

June 2025

Information sheet: Project assessments and write downs

What assessment criteria did you use when deciding what social housing projects would go ahead?

When we assessed the 466 social housing projects, we prioritised the locations where we are being asked to deliver new homes, or where upgrading our older homes is a high priority.

We also assessed the costs and proposed plans for the project, checking if they still stacked up financially, or whether there were better options for using the site.

How many homes will be provided through the 254 projects you are proceeding with?

Subject to final designs, these 254 projects will provide 1,821 homes. It is important to note that these projects are all at different stages of the planning process and in most cases, there is still design and feasibility work to be done before a final decision is made to contract the building work.

How many homes were going to be provided by the 212 projects you are not proceeding with?

Those projects would have provided 3,479 homes.

Why are you stopping so many housing projects?

The number of new homes we deliver is dependent on the funding we get from the Government. Over the two years to June 2026, we have funding to add 2,650 new homes to the state housing stock. We need to build those homes in the priority areas identified through the Government's Public Housing Plan. In addition, over the same period, around 3,000 Kāinga Ora homes will be renewed, delivering warmer, drier and healthier homes for people in need, in the right locations.

In what locations are the projects you are stopping?

The social housing projects we are no longer proceeding with were proposed for sites throughout the country. You can see a full list of them [here](#).

Are there any projects that are still under review?

Yes –our planned Arlington project in Wellington is still under review.

Options for the Arlington site have been developed following a detailed assessment process, which has considered value for money and cost-effectiveness alongside the need for social housing in central Wellington. A briefing on these options has been provided to the Government, with Ministerial consultation required due to the size, complexity and cost implications of any redevelopment of the site. Depending on Ministerial feedback, an indicative business case for any preferred option, including costings and construction timeframes, will be finalised for consideration by the Kāinga Ora Board later this year.

What happens now with the sites you've decided not to build on? Will they be sold?

In most cases we are still assessing options for the sites. We may look to rework plans for a site or sell it. For some sites we may need to wait for future decisions as part of our renewals programme. In a few cases

where the decision was made early on in our assessment process to cancel the project, the site may already have been sold.

If there are homes on the sites, will they be brought back into the letting pool? Will tenants who were living in the homes be allowed to move back?

Where possible we will bring existing homes back into our letting pool. This has already happened at some sites.

The tenants who were moved out of those homes have all been moved into other Kāinga Ora homes. If a previous tenant wanted to move back, we would have to look at it on a case-by-case basis as there may be others with a more serious housing need or higher priority on the Public Housing Register at that point in time.

What's included in the write-downs?

The money being written down represents the sunk costs spent on these projects during their initial scoping and planning phases and mainly relates to professional fees. These costs are typical across the wider construction sector in the early stages of a project.

Why didn't you make provision for these write-downs in your budget?

Every year we budget for some write-downs – it's something every prudent developer does as not every project started will prove to be feasible or economically viable. This amount we're writing down is significantly more than the \$21 million we had made provision for in our budget. That's because our reset reviews have highlighted an abnormally high number of projects and land holdings that no longer make sense for Kāinga Ora if we want to get ourselves in a better financial position. As we have exceeded our savings targets in other areas, we can largely offset the costs.

What is the breakdown of costs for the projects?

We won't have a final breakdown of costs for these projects until our audit process is completed after the end of this financial year. That's why we're only giving a range for the value of write-downs at this stage. A breakdown of the range by territorial authority is available.

We will have an exact figure once we've finished auditing.