

# Safeguarding the Community's Social Housing Assets

20 JUNE 2014



## Background

The Whakatāne District Council believes that high quality, affordable social housing is an important asset for our community, and with our demographics forecasting a significant increase in the District's elderly population, it will be even more important in the future.

In New Zealand, the provision of social housing – rental accommodation for people facing economic or other disadvantages – has been a shared function of central and local government since the 1930s. The Council currently has 79 pensioner housing units – 72 in Whakatāne and seven in Murupara. Their operation is self-supporting (i.e. doesn't require a contribution from rates), but because rentals are capped at 80 percent of the market rate, the Council's ability to upgrade or expand its social housing assets is very limited.

Recent changes in Government legislation on the delivery of social housing make it timely to review this key activity and reflect upon any changes that will be required to ensure that our elderly residents, and others with special requirements, will have adequate access to appropriate and affordable accommodation.

## Purpose of the Social Housing Review

- The purpose of the review IS to identify opportunities to enhance the delivery of social housing for the benefit of our community
- To ensure that the tenants of social housing in our District receive the best possible service, now and in the future;
- To highlight the issues affecting the provision of quality social housing in the future; AND
- To gain stakeholders' views about the best way to safeguard an important community asset.
- The purpose of this review is NOT to save money or profit from the sale of Council assets.



## The Issues

1. Housing in the Whakatāne and Ōhope urban areas is unaffordable for many people on limited incomes. This is the result of both high housing costs and low income levels.
2. Our elderly population (people aged 75 and over) is expected to double (climbing to approximately 4,100) by 2031. The availability of suitable and affordable social housing is limited and, without intervention, that situation will worsen.
3. Central Government reform aims to encourage the provision of social housing by non-government agencies – Community Housing Providers, or CHPs – and specifically precludes local councils from accessing social housing funding.
4. The Council does not have a clearly defined objective for owning pensioner housing against which to measure performance, meaning we are not able to tell whether we are effectively meeting the needs of our community.
5. A large gap has been identified in the provision of housing that ensures the wellbeing of tenants, wider than just housing needs. For example, there is very limited housing available in Whakatāne for people with disabilities.
6. Whakatāne District Council's current pensioner housing stock is ageing and our ability to upgrade existing units to the best modern standards, or increase the number of houses available, is very limited.

## Future Options

The Council is reviewing six possible options for its pensioner housing units. These include:

1. No change – retain and maintain our current housing units;
2. Upgrade and increase the current housing stock;
3. Retain ownership, but outsource management;
4. Establish a community trust to take over the units;
5. Transfer ownership and management to an approved Community Housing Provider (*Council's Preferred Option*);
6. Exit social housing, selling the units on the open market.

## Find Out More

An assessment of the advantages and disadvantages of each option is outlined in the full report – Social Housing Review Issues and Options Report. The report is available on our website ([www.whakatane.govt.nz](http://www.whakatane.govt.nz)), or can be inspected at Council offices and District Libraries. Hard copies can also be posted, on request. Council elected members and staff will be available to provide further information and discuss any concerns or issues, both with existing tenants and others with an involvement or interest in social housing services.

## Community Involvement

The Council is seeking input from the community on the future of its pensioner housing units before making any decision about the best way forward. Depending on the community's feedback, the Council will evaluate its preferred option and report the proposal back to the community through the Long Term Plan 2015-25.

## Have Your Say

Council is seeking submissions on the future operation of its pensioner housing units. The submission period will run from 30 June to 30 July 2014 and all submitters will have the opportunity to present their views directly to Council elected members, if they wish to do so. A submission form is available from the Council and should be returned to the address below by no later than 5pm on 30 July. Forms can also be completed on-line, via the link from the Council website homepage [www.whakatane.govt.nz](http://www.whakatane.govt.nz).

### **Send your submission to:**

The Chief Executive  
Whakatāne District Council  
Private Bag 1002, Whakatāne 3158,  
or email [submissions@whakatane.govt.nz](mailto:submissions@whakatane.govt.nz)

### **To arrange a meeting or personal discussion, contact:**

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