

COMMUNITY & LEISURE

COMMUNITY HOUSING POLICY

Date of adoption: 9 August 2018

Resolution number: 18/PPL/097

Date review due: 9 August 2024

Relevant legislation: Residential Tenancies Act 1986

Healthy Homes Guarantee Act 2017

Statutory/Policy: Operational

Included in the LTP: No

1.0 INTRODUCTION

This policy sets out the Council's practice in regard to the provision, management and tenancy of community housing within the Rangitikei District.

2.0 OBJECTIVES

The objectives of this policy are:

- To provide guidelines for the level of rental, with the intention of the facilities being self-funding.
- To provide clear guidelines on tenant eligibility for Council-owned community housing.
- To ensure Council meets its statutory obligations with respect to tenancies.
- To confirm Council's commitment to the provision of housing for the elderly.

3.0 PRINCIPLES

The core principles of this policy are:

- There is a genuine need for long-term accommodation for the community in the Rangitikei District with Council presently having a role in meeting this need.
- Council's investment in community housing intends to be self-funding; additional rates input has been approved by Council for the 2018/19 to 2021/22 financial years.
- Community housing is operated by the Council for the purpose of providing affordable housing for the elderly with low incomes in the District.
- Any monies generated within the activity in excess of operational needs (including the proceeds of any divestment) will remain in the activity for any maintenance, management, renewal and extension of the community housing activity.

4.0 DEFINITIONS

For the purpose of this policy:

"Current Market Rental" is the level of rental the houses would attract if exposed to the open market, as determined by a registered valuer.

"Elderly" are those aged 65 or over.

5.0 BACKGROUND

The purpose of community housing is to provide safe accommodation for elderly residents with limited incomes. Prior to the implementation of this policy, weekly rent was set at \$100 for the elderly, and at \$110 for those under 65. These rent prices sat at 66-73% of assessed market rental prices¹; having had an impact on rates. From 1 November 2018, market level rental prices will come into effect.

Prior to the recent assessment of market rental, rents were not reviewed as there had been a historical expectation that community housing would be available in perpetuity at the minimal cost to its users.

Council owns 72 community housing units across the district, located in:

- Marton: 50 units split between three complexes
- Taihape: 12 units split between two complexes
- Bulls: 6 units at one complex
- Rātana: 4 units at one complex

There has been an increase in the demand for these units over the last four years (with over half of the Wellington Road complex being empty five years ago). The waiting list for potential tenants usually ranges between 5 to 10 people.

The units are self-contained (attached and detached) and are surrounded by other units in the various complexes. They provide for privacy and independence, while also providing a community atmosphere. Following the refurbishments planned during the second half of 2018, a standard unit is furnished with vinyl and carpet floor coverings throughout, a freestanding stovetop oven, full bathroom facilities including a shower, a heat pump, thermal curtains, a functioning smoke detector, a fire extinguisher, and a shared clothes-line. All units are weather tight and regular inspections are conducted by staff to ensure all necessary upgrades are carried out in accordance with Council's planned maintenance and improvement schedule.

Types of Accommodation

One Bedroom units:

All 72 of the community houses are one bedroom units – consisting of 1 bedroom, a separate lounge, kitchen and bathroom.

¹ \$150 weekly rental price from the Rent Appraisal by Property Brokers Marton, and Taihape (2018).

The units are presently being maintained and refurbished to a level that will meet the standards set under the Healthy Homes Guarantee Act 2017.

Council manages and maintains the grounds, footpath and driveways (where present) for the units. Tenants are encouraged to monitor and maintain their own garden.

There are some sheds or other external storage facilities available for tenants.

Tenant Profile

The community housing tenants are predominantly elderly people with limited incomes. All tenancies are for one person only unless specified, with none being suitable to house children.

6.0 RESPONSIBILITY

The Community & Leisure Services team has responsibility for the implementation of this policy. The Policy & Planning team has responsibility for the review of this policy with final approval by Council.

7.0 ABILITY FOR PARTNERSHIP

Rangitikei District Council currently has informal working relationships with the Police and the Whanganui District Health Board. In addition, it will promote partnerships where possible with the following organisations and individuals in order to achieve its objectives around community housing:

- *Housing New Zealand Corporation* – whilst Housing New Zealand presently does not have any active social housing units in the Rangitikei, it may have a strategic role in the provision of social and community housing.
- *Iwi/hapū* – iwi/hapū throughout the District are currently, and are likely in the future to be a provider of housing for the elderly. Council intends to work with iwi/hapū for long term planning for the District.
- *Other community/elderly housing providers* – Council recognises that there are opportunities to work with other community housing providers to take a strategic approach to the provision of community housing in to the future.
- *Ministry of Social Development (MSD)* – over 90% of the Council's tenants receive benefits from the Government. The Council will work with MSD to ensure tenants receive all of the benefits they are entitled to and also to seek partnership for new housing supply to help those in need.
- *Tenants* – Council will also consult directly with tenants on matters that are

relevant to them.

8.0 POLICY STATEMENT

8.1 Eligibility Criteria

The Community & Leisure Services Team Leader ascertains eligibility in accordance with the following:

Applicants qualify for a community housing unit, with the exception of the units at Rātana Pā if:

- They are New Zealand residents; and
- They are 65 years of age or over; and
- Their total assets, including cash, investments, house and other property (but not including a car, furniture and personal effects) do not exceed \$8,100 for a single person and \$16,200 (for a couple).
- Their income must not exceed the regular Superannuation (including an accommodation supplement) plus 25%. This recognises those tenants who may have another income source such as a part-time job or interest or dividend income to supplement their pension; and
- They have a genuine housing need; and
- They are self-reliant or have the necessary support in place to live independently.

Where an applicant does not meet the above criteria, special dispensation may be granted at the discretion of the Team Leader, Community & Leisure Services.

The Rātana Communal Board of Trustees determines the eligibility of tenants for the community housing units at Rātana Pā.

8.2 Priority

Demand for community housing is often in excess of the number of units available, therefore priority will be given to applicants who are categorised within the definition of this policy as elderly, and meet one or more of the following:

- They already live within the Rangitikei District; and

- Who have close relatives in the area; or
- They are independent but have been referred by the Ministry of Social Development.

8.3 Rent Levies

Rentals are to be set at market rate, with rent changes taking effect on 1 October annually. Rent reviews will be initiated as part of the annual setting of fees and charges, and will take effect from 1 October with an advisory note to Council before any communication with tenants.

8.4 Rent Limit Provisions

Council recognises that affordable rents are a critical feature of community housing. As a safety net, the Council will use the following mechanism to ensure rents remain affordable:

- Affordable rent limit – the weekly rental limit for all individual tenants will not exceed that of 33% of the gross National Superannuation and Veterans Pension. At the time policy implementation, the weekly rental could not exceed \$154.34.

8.5 Location Options

An applicant's preference for any particular location will be taken into account and accommodated where possible. Tenants can transfer to another Council unit or complex in extenuating circumstances such as a doctor's recommendation, or at the discretion of the Community & Leisure Services Team Leader.

8.6 Changes in Circumstances

Where it is suspected that there are existing or impending eligibility issues for medical, physical or mental health reasons; the Council will seek to facilitate the provision of the appropriate social service support.

Following consultation with the appropriate social service, if the tenant is clearly unable to meet the eligibility on an on-going basis, the Council may consider giving the tenant the required notice to vacate.

8.7 Smoking

Tenants and their visitors are not permitted to smoke inside the units. Existing

tenants will be required to sign a new tenancy agreement which states that there will be no smoking within the unit.

8.8 Animals

Following an application to Council for the keeping of pets such as a bird or cat, the Community and Leisure Services Team Leader will consider the request. Approval will be conditional on any such animal being well behaved, and properly cared for so they do not pose a nuisance to other tenants, or neighbours. Dogs will not be permitted under any circumstances.

8.9 Level of Service

Council is committed to providing a high Level of Service (LOS) for Community Housing; and this is outlined further in Council's Long Term Plan and formally reported each year.

8.10 Marketing and Occupancy

Council will maintain a waiting list of prospective tenants which will be regularly reviewed and updated. If a waiting list does not exist, the Council will market and promote its community housing to ensure maximum occupancy.

8.11 Welfare

The Council acknowledges its role as landlord, and as such, will be accessible and diligent towards the general welfare of its tenants.

This will not extend to the provision of social services (other than that to which Council has agreed to) to tenants, as these services are better provided by other professional service providers.

Council will provide its tenants with the relevant contact information for professional services and service providers.

8.12 New Community Housing

The Council may from time to time consider building new units in areas where the waiting lists are consistently high, where current housing is not adequate for the needs of the tenants, and when suitable land can be obtained.

Council will ensure it maintains contact with Senior Services at the Ministry of Social Development to ensure maximum use of the accommodation.

8.13 Management of Community Units

Council currently administers and manages the community housing portfolio in-house and is committed to maintaining this level of service.

The Council may consider alternative arrangements or partnerships for the future administration and management of community housing if it is in the best interests of tenants and is cost-effective. Such a decision could only be made after a formal public consultation period, most likely as part of an annual plan or long term plan consultation.

8.14 Dispute Resolution

In the event that a breach of tenancy occurs, matters will be addressed in accordance with the Residential Tenancy Act (1986). In the first instance a 14 day notice will be issued to the tenant requesting that the breach of tenancy be resolved. If the breach of tenancy is not rectified within the 14 day period, an application will be lodged with the Tenancy Tribunal to resolve the issue through mediation. Failing a successful outcome through mediation, the matter will be referred to an adjudicator for resolution.

If the breach is not resolved, the tenant may be evicted from the unit or issued with a 90 day notice to vacate the property in accordance with the Residential Tenancy Act (1986).

8.15 References and Relevant Legislation

Council administers its community housing portfolio in accordance with the Residential Tenancies Act 1986 and the Healthy Homes Guarantee Act 2017.

8.16 Application Form

Application forms are available online or at Council offices and libraries in Taihape and Marton.

9.0 DATE OF REVIEW

Council will review this policy every 6 years, or earlier if considered necessary, with the next review being in 2024. Any review will take into consideration, amongst other things, the current housing needs of the district, criteria for eligibility, rent levels, demographics and current waiting lists.