

4. POSSIBLE PURCHASE OF PROPERTY 18 MCGREGOR'S ROAD, NGA WHAEA ATAWHAI I ROTO I TE ROHE O OTAUTAHU

SISTERS OF MERCY DIOCESE OF CHRISTCHURCH

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The purpose of this report is to advise the Council of the Community Services Committee's and Housing Working Party's recommendation on the purchase of a property from the Housing Development Fund.

BACKGROUND

Ka Wahine Ki Otautahi Trust is a charitable trust which provides safe accommodation and personalised programmes for women coming out of prison. The Trust works closely with the Manager of the Womens' Prison and with the Community Probation Service, and is the only residential facility in the South Island for women going through the court and prison systems.

The kaupapa of the Trust (set up in 1990) is to provide a safe residential home for women coming out of prison. The environment is free from drugs and alcohol. The Trust recognises that women coming out of prison may have personal histories, which include abuse and may have experienced additional trauma such as family breakdown as a result of imprisonment. The Trust supports and encourages the women to successfully reintegrate into the community.

The programme offered to women is 3-6 months long depending on the decision of the parole board or the needs of the women. Four women (and sometimes young children) can be accommodated in the house at any one time. A house manager, night supervisor and two weekend co-ordinators provide twenty four hour staff cover. All these staff are experienced and skilled.

The Ka Wahine Ki Otautahi Trust first approached the Council for financial support early in 2000. The Trust receives very limited government funding and experiences on-going funding difficulties, despite having an annual budget of only around \$100,000. The current rental of the house is \$9360 per annum - a significant proportion of the Trust's operating expenses.. The group was referred to the Housing Working Party which considered the request in June 2000. As a result, the Council requested the Minister of Corrections, the Hon. Matt Robson, to consider a funding partnership with the Council to support the work of the Trust. While acknowledging the good work of the Trust, the Minister declined this request on the basis that the Trust's work was not sufficiently aligned with current Community Probation Service objectives. The Minister indicated that the provision of accommodation services for target groups was considered to be of secondary importance to programme-based interventions.

However, Ka Wahine considers that the accommodation part of the service makes a crucial difference in enabling clients to receive appropriate and intensive support in making positive changes in their lives.

COUNCIL POLICY

There are three Council policies which are relevant to this application for funding: the Community Policy, the Social Well-being Policy and the Housing Policy. The activities of Ka Wahine Ki Otautahi are strongly in keeping with the outcomes of the Community Policy and the Social Well-being Policy. The third relevant policy (Housing) will be discussed in more detail as it is most relevant to this application.

Key issues identified by the Council's 1996 Housing Study include:

- e) *Priority housing needs including replacement for lost inner city bedsits, single men, single women, solo parent families (one child), semi dependent elderly, refugee accommodation, short term accommodation for youth at risk.*

The vision statement subsequently adopted is:

To contribute to the community's social well-being by ensuring safe, accessible and affordable housing is available to people on low incomes including elderly persons and people with disabilities.

The Council also adopted affordable housing goals and actions. Goals relevant to this application are:

Goal 2: The provision of additional accommodation for single men and women with one child.

Goal 3: The provision of inner city accommodation for mature single men and mature single women displaced from boarding house accommodation.

Goal 5: The provision or facilitation of accommodation for those deinstitutionalised or otherwise affected by changes in the health system.

Council funding for the Trust was again considered by the Housing Working Party in December 2000. At this meeting the Working Party confirmed its support for the Trust, and agreed "that the Property Manager follow up with the Sisters of Mercy on the possibilities of purchasing the property at 18 McGregors Road, Linwood, currently leased to the Trust" (minutes of Housing Working Party, 20 December 2000).

SUBJECT PROPERTY

The property is located at 18 McGregor's Road, Bromley, close to the Linwood Avenue end of McGregors Road.

The dwelling contains a square-shaped, modest three-bedroom bungalow containing an area of approximately 103m². It was erected in approximately 1950. The dwelling consists of brick veneer exterior cladding with a concrete and timber foundation and concrete tile roof. The house is mostly in original condition and is quite dated in terms of presentation. There are some cracks evident in the ceiling in the bedrooms and some broken window panes being evident. The property though is in a sound condition throughout.

To the rear of the house there is a significant sleep-out approximately 12 years old and 32m² in area. There has been partitioning to provide three bedrooms, and it is lined and carpeted, and in each room there is an aluminium ranch slider to a veranda and deck running the length of the building.

A separate double concrete block garage is also present on the property.

VALUATION

The property was offered to Council at the rating value of \$138,000.

An independent market valuation has been obtained which has assessed a value of \$119,000, which was presented to the Sisters of Mercy for their consideration. Advice has been received that they are prepared to sell the property for this amount.

LEASE ARRANGEMENTS

As is the case with other Council purchases of this nature, it is proposed to lease the property on the following basis:

- five-year lease with three rights of renewal of five years each.
- rent reviews to occur at renewal dates.
- the rental for the first five year period to be 2% of the capital cost i.e. \$2,380 pa.
- an additional clause will be added to the lease to ensure the use to which the property is currently put is maintained.

CONCLUSION

In the context of roles established in Council policies the Council is clearly able to consider providing, or entering into relationships with agencies which provide, accommodation for the current clients of Ka Wahine Ki Otautahi Trust. Clients are on low incomes, have recently been in an institution and require support to participate in their families and communities. The service is highly regarded and supported by (for example) the Community Probation Service, the Family Help Trust, the Women's prison, Te Runaka Ki Otautahi o Kai Tahu and PARS (Prisoners' Aid and Rehabilitation). The financial advantage gained by the Trust paying the reduced rental to Council will make a significant difference to the security of the Trust's ongoing operation.

Both the Housing Working Party and the Community Services Committee **resolved** that the following recommendation be placed before the Council:

Recommendation: That the property be acquired, subject to the above terms and conditions.