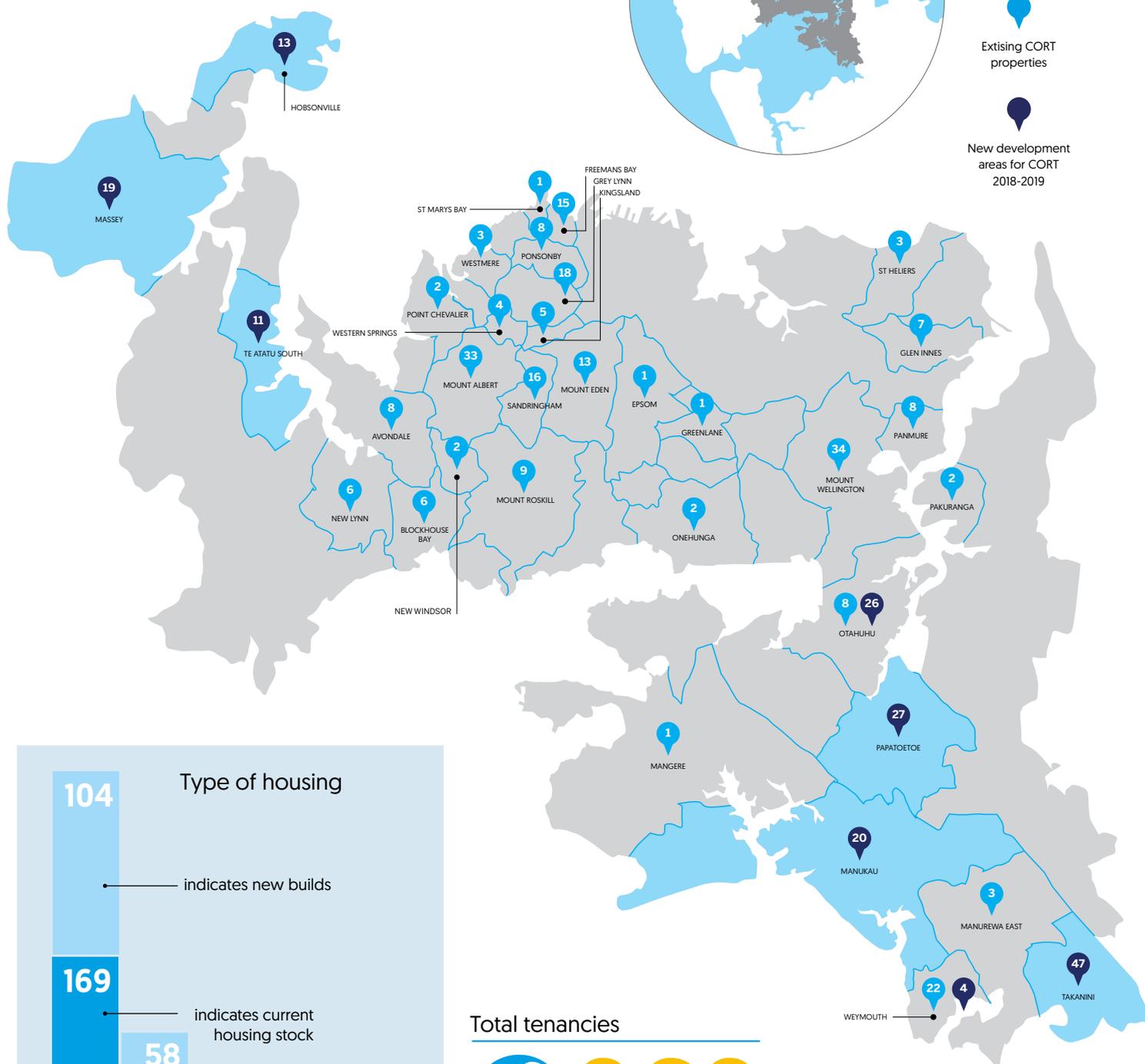
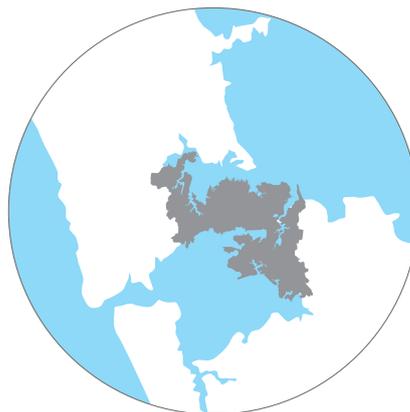
Ngā mihinui

Sue Watson
Chairperson, CORT board of trustees

¹ Ministry of Social Development Housing Quarterly Report March 2018.

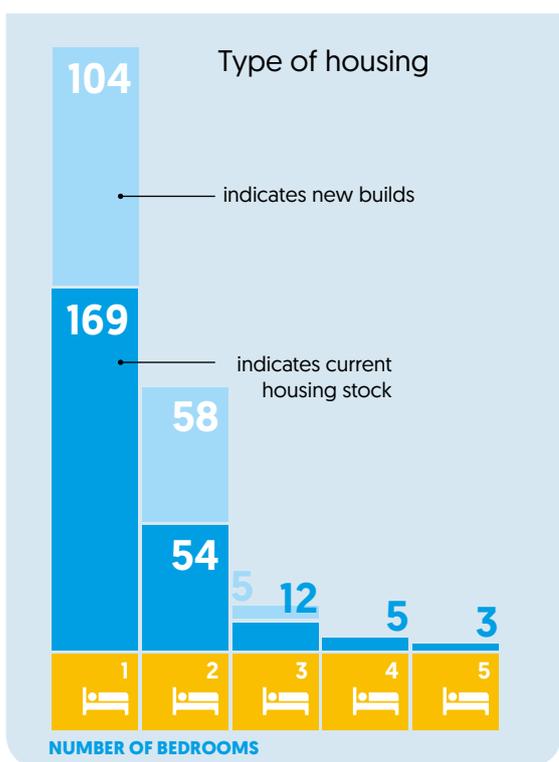
our properties

CORT owns or manages over 240 properties throughout the Auckland region. We are currently building a further 167 new homes.



Extisting CORT properties

New development areas for CORT 2018-2019



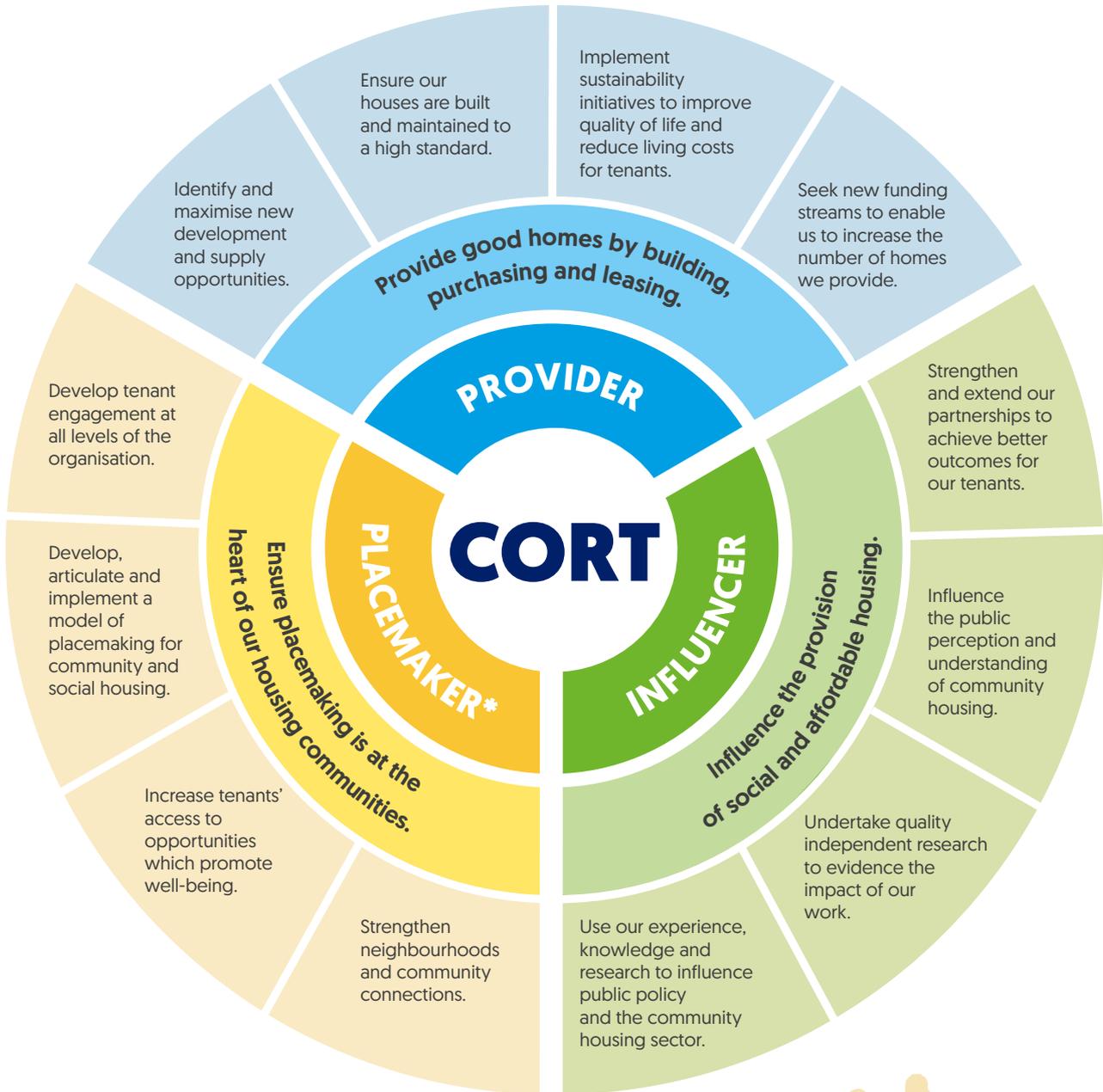
Total tenancies

 262

Total people housed

327 

strategic plan: 2017-2020



* In the community housing sector, **placemaking** refers to the range of factors which create great places to live, promoting the well-being of individuals and neighbourhoods. These factors include engaged tenants, community-focussed planning and design, and people-centred tenancy and property management.

ceo's review



Peter Jeffries

During a year in which Auckland's housing crisis has become even more acute, CORT has made a significant investment in increasing our capacity to respond.

There are many challenges we face to build more homes for those most at risk from the crisis. Increasing finance costs, inflated land values.

It is extremely difficult and shortages in construction skills and materials have resulted in ever-increasing building costs. The biggest challenge, however, is the lack of consistency in government funding. While we are encouraged by the new Government's emphasis on housing, there is still considerable confusion in the housing market and uncertainty about the continuity of funding.

It is extremely difficult to invest in, plan for and build the much-needed pipeline of new houses when funding support is uncertain.

PHOTO: JESSIE CASSON

performance update

CORT has experienced another very busy 12 months during which we have completed the first year of our new three-year strategic plan, which focused on three key areas: Provider, Placemaker and Influencer.

CORT as provider

We are increasingly being recognised for our professionalism and for the quality of housing we offer. In 2017 we appointed a new development manager and project manager to carry out our new-development programme. We have also formed close working relationships with a wide range of builders and developers who are committed to building exceptional quality, medium-density community housing. We have a finely honed understanding of what does and doesn't work when providing housing for vulnerable people.

At the start of 2017 CORT set an ambitious goal of developing or purchasing 100 new one and two-bedroom units per year for the following three years. By the end of the year we had exceeded that goal and sourced funding for 167 new units. These included 10 different development sites, ranging from four additional units at the successful Waimahia Inlet development to 27 units in Papatoetoe.

By the end of 2018 three of these new developments will be completed.

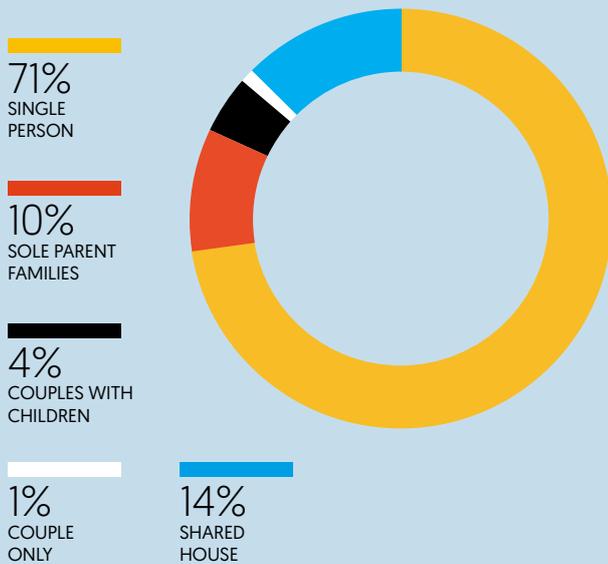
Scott Point, Hobsonville

CORT has 13 two-bedroom duplex homes in this mixed-tenure development. The houses are being developed by the New Zealand Housing Foundation. CORT purchased this site at a discount from the developer as part of the retained affordable housing provisions under the SHA (Special Housing Areas) initiative. This scheme required developers to provide discounted land to community housing providers to ensure affordable housing was built as part of the new development. (In a short-sighted move Auckland Council discontinued the scheme with the introduction of the Unitary Plan in 2016.) Construction of our Scott Point units is scheduled for completion in September 2018.

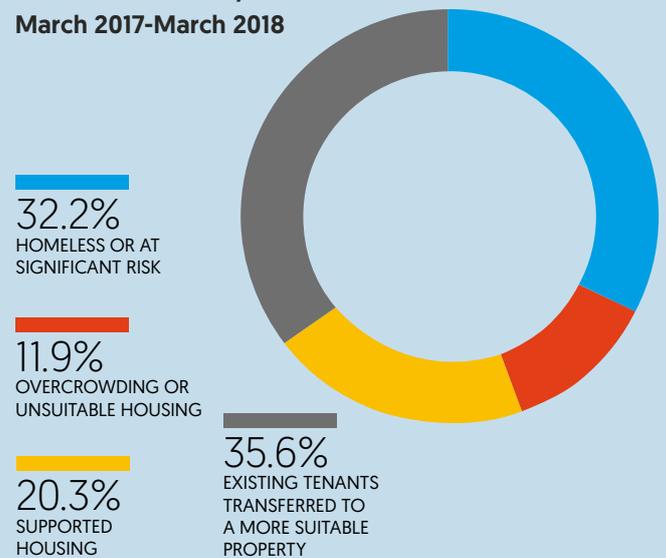
Hokonui Street, Otahuhu

On this site CORT demolished two old, cold, damp houses and is replacing them with 12 new units. This is a great example of a brownfields development,

Household composition



Tenants' living situations before new tenancy with CORT March 2017-March 2018



with three new complexes each containing four one-bedroom units. Similar in design to our successful Princes Street development, these units will provide much needed one-bedroom units in a high-demand public housing area. Construction is scheduled to be completed in August 2018.

McLennan development, Takanini

CORT is building eight one-bedroom and six two-bedroom units within McLennan Park, a new residential development located in the heart of Papakura and Takanini. When completed, McLennan Park will feature over 600 architecturally designed homes located close to schools, shops and large recreational parks. Housing NZ has provided the infrastructure for the McLennan project, with homes being developed in stages over several years. CORT's units are scheduled for completion in September 2018.

This year CORT will start construction on an additional six new developments due for completion in 2019.

Glynbrooke Street, Te Atatu

CORT purchased this vacant 1280m² section from Auckland Council in 2017 and construction began in May 2018. This is a design-and-build project for CORT to develop eight one-bedroom and three two-bedroom units. The project is another brownfields development on formerly vacant land. Construction is scheduled for completion in August 2019.

Moire Road, Massey

This development forms part of a larger mixed-tenure residential project on formerly vacant Crown land.

CORT is one of three community housing providers in this new community, where construction will be completed in 2019. The 19 total homes will consist of eight one-bedroom, seven two-bedroom and four three-bedroom units.

Sutton Road, Papatoetoe

We have worked closely with a private developer to secure the land and development rights to construct 22 one-bedroom and five two-bedroom units. They will replace the two old houses formerly on the site. This project represents CORT's first three-storey development. CORT will be managing the construction of this project, which is scheduled for completion in June 2019.

Mason Square, Otahuhu

CORT is purchasing 14 units in a cluster within this 86-unit mixed-tenure development of modern apartments in the heart of Otahuhu. This will include five one-bedroom units, six two-bedroom units, one three-bedroom unit and two studio units. Mason Square is located within easy access of Sylvia Park, Highbrook, Middlemore Hospital and the CBD, as well as parks, a supermarket and the new Otahuhu transport hub. The project is being privately developed and built. Construction is scheduled for completion in June 2019.

Addison, Takanini

CORT is developing two sites in Addison, located 2.5 kilometres north of the Papakura town centre. The first site at Airfield Road will contain eight one-bedroom and six two-bedroom units. Site two, at nearby School Road, will include three two-bedroom and 17 one-bedroom units. Construction on both sites is scheduled for completion in late 2019.

continued page 11



Hokonui Road,
Otahuhu – 12 one-
bedroom units to be
completed 2018

case study: Hokonui

- Previously two adjoining sections with run-down, stand-alone houses.
- Replaced with 12 x one-bedroom units in three small blocks.
- Modelled on CORT's successful Princes St development with updated design incorporating tenant feedback.
- Built with high-quality materials and a focus on long-term durability.
- Fully accessible ground floor units with level access and wet-area bathrooms.
- Located in a great community with access to public amenities.
- Living areas face north-west for maximum sunlight and passive heating.
- Efficient building ventilation for dry homes and improved indoor air quality.
- Attractive, low-maintenance landscaping with space for shared gardens.



Scott Point,
Hobsonville – 13 two-
bedroom houses to be
completed 2018



McLennan Park,
Takanini – eight
one-bedroom and six
two-bedroom units to
be completed 2018

staff profile

Julia Saunders

CORT Development Manager

Now into her second year with CORT, Julia returned to New Zealand in 2017 after working on a range of developments in London. This time spent delivering housing and other public amenities in London, was invaluable experience for working with a wide range of stakeholders with diverse needs.

Prior to this, Julia honed her understanding of the community housing sector in a variety of roles over nine years with Accessible Properties. This work impressed on her the importance of lifetime design. “Well-designed housing can be a great home for anyone,” she says. “It should meet the needs of a wide range of people, no matter what their stage of life.”

As CORT’s Development Manager, Julia is primarily responsible for the delivery of CORT’s 167 new properties which are under construction or in planning stages. She is excited by the ambition of this development pipeline. “We are essentially doubling our asset base in two years and we’re really well placed to meet this target. It’s a great team to be part of, everyone at CORT genuinely believes in the work we do.”

Julia’s goals for CORT are not just about scale and growth. She is committed to ensuring that CORT delivers the best-possible community housing.

“One of our key development goals is to improve the neighbourhoods we work in. When we build homes, we invest in the people who live there and we are committed for the long term. Because of this, we naturally create better affordable housing than the private market.”

Julia describes the importance of being intentional and deliberate throughout the entire design and build process. The quality of the design and materials used, the orientation of the buildings, and design that maximises ventilation and indoor air quality, all reflect CORT’s aims to make great places to live.

“We want to set a very high standard for community housing in New Zealand. By doing so, we hope to positively influence the public perception of both affordable housing and what a vibrant medium-density city can be.”

Puhinui Park, Kōtuitui Place, Manukau

CORT is partnering with other organisations in the Puhinui Park partnership, including the New Zealand Housing Foundation, Te Tumu Kāinga and Te Ākitai Waiohū and Auckland Council agency Panuku. The partnership will develop a residential neighbourhood of up to 160 new homes over the next three years on vacant Council-owned land. This development group is based on the successful consortium which delivered the Waimahia Inlet neighbourhood. At least 50 percent of the houses will be sold under an affordable housing scheme and there will be a range of purchase models including rent-to-buy and shared equity to help ensure affordability. CORT will be purchasing 15 one-bedroom and five two-bedroom units. The project is currently undergoing the consenting process. Construction will begin in 2019.

CORT as placemaker

The concept of placemaking lies at the heart of CORT's activities. For CORT as a community housing provider, placemaking encompasses all of the elements that need to come together to ensure that we offer great places to live. This includes location, design and build quality, tenancy engagement, tenancy management and asset management, and ensuring the homes we provide are affordable for our tenants. The end goal is to ensure that we offer quality homes in which tenants can thrive. An intrinsic aspect of CORT's strategic plan ensures that we continue to develop a comprehensive understanding of placemaking and can articulate and demonstrate these concepts in our operation.

A major part of this is our development of a tenant engagement strategy, which incorporates connection, community and wellbeing. This involves providing quality information to tenants, as well as effective opportunities for feedback and collaboration in shaping our service. Currently we have two tenant representatives on our board of trustees, have increased tenant feedback sessions from one to 10, and we have continued with carrying out our comprehensive annual tenant satisfaction survey.

Our community focus has been reflected in our three main tenant social events, including our annual mid-winter dinner, a beach picnic and a family zoo visit. We have contributed to strengthening neighbourhoods and community connections with our eight tenant-run women's groups and six community social events.

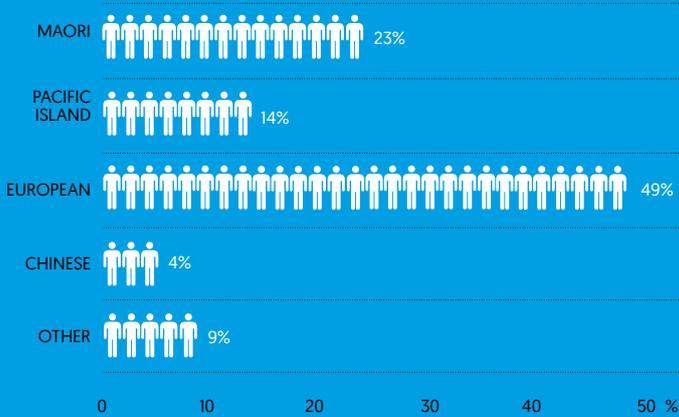
We have fostered tenant wellbeing by creating opportunities for tenants to further their employment goals, e.g. C&C Lawns, a joint venture between CORT and Crossroads Clubhouse. Over the past year we have supported tenants and social enterprises with over \$45,000 worth of contracted work. We continue to investigate how we can increase tenant education, both to sustain tenancies and to meet their personal goals. We are also piloting a framework for increasing the options for tenants to reduce their debt.

Our three tenancy managers are each responsible for 110 tenancies. These managers work as a close-knit team with individual tenants and families to address their specific needs and customise a response. Each tenant is formally visited at least twice a year, with many other

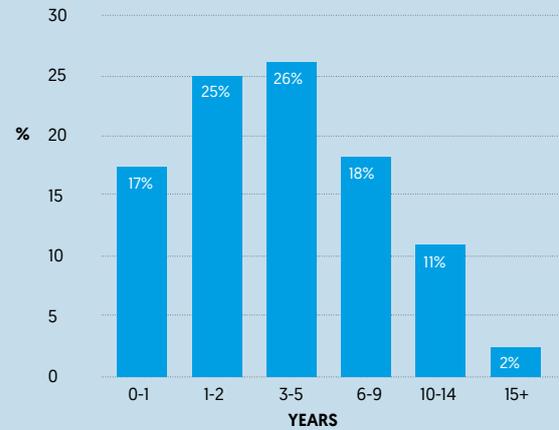
Key Performance Indicator Summary – April 2017 to March 2018

		BENCHMARK	ACTUALS
RENT ARREARS	Amount of unpaid rent from existing tenants at the end of the reporting period	less than 2.5%	1.6%
VACANCY TURN AROUND	Number of days when a property becomes vacant or unoccupied before it is re-tenanted	less than 15 days	7.3 days
OCCUPANCY RATE	Proportion of rental dwellings that are currently tenanted	more than 97%	99%
MAINTENANCE COMPLETION RATE (%)	Number of maintenance jobs completed in the allocated timeframe	EMERGENCY	1 day 69%
		PRIORITY	3 days 72%
		STANDARD	28 days 88%

Ethnicity of CORT tenants



Length of stay of CORT tenants



interactions in between. The tenancy team spends considerable time proactively advocating on behalf of our tenants to ensure that they receive the correct benefit entitlements and access to the appropriate health services and support. We also support at-risk CORT tenants to transfer to Income Related Rent (IRR) housing funding.

CORT as influencer

We continue to be very involved with the Auckland Community Housing Providers Network (ACHPN), which has grown to 17 members. Together with ACHPN we continue to lobby Government on a number of issues connected with delivering community and affordable housing.

We contributed to influencing public perception and understanding of community housing with the publication of **30 Years of CORT History** in 2017 and related media articles. We also updated our CORT website to add greater impact and visibility, and to be more accessible and informative.

We have used our experience, knowledge and research to influence public policy and the community housing sector by addressing Government ministers on housing issues on three occasions over the past year. We have also helped to establish operations-level network meetings and training opportunities for the broader community housing sector.

An aspect of our role as influencer is to undertake quality independent research into the impact of CORT's work in the community housing sector. We engaged Beacon Pathway Inc to assist us to better understand the overall sustainability of our new developments.

Thanks

I particularly want to thank CORT Board Chair Sue Watson. Her extensive governance experience has been invaluable to the Trust in ensuring that the organisation remains aligned with our strategic direction. I would also like to offer thanks for the time and expertise provided voluntarily by our Board of Trustees and to all of the friends of the Trust – we couldn't manage without you.

Thanks to Gary Corbett, our long-standing property manager, for his years of service. He has now started his own property maintenance business and has been contracted to carry out work for CORT. We welcome Gary's replacement Michael O'Keefe, who brings new skills and experience in residential and commercial property management. And we also welcome Neale Tate, project manager, Viona Gunawan, accounts assistant, and Maxine Demaneuf our office manager, replacing Elizabeth Joynt, who will now become one of our tenancy managers.

Finally, I would also like to acknowledge and thank the Ponsonby Baptist Church. The church's congregation continues to take an active interest in the support and wellbeing of CORT's tenants. This valuable physical and moral support underpins our work, providing safe and affordable accommodation for those most in need.

Peter Jeffries
CEO, CORT Community Housing

partnering for better housing

Our partnerships with other community organisations and housing providers are crucial to the work we do. One of our most recent partnerships has been with Penina Health Trust, which offers a range of services to Pacific families in South Auckland. They are a by-Pacific-for-Pacific organisation that understands the cultural and family structures of the people with whom they work.

Penina believes that it is not until people are offered a sustainable roof over their head that they are truly able to start their recovery journey. The organisation offers immediate hope to families and individuals who have been left homeless by the current housing crisis. A stay in their transitional housing service, usually lasting up to 12 weeks, may need to be extended several times due to the lack of appropriate and affordable housing.

CORT was recently able to offer a number of families supported by Penina the opportunity to transition to long-term social housing in some of our newer housing developments.

“Some of our residents broke down in tears, they were so thankful for the opportunities that CORT can provide,” says Jerome Paletasala, Penina Tenancy Manager.

Penina works hard with its residents to make sure they are ready for what can be a daunting prospect – moving into a place of their own. In addition to offering a wide range of skills-based workshops, Penina provides holistic support and guidance to families as they transition into long-term housing. Penina gets to know its people well and this shared background knowledge and understanding is much appreciated by CORT as a valuable way of easing the settling-in process for our tenants.

CORT Tenancy Manager Jade Thorne describes the close working relationship: “Penina has been incredibly open and available, which has made matching their transitional tenants into long-term housing so much easier. The foundations and support that Penina puts in place really make the tenant’s move into our places so much more successful.”

Housing people successfully can require an immediate and short-term response, as well as options for long-term housing. This partnership between Penina and CORT illustrates the ways in which community housing organisations can work collaboratively to assist individuals and families to progress along the housing continuum.



L-R: Jerome Paletasala and Mua Tuilimu from Penina Health Trust, and Stephen Hart from CORT

new opportunities

Before moving into his CORT unit in late 2014, David had lived in boarding houses and rented in the private rental market. When this became unaffordable, a support person referred him to CORT. After staying with his family for a short period, he was offered his own place in Mt Wellington, one of the first tenants to move into the block of units newly built by CORT. David grew up in this part of Auckland, so the area is familiar and convenient for him. Another bonus is that he has friends and family nearby.

David enjoys living in his own space, something he had not done previously, having had only a bedroom to himself. He loves the bigger space of his unit, where he can do his own thing – watching the movies he likes, for example. His favourite is *Man on Fire* with Denzel Washington. He also likes to keep his unit clean and tidy. David has two beloved pets, cats Denzel and Pookie. He also enjoys watching boxing and martial arts and keeps an eye on how the All Blacks are doing.

The long-term security of his housing tenure has also meant that David has been able to make changes in his life. Not only has he given up smoking, he has also been working for CORT on a part-time basis. David is applying his many years of lawn-mowing experience by doing the lawns for the whole CORT block where he lives, the lawns at another nearby CORT development and at his sister's home. His expertise shows in the tidy and well-maintained lawns of his block. David says that this level of employment is just right for him, and the extra income means he is able to save. Right now he is saving to buy a new mower to keep at his sister's place.



Tenant satisfaction statistics during 2017-2018

Source - CORT Tenant Satisfaction Survey 2018. Sample size n=147

88%

Overall tenant satisfaction



91%

Tenants agree that CORT is easy to contact



86%

Tenants agree that CORT maintains their home to a reasonable standard

82%

Tenants agree that their current housing situation contributes positively to their overall wellbeing

PHOTO: JESSIE CASSON

strategic plan progress to march 2018

Provide good homes by building, purchasing and leasing

To achieve this, we will	Progress as at March 2018	Status
Identify and maximise new development and supply opportunities.	Development pipeline of 167 new community housing units - 44 to be completed by end of 2018	In progress
	Key consortium partner in Puhinui Park development of 160 affordable community homes in Manukau (including 20 CORT homes)	Complete
Ensure our houses are built and maintained to a high standard.	Six new 1 bedroom units completed at Arawa St	Complete
	Five existing units fully renovated - including upgraded insulation and double glazing	Complete
	Five existing units to be renovated in 2018/19	In progress
	Review and update of long-term asset management plan for older housing stock	In progress
Implement sustainability initiatives to improve quality of life and reduce living costs for tenants.	Independent sustainability assessments of two recently completed developments	Complete
Seek new funding streams to enable us to increase the number of homes we provide.	No new funding streams identified. MSD halted new project funding until Government budget allocation (May 2018)	On hold

Ensure placemaking is at the heart of our housing communities

To achieve this, we will	Progress as at March 2018	Status
Develop, articulate and implement a model of placemaking for community and social housing.	Research and development of Placemaking model for CORT with workshops to understand benefits across the organisation	In progress
Develop tenant-engagement at all levels of the organisation.	Tenant representatives on the Board of Trustees increased from one to two	Complete
	Tenant feedback events increased from one to 10	Complete
	Tenant Satisfaction Survey completed and published	Complete
	Workshop with existing tenants to obtain feedback to improve new development design	Complete
Increase tenants access to opportunities which promote well-being.	Growth of CORT lawn and garden maintenance joint venture with NGO partner	Complete
	Increased number of tenants engaged as contractors: including garden maintenance, tenant engagement, and administration	Complete
Strengthen neighbourhoods and community connections.	Three major social events including mid-winter dinner, beach picnic, family zoo day	Complete
	Eight tenant-run women's groups	Complete
	Six community social events	Complete

Influence the provision of community and affordable housing

To achieve this, we will	Progress as at March 2018	Status
Strengthen and extend our partnerships to achieve better outcomes for our tenants.	Establish and grow support partnerships in South and West Auckland	In progress
	Continue to support at-risk tenants to transfer to Income Related Rent (IRR) housing funding	In progress
Influence the public perception and understanding of community housing.	Publish <i>30 Years of CORT</i> history, and related media articles	Complete
	CORT website updated including improved tenant information section	Complete
Use our experience, knowledge and research to influence public policy and the community housing sector.	Address Government ministers on housing issues on three occasions	Complete
	Support establishment of operations-level network meetings and training opportunities	Complete
Undertake quality independent research to evidence the impact of our work.	Beacon Pathway Inc engaged to assist with sustainability assessment tools	In progress

our board

CORT continues to benefit from the guidance and strategic vision of our governing board. In 2017 we have strengthened the board's capability with two key appointments. New Trustee Alex Duncan provides significant expertise in strategy and financial risk management. We also welcome Julie Dudfield as our second tenant advisor, bringing her perspective as a current tenant and a wealth of knowledge in community development.



Chair

Sue Watson

PhD, MEd, BA, Dip Tchng

Skill area: Leadership and strategic development, government relations, developing and maintaining relationships with key stakeholders



Treasurer

William Alexander

BE (Hons) Agric

Skill area: Management, research and development, operations, marketing



Trustee

Jody Kilpatrick

BA, BTh, MTh

Skill area: Pastoral leadership



Trustee

Tony McNamara

BSc, MBA Exec, IITP, IoD

Skill area: Strategy, IT management



Trustee

Alex Duncan

BA (Hons)

Skill area: Finance, financial markets, public policy



Trustee

John Deyell

BCom (Taxation & Accounting)

Skill area: Finance, charitable trust management



Co-op Trustee

Dr Graham Davison

MB ChB, FRACP

Skill area: Health sector and knowledge of the Trust



Tenant Advisor

Zheyne Tahana

Skill area: Tenant perspective and knowledge



Tenant Advisor

Julie Dudfield

Skill area: Tenant perspective, tenant engagement and community development.

trustee profile

Alex Duncan Board Member

Until mid-2015, Alex held a range of senior corporate finance and strategy roles in Fonterra Co-operative Group. During that time, he worked on both the establishment of a global dairy auction as well as the conception and implementation of an innovative equity listing. His earlier experience included advising the New Zealand Treasury on tax and public policy and successfully implementing tax reform in two Pacific island nations. Cutting his teeth in the early 1980s, Alex advised the fishing industry on its ground-breaking quota management system which facilitated the recognition of Maori property rights under the Treaty of Waitangi.

Alex continues to provide professional advice to a range of clients, but he now has more time to spend with his expanding family (five grandchildren in close proximity), recreation and community-building activities, of which his involvement with CORT is central.

“CORT is a great example of a successful public/ community partnership – the outcomes of which tick everyone’s boxes. The Government and CORT share the financial burden and risk, and tenants are provided with the opportunity to live in high-quality housing. It’s a model that delivers significant infrastructure – not just physical housing but also a rich social asset.”

Alex points to CORT’s steady growth and focus, as well as its culture of “learning by doing”, as keys for the success over the past 31 years. “This is evident in the knowledge of the board, the staff and the partnerships CORT has forged to provide support for its tenants.”

From a governance perspective, Alex believes CORT is very well placed. “The board of trustees and executive team are very skillful in the ways they continue to seek out and pursue new opportunities, while at the same time prudently managing risk and ensuring that every dollar is used efficiently.”

Alex recognises the challenges and opportunities for the wider community housing sector. “It is crucial to secure continued support for the sector in the midst of the shifting political and legislative direction.” For a sector that builds and manages long-term community infrastructure, continuity allows for deep and sustained investment. Ultimately, he is optimistic for the sector, particularly regarding its uniquely collaborative approach. “The partnerships CORT has developed with the Government, social services and the community will continue to provide great outcomes for our tenants.”



treasurer's report

The audited accounts of CORT show that the Trust's finances continue to be well managed.

We have continued to operate within a budget which has allowed us to fund our services and our regular property maintenance to a high standard. The year's operating surplus of \$971,400 represents an increase of close to \$50,000 on the previous year. A little under half of this amount was used to pay our loan principal repayments. The remainder has contributed towards new property development.

Our balance sheet has continued to grow at a substantial rate. The total value of our properties has now reached \$86.3 million. Including projects currently under development, we have added a net \$16 million in new properties and the value of our existing properties has increased by \$8.8 million. Our liabilities, mostly mortgages, are now \$40.5 million. Nearly half of this [\$18.7 million] represents conditional grants which are repayable only if we do not keep the properties for social housing. This means that the Trust equity of \$49.1 million reflects an increase of just under \$10 million from last year. This figure will be considerably more as the conditional grants are eventually forgiven.

Our finance and risk sub-committee has continued to monitor our financial reporting and to assess the risk of each development project. The committee this year recommended a cash reserve policy. This ensures that the trust has adequate cash flow protection against any unforeseen negative events which might threaten our ability to meet our immediate commitments.

CORT remains well positioned financially to continue to take up the opportunities we have for growth. We have a strong balance sheet. We also have the management and governance expertise required to enable us to continue our property development programme for this coming year and for the foreseeable future.

Bill Alexander
Treasurer, CORT Community Housing

trust directory

For the year ended 31 March 2018

Purpose of Trust To obtain and maintain affordable accommodation for disadvantaged people with social needs within Auckland

Incorporation Date October 1987

Charities Register Number CC36795

Address 68 Grafton Road
Auckland

CEO Peter Jeffries

Trustees Sue Watson (Chairperson)
William Alexander (Treasurer)
Alex Duncan
Graham Davison
Jody Kilpatrick
John Deyell
Julie Dudfield
Tony McNamara
Zheyne Tahana

Bankers ASB Bank Limited, Auckland

Auditors Jolly Duncan & Wells
Ellerslie
Auckland

consolidated statement of comprehensive revenue and expenses

for the year ended 31 March 2018

	2018	2017
	\$	\$
Revenue from exchange transactions		
Rent received	4,428,908	4,042,444
Interest received	7,490	4,584
Directors' fees	20,000	20,000
Dividends received	-	345
Revenue from non-exchange transactions		
ADHB contract income	554,027	543,399
Grant income	432,500	-
Total revenue	5,442,924	4,610,772
Expenses		
Property expenses	2,509,230	2,168,167
Administration expenses	330,407	237,040
Personnel expenses	871,521	651,155
Finance costs	702,983	637,258
Depreciation	16,138	4,300
Loss on disposal of assets	41,241	[460]
Total expenses	4,471,519	3,697,461
Total surplus for the period	971,405	913,311
Other comprehensive revenue and expenses		
Unrealised net change in the value of investment properties	8,823,060	7,244,694
Total comprehensive revenue and expenses	9,794,465	8,158,005

consolidated statement of financial position

as at 31 March 2018

	2018 \$	2017 \$
Current assets		
Bank	2,337,861	780,008
Accounts receivable	848,059	106,115
Prepayments	68,354	48,892
	3,254,273	935,015
Non-current assets		
Investment properties	72,047,000	61,915,000
Development work in progress	14,370,056	3,224,858
Plant and equipment	49,320	54,952
Investments	-	-
	86,466,376	65,194,809
Total assets	89,720,650	66,129,825
Current liabilities		
Sundry creditors	1,285,283	101,461
GST payable	5,591	237,010
Tenant funds	7,568	6,999
Related party loan	-	-
Loans - current portion	1,053,142	780,366
	2,351,583	1,125,836
Non-current liabilities		
Loans - term portion	19,490,888	14,556,118
Conditional grants	18,702,212	11,066,369
	38,193,099	25,622,487
Total liabilities	40,544,683	26,748,323
Net assets	49,175,967	39,381,502
Trust funds		
Retained earnings	12,166,205	11,194,800
Property revaluation reserve	37,009,762	28,186,702
	49,175,967	39,381,502

For and on behalf of the Executive Committee:



Chairperson

16th July 2018

Date



CEO

16th July 2018

Date

staff profile

Makinsie Baker

CORT Tenancy Manager

Originally from Las Vegas, Makinsie has called New Zealand home for almost 16 years. With her husband, young son, two sisters and nine nephews, family is extremely important to Makinsie. She has been a tenancy manager with CORT for nearly two years and has a passion for working with people to help them find their feet.

“Many of the people who come to CORT are homeless or have been in a place in their life where living on the streets or in a car is a very real possibility. I think it’s really important that we give people an opportunity to have a home and be part of the community. It’s really satisfying to me when people are given that chance.”

Makinsie is excited to be able to offer more homes as CORT’s newly built houses are delivered. Although she recognises the challenge here too. “We want to make sure our tenants feel part of the new neighbourhoods that are being created. In Hobsonville, for example, a whole new suburb is being built – so we will support our tenants to meet the neighbours and to find out what’s available in the community. And of course our houses will be great – really attractive, warm and dry homes.”

CORT works with a wide range of people, including people who have moved to NZ as refugees. One of Makinsie’s tenants, Hummed, arrived in New Zealand from Libya almost four years ago. He is now a permanent resident, volunteers in the community and has found a home with CORT. Hummed says he appreciates the service CORT has provided, describing Makinsie as, “very helpful, and understanding of my situation”.



CORT partner organisations

CORT values the contribution of our partners in assisting us to create safe, affordable accommodation for people on low incomes. We work in a range of partnerships in order to share and gain access to diverse specialist expertise.

- Accessible Properties
- ACOS
- Affinity Services
- ASB Bank
- ASB Community Trust
- Auckland Community Housing Provider Network
- Auckland DHB
- Bays Community Housing Trust
- Beacon Pathways Inc
- Buchanan Rehabilitation Centre
- Crossroads Clubhouse
- Community Housing Aotearoa
- Cornwall House
- De Paul House
- Emerge Aotearoa
- Equip Mental Health Services
- Habitat for Humanity
- Housing New Zealand
- Kiwibank
- Lifemark
- Lifewise
- Link People
- Mahi Tahī
- Manaaki House
- Ministry of Business Innovation and Employment
- Ministry of Social Development
- New Zealand Housing Foundation
- Monte Cecilia Housing Trust
- Pathways
- Penina Health Trust
- Ponsonby Baptist Church
- St Lukes Community Mental Health Centre
- Taylor Centre
- Tamaki Collective
- Te Tumu Kainga
- Te Tumu Paeoa
- The Cottage CMHC
- Vision West Community Trust
- Waitemata DHB
- Westpac Bank



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