

3. THE NEW ZEALAND HOUSING STRATEGY DISCUSSION DOCUMENT

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The purpose of this report is to seek approval of a Council submission on a discussion document "Building the Future: Towards a New Zealand Housing Strategy". The draft submission is attached.

INTRODUCTION

The government intends to develop a Housing Strategy. The New Zealand Housing Strategy will provide a vision and strategic direction for housing for the next 10 years. It will seek to address the many housing issues brought about by increasing demand and changes in the housing market, and a changing population.

Housing New Zealand has prepared a discussion document following consultation with a wide range of stakeholders. It is seeking feedback on the discussion document. Submissions close **30 July 2004**.

The final New Zealand Housing Strategy is due for release by the end of 2004.

The Housing Subcommittee and the Community and Leisure Committee considered the Discussion Document and identified key issues it thought should be included in a Council submission.

BACKGROUND - THE NEW ZEALAND HOUSING STRATEGY DISCUSSION DOCUMENT

The Discussion Document identified that the vision for the New Zealand Housing Strategy is "*all New Zealanders to have access to affordable, sustainable, good quality housing appropriate to their needs*".

Six areas for action form the focus of the strategy. These are to:

1. Improve housing assistance and housing affordability for low income people.
2. Respond to housing markets under stress.
3. Innovate home ownership programmes.
4. Develop the private rental service: Legislative review and change to improve/strengthen the rights of tenants and landlords.
5. Improve housing quality.
6. Build capacity and capability across the housing sector.

DISCUSSION

The three suggested main features of the Housing Strategy:

- An attempt to improve and increase the supply of affordable accommodation for low income New Zealanders.
- Legislative change to improve housing conditions and promote further development by local government, private and community providers of social housing.
- Research initiatives to increase understandings of the parameters and reasons behind various phenomena of the current housing industry.

Part of this strategy is an "ambulance at the bottom of a cliff" approach, part of it is attempting to set in place good practice/standards with respect to the housing industry, and part of it seeks to establish greater understanding of the parameters of, and reason behind current trends in home ownership, rental behaviour, and housing quality.

Of particular interest to the Council is the Local Government Fund and the promotion of joint ventures. The strategy also suggests planning and zoning provisions that might influence supply of affordable housing. With respect to the quality of housing, many of the proposed actions rely upon legislative change that would impose stricter/better defined guidelines to the building industry.

The Council has acknowledged a future need to expand its social housing stock. A problem that is perceived with this initiative relates to its funding source. In particular, without an increase to the rentals currently charged to the tenants of City Housing, future demands will have to be met by detracting from rate payer funding.

The Council has proven interest and knowledge of the benefits of joint ventures with community providers/social agencies and so on. The support that the Housing Strategy indicates for these initiatives will be welcomed.

An issue for both local and central government is the future suitability of the housing stock that is currently being developed. An important challenge/consideration at this time might be for the long-term relevance of the housing types being accumulated today, for example, *after* the (onslaught) of the baby boomers. It is desirable that the stock that is developed, both by government and non-governmental (planners) be seen to have some longevity with respect to long term housing needs. For private landlords etc, this may be necessary for them to perceive that meeting specific needs *is* a positive long term investment.

A key consideration for future planners *will* be the needs of elderly, but it will also be the needs of different sized families and so on. It is (is it) important that this diversity is not overlooked.

There are many aspects of the proposed Housing Strategy that are still unclear. For example:

- How the proposed initiatives/ideas are actually to be integrated into the strategy?
- Will the strategy provide forecast demand due to general population growth and household formation? Will it provide forecasts of home ownership rates, private rental market share, local authority rental market share and third sector rental market share? If so these forecasts need to be done at the local authority area level, to be useful to practitioners?
- Will the strategy provide a geographical analysis of social rental housing relative to geographic needs within local authority areas?

There is little reference to integrated support beyond just a roof, for example education, employment and health.

Committee

Recommendation: That the submission on the New Zealand Housing Strategy Discussion Document be adopted and forwarded to Housing New Zealand.