

**IN THE MATTER OF** the Local Government Act 2002

**AND**

**IN THE MATTER OF** a submission by Housing New Zealand Corporation on the Christchurch City Council draft Long Term Council Community Plan 2009-2019

15 April 2009

Submissions  
Draft LTCCP 2009-2019  
Christchurch City Council  
PO Box 237  
CHRISTCHURCH 8140

**SUBMISSION BY HOUSING NEW ZEALAND CORPORATION ON  
DRAFT LONG TERM COUNCIL COMMUNITY PLAN 2009-2019**

**Introduction**

Housing New Zealand Corporation ("HNZC") at the address for service given below makes the following submission on the Christchurch City Council ("the Council") draft Long Term Council Community Plan 2009-2019 ("LTCCP").

**Background**

1. HNZC is a corporation with the following objectives (as set out in the Housing Corporation Act 1974):
  - (a) To give effect to the Crown's social objectives by providing housing, and services related to housing, in a business like manner, and to that end to be an organisation that:
    - (i) exhibits a sense of social responsibility by having regard to the interests of the community in which it operates;
    - (ii) exhibits a sense of environmental responsibility by having regard to the environmental implications of its operations; and
    - (iii) operates with good financial oversight and stewardship, and efficiently and effectively manages its assets and liabilities and the Crown's investment.
  - (b) To ensure that the Minister of Housing receives appropriate policy advice, other advice, and information, on housing and services related to housing.
2. HNZC has a wide range of functions (the principal of which is to achieve its objectives), and these include:

- (a) Provision of rental housing;
  - (b) Undertaking housing and other developments and renewal, either on its own account or on behalf of other persons;
  - (c) Acquiring and developing land for housing or other development and renewal; and
  - (d) Conducting research into, and monitoring trends in, housing and services related to housing.
3. HNZN works closely with local authorities, individuals and other organisations to achieve its objectives.
  4. HNZN has a unique advantage of being a landholder/developer and major provider of social housing. HNZN is taking a more active role as a developer to secure land and/or redevelop appropriate housing that meets housing demand. HNZN's development role differs from that of the private sector because it provides social housing for a public benefit rather than a private benefit.

### **HNZN and Local Government**

5. HNZN has a shared interest in the community as a key stakeholder, alongside local authorities. HNZN's interest lies in the provision of social housing in communities. HNZN works with local authorities to ensure that appropriate services are delivered for its developments. Apart from its role as a social housing provider, HNZN also has a significant role as a landowner, landlord and a ratepayer.
6. Building effective relationships between local authorities and central government agencies such as HNZN is essential to providing an integrated approach to community solutions identified throughout the Community Outcomes Process.
7. Strong relationships between local authorities and central government are key to delivering government's priorities of increasing housing supply. This includes using Crown land to provide affordable housing e.g. the Gateway housing initiative; and providing incentives for institutional investment in the rental housing market. The government is currently in its first phase of streamlining the Resource Management Act processes. These changes are expected to increase the supply of housing and improve housing affordability.
8. Policy decisions made at both central and local government level, impact on housing affordability. This will require central and local government to work collaboratively to address planning issues to reduce the cost of construction, land supply constraints and improve urban development. For example, the supply of residentially zoned land and associated urban limits impacts the location and density of housing, and consequently affects affordability and quality of life. In addition, transport strategies and transport infrastructure decisions can affect accessibility to and from an area, which can have an impact on access to employment and services. These factors in turn affect housing affordability.

9. HNZN's interest in the LTCCP and community outcomes processes encompasses planning and social housing delivery. HNZN is committed to its role as part of the community. This includes participating in community outcomes consultation and having regard to the community's desired outcomes. In addition, HNZN is interested in all issues that may affect the provision of appropriate and affordable housing. These include, rating policies, levying of development contributions and any proposed reduction or increase in a council's provision of social housing. These all have the potential to impact on the provision and maintenance of affordable housing.
10. HNZN is committed to the following programmes: upgrading housing stock to a decent standard, improving housing affordability for low to middle income earners e.g. Welcome Home Loan, expansion of social housing options, and developing an Options and Advice Service. HNZN is also involved in delivering Healthy Housing (in conjunction with local councils and District Health Boards) and Community Renewal programmes.
11. HNZN's purpose in making this submission is to ask the Council to continue to acknowledge the importance of affordable housing, and to recognise HNZN as a key stakeholder. At the same time, HNZN notes that it is a national organisation, and that its ability to commit to projects at a regional level is constrained by priorities set at a national level, depending on overall housing demand, budgets and policy.

#### **Outline of Submission on LTCCP**

12. The particular aspects of the LTCCP to which this submission relates are as outlined in (a) to (d) below:
  - (a) Community Outcomes;
  - (b) Council Activities;
  - (c) Rates and Remission/Postponement Policies; and
  - (d) Development Contributions Policy.

#### **Community Outcomes**

13. As noted above, HNZN is committed to its role as part of the community, which includes taking part in community outcomes consultation, and having regard to the community's desired outcomes as an input to its own planning process.
14. HNZN generally supports the community outcomes for Christchurch City. Of the nine community outcomes proposed in the LTCCP, HNZN identifies the following outcomes which either potentially impact on the supply or affordability of housing. HNZN is happy to work with the Council to provide information and share its knowledge as appropriate to assist in the achievement of these outcomes:
  - (a) *"a safe city"*;
  - (b) *"a city of inclusive and diverse communities"*;
  - (c) *"a city of people who value and protect the natural environment"*;
  - (d) *"a prosperous city"*;

- (e) *“a healthy city”*; and
  - (f) *“an attractive and well-designed city”*.
15. HNZN has previously made submissions to the Council on its LTCCP and Annual Plans, and would like to reiterate its support for the community outcomes below:
- (a) HNZN supports the emphasis on creating a safe urban environment and recognises the importance of integrated urban development and well designed urban areas, and the Council’s recognition of the need to work closely with government organisations including HNZN (p57) in this regard.
  - (b) HNZN supports the emphasis on sustainable use of the City’s resources, and supports waste reduction measures.
  - (c) A strong sustainable economy that provides employment opportunities that are easily accessible to the community has a positive effect on the affordability of housing and reduces reliance on social housing. HNZN supports the reference to improvements in the standards of living for everyone (p59) as part of a range of measures for monitoring whether outcomes are being achieved.
16. HNZN notes that coordination and collaboration between central, local and regional government and the community is essential to the achievement of community outcomes. In this regard, HNZN continues to look for opportunities to work with the Council and other organisations to strengthen community outcomes.

### **Council Activities**

#### Strategic Issues (p19)

17. In relation to the *“Supporting Communities”* strategic issue (p21), HNZN supports the Council’s identification that it is *“a major provider of low-cost housing for people on low incomes”* and its recognition that *“there is growing demand for social housing across a range of low-income groups”*. HNZN supports the Council’s intention to *“consider how it can best work alongside Housing New Zealand and the many non-profit organisations involved in social housing to meet this demand”*. HNZN notes that *“the Council needs to consider its future role in the provision of social housing once many of its housing complexes reach the end of their useful lives”*.

#### Streets and Transport (p80)

18. HNZN supports the Council’s commitment to supporting and providing public transport so that the community has safe, easy and comfortable access to a range of facilities and destinations. Access to transport impacts on housing affordability.

#### Refuse Minimisation and Disposal (p100)

19. As noted in relation to the community outcomes above, HNZN supports waste minimisation initiatives and notes that it is one of the priorities included in the LTCCP.

#### Rates Remission Policy (p114) and Rates Postponement Policy (p117)

20. As the Council will appreciate, any increase in rates impacts on the ability of HNZN and other social organisations to provide quality social housing and contribute to community outcomes. As such, HNZN seeks that the Council considers issues affecting housing affordability when setting rates.
21. HNZN supports the Council's provision of the following policies:
  - (a) Up to 100% remission of rates for not-for-profit community organisations where there is a predominant community benefit, including rental housing provided within the Council's housing activity;
  - (b) Rates remission for those paying late due to genuine mistake or unforeseen problems with banking services;
  - (c) Rates remission in the case of sickness, death, genuine financial hardship or other inability to pay; and
  - (d) Up to 100% postponement of rates for periods determined by the Council in the case of genuine financial hardship or other inability to pay.

#### Economic Development (p146)

22. HNZN supports the Council's commitment to achieving social, economic and environmental goals within the context of a growing economy. HNZN recognises that a degree of economic prosperity, shared fairly among all residents of the City, will enable access to a variety of services, including health care, education, and affordable housing.

#### Development Contributions Policy (p170)

23. HNZN wishes to ensure that the Council is aware and has considered that development contribution requirements impact on the affordability and supply of housing.
24. HNZN is familiar with a wide range of approaches to development contributions adopted by councils throughout New Zealand.

#### Community Support (p174)

25. HNZN supports the Council's continued commitment to the provision of social housing, including its commitment (p178) to maintain its existing portfolio of 2,649 rental units and 28 owner/occupier units.

26. The LTCCP states the following intentions of the Council (p178) with regard to housing:

*“Work with other agencies to ensure that:*

- *safe, well-designed, physically accessible and affordable housing is available to people on low incomes, including elderly persons and people with disabilities; and that*
- *the demand for housing is identified and managed.*

*Operate a housing portfolio that is financially sustainable for Council and affordable for tenants. Improve the integration of housing tenants and their communities, ensuring that:*

- *new housing is located near community hubs and social services;*
- *developers are encouraged to include affordable housing in residential and mixed-use developments;*
- *safety of tenants is a priority; and*
- *tenants have access to appropriate support.”*

27. HNZA supports these aims and will work with Council to ensure both organisations address housing needs through social housing in Christchurch.

#### **Hearing**

28. HNZA appreciates the opportunity to make this submission and does not wish to be heard in support of it.

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