

## BACKGROUND INFORMATION

# SALE OF PENSIONER HOUSING

16 September 2015

The Whakatāne District Council and Tawanui Community Housing have reached an unconditional agreement for the sale and purchase of the Council's 79 Pensioner Housing units (72 in Whakatāne and seven in Murupara) for \$2.5 million. Ownership of the units will be transferred to the Trust on 1 October 2015.

### **WHY SELL THE COUNCIL'S UNITS?**

In 2014, the Council undertook a review of its social housing activity, both to evaluate whether it was providing the best possible service for tenants; and to assess the impact of Government policy restricting future access to social housing subsidy funding to registered Community Housing Providers (with local government organisations specifically excluded from funding eligibility).

The review highlighted six possible options for the Council to consider, ranging from the status quo to withdrawing from any social housing role and selling the units on the open market. The Council determined that it would be in the best interests of existing tenants and the wider community to explore a potential sale to an approved Community Housing Provider (CHP). To guide that process, a sub-committee was formed to investigate all aspects the proposed sale process and make recommendations to the Council as to whether and how to proceed. Chaired by Deputy Mayor Judy Turner, the sub-committee also included Mayor Tony Bonne and Councillors Scott Jarrett and Alison Silcock, with Rev. Robert Bruere representing the wider community.

With assistance from The Property Group, the sub-committee determined that there was interest from suitable housing providers in taking over the social housing service provided; and that it would be in the best long-term interests of the community to pursue the proposed sale. The sub-committee also oversaw a Registrations of Interest process which resulted in the selection of Tawanui Community Housing as the preferred provider.

Meanwhile, the Council also undertook a full consultation process with tenants, other stakeholders and the wider community. As a result, the proposal was included in the 2015-25 Long Term Plan, providing anyone with an interest in the proposal with another opportunity to make their views known. Feedback was largely positive, with 11 of the 17 formal submissions received either supporting the proposal or expressing a neutral view, and 40% of the 190 responses to our 'Big Decisions Survey' either supportive or strongly supportive of the concept, compared with 26% opposed or strongly opposed.

## TAWANUI COMMUNITY HOUSING

TCHT was founded in 2004 (as the Tauranga Community Housing Trust) and in its first five years of operation, specialised in housing disabled, single people; and families with a disabled household member. Since late-2009, the Trust has broadened its focus to include others in the community who do not have access to affordable housing; and meeting the housing needs of older persons, with a focus on those with low incomes.

The Trust's overarching belief is that appropriate, affordable housing is fundamental to the health and wellbeing of individuals, families and the community. It aims to deliver innovative and sustainable housing solutions by:

- Working collaboratively to improve access to quality, affordable housing;
- Providing a housing facilitation service which develops effective housing solutions for individuals and families; and
- Advocating for and implementing new housing models to meet current and future community needs.

Priorities include: people or households with low incomes; people with unmet housing needs; and providing a specialist focus on disability and accessible housing.

TCHT currently owns 19 housing units in the Western Bay of Plenty, including the innovative Whango Project – a highly successful public/private partnership project which has delivered 14 purpose-built, quality units providing affordable housing for people living alone.

The Trust's entry to the affordable housing market in the Eastern Bay of Plenty is based upon the following ongoing commitments:

- That the assets will remain community-owned;
- That they will remain available to the intended target group (older people);
- That current tenants will have security of tenure, under the same terms and conditions.

As an approved and highly-respected Community Housing Provider, TCHT has the capacity to access community grants, social loans and central Government funding and is committed to utilising those funding streams for the benefit of the communities it operates within. Its future tenants will also have access to Government-funded, income-related rental subsidies, which will make rentals more affordable for eligible tenants.

For Further information, contact:

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