6. COUNCIL SOCIAL HOUSING STRATEGY

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PURPOSE OF REPORT

1. To recommend the final social housing strategy (Attachment One) for approval.

EXECUTIVE SUMMARY

2. Work has been under way since early 2006 to develop a social housing strategy for the Council. Staff first gained Councillor input to the brief for this work in December 2005.

3. In 2006 staff developed a draft strategy through analysing reports and research, and engaging with stakeholder groups. The general contents and direction of the draft social housing strategy were discussed with Councillors at a seminar on 26 September 2006.

4. The Council approved the draft social housing strategy for public consultation at its 2 November 2006 meeting. The consultation period went from 6 November 2006 until 28 February 2007.

5. Public feedback on the draft social housing strategy and the resulting proposed changes to the strategy were discussed with Councillors at a seminar on 3 April 2007.

6. The main amendments to the strategy are:

    ●   Giving more prominence to our leadership role by stating this as a strategy principle rather than as an objective (ie 'Be the leader in quality social housing service provision').
    ●   Stating, via one of the strategy's goals, that social and environmental sustainability are important social housing outcomes for the Council.
    ●   Specifying the retention of the Council's current level of social housing stock as a minimum level of provision (an additional objective).
    ●   Stating that the Council has a range of strategic supply roles of maintaining, upgrading, and where appropriate expanding its social housing stock (an additional objective).
    ●   Stating that the Council will, where appropriate, facilitate the provision of dedicated housing for special needs groups (an additional objective).
    ●   Noting the desirability of providing smaller scale housing.
    ●   Noting that systemic means (eg development contributions, reduced fees and charges) are potential ways that the Council can use to encourage the supply of social housing.
    ●   Noting the Council's rent setting policy as the key to the ongoing sustainable operation of its portfolio.
    ●   Adding clarity on definitions of affordable housing and social housing.
    ●   Outlining of the strategy's key implementation tasks and associated risks.
    ●   Noting the likely relevance of the Council's proposed sustainable energy strategy.
    ●   Updating statistical facts and figures where possible.

7. This report presents the social housing strategy for approval by the Council. The Strategy has the following vision: "To contribute to the community's well-being by ensuring safe, accessible and affordable *social housing* is available to people on low incomes, including elderly persons and people with disabilities". The strategy supersedes the Council's current near identical housing policy vision statement, which should now be revoked and removed from the policy register.

8. The social housing strategy recognises that the Council has a leadership role in the provision and facilitation of social housing in Christchurch. Partnerships and collaboration are central to the Strategy, which emphasises that addressing social housing needs is something that cannot be done by one agency or sector alone.

9.   It should be noted that this strategy identifies 'social housing' as a subset of 'affordable housing'.   Although the terms are often used interchangeably, affordable housing in this instance refers to the ability of renting or home-owning or prospective home owning households to meet their housing costs while leaving sufficient income to maintain an acceptable standard of living.   Social housing is predominantly rental housing that caters for those on very low incomes that the market does not adequately provide for who may also be experiencing other barriers accessing suitable housing.

FINANCIAL IMPLICATIONS

10.   The Council's social housing provision is currently a self-funding operation, and does not draw upon rates for either capital or operational expenses.   The social housing strategy recommends that this course of action be continued.

Do the Recommendations of this Report Align with 2006-16 LTCCP budgets?

11.   Yes.

LEGAL CONSIDERATIONS

12.   Not applicable as there are no fundamental changes in asset ownership or service delivery.

Have you considered the legal implications of the issue under consideration?

13.   Yes.

ALIGNMENT WITH LTCCP AND ACTIVITY MANAGEMENT PLANS

14.   Yes – see above.

Do the recommendations of this report support a level of service or project in the 2006-16 LTCCP?

15.   Yes.

ALIGNMENT WITH STRATEGIES

16.   This report recommends the adoption of the social housing strategy. It will align with the urban development strategy, the draft community development strategy, and the safer Christchurch strategy.

Do the recommendations align with the Council's strategies?

17.   Yes.

CONSULTATION FULFILMENT

18.   The social housing strategy has been developed in accordance with the decision making and other provisions of the Local Government Act 2002. There is a strong community interest and involvement in the Council's social housing provision. A period of broad consultation has been undertaken in developing the strategy.

STAFF RECOMMENDATIONS

It is recommended that the Council:

(a)   Approve the Social Housing Strategy (Attachment One).

(b)   Revoke and remove from the Policy Register the Council Housing Policy Vision Statement.

BACKGROUND ON SOCIAL HOUSING STRATEGY

19.   Housing is a key area through which social and economic well-being are influenced. Successful housing outcomes are just as important to community well-being as the availability of employment and access to services and facilities.

20.   The Council's social housing role has evolved over time with increasing demands on its housing resources from a wider range of groups in the community. This Strategy aims to provide direction for the future role and involvement of the Council in social housing provision in Christchurch. It has been written with a twenty year timeframe in mind.

21.   In line with the New Zealand Housing Strategy (2005), social housing in this strategy is defined as:

"Not for profit housing programmes that are supported but not necessarily delivered by [central or local] government to help low and modest income households and other disadvantaged groups to access appropriate, secure and affordable housing [that is within their means]."

22.   In general terms, once a brief for the Social Housing Strategy was adopted by Council, the process used to develop the strategy has been as follows:

   ●   Relevant research and information documents were identified and analysed. Demographic and socioeconomic trends likely to impact on housing were also examined.

   ●   A number of one on one meetings were held with stakeholder groups, and letters were sent to other key community organisations asking them for comment on social housing issues. Information was also obtained from Housing Forum members.

   ●   The issues identified through research and stakeholder engagement were identified and analysed. The general direction of the Social Housing Strategy was further developed and discussed with Councillors at the Strong Communities Portfolio Group in August 2006, and at a Council seminar on 26 September 2006. The draft version of the Social Housing Strategy was signed off for public consultation by Council on 2 November 2007.

   ●   Following a situational analysis, the strategy's direction is based on a series of high level *principles* (to guide the strategy), which flow through to a series of *goals* (what the strategy sets out to achieve), followed by a set of *objectives* (how the goals will be achieved) under each goal.

CONSULTATION

23.   Public consultation on the draft form of the Social Housing Strategy ran from 6 November 2006 until 28 February 2007. Several key meetings with forums such as the Housing Forum and Healthy Christchurch were held. The public were able to provide comment on feedback forms that were made available at Council service centres, libraries, and online. There were 116 submissions received, 73 coming from individuals and 43 from organisations.

24.   Strong support for continuing with social housing, along with a good acknowledgement of contribution it makes in Christchurch, was made in most submissions. High levels of support were given for the overall direction and goals of the strategy. Many submissions, especially from organisations, began by congratulating Council on its social housing service.

25.   Feedback from the public consultation was considered by the Council at a seminar on 3 April 2007. Key suggestions presented to the seminar for improving the strategy included references to environmental sustainability, universal design principles, having smaller and more specialised complexes, providing development incentives for more social housing, utilising community facilities, and developing tenant participation models. These suggestions largely sought to build on and extend the draft strategy rather than fundamentally alter it. A summarised analysis of the public consultation that was presented to a Council seminar on 3 April 2007 is contained in Attachment Two.

26. Some consultation suggestions presented to the 3 April 2007 seminar for its consideration were noted as being already reflected in, or reasonably inferred from, the strategy, eg reviewing the location of current stock or preferences for housing particular groups of people. The seminar also saw from the consultation analysis those suggestions that fell outside the scope of the strategy, eg incentives for landlords to improve their properties. Other suggestions were rejected at the seminar as not being appropriate for the strategy or the operation of the Council's social housing, eg making further Council provision of social housing as a contestable part of the LTCCP.

27. The key direction from the seminar was that some aspects of the strategy needed to be expanded further so as to show clarity of meaning and intent. For example, this included clarity over the Council's roles in the supply of social housing, emphasising environmental sustainability issues, retaining the Council's current level of social housing stock as a minimum level of provision, noting the importance of the Council's rental policy for the successful implementation of the strategy and the sustainable operation of its housing portfolio, and clarity over what 'affordable housing' more generally meant in relation to social housing.

28. Other issues raised at the 3 April 2007 seminar but not included in the final strategy included that of governance models for Council housing. This was outside the scope of the strategy, and so further direction will need to be obtained from Council on this matter once the strategy is adopted.

STRATEGY AMENDMENTS

29. In summary the main changes to the strategy following public consultation are:

- Minor rewording of the strategy vision to explicitly include the phrase 'social housing' (Section 5.1).
- Giving more prominence to our leadership role in social housing by stating this in Section 5.2 of the strategy as a strategy principle rather than as an objective (ie *'Be the leader in quality social housing service provision'*).
- Stating, for the facilitation and resourcing goal in Section Five of the strategy, that social and environmental sustainability are important social housing outcomes for the Council (ie this goal now reads '*Council promotes and facilitates the provision of social housing that is recognised as a high quality service which is socially and environmentally sustainable'*).
- Specifying the retention of the Council's current level of social housing stock as a minimum level of provision. In Section 5, an additional Goal Two objective has been added: *Retain the current numerical level of social housing stock as a minimum level of provision in order to meet recognised demand.*
- Stating that the Council has a range of mutually inclusive strategic supply roles of maintaining, upgrading, and where possible expanding its social housing stock. These are all seen as important directions for the Council to take in order to achieve the aims of the strategy, and lie within a context of a housing portfolio that aims to be financially self-funding and sustainable. Partnerships can be further developed where appropriate to achieve these ends. This has meant adding, in Section 5, another Goal Two objective: '*Where possible, Council will maintain, upgrade and where appropriate increase its supply of social housing*'.
- Stating that the Council will, where possible unless practical considerations prevent it from doing so, facilitate the provision of dedicated housing for special needs groups. This recognises that mixed housing is not necessarily the ideal outcome in all cases. In Section 5, an additional Goal Five objective has been inserted: *Where appropriate, facilitate the provision of dedicated housing for special needs groups.*
- Noting current housing complex size limitations and the desirability of providing smaller scale housing (under Section 5, Goal Three). Along with desired location outcomes this will need to include some reconfiguring, remodelling and relocating of existing stock.
- Highlighting that systemic and regulatory means that the Council can use to encourage the supply of social housing provision should be further explored and developed (under Section 5, Goal Six).
- Noting the Council's rent setting policy as the key to the ongoing sustainable operation of its portfolio (under Section 5, Goal Seven).
- Adding clarity on definitions of affordable housing and social housing (see below).

- Outlining of the strategy's key implementation tasks and associated risks (in Section 6).
- Noting the relevance of the Council's proposed Sustainable Energy Strategy (Section 2.2.4).
- Updating statistical facts and figures where possible.

30. It should be noted that this strategy identifies 'social housing' as a subset of 'affordable housing'. Although the terms are at times used interchangeably in public discourse, affordable housing in this instance refers to the accessibility of home ownership and the availability of reasonably priced rental housing while leaving sufficient income to maintain an acceptable standard of living (an affordability threshold of between 25% to 30% of gross income is often used). Social housing is housing that caters for those on very low incomes that the market does not adequately provide for and who may also be experiencing other barriers accessing suitable housing.

STRATEGY IMPLEMENTATION

31. A detailed implementation plan for the strategy can now be drawn up, containing key actions, risk identification, milestones, and reporting mechanisms. Some of the basic work has already started, and is referred to in the strategy to broadly indicate what the implementation of the strategy will mean. This includes actions such as supply and demand analyses, developing housing supply partnerships, carrying out a study of options to increase the supply of social housing, current site utilisation and asset condition, and assessing and identifying support services. Successful implementation of the strategy will require, among other things, the continued application of the rental policy for Council housing.

32. The Council's current housing policy vision statement has essentially become the Social Housing Strategy vision statement, with the added clarity following the 3 April 2007 seminar of explicitly using the phrase 'social housing'. There is now no need to retain it as a separate policy in the Policy Register. Consequently it is recommended that the housing policy vision statement be revoked and removed from the Policy Register. It should be noted that the Policy Register vision statement on Council housing also includes a sentence stating 'That Christchurch is a city in which the elderly can express their full potential and make a valuable contribution to the life of their communities'. This will also be no longer relevant with the advent of the Social Housing Strategy, and furthermore it will be well captured in the Council's proposed Ageing Together Policy that is also to be considered at the 17 May 2007 Council meeting.

33. It should also be noted that there may be some operational policies, eg those currently listed in the Policy Register under Council Housing Policy such as Policy and Research, Asset Management, and Welfare Services, that will need to be revised in the light of the adoption and implementation of the strategy.

CONCLUSION

34. The Social Housing Strategy sets out the strategic direction for both the Council's support and provision of social housing and the types of roles it can play in doing so. Through this strategy the Council is clearly signalling an ongoing proactive role in social housing in Christchurch. It remains committed to the provision of social housing. The Social Housing Strategy has the following vision:

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

35. The Social Housing Strategy will build on this vision through the following principles that will guide the strategy:

- The Council has a leadership role in the provision and facilitation of social housing in Christchurch.
- The city's Community Outcomes and the Council's Strategic Directions inform the Social Housing Strategy.

- The Council's Social Housing Strategy leads to collaborative approaches with the community.
- Partnerships contribute to effective social housing outcomes.
- The Council's provision for social housing continues to be self-funding.
- Be the leader in quality social housing service provision.

36. The Social Housing Strategy recognises that the Council has a leadership role in the provision and facilitation of social housing in Christchurch. Partnerships and collaboration are central to the strategy, which emphasises that addressing social housing needs is something that cannot be done by one agency or sector alone.