

SOCIAL HOUSING PORTFOLIO SPECIAL CONSULTATIVE PROCEDURE (SCP) – SUMMARY AND ANALYSIS OF SUBMISSIONS RECEIVED

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1. INTRODUCTION

- 1.1. This report provides an analysis of submissions on the proposed Christchurch City Council Social Housing Portfolio Restructure.
- 1.2. Christchurch City Council is considering the Council's role in the provision of social housing, both in the repair and rebuilding of current housing stock and in future ownership and/or management structures. The purpose of this is to better address the shortage of social housing and the implementation of the Government Social Housing Reform Programme, with the objective to:
 - Have more flexibility in the future ownership, management and development of the Council's own social housing portfolio.
 - Ensure that the portfolio has a financially viable and sustainable future.
 - Maintain the capacity to provide the current number of social housing units in the Council's portfolio and to act as a catalyst for the provision of at least 1,000 additional units in the city.
- 1.3. The Council's current social housing portfolio is no longer financially viable and this problem has been compounded by the Canterbury earthquakes.
- 1.4. A social housing entity set up as a registered community housing provider would be eligible for the Income-Related Rent Subsidy from the Government. The income stream from this subsidy would hugely improve the financial viability of the Council's social housing stock and allow it to be sustained, improved and grown into the future.
- 1.5. At its meeting on 27 February, 2014, the Council resolved to undertake a special consultative procedure to seek the community's views on the Council's role in the provision of affordable (including social) housing, particularly affordable rental housing.
- 1.6. At its meeting on 1 May, 2014, the Earthquake Recovery Committee of the Whole requested that staff develop a statement of proposal for consultation that would enable the Council to have more flexibility in the future ownership, management and development of its social housing portfolio, and that would enable the Council to more effectively address social housing issues in the city through all the options identified in staff reports.
- 1.7. At its extraordinary meeting on 12 May, 2014, the Council adopted the Statement of Proposal that the Council Restructures its Social Housing Portfolio.

2. SUMMARY OF SUBMISSIONS
Overview

- 2.1. The Christchurch City Council consulted on The Statement of Proposal that the Council Restructures its Social Housing Portfolio (land, buildings and tenancies) during the period 21 May to 26 June 2014.
- 2.2. This report presents the answers from submitters to specific questions which asked for levels of support for the Proposal's *Objective*, *Initiatives* and *Options*. The report also presents submitters' comments made in explaining their reasons for providing particular answers and their opinions on the Proposal.

- 2.3. 478 submitters provided comments on the Proposal. This included 270 individual written submissions and 208 individuals who completed a form at the end of some of the submissions stating that they supported that particular submission.
- 2.4. Four different portals were used to provide submissions: 121 submissions were made via the Have Your Say website; 115 were written on a submission form; 25 were made by email; 8 submitters sent letters.

About the Report

- 2.5. The charts in the report present the results from submitters who provided comment. When a submission was supported by additional signatories the responses were multiplied by the number of signatures.
- 2.6. The charts on pages 32-34 present only people who either supported (support, strongly support) or did not support (did not support, strongly did not support) - it then turned these two groups into a percentage out of 100%. It excluded those who didn't know or left the question blank - which was actually 46% of respondents. The chart on page 40 is a robust presentation of the information that includes all responses including those who didn't answer and don't know responses.
- 2.7. In the case of the comments, each comment has been included once, whether it was supported by a number of signatories or not. All comments have been synthesised and grouped according to the points made. The analysis is split for those who *supported* the Objective or a particular Initiative and those who *did not support*. The comments from those who *didn't know* if they supported particular Objectives or Initiatives or not and those who didn't provide an answer are also all presented in separate sections.
- 2.8. Many submissions raised a number of different points and so were categorised under more than one topic. This has resulted in more comments than submissions. The consequence when reading the report is that that more comments don't necessarily mean there were more submissions made on a particular topic. It may just mean that there were more individual points made regarding that particular theme or topic.
- 2.9. In reading, synthesising, and summarising comments every effort has been made to be as consistent as possible and to group submissions into the most logical topics. In completing this exercise some judgement calls have been made, and if completed again submissions could be categorised slightly differently, this is the nature of this type of analysis. The goal though has been to deliver a thorough and objective presentation of the range of submission points and the opinions raised within different topics.
- 2.10. Numbers of comments made are provided to indicate the level of commonality in thinking and support for particular arguments. These numbers should be treated as indicative as a different summary approach could have yielded a slightly different result. It is felt though that the numbers provide a consistent indication of the weight of thought on particular themes and topics provided by submitters.

3. SUMMARY OF FINDINGS

3.1. Overall Objective:

- Level of support:
 - 56% (266) of submitters *supported* the overall *Objective*
 - 31% (147) of submitters *didn't support* the overall *Objective*
 - 3% (16) of submitters *didn't know* if they supported the overall *Objective*
 - 10% (49) of submitters *didn't answer* regarding support for the overall *Objective*
- For those who supported the *Objective* the most common comments were that CCC should continue to provide social housing for vulnerable people in the community and that this need had grown since the earthquakes and flooding.
- For those who didn't support the *Objective*, there were three main arguments: that social housing is a Government responsibility and not CCC's; that rates should not be spent on social housing; that there are now a lot of other more important priorities to spend Council funds on.
- There was a significant amount of comment regarding the details of the 49% / 51% ownership, with a broad range of opinions expressed.

3.2. Initiatives proposed by the Council:

2A. CCC Establishes as a limited liability company in which the Council will have an interest of up to 49%, and that will be eligible for registration as a community housing provider under the provisions of the Housing Restructuring and Tenancy Matters (Community Housing Provider) Regulations 2014.

- Levels of support
 - 47% of submitters *supported* the *Initiative*
 - 35% of submitters *didn't support* the *Initiative*
- For those who supported this Initiative, the main submission point made was that it should be done to access the Income Related Rent Subsidy.
- For those who didn't support this Initiative, there were a mixture of comments including that CCC should not provide social housing at all and others who stated that CCC should not reduce its involvement in social housing.

2B. CCC initially subscribes for all the shares in the new company and appoints the first board of directors.

- Levels of support
 - 41% of submitters *supported* the *Initiative*
 - 36% of submitters *didn't support* the *Initiative*
- For those who supported this Initiative, the majority of the comments were to do with the composition of the Board.
- For those who didn't support this initiative, most wanted to exit from providing social housing, while some did not support the creation of a company and setting up a board.

2C. CCC leases to the entity an appropriate mix of social housing assets.

- Levels of support
 - 43% of submitters *supported* the *Initiative*
 - 34% of submitters *didn't support* the *Initiative*
- Submitters who supported this Initiative stated that leasing could be flexible and a reversible option. It could also provide CCC with some income.
- Submitters who did not support Initiative 2C stated that it was because they preferred CCC to have no involvement in social housing altogether. A few suggested that it should be the responsibility of central Government to provide social housing.

2D. CCC gifts or sells to the entity certain assets from the Council's social housing portfolio.

- Levels of support
 - 35% of submitters *supported* the *Initiative*
 - 43% of submitters *didn't support* the *Initiative*
- The main point made by submitters who both supported and did not support this Initiative, was that CCC should sell social housing rather than gift it.
- The submitters who did not support Initiative 2D did so for different reasons. Some submitters opposed the initiative as they were against the gifting of social housing assets in particular. Other submitters wanted CCC to retain control of social housing.

2E. CCC transfers the ownership or control of some of the Council's social housing assets either to an entity in which the Council has an interest of up to 49%, or to a third party.

- Levels of support
 - 39% of submitters *supported* the *Initiative*
 - 38% of submitters *didn't support* the *Initiative*
- For those who supported this Initiative, the main reason submitted for being in favour was that CCC would retain some control of social housing.
- For those who did not support Initiative 2E, there were two opposing reasons: CCC should have no involvement in social housing, and; CCC should keep control of social housing.

2F. CCC enters into arrangements itself with the Council's City Housing partners and others for the redevelopment of some of the land currently used for social housing.

- Levels of support
 - 38% of submitters *supported* the *Initiative*
 - 34% of submitters *didn't support* the *Initiative*
- For submitters who *supported* this Initiative, the main submission point provided was that they saw redevelopment as an opportunity that would have a real benefit.
- In general, submitters who *did not support* Initiative 2F stated that CCC should have no involvement in social housing, and that CCC should either sell it, or that it should become the responsibility of central Government.

3.3. Management Options

- Overall Option 4. *Central Government capital injection into social housing* (64%) was the most strongly supported Option. This was the second most strongly supported Option (73%) for those who supported CCC's *Objective* and the most supported Option (55%) for those who didn't support CCC's *Objective*.
- Overall these were the next four most supported Options: 1, 5, 3A, 2A.
- For those who supported the Council's *Objective*, these were the five most strongly supported Options: 1, 4, 2A, 5, 14.
- For those who did not supported the Council's *Objective*, these were the five most strongly supported Options: 4, 3, 20, 17, 7.
- Respondents were also asked to select their three preferred Options. These were the most popular top three Options: 1, 4, 5.

Key for Options

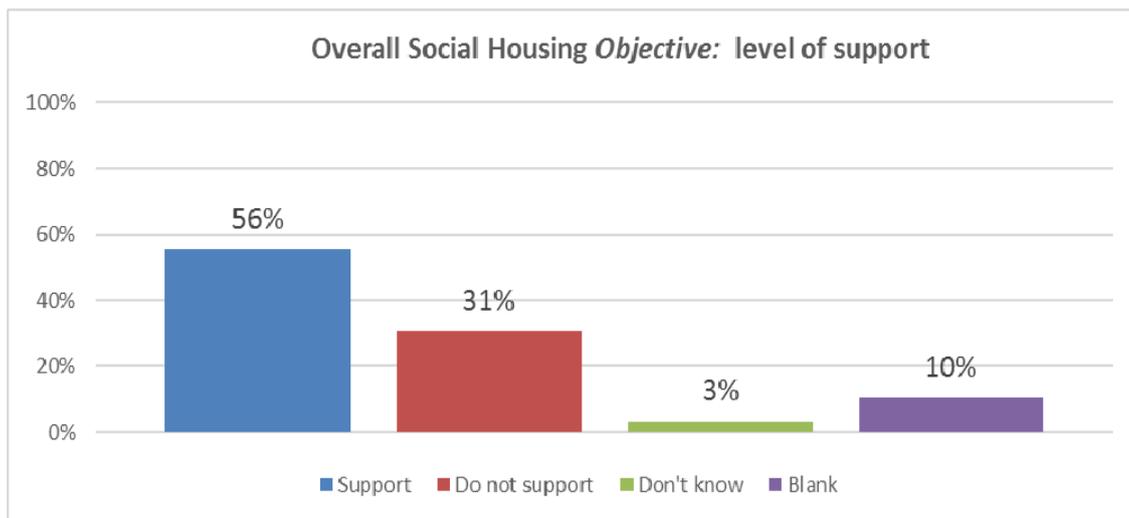
1	Lease land and buildings to a Community Housing Provider (CHP) (Council's preferred option)	10	Do nothing and continue with minimal rent increases
2	Sell social housing buildings to a Community Housing Provider and Christchurch City Council keep the land	11	Sell and lease back 17 under-capitalised sites
2A	Sell social housing buildings to a Community Housing Provider at a price that allows the Community Housing Provider to be financial viable	12	Christchurch City Council retain and operate social housing buildings and land, however no longer fund for replacement
3	Sell social housing buildings and land to a Community Housing Provider	13	Rent increase 35%, and sell 17 under-capitalised sites to a Community Housing Provider
3A	Sell social housing buildings and land to a Community Housing Provider at a price that allows the Community Housing Provider to be financially viable	14	Affordable housing and social housing portfolio
4	Central Government capital injection to social housing	15	Sell social housing buildings and land and build new stock
5	Gift social housing buildings to a Community Housing Provider and Christchurch City Council retain ownership of the land	16	Buy new social housing stock – Invest
6	Sell social housing land and buildings – with a Community Housing Provider lease in place.	17	Rent increase to market level – Exit social housing
7	Rates injection to social housing	18	Rent increase of 32% and sell 17 under-capitalised sites
8	Gift social housing buildings and land to a Community Housing Provider	19	Demolish all social housing buildings and land and re-develop through a build, own, operate and transfer scheme; or a build, own, and transfer scheme
9	Rent increase 46%	20	Sell all social housing buildings and land and exit provision of social housing

4. OVERALL SUPPORT FOR THE COUNCIL'S SOCIAL HOUSING OBJECTIVE

The first question on the Submission Form measured levels of support for the Council's *Objective*:

"The purpose of the Council's social housing Objective is to better address the shortage of social housing and the implementation of the Government's Social Housing Reform Programme".

Respondents were asked if they overall *supported*, *did not support* or *didn't know* regarding the Council's social housing *Objective*. The chart below presents the percentages who selected each response.



429 submitters answered this question

56% (266) *supported* the Council's *Objective* for the provision of social housing in Christchurch; 33% (147) *did not support* the *Objective*, and 3% (16) *didn't know*. 10% (49) of respondents *didn't answer* the question.

SUBMITTERS' COMMENTS

Summary of comments:

- Those who were in *support* of the Council's *Objective* submitted a relatively broad range of reasons for their support. The most common reason given was that Council should provide social housing for vulnerable people in need. Some stated that this need has grown since the earthquakes.
- There were three interlinked arguments that were commonly presented by those who *didn't support* the Council *Objective*: social housing is a central Government role; social housing should not be paid for by rate payers; CCC should spend rates money on other things, not social housing.
- Some respondents who *didn't support* the *Objective* were in favour of Council retaining management of social housing. Some of these wanted no change to the status quo.
- Some respondents stated they *didn't know* with regard to their support for the *Objective*. A number of these submitters stated that they required more information to base their opinion on.
- A broad range of general issues around social housing were also submitted and discussed.

The following discussion summarises the comments made by submitters on the overall *Objective*. Comments are grouped into those who *supported*, *did not support*, *didn't know*, and *didn't answer* in response to their support for the overall *Objective*.

Comments from those who supported the *Objective*

63 comments

CCC should still provide social housing

21 comments

Of the just over 20 submitters who supported the *Objective* and stated that CCC should continue to provide social housing, around half stated (around 10) that there is a need to provide social housing for vulnerable people. This included economically vulnerable and mentally ill as well as physically disabled. Some added that the earthquakes and floods have increased this need. This was one submitter's comment:

The most vulnerable in the city, the mentally ill, disabled, aged and unemployed are increasingly stressed, sicker and joining to homeless population. A vibrant new city cannot ignore or pull out of this service. Homelessness costs. It is showing up in hospital such as Hillmorton and keep a city's population from contributing to the city's growth.

Around five submitters made the point that they supported continued involvement as long as income matches expenses, especially in the current changed post-earthquake environment. A few made the point that local Government and in particular CCC is well placed to provide social housing.

One submitter made the point that they support the *Objective* but did not agree with the flexibility proposed by CCC.

CCC keep control of social housing

11 comments

A number of submitters were in favour of the Council keeping control of social housing. One argument was that Council should keep control because it is better placed to meet the needs of the community. They elaborated by stating that this is less likely to be the case (meet community needs), even for a well-meaning private organisation, if it has to function on a purely business basis.

A few submitters were in favour of keeping the status quo, with one in favour of retaining the 1930s *Objective*. Another submitter stated that they thought the Council should retain control by keeping 51% ownership. One submitter stated that CCC doesn't need flexibility and should continue to own and manage social housing.

A couple of submitters stated that CCC needs to maintain control in case Government policies change in the future. They stated that Government could make it easier or harder to provide social housing in the future and the current incentive of Government money through a CHP shouldn't be the driver for change.

Another submitter stated that the 51% control by an external party should be spread over more than one organisation so that one party can't have control over the Council. Another submitter suggested retaining the good standard units, increase their rents to maintain them over a medium term period, while getting rid of the poor standard units

Another submitter stated that the Council has no mandate to sell the units as they were initially acquired through a loan which was paid off and not with rates money.

General positive comments

7 comments

All of these comments simply stated that they support the Council's *Objective*.

Other

24 comments

There was a range of other comments from the submitters who supported the Council's *Objective*. Around seven submitters discussed the social good of Council provision of social housing, and believed that this should continue. Some stated the groups that they thought should be assisted, suggestions included: elderly, disabled, those with spinal injuries, mentally ill, financially vulnerable, vulnerable women in need, 5% allocated to youth. It was stated that the same level of provision should be provided when the Housing Accord comes into play.

Three submitters supported the *Objective* as long as rates are not used to fund social housing. One of these submitters stated that they think it should be run by a trust and not CCC. Similarly a couple of submitters stated that social housing should be self-sustaining without Government involvement.

A submitter made the point that social housing was initially set up through a loan and should not to be sold. Another stated that tenants' costs should not increase to fund housing.

A couple of submitters supported the *Objective*, but stated that because Christchurch provides such a large amount of social housing it attracts people from other areas. One stated that there should be criteria for accessing social housing.

One wanted a continuation of what has been provided in the past and wanted this to continue, they submitted.

I strongly support this vision of CCC as implemented in the 1930s to provide housing for the vulnerable people in our society - the disabled, unemployed, low-income, elderly and other disadvantaged. This has been well achieved up until recent financial difficulties, we must uphold this Objective and if necessary, deliver capital from other non-essential areas to do so. We need housing more than we need a covered sports stadium or convention centre.

A couple of submitters stated that they think the new Government policy is flawed, but CCC should do what is necessary to access Government funding.

One submitter stated that social housing should be a partnership between central and local Government. One submitter stated support for part of the *Objective*, in favour of maintaining social housing, but not in favour of selling.

Some concerns were raised about increased costs for tenants. One submitter was happy with Council's option as long as tenants are consulted. One submitter wanted to know what the actual cost will be with the subsidy for tenants. One submitter stated that increased rent should be linked to WINZ benefits.

Comments from those who did not support the *Objective*

122 comments

There were three common interlinked arguments that were presented as the main point in a number of submissions: social housing is a central Government role; social housing should not be paid for by rate payers; CCC should spend rates money on other things, not social housing. Each of these points are discussed individually in the first three topics of this section.

Social housing is a central Government role

36 comments

Around a third of these comments suggested that social housing is not local Government's role but is the role of central Government. Some went on to say that they already pay for social housing through taxes and that they shouldn't also fund out of rates money. A few stated that there are already enough Government agencies involved in providing social housing.

Around five submitters stated that social housing should be sold to the Government. The comment was also made that local Government's involvement is duplication of effort. It was also stated that the Government is actively discouraging local Government involvement in social housing through its current policies.

Social housing should not be paid for by rate payers

25 comments

Around half of these submissions stated that citizens already pay for social housing through taxes and shouldn't pay twice through having their rates spent on social housing. Added to this a few stated that rates are already too high and so should not be spent on social housing.

Some did not believe claims that rates are not used to fund social housing. With some of these submitters referring to the opportunity / cost of money invested in Council social housing. Similarly, some stated that ratepayers pick up the shortfall because social housing is not fully self-funding.

Some objected to a few benefiting through being able to access social housing, while others struggled to pay their rates.

A couple of submitters stated that they would support social housing as long as it is not funded out of rates.

CCC should spend rates on other things, not social housing

25 comments

Around half of these comments referred to the current situation that Christchurch is in and that the city can't afford to continue to spend rate payer money on social housing. They generally stated that the city now faces a large amount of debt and has a lot of core infrastructure to spend rates on following earthquakes and flooding. Some also thought that paying debt was more important than paying for social housing.

Another common comment was simply that CCC should stick to spending on core infrastructure. One identified the central city rebuild as where rates should be spent. This is one respondents comment outlining where they thought rates should be spent.

I do not support the Council making provision for social housing in Christchurch. This is a role for central Government only. The Council's role is for core functions- e.g providing services to the ratepayer- roads/footpaths/street lighting, water, waste and building consent and RMA compliance.

CCC should have no involvement in social housing

10 comments

Around 10 submitters stated that Council should have no role in social housing. Some stated that the current situation was evidence that there had been mismanagement in the past because the current situation had resulted in the need for maintenance and funds were not available to complete it. Some believed that the current situation was evidence that rents had been too low in the past.

Other agencies (other than Government) should provide social housing 4 comments

A few submitters commented that private/commercial organisations or similar should be running social housing. One stated that CCC should facilitate others providing social housing, while others suggested outright disposal to other parties.

More information required

3 comments

One submitter stated that they want CCC to be in social housing but 'flexibility' is too vague. One submitter had concerns about the flux and change of ownership. They stated that financial viability is an important strand, but not the only strand, and current actions seem to contradict CCC's own social housing strategy consulted on in 2007.

One submitter supported social housing being sustainable. They have serious reservations about establishment of a limited liability company. They also criticised the lack of citizen involvement in the philosophical debate around CCC provision of social housing especially in light of the current situation and how this sits with the Social Housing Strategy.

CCC should stay in social housing, but don't support the Objective

3 comments

A few submitters did not support the *Objective* but were in favour of continued investment in social housing.

Other

16 comments

There were two general groups within the *other* comments. Some were opposed to Council involvement in social housing and some were in support of it.

Those who were opposed made a number of different points including: the wrong people are being helped – alcoholics and addicts over people who are abused or are displaced by earthquakes; evidence was shown a few years ago that CCC had mismanaged with rents being too low.

Those who generally were in favour of CCC being involved in social housing stated: in favour of a high standard upgrade of facilities, including installing heat pumps; two submissions stated that the Government's proposed policy is a mistake and CCC should not pander to this policy; social housing tenants should be means tested every two years and slowly increase rents to a reasonable level; don't agree with the mechanism as will lead to exploitation of vulnerable; a couple of submitters stated that a large rent increase will make it unaffordable for tenants; a couple stated the proposed *Objective* will lose control for tenants to private organisation; one had reservations about the proposed outcome being possible.

Other comments were: if sold on then there could be a proviso that the current situation is continued for tenants so the same level of social housing is provided; *Objectives* are about Council involvement and should be about housing outcomes, which may or may not involve CCC.

Comments - those who didn't know if they supported the *Objective* 11 comments

More information required

5 comments

The most common submission from those who didn't know if they supported the *Objective* or not was that they needed more information to base their opinion on. Specifically they identified: the need for more clarity in explaining the term 'more flexibility'; didn't fully understand what was being proposed; would like further information about the CCC's preferred option; more information about whether CCC can dispose of social housing under the Local Government legislation.

Other

6 comments

There was a range of *other* comments from those who didn't know if they supported the *Objective*. A couple of submitters supported some points but not all. One submitter stated that the *Objective* sounds like asset selling and asked if the new owners will provide the same level of service.

One submitter stated that they didn't agree, explaining that much of the debate treats the provision of social housing for the vulnerable as a discretionary activity.

One submitter was in favour of the *Objective* if it results in accessing Government funding, but was not in favour of funding through rates. One submitter asked why CCC should be the second largest housing provider in NZ in its own right.

While another stated that the Council is the only provider that can deliver equitable provision of social housing and that it should not be passed over to private providers.

Comments - those who didn't answer the *Objective* question

39 comments

CCC keep control of social housing

7 comments

A number of submissions that didn't answer the overall *Objective* question stated that CCC should keep control of social housing.

A couple of submissions stated that CCC has a responsibility to continue to provide social housing, has a duty of care to tenants and should abort the restructure.

One tenant was appreciative of their Council flat but recent rent rises have made things more difficult for them. They thought that increased rents could limit some people being able to access this accommodation. They believed that the criteria had changed over time and now people in better financial positions were accessing flats.

One submitter believed the 49%/51% ownership model should be reversed, so that CCC maintained control over social housing.

A very detailed alternative funding model was provided by one submitter who concluded by stating that Council should retain ownership and develop both its social and affordable housing.

One submitter stated that the proposed future ownership model poses too many risks for the future control of social housing. They also believed that the rationale and assumptions used were flawed and needed to be reviewed. They added that there is historical CCC evidence that supports CCC continuing to provide a proud social housing legacy into the future.

More information required

5 comments

A few submitters stated that there is a need for more financial information to be received before an opinion could be provided.

One tenant stated that the document was disturbing for them as an elderly tenant. They stated that the document is cloaked in bewildering language.

One submitter asked what happens if the provider doesn't meet the Council's *Objectives* for social housing? What happens if the housing subsidy is reduced? Why is Council giving up control by not maintaining 51% ownership?

Another submitter posed further questions: what are the risks to vulnerable tenants if social housing is entrusted to a company which Council has limited influence? What influence will Councillors have under a company structure? Are the drawbacks in the proposal outweighed by the benefits? Are there alternative options that would achieve financial viability under continued Council ownership and management?

Central Government role

4 comments

Four submissions stated that social housing is the Government's or Housing New Zealand's role.

Other

23 comments

Two submitters were concerned about CCC holding only 49% ownership and potentially losing control.

One submitter stated that it is important to provide for disabled. The move to a multiple provider market needs to provide more options for disabled people and consider their needs. The social and physical built structures need to be appropriately provided to meet needs.

One submitter stated that the *Objective* facilitates equal access and sets a general direction on which more detailed decisions can be made. They stated that overseas examples support this approach. They provided a detailed discussion of the benefits of community provided housing, including: the sector can leverage Government funds as well as a range of other private and public resources; having a range of organisations delivers results in efficiency and innovation; community organisations have greater flexibility than the public sector to provide shared equity and low cost home ownership; community housing organisations know and understand their local community; less susceptible to Government policy changes and so can take a long-term approach; community housing can have less stigma attached to it than other forms of housing; community organisations can provide better wrap around services; can have partnerships with local businesses (trades people); money invested stays within the local community; benefit from good will of local professionals.

One submitter stated that Council should focus on infrastructure and not social housing. Similarly another stated that rates are increasing because of earthquakes and flooding and people can't afford to continue to fund social housing.

A broad range of individual ideas were provided through submissions, including: limit social housing to elderly units only as was the case in the past, and to quit providing for others because ratepayers can't afford to keep funding social housing to this extent; allow an organisation like Salvation Army to take over because they would be a more humanitarian manager than CCC; aim to increase social housing to the levels provided pre-quakes; need more consideration of a Trust option; ensure that properties are redeveloped and up to standard for disabled citizens; the standard of CCC properties needs to be improved; psychiatric patients should be separated from traditional pensioner housing; earthquake repairs should be completed as quickly as possible; future social housing should be located close to bus stops; older houses on large sections should be removed and more units put on these sites; private sector should not be involved as they cannot provide at the same low cost as CCC; there is not enough financial information to assess if the changes are needed or not; Council should obtain full legal advice before proceeding.

One tenant proposed increasing their rent to help the current situation. Another tenant outlined their current circumstances as a tenant. They discussed being in fear of the current management change as well as neighbouring tenants.

5. INITIATIVES PROPOSED BY THE COUNCIL

Following are the Initiatives proposed by the Council in regards to the social housing *Objective*. The levels of support for each Initiative are presented in charts followed by the comments made by submitters.

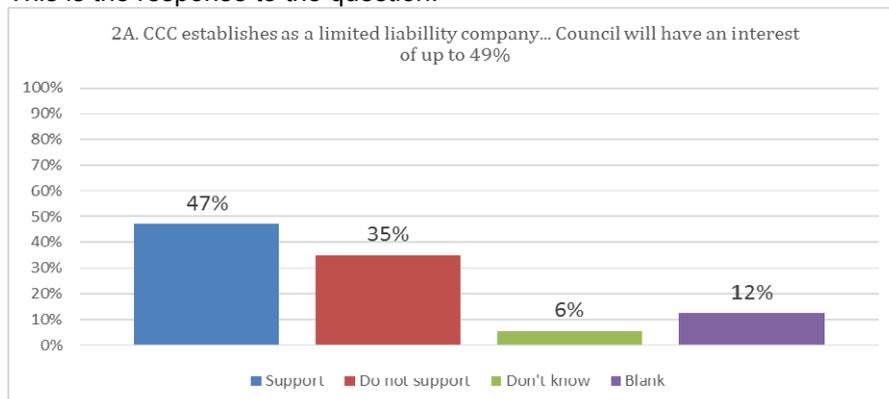
5.1. INITIATIVE 2A

CCC establishes as a limited liability company in which the Council will have an interest of up to 49%, and that will be eligible for registration as a community housing provider under the provisions of the Housing Restructuring and Tenancy Matters Regulations 2014.

ANSWER TO SUPPORT OR DO NOT SUPPORT QUESTION – INITIATIVE 2A

Respondents were asked if they overall *supported*, *did not support* or *didn't know* regarding Initiative 2A.

This is the response to the question.



419 submitters answered this question

SUBMITTERS' COMMENTS

Summary of comments:

- Enabling access to the Income Related Rent Subsidy (IRRS) was the main submission point made by those who supported 2A. There was also a significant amount of varied comment around the details (particularly percentage) of the ownership split.
- For those who didn't support Initiative 2A there was a mixture of comments. Some stated that CCC should not be involved in social housing and provided reasons: that rates should be spent on other things and Government should provide. However, some who didn't support this Initiative were in favour of CCC keeping control of social housing.
- For those who didn't know if they supported this Initiative, around five stated that they needed more information or they didn't understand the proposal.

Comments from those who supported initiative 2A

47 comments

Access subsidy

10 comments

The majority of comments in this section stated support for an entity if it results in access to the Income Related Rent Subsidy (IRRS), currently not available to CCC.

One submitter commented that they strongly supported this initiative as the cost and effort in developing a new entity is justified by the financial benefits that will result. They also see the new entity as more flexible in responding to housing needs. They commented that shareholders could potentially bring close links with social support agencies, which would enhance the lives of the entity's tenants. Another submitter stated that this initiative is the only sensible way forward as it allows access to the IRRS.

Support for CCC social housing involvement

5 comments

Submitters who commented on this topic agreed on CCC's involvement in social housing. One submission commented that they support this in principle but would prefer a 50/50 split between CCC and another company. Individual submitters made the points: submitter would prefer the Council to remain as landlord of Council housing; this is the best opportunity to secure social housing while keeping the Council involved; if the local Government is not made eligible for IRRS, then the formation of Community Housing Provider is supported.

CCC should have no involvement in social housing

3 comments

The submitters in this group supported CCC not having control of social housing. One submitter commented that:

I support the concept of a company to manage, maintain and redevelop the social housing portfolio.

Another submitter commented that CCC must have shared ownership to achieve the purpose of the proposal. They also commented that they do not support CCC maintaining the current housing portfolio and that it must be sold to help fund CCC's budget.

Costs for tenants

3 comments

The submissions in this section were responding to a potential rent increase. One submitter stated they would be unable to remain where they live currently if there was a rent increase of up to 46%. The other two comments in this section made similar claims. One of them specifically mentioned that they would see it as the CCC's responsibility to relocate them to accommodation of equal and affordable price if their complex (Margaret Murray Courts) was sold.

General positive comments

14 comments

A number of submissions stated that they generally supported the initiative. Two submitters claimed that they supported the initiative if there was no better alternative.

The conditions under which this initiative is supported by other submitters in this section were: the remaining 51% is held by two other social housing providers; repairs to be done on existing units prior to sale of the properties; prefer a 50/50 split; form an independent company to own the housing stock, which can receive rental subsidies.

One submitter commented that they:

Support the concept of a company to manage, maintain and redevelop the social housing portfolio.

More information needed

4 comments

The comments in this section generally wanted more detailed information. The most specific comments stated:

There needs to be clarity of who the 51% goes to.

This was supported by a similar comment:

Would want further consultation on who these Christchurch Housing Providers will be.

Other

8 comments

There was a mixture of comments in this section, with individual submitters making the points: the Government should have more input into this Initiative; support for this but only if the CCC retains ownership in other sites apart from the 17 under-capitalised sites which should be the responsibility of the Christchurch Housing Providers; the Christchurch Housing Provider should set aside 5% of housing stock for youth housing; there is a need for founding documents to include appropriate parameters in order to ensure the entity will deliver in the interests of the best outcomes for social housing tenants; social housing should be run and supported by volunteers, not by CCC staff; it would be better if CCC had 51% ownership of social housing; it needs to be clear who the 51% goes to.

Comments from those who did not support initiative 2A

71 comments

CCC should have no involvement in social housing

23 comments

The majority of submitters commented that CCC ought to have no involvement in social housing. With some support for social housing being a central Government responsibility as opposed to CCC's role. A few submitters commented that CCC should sell Council homes. One submitter made the point that the revenue from the sale of Council houses should be used in repairing drainage systems and infrastructure. One submitter commented that:

[The Council should] stick to the business of fixing the city.

This comment was supported by a few other submitters making similar statements. Individual submitters made the points that: the Council should sell the houses to the Government who then sell the houses onto NGO's that require housing; the Council should sell the homes on the open market; CCC involvement with social housing would:

...tie up valuable resources in staff, Councillors and money.

Support CCC social housing involvement

8 comments

The majority of these comments supported CCC retaining control over social housing. Many of the comments made the point that CCC would not have enough control if there were Government or private enterprise involvement. A few submitters raised the point that entity or Government involvement could impact negatively on the security of social housing in the future:

Government policies may change...each entity has a different role and provides (generally) for different people.

Individual submitters made the points that: 49% control is not enough and there would need to be legal arrangements for control; the Government appears to be privatising social housing and they would prefer a staged rent increase than NGO ownership.

Central Government

7 comments

Some of these comments made the point that the social housing stock should be sold to the Government. Two of the submissions that supported selling to the Government, commented that social housing is the responsibility of the central Government. One submission made the comment that:

The Government should pass some over to social providers such as Comcare, Salvation Army, Presbyterian support, women's refuges etc. These providers should house their own clients, as they have the skills to support them.

One submission made the point that CCC needs to stand alone in social housing ownership and that they did not support joining with the central Government. They commented that Government policies may change and CCC already works closely with Housing New Zealand, which they say, is enough. One submission commented that they do not support the central Government potentially attempting to completely privatise New Zealand social housing programmes.

CCC keep control of social housing

6 comments

All of these comments made the point that CCC should retain control over social housing. One submission made the comment that CCC should:

Maintain ownership so that they maintain the ability to determine every aspect of housing.

One submitter commented that full ownership of social housing by CCC is preferable, as they are an entity with experience in managing social housing. They also made the point that the Initiative has the potential to lead to increased privatisation of social housing which could negatively impact on those who rely on it, as companies may have different interests than CCC.

Individual submitters made the points: that there ought to be 70%-100% ownership of social housing by the Council; providing 51% to an entity will result in the Council losing its control of the social housing responsibility and, potentially, asset.

Costs

4 comments

The comments in this section were mixed. One submitter made the point that if social housing was sold, the Council could utilise this money for the core city infrastructure, whilst removing financial drain on the Council. Another submission made the point that CCC would not make profits from those who are unable to afford market rates. They also commented that, as a rate payer, they do not want to subsidise an investor for social housing. Another comment was made regarding rates, making the point that social housing is a central Government issue and the ratepayer's assets in Christchurch should:

...be put towards more appropriate goals to benefit the whole community.

Costs for rate payers

4 comments

Half of the comments in this section made the point that this part of the plan will cost ratepayers. One of the submissions mentioned opposition to the proposal of borrowing \$50m to support the new entity for social housing. Another submission made the point that the CCC is yet to find an investor to contribute 51%.

Cost for tenants

2 comments

One submitter in this section commented that to make social housing self-sustaining, rents should be raised. They went on to explain that unlike private landlords, the Council would not need to generate significant profit on social housing and hence the rental rates charged by the Council in social houses could still be below market rates. Another stated that with CCC owning 49% of social housing, there would be a need to generate a profit and this would inevitably raise rents.

General negative comments

7 comments

There was a mixture of submissions in this section. One of the submissions commented that they did not support the Council providing all of the assets and then becoming a minority shareholder. Similarly, another submission raised the point that they do not support CCC selling its assets for a mixed ownership model. They also mentioned that:

We are reluctant to support Council selling assets in favour of a mixed ownership model, especially when it appears to be motivated largely by a desire to access a Government subsidy.

One submission commented that they do not support the proposal of \$50m to fund the new entity.

Other

10 comments

This section included a mixture of submissions, individual submitters made the points: the Board of Directors should be made up of three community selected directors to specifically represent tenants; the proposal is considered risky as Christchurch has a tradition of being a comprehensive provider of social housing and the proposals must not put that at risk; concern is raised over the business/market model proposed as it may lose sight of the philosophy of the community caring for vulnerable members of society; there is opposition raised over the introduction of a commercial model of social housing as there is concern that there will be a loss of what is in the public interest.

Comments from those who didn't know if they supported Initiative 2A **13 comments**

CCC keep control of social housing

3 comments

All three submissions support the CCC controlling social housing, however one comment suggested that social housing being CCC's responsibility may not be financially viable.

More information needed

5 comments

Submitters in this section made some specific comments on what they did not understand about the proposal. One submitter commented that:

I'm not sure because the words "community housing provider" are an unknown quantity – this could mean anything.

Another submitter that made a specific reference stating that more information was needed about how properties will be managed and maintained in the future. Two submitters commented that they generally did not understand this part of the plan. One submitter stated that:

It is not clear how the surplus from the Christchurch Housing Provider is derived, since the previous information from the cost model was flawed, there is no reason to believe they have it correct this time. All of the following questions are just leading people to answers, not really independent views.

Other

5 comments

Individual submitters made the points: support is given for this proposal because the other option appears less reasonable; this seems the best option; suggestion for an alternative of a company to be established for each community housing provider; the question of whether or not a business case has been prepared, is posed; concern that there would be rent increases without income support.

Comments from those who did not answer initiative 2A 2 comments

Costs 2 comments

One comment in this section supported the proposal under the condition that it decreases the rates burden. The other submission commented that the Council has no right to sell the assets and use the profits for any other purpose. They stated that the land and buildings ought to be gifted to the new entity and they also commented that the Government should be able to take over these assets at no cost due to the fact that the loan from the central Government has been gradually paid off by the residents through rent.

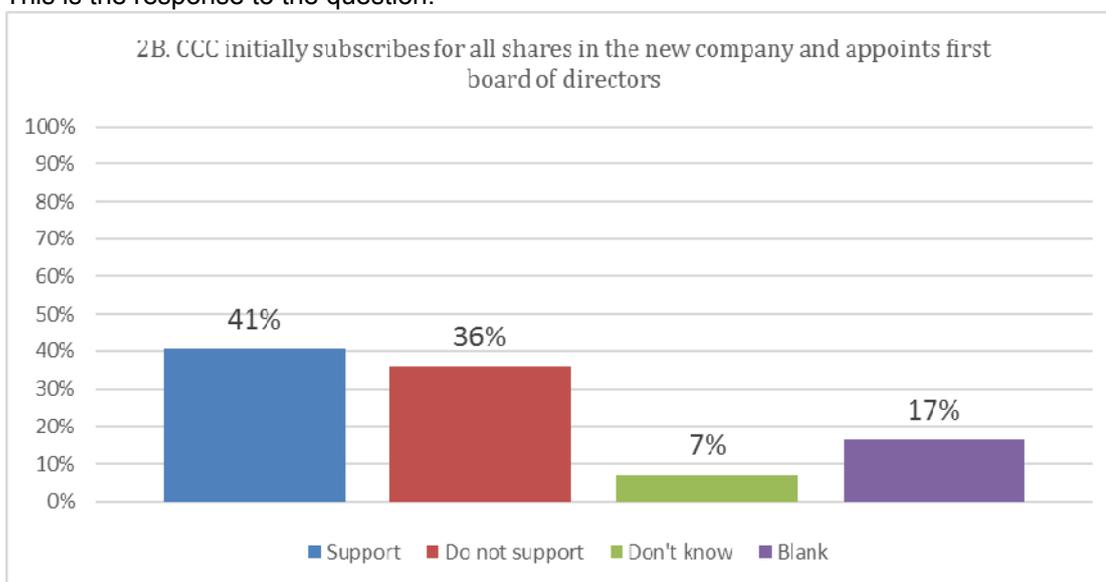
5.2. Initiative 2B

CCC initially subscribes for all the shares in the new company and appoints the first board of directors.

ANSWER TO SUPPORT OR DO NOT SUPPORT QUESTION – INITIATIVE 2B

Respondents were asked if they overall *supported, did not support* or *didn't know* regarding Initiative 2B.

This is the response to the question.



399 submitters answered this question.

SUBMITTERS' COMMENTS

Summary of comments:

- For those who *supported* this initiative, the majority of comments were to do with the composition of the board.
- Those who *didn't support* this initiative were again keen for CCC to not continue its involvement with social housing. Some did not support the formation of a company and the appointment of a board.

Comments from those who supported initiative 2B 16 comments

Board of directors 7 comments

There were a number of comments from supporters of the Initiative about who should make up the board of directors. One comment suggested having both public and private directors, while another suggested a mixture of directors from the new company and CCC to ensure a fair say. Tenant, community and disability representation was also suggested by different submitters. One submitter also commented that the directors should be unpaid.

General positive comments

5 comments

A number of generally positive comments were made by supporters of this initiative. Three submitters stated that they generally agreed with the Initiative. Two other individual submitters made the points: representatives who attended an information session were assured that this initiative is a necessary step in the best way forward to ensure the CCC *Objective* for the provision of social housing in Christchurch; residents need to feel that the Council has a major vested interest in social housing, and that this initiative will achieve that.

Other

4 comments

There was one comment regarding the shares of the company. This submitter supported the Initiative, but only if the board of directors:

...have a good understanding of all aspects of social housing and are independent of any party with a share acquisition interest.

Two comments reflected the opinion that CCC should remain involved in social housing. By subscribing to all initial shares and appointing the first board of directors, the submitters believed that CCC would retain ownership, control and management. By doing this, residents would feel like CCC really cared about those involved in social housing. One submitter also included the following comment:

The goal as an ELECTED and DEMOCRATIC service provider is to work FOR the citizens and this is one way of achieving this end.

One submitter asked:

...how does one ascertain this without a complete picture of the possible ramifications of this?

Comments from those who did not support initiative 2B 50 comments

CCC involvement in social housing

16 comments

Over half of the comments in this section were of the opinion that CCC should have no involvement in social housing at all. One submitter went on to explain that the CCC has too much on its plate regarding earthquakes and the rebuild, and so cannot afford to use its resources for social housing.

One submitter stated that CCC should reduce their involvement in social housing, as opposed to having no involvement at all.

Three submitters commented that social housing was not CCC's role, one submitter stated that CCC needed to keep to its core services.

Three comments in this section claimed that a housing trust should be established to provide social housing. One submitter stated that without a trust established, social housing would be vulnerable to future capture.

Another submitter supported establishing a trust as they were strongly opposed to CCC being minority shareholders, and were concerned about:

...how future board members [would] hold to the Council's preferred aim of ensuring that our most vulnerable community members will have access to good quality, affordable social housing.

Costs

6 comments

Three submitters commented about the general costs that would be incurred with the creation of a new company to handle social housing. One questioned what would happen if CCC couldn't find a partner to own the other 51% of shares, and commented that this would incur costs. Another stated that:

...boards require wages – you, CCC are the board.

Three other submitters commented on the cost to rate payers in particular. One suggested that a new company would be:

...as inefficient as the current management of CCC social housing, and be a continual drain on the rate payer.

CCC should remain involved in social housing

4 comments

Each of the comments in this section made the point that CCC should retain either full control or have some involvement in social housing, and not have another company created. One submitter also commented that there should be a rates injection into social housing so that CCC could remain in complete control of the process.

Central Government

4 comments

All comments in this section agreed that CCC should not be involved in social housing as it is a central Government function. One submitter went on to say that CCC should be putting their resources into infrastructure and be letting the Government run social housing.

Shares

3 comments

There was a mixture of comments in this section with regard to the distribution of shares. Individual submitters made the points: CCC would struggle to sell shares to the public; there should be a more democratic way to distribute shares, and not have all shares subscribed to by CCC; shares should be open to all tenants before the board, then Council.

Board of directors

2 comments

Two submitters who did not support this Initiative, made comments referring to the board of directors. One commented that there should be more democracy in appointing the first board of directors and not have them all from CCC.

Another questioned who would comprise the new company, whether the participants would maintain the vision and not be profit-driven, and whether the larger investors would have greater allocations of power.

General negative comments

10 comments

There was a mixture of comments in this section. Four submitters simply didn't agree with CCC forming another company to provide social housing. Two commented that it would be inefficient and:

...a waste of staff's time putting them on social housing boards.

Another two commented that it wouldn't be a good idea to lose influence over the properties, as it:

...renders all social housing vulnerable to future capture.

Two were worried about the future without CCC controlling social housing, with one commenting that:

CCC have the best interests of social housing users at heart.

More information needed

3 comments

One submitter wanted to know what would happen if CCC were not able to find a partner to own the other 51% of the company. They worried that costs would be incurred if this happened.

Another questioned the make-up of the new company and whether the participants would maintain the vision that CCC has for social housing.

Another submitter required more information, as this was a complex matter:

...more is needed in way of making a sound choice.

Other

2 comments

One submitter stated that they did not believe a company would be needed. Another commented:

That the Council should define the Statement of Intent as a legally binding document with regard to the manner of decision making, maximum rents to be sent and maintenance of flats.

Comments from those who didn't know if they supported initiative 2B 5 comments

Other

5 comments

There was a mixture of comments in this section. Individuals made the points: submitter would wait and see who CCC's partners are; submitter wasn't sure of the effect on rate payers; question of whether private investors should be sought straight away; who would the board of directors be made up of and what qualifications and skills would they have; if the initiative helps the operation get off the ground quickly, then they would support it.

Comments from those who did not answer initiative 2B

3 comments

More information needed

2 comments

One submitter asked:

What salary and why?

Another commented that they simply did not understand.

Other

1 comment

The only comment in this section was:

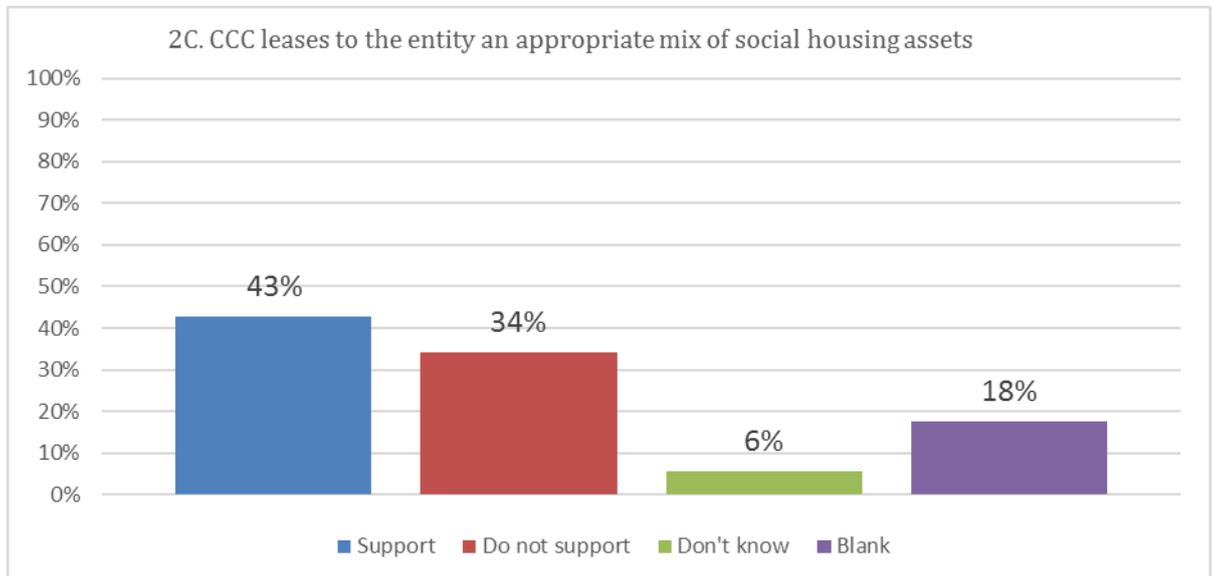
As long as it does not add to the burden paying rates.

5.3. INITIATIVE 2C

CCC leases to the entity an appropriate mix of social housing assets.

ANSWER TO SUPPORT OR DO NOT SUPPORT QUESTION – INITIATIVE 2C

Respondents were asked if they overall *supported*, *did not support* or *didn't know* regarding Initiative 2C.



This is the response to the question.

394 submitters answered this question.

SUBMITTERS' COMMENTS

Summary of comments:

- Submitters who *supported* this Initiative stated that leasing could be flexible and a reversible option. It could also provide CCC with some income.
- Submitters who *did not support* Initiative 2C stated that it was because they preferred CCC to have no involvement in social housing altogether. A few suggested that it should be the responsibility of central Government to provide social housing.
- A few submitters commented that they would support this Initiative if there were no better alternative.

Comments from those who supported initiative 2C

26 comments

Specific comments on leasing

7 comments

Two submissions in this section commented on the benefits of flexibility with leasing. One of the comments stated that the advantage of leasing is that it is reversible. The other comment on the flexibility of leasing made the point that leasing may also provide the Council with some income. Individual comments in this section made the points: it appears best if an entity managed the Council's social housing, in order to be more efficient and maximise financial benefits of the IRRS, also to avoid confusion for tenants over who the landlord is; prefer a mixture of lease and sale choices.

One comment made the point of not giving the land away, and asked the questions:

How is the value of the land derived? Is there an independent review of it?

General positive

4 comments

The individual submissions in this section made the points that: support this proposal as there is a need to have a mix of housing assets for the community; support for the retention of the existing level of social housing provided by CCC; suggestion that tenants vote on which entities the Council should go with and the 51% be shared between 2/3 entities.

Other

15 comments

A few of the submissions in this section made the point that they supported the proposal if there was no better alternative. One submission commented on the importance that the CCC ensures social housing assets remain secure and affordable. Other individual comments made the points that: the proposal allows the CCC a range of possibilities in further developing social housing without privatisation; support provided under the condition that the entity is a Trust.

Two individual comments made the point that: support for this, providing that ratepayers do not get left footing the bill; support as long as the financial return on this proposal is a market rent. One submission commented:

Must cover costs and no cost to ratepayers.

Another stated

It is important that the CCC ensures that all social housing assets remain secure as affordable social housing, and the CCC retains control.

Comments from those who did not support initiative 2C 31 comments

CCC no involvement in social housing

11 comments

All of the comments in this section made the point that the CCC should have no involvement in social housing. Two comments specifically mention that the housing stock should be sold. One comment made the point that social housing is not the role of the Council and that they should only provide essential services.

Another submission commented that Christchurch should just have state housing and the Council should work with the Government in providing more housing in the Canterbury region.

Support CCC social housing involvement

4 comments

Three of the comments in this section stated that the Council should own social housing. One submission commented that they would prefer CCC as a landlord as opposed to an entity.

General negative comments

4 comments

Submitters made individual points that: there are other ways social housing providers can be supported; there is no benefit for tenants in this proposal; support only for the subset of under-capitalised sites.

Central Government

3 comments

Three submissions made slightly different points. Individual submitters commented: work with the central Government and ask them for more housing in the Canterbury region; announce that the CCC plans to sell housing to private buyers with the intention of prompting the Government to buy them all; sell social housing to the Government as other local bodies have done in the past.

Other

9 comments

Individual submitters in this section made the points that: social housing assets should be sold at market value; there is a lack of support from one submitter due to social housing assets potentially not using appropriate criteria in choosing who they help; there is no need for Initiative 2C, as there would be extra costs and no gain; it is not a preference that partial lease be to an entity; this Initiative would have to be a well-defined lease that assures the tenant upkeep and 24 hour service that is currently provided and also valued by the tenant; Council should reduce ownership of social housing.

Two similar comments were made about ratepayers' capital going into social housing. One of the submissions stated that the Council will never be able to meet the investment demands of social housing and therefore it will come from ratepayers. The other submission made the point that:

This would still leave the ratepayers capital tied up in social housing. Leasing would not bring adequate return on ratepayer assets.

Comments from those who didn't know if they supported initiative 2C 6 comments

More information needed, did not understand 5 comments

Two of the comments in this section pointed out that more information needs to be provided, two other submissions commented that they did not understand this section of the plan. One specific comment asked the question

What exactly do the words "appropriate mix" mean in this context? Does it mean actual people in need of social housing?

Other 1 comment

The one submission in this section commented that:

It would depend on what the entity is and the terms of the lease.

Comments from those who did not answer initiative 2C 1 comment

Other 1 comment

The one comment in this section was

We would only support this is a housing trust was established as the legal entity or under the present social housing strategy.

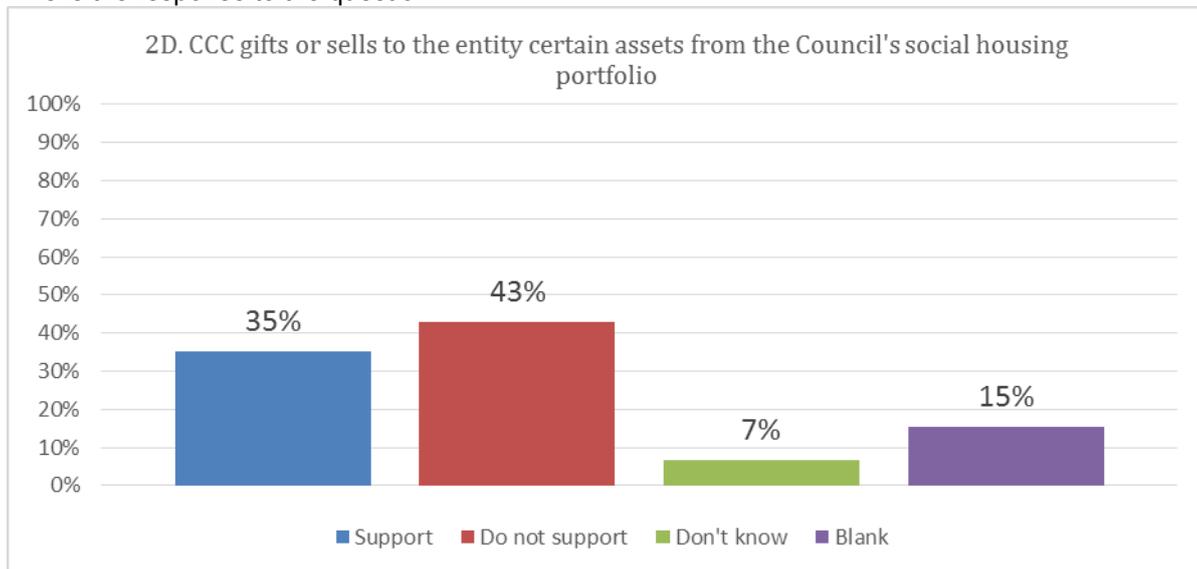
5.4. INITIATIVE 2D

CCC gifts or sells to the entity certain assets from the Council's social housing portfolio.

ANSWER TO SUPPORT OR DO NOT SUPPORT QUESTION – INITIATIVE 2D

Respondents were asked if they overall *supported*, *did not support* or *didn't know* regarding Initiative 2D.

This is the response to the question.



405 submitters answered this question.

SUBMITTERS' COMMENTS

Summary of comments:

- The main point made by submitters who both *supported* and *did not support* this Initiative, was that CCC should sell social housing rather than gift it.
- The submitters who *did not support* Initiative 2D did so for different reasons. Some submitters opposed the initiative as they were against the gifting of social housing assets in particular. Other submitters wanted CCC to retain control of social housing.

Comments from those who supported initiative 2D 31 comments

Sell social housing

17 comments

All of comments in this section were of the opinion that CCC should sell social housing assets. Four submitters suggested selling the social housing assets rather than gifting them.

Three comments were made regarding the money raised from selling the social housing assets. Two submitters generally commented that this would be a good way raising funds, while another commented that the money should be used to reduce the level of CCC's debt.

One submitter commented that they supported selling housing assets, but only if there was a covenant over the use of the assets to protect them. One comment was made about selling, in particular, under-utilised land that would suitable for affordable housing, along with the development of new affordable rental and home ownership housing.

Another submitter commented that CCC should sell social housing as they do not have access to the Government grants from the Social Housing Fund that another entity could have access to.

One comment was made saying that they trusted CCC to have put sufficient checks and balances in the proposal to prevent the privatisation of social housing.

Do not gift social housing

4 comments

Each of the four comments in this section were opposed to gifting social housing assets, but would prefer that they be sold instead. One submitter made the point that CCC must sell to recover the money that rate payers have put in over the years.

General positive comments

3 comments

Two of the comments in this section similarly stated that the submitters would support initiative 2D if no better alternative was available. Another comment was made about the way the Initiative had been researched, saying that it was sound enough to give effect to the proposal.

Other

7 comments

One submitter preferred to go with a leasing option as opposed to fully selling or gifting the housing assets, so as to retain ownership. This submitter did however recognise that in some cases it would be better to sell to raise capital to invest in other assets.

Other individual submitters commented: CCC and other housing providers must decide on an appropriate level of care of social housing tenants; CCC doesn't need to be in social housing at all, as they currently cannot afford it; submitter would support initiative 2D if it would mean that rate payers would be relieved of the cost; question of whether there would be a legally binding commitment to the tenants.

Two comments were regarding social housing being transferred to an entity rather than having it owned by CCC.

Comments from those who did not support initiative 2D

49 comments

Do not gift social housing

12 comments

In this section, several submitters made comments about CCC not being in a financial position to be gifting social housing assets without anything in return. One submitter stated that:

...gifting would be an unthinkable alienation of rate payer assets. Sell...at market rates.

Two comments were made about CCC losing control of social housing if they were to gift it. One of these submitters made the point that losing control of social housing would negatively impact the vulnerable people for which it was intended.

One submitter did not support gifting social housing assets, as money would be needed for future tenants. Another submitter suggested that a trust be set up and social housing be gifted to that trust, but not gifted to another entity.

Sell social housing

8 comments

Four comments in this section made the point that social housing should be sold to the central Government. Another two comments suggested that it should be sold to a private enterprise. One submitter commented that social housing assets should be sold at market price, while another said that CCC should be selling social housing to get rid of the portfolio altogether.

CCC should have no involvement in social housing

5 comments

Each of the comments in this section opposed initiative 2D, and also made the point that CCC should have no involvement in social housing. One submitter commented that CCC should exit the housing market completely. Another disagreed with this initiative as it would still mean CCC would have some involvement in social housing.

CCC should have involvement in social housing

5 comments

All five comments in this section opposed initiative 2D as they preferred CCC to retain ownership of social housing. One submitter went on to explain that social housing should be left to CCC so that the vulnerable people of Christchurch could be looked after properly.

Sell social housing to central Government

5 comments

The comments in this section were all in agreement of CCC selling the social housing portfolio to either central Government, social housing providers or a private partnership. One submitter commented that it would be simpler to let the Government deal with social housing.

Do not sell social housing

5 comments

There was a mixture of comments in this section. Two submitters opposed the selling of social housing as it would mean CCC would lose control of these assets, which could lead to financial abuse of the assets for financial gain.

Two submitters also made the point that CCC would be the appropriate party to look after the vulnerable people for which social housing was intended, and so shouldn't sell to another organisation.

Individuals made the points: lease the social housing buildings instead of selling, so as to ensure sustainability into the future; submitter was against the sale of badly damaged housing in particular.

Costs

3 comments

One submitter commented that CCC was not in a financial position to be gifting assets rather than selling them. Two other submitters made comments relating to the costs incurred by rate payers, with one submitter suggesting the social housing assets should be sold at market rates instead.

Other

6 comments

One submitter made a comment that Option 1 would provide the lowest rents of 25% of the income of the tenant. Another submitter commented:

Giftng may apply to either the best or the worst assets. Selling brings a commercial feel into all of it.

One comment was made asking for clarification around whether any of the land was gifted to CCC for social housing.

There were three comments made that generally disagreed with initiative 2D.

Comments from those who didn't know if they supported initiative 2D 13 comments

More information needed

5 comments

Each of the comments in this section said that they either did not have enough information or they did not understand what this Initiative meant.

Gift social housing

2 comments

The two comments in this section were in regards to CCC gifting social housing buildings to current tenants. One of these submitters commented that CCC should gift the houses to long-standing tenants of twenty-five years or more, while the other suggested gifting to existing tenants.

Other

6 comments

One submitter asked:

Why gift something that belongs to us, to someone else?

Two comments were made saying that the submitters would prefer CCC to sell social housing assets rather than gift them. Individual submitters made the points: preference would be for CCC to retain total ownership of social housing; although stating that the submitter would need more information, said that they were against any selling of housing stock; queries about who the entity would be, and were particularly worried if it would be of commercial character.

Comments from those who did not answer initiative 2B

2 comments

More information needed

1 comment

One submitter asked what gifting meant and to whom social housing would be gifted.

Other

1 comment

One submitter stated their support depended on whether this Initiative would be financially viable and if CCC were to sell certain assets for a fixed time.

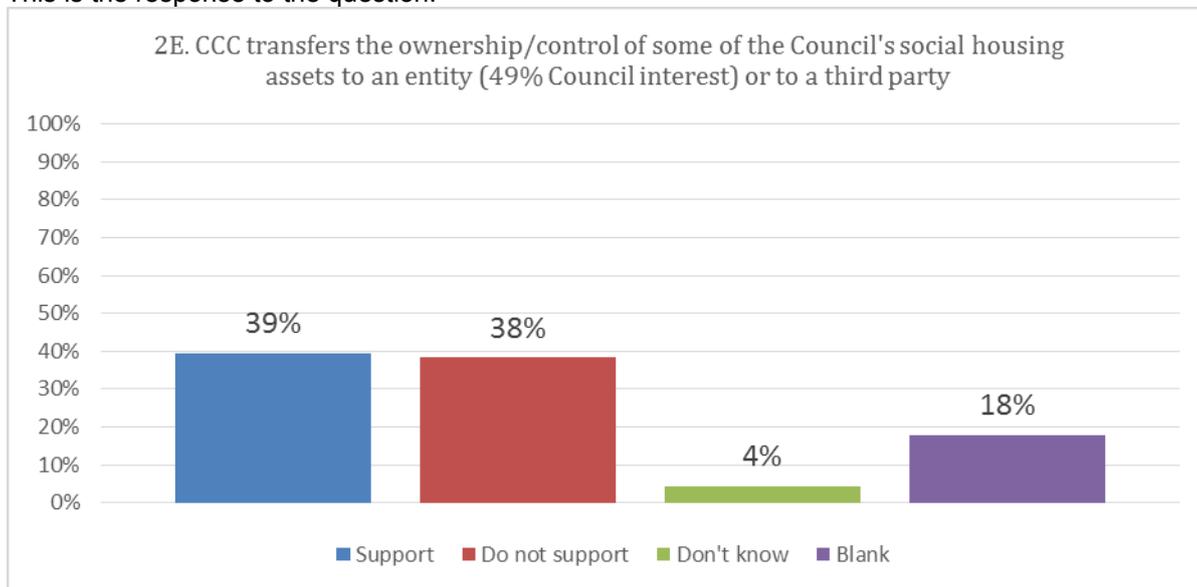
5.5. INITIATIVE 2E

CCC transfers the ownership or control of some of the Council's social housing assets either to an entity in which the Council has an interest of up to 49%, or to a third party.

ANSWER TO SUPPORT OR DO NOT SUPPORT QUESTION – INITIATIVE 2E

Respondents were asked if they overall *supported*, *did not support* or *didn't know* regarding Initiative 2E.

This is the response to the question.



392 submitters answered this question.

SUBMITTERS' COMMENTS

Summary of comments:

- For those who *supported* this Initiative, the main reason submitted for being in favour was that CCC would retain some control of social housing.
- For those who *did not support* Initiative 2E, there were two opposing reasons: CCC should have no involvement in social housing, and; CCC should keep control of social housing.

Comments from those who supported initiative 2E

27 comments

Third party

6 comments

Three submitters in this section supported third party involvement. Two of these comments mentioned that they support this initiative only if the transfer is to a third party. One comment asked if the Council could ensure a sustained or improved level of social housing with third party involvement. Another comment suggested that:

Consideration should be given to transfer of ownership or control of some housing assets to third parties that provide housing with special attributes that are used for particular purposes...

This submitter also commented that third party involvement was more likely to provide and sustain more suitable housing solutions than a more general purpose housing entity.

General positive comments

5 comments

Two of the submissions supported the initiative if there was no better alternative. Another one of the submissions supported the proposal because it:

...seems to be the only way CCC can retain some control and still get benefit of central Government funding.

One submitter supported this Initiative because it provides the Council with the ability to negotiate with the involved entity. They also commented that the CCC social housing portfolio appears to prevent privatisation.

Other

16 comments

Three submitters supported the Council selling the assets. One comment specifically commented that market value should be paid.

Two comments in this section supported this proposal under the circumstance that the level of social housing is sustained/improved. Individual submitters commented: only support this if the Council has control; would prefer the transfer of all social housing assets to a range of third parties; prefer the option of community housing providers; Council should sell the housing portfolio; submitter supported CCC involvement as long as they remain in control; submitter commented that they did not support this proposal as:

A private market driven landlord will increase rents for profit, more than a not-for-profit organisation.

One submitter questioned if the third party would be a Christchurch housing provider. They also noted that there needs to be further details in the plan.

One submission raised concern over the 51% remaining being sold to the private sector. They did not support this as the private sector may make a profit from social housing. Another submitter commented that they supported this initiative.

Comments from those who did not support initiative 2E55 comments

CCC no involvement in social housing

14 comments

All of the 14 submissions specifically did not support the Council's involvement of social housing. One submission made the point that the Council should be focusing on the rebuilding of Christchurch. Another submission commented that CCC is in debt and cannot afford to sell the properties cheap or give them away. They also commented that ratepayers are facing large rate increases which could be reduced by the selling of social housing assets.

CCC keep control of social housing

12 comments

The majority of submitters commented that they wanted the Council to remain in control of social housing. Individual submitters made the points that: it is the Council's responsibility to own and operate social housing; a preference of at least 51% ownership by the Council; if the assets are sold to a third party there is potential for financial gain, this was not supported by the submitter.

Support CCC housing involvement

7 comments

All of the submitters supported the Council's role in social housing. Specific comments mentioned: it is the Council's responsibility; control should definitely not be transferred; social housing should be Council owned and operated.

Sell housing

6 comments

The six submissions supported the selling of social housing. Three of the submitters made the point that the housing ought to be sold at market value. One submission commented that the housing should be sold with the first options given to the current occupants.

Other

16 comments

One submitter made the point that they supported the transfer to a third party, while two other submissions in this section commented: it is the Council's responsibility to provide social housing and; it depends, a housing corporation could get sold off by the Government at a later date. Two comments in this section specifically said that they do not support this part of the plan. Another submission made the point that CCC will still be liable if it fails. Two submissions did not support third party involvement. One submitter made the point:

'Some' is not quantified. We do see a place for other entities to increase their contribution to social housing in Christchurch

Individual submitters made these points: submitter in favour of CCC retaining 49%; the CCC should have full involvement or nothing; support this option if support for tenants is sustained; concern raised over the selling of assets in the future if there is entity involvement, and overall a lack of support due to financial reasons; support for CCC selling social housing to alleviate stress on rate increases housing stock should be retained by the Council; support for a reduction in CCC involvement in social housing.

Comments from those who didn't know if they supported initiative 2E 7 comments

More information needed 5 comments

Four submitters commented that there needed to be more information provided or that they did not understand this part of the plan. One specific submission commented that an involvement of 51% from an entity means they have more say and they are unable to support this proposal as it is not clear who the entity would be and what kind of decisions they would make.

Other 2 comments

One submission supports 51% ownership of social housing by the Council. The other submission comments:

It's all part of the same process.

Comments from those who did not answer initiative 2E 3 comments

More information needed 2 comments

Individual submitters made the point: it depends on the entity and why only 49%; the option is not clear as it seems to be two options written as one.

Other 1 comment

The one submission made the point that the Council should provide some social housing. They also mention that tenants should be aware that with benefit increases, rents will also increase. They made the point that ratepayers were responsible for unnecessary support and to prevent this from happening they suggested establishing a contract.

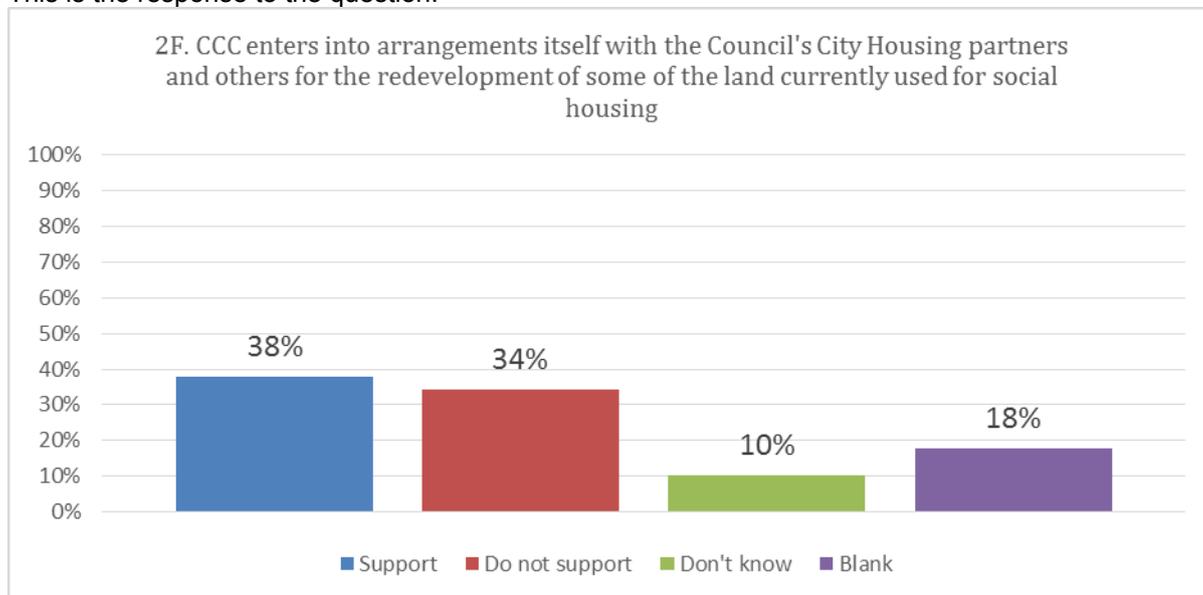
5.6. INITIATIVE 2F

CCC enters into arrangements itself with the Council's City Housing partners and others for the redevelopment of some of the land currently used for social housing.

ANSWER TO SUPPORT OR DO NOT SUPPORT QUESTION – INITIATIVE 2F

Respondents were asked if they overall *supported*, *did not support* or *didn't know* regarding Initiative 2F.

This is the response to the question.



361 submitters answered this question.

SUBMITTERS' COMMENTS

Summary of comments:

- For submitters who *supported* this Initiative the main submission point provided was that they saw redevelopment as an opportunity that would have a real benefit.
- In general, submitters who *did not support* Initiative 2F stated that CCC should have no involvement in social housing, and that CCC should either sell it, or that it should become the responsibility of central Government.

Comments from those who supported initiative 2F

30 comments

For entering into arrangements

4 comments

All of the comments in this section supported the move to make arrangements. Three of the comments supported this initiative as they see redevelopment opportunities as a real benefit. One submitter commented that they would support this Initiative:

...as long as it was done in conjunction with the limited liability company.

CCC should have no involvement in social housing

2 comments

One of the submissions in this sections supported this Initiative, but only if:

...the Council is hands off in the redevelopment.

The other comment supported the sale of the social housing portfolio.

Sell housing

2 comments

Both of the comments in this section supported the sale of social housing. One comment made the point that the housing stock should be sold to providers who are better equipped to manage them with a criteria set by CCC.

The submitter also mentioned that perhaps a property should be given to the Christchurch City Mission, and a unit given to a provider willing to deal with tenants who need housing but are not in jail.

General positive comments

4 comments

There was a mixture of submissions in this section. The majority expressed their support for the Initiative. One submission commented that it is a move in the right direction if it means selling some or all of the housing.

Another comment made the point that they supported this Initiative under the condition that the Council maintains its social housing role as outlined in the Social Housing Strategy 2007.

More information needed

3 comments

Individual submitters made the points that: would like to know more about the partners; cautious support as the CCC still maintains control, more information is needed, and; support in theory, however, would like to know who the partners are and the economic impact.

Other

15 comments

There was a large range of submissions in this section. Two submitters commented that they partially support this part of the plan. One submitter made the point that they support the Council's social housing *Objective*. Another submitter specifically mentioned that Option 1 is their preferred choice.

Individual submitters made the points that: support for this Initiative under the circumstances that houses were made affordable to buy for pensioners and those on supported living benefits; support this if the tenants are given options, particularly the choice of which area they live in; revenue gained from this arrangement ought to remain for development and maintenance of social housing; support for mixed housing to avoid establishing social housing ghettos; support under the condition that it is managed by a Trust; while the submitter saw the benefits of this initiative, they believed that CCC should retain ownership and control of social housing; support if there was no cost to rate payers; this Initiative should be a lower priority in the early rebuild of Christchurch.

A large comment in this section made the following points: social housing should be sold to an entity who is better equipped than CCC; explicit standards to be set for the service/quality of redevelopment through a consent process; rents to be based on service levels; criteria for people being offered and removed from subsidised housing; Council to provide incentives for tenants to be offered a right to buy their units; Council to continue to provide a combined housing service and monitor third party providers to ensure they are meeting agreed standards.

Comments from those who did not support initiative 2F

46 comments

CCC should have no involvement in social housing

8 comments

All of the comments in this section did not support the Council having a role in social housing. One submission made the point that the Council is not a welfare agency and therefore should not be involved in the functions of such an agency.

Sell social housing

6 comments

All six comments in this section suggested CCC sell all social housing assets. Two comments were made about the assets being sold at market price. Another comment was made about selling land to individual private buyers, with a maximum of one section being sold to each family. One submitter suggested:

...allow the new owner a free hand to remodel the business.

Central Government

4 comments

Three comments were made about CCC passing on social housing responsibilities to central Government. One comment was made about CCC providing social housing in Christchurch, but having more funding provided by central Government.

Costs to rate payers

4 comments

Two of the comments in this section suggested that social housing shouldn't be paid for by the rate payers, but should be a central Government function. One submitter explained that rate payers have enough to deal with after earthquakes and floods and thus cannot afford to be paying for social housing too.

One comment was made about rate increases being irresponsible as rate payers are already facing huge increases from insurance, electricity and mortgages. Another submitter commented that they see no benefit to rate payers from initiative 2F.

Costs

3 comments

Two submitters made the point that the Council may not be able to afford social housing. The other submission suggested that money made from the redevelopment of social housing may be put into less socially worthy projects in the future.

Support CCC social housing involvement

3 comments

All of the submitters made the point that social housing should be Council owned and operated. One comment suggested that the Government should be required to provide funds to maintain the housing.

Social housing not role of Council

2 comments

One comment in this section made the point that social housing is not the role of the Council and they do not support involvement. Similarly the other comment in this section stated that they also do not support the Council's role in social housing as it is not a core function of the Council.

CCC keep control of social housing

2 comments

One comment in this section was made about leaving social housing as it is, as it works well in the hands of the Council. Another submitter stated that social housing must be owned by CCC, as an "entity" was not a good idea.

General negative comments

4 comments

One submitter commented that they could see no benefit to rate payers from Initiative 2F. Another commented that it was time CCC gave up. One comment was made regarding why city land should be taken up with social housing. Another comment was made generally not supporting this Initiative.

More information needed

3 comments

One comment asked what "redevelop" meant – whether it would result in less, more, better or more concentrated social housing.

Two submitters commented that they were unclear about the purpose for redevelopment.

Other

7 comments

One submitter made the point that the land to be redeveloped should still be used for social housing. Another comment was made arguing that communities should not have social housing foisted on them over which they have no control. Another submitter commented:

"People matter most" – An empty slogan or a reality?

Individuals made the points: submitter would not support entering into an arrangement unless it was first stipulated that the land remains solely for social housing; submitter saw no reason why public land needed to be redeveloped, as there is no shortage of land in Christchurch; submitter did not take issue to initiative 2F; land ownership should remain with CCC.

Comments from those who didn't know if they supported initiative 2F 10 comments

More information needed

7 comments

Three of the comments in this section stated that they generally didn't understand the Initiative, or required more information about it. Two comments were made wanting to know who CCC's housing partners would be. Two other comments were made stating that it was unclear what the desired redevelopment would be.

One submitter commented:

Still liable?

Other

3 comments

One submitter questioned what would happen to the people when their land/house is redeveloped. Another commented that their support for initiative 2F would depend on what redevelopment is envisaged. One comment was made stating that this initiative could be a possibility.

6. OPTIONS FOR THE MANAGEMENT OF THE COUNCIL'S SOCIAL HOUSING ASSETS (LAND AND BUILDINGS)

6.1. SUMMARY DISCUSSION OF SUPPORT FOR OPTIONS

Summary analysis

6.1.1. Overall, *Option 4. Central Government capital injection into social housing* (64%) was the most strongly supported Option. For those who supported CCC's *Objective*, this was the second most strongly supported Option (73%) and the most supported Option (55%) for those who didn't support CCC's *Objective*.

6.1.2. Overall, these were the next four most supported Options:

1 Lease land and buildings to a Community Housing Provider (CHP) (Council's preferred option);

5 Gift social housing buildings to a Community Housing Provider and Christchurch City Council retain ownership of the land;

3A Sell social housing buildings and land to a Community Housing Provider at a price that allows the Community Housing Provider to be financially viable;

2A Sell social housing buildings to a Community Housing Provider at a price that allows the Community Housing Provider to be financial viable.

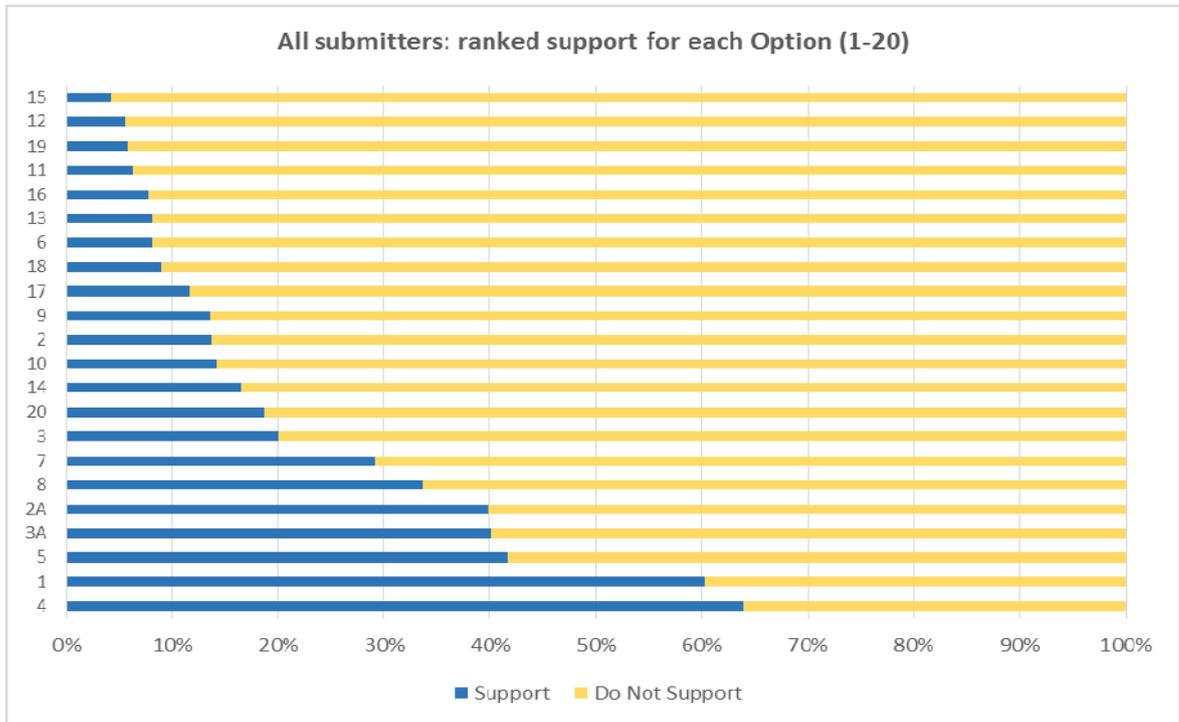
6.1.3. For those who supported the Councils *Objective*, these were the five most strongly supported Options: 1, 4, 2A, 5, 14.

6.1.4. For those who did not supported the Councils *Objective*, these were the five most strongly supported Options: 4, 3, 20, 17, 7.

6.1.5. Respondents were also asked to select their three preferred Options. These were the most popular top three Options: 1, 4, 5.

6.2. SUMMARY CHARTS FOR RESPONSES TO OPTIONS

For all submitters, this chart ranks the percentages of submitters who *supported* and *did not support* each Options (1-20).

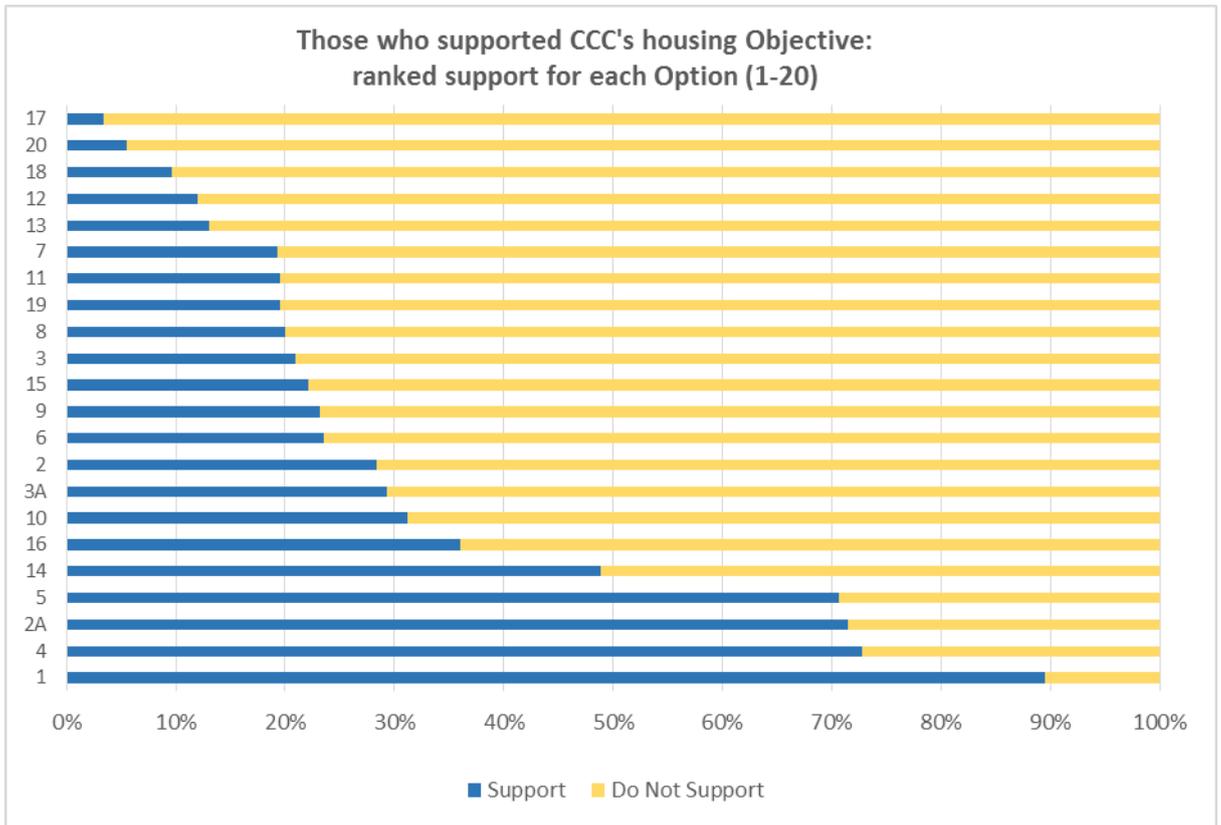


Note: In these three charts, **Support:** includes *support* and *Strongly Support* and **Do not support:** includes *Do not support* and *Strongly do not support* response options for the Submission Form.

Key for Options

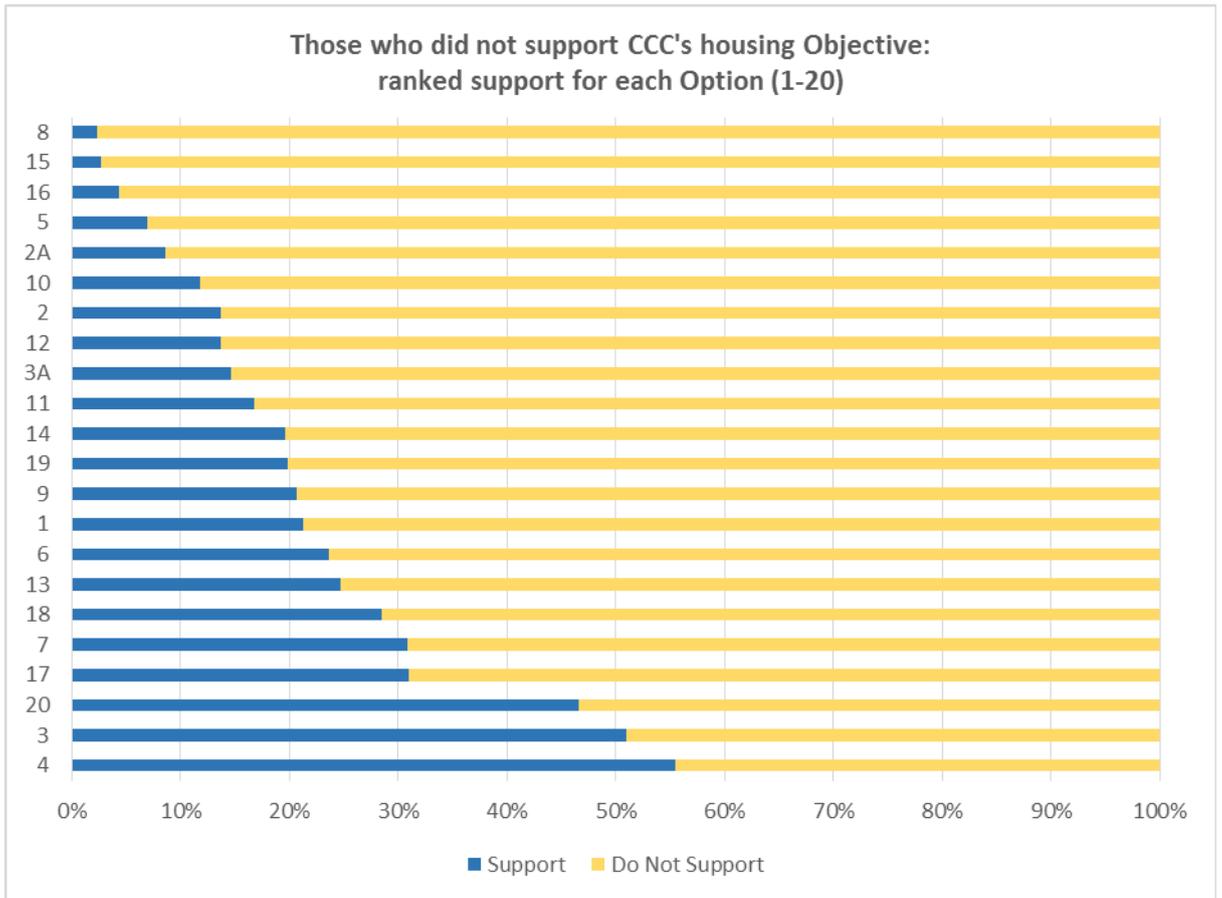
1	Lease land and buildings to a Community Housing Provider (CHP) (Council's preferred option)	10	Do nothing and continue with minimal rent increases
2	Sell social housing buildings to a Community Housing Provider and Christchurch City Council keep the land	11	Sell and lease back 17 under-capitalised sites
2A	Sell social housing buildings to a Community Housing Provider at a price that allows the Community Housing Provider to be financial viable	12	Christchurch City Council retain and operate social housing buildings and land, however no longer fund for replacement
3	Sell social housing buildings and land to a Community Housing Provider	13	Rent increase 35%, and sell 17 under-capitalised sites to a Community Housing Provider
3A	Sell social housing buildings and land to a Community Housing Provider at a price that allows the Community Housing Provider to be financially viable	14	Affordable housing and social housing portfolio
4	Central Government capital injection to social housing	15	Sell social housing buildings and land and build new stock
5	Gift social housing buildings to a Community Housing Provider and Christchurch City Council retain ownership of the land	16	Buy new social housing stock – Invest
6	Sell social housing land and buildings – with a Community Housing Provider lease in place.	17	Rent increase to market level – Exit social housing
7	Rates injection to social housing	18	Rent increase of 32% and sell 17 under-capitalised sites
8	Gift social housing buildings and land to a Community Housing Provider	19	Demolish all social housing buildings and land and re-develop through a build, own, operate and transfer scheme; or a build, own, and transfer scheme
9	Rent increase 46%	20	Sell all social housing buildings and land and exit provision of social housing

For those who supported the Council's *Objective*, this chart ranks the percentages of submitters who supported and did not support each Initiative (1-20).



266 submitters supported the Council's *Objective*.

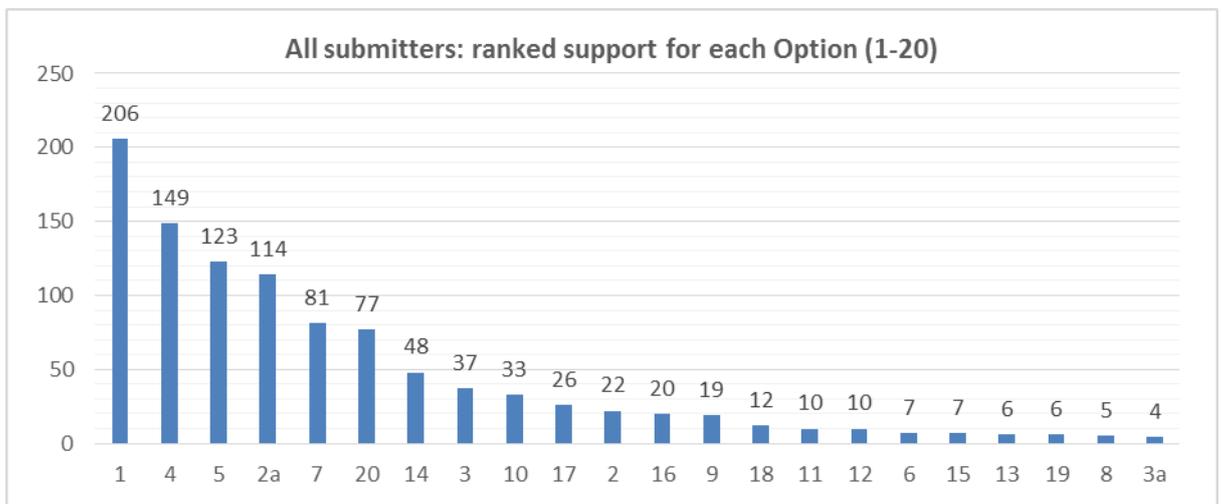
For those who did not supported the Council's *Objective*, this chart ranks the percentages of submitters who supported and did not support each Initiative (1-20).



139 submitters did not support the Council's *Objective*.

(**Support** includes *Strongly Support* and **Do not support** includes *Strongly do not support*)

6.3. PREFERRED OPTIONS FOR THE MANAGEMENT OF COUNCIL'S SOCIAL HOUSING ASSETS (LAND AND BUILDINGS)



This chart presents the answer to Question 5, which was to select the three options that the submitter most preferred out of all Options (1-20)

To produce the chart above, all three options selected by submitters were counted equally.

7.FURTHER COMMENTS ABOUT THE COUNCIL'S PROPOSAL

The final question on the Submission Form was: *"Do you have any further comments about the Council's proposal?"*

The following discussion summarises the comments made by submitters on this question.

Further comments 120 comments

***CCC should keep providing social housing* 16 comments**

The majority of these comments stated that it is important for CCC to remain providing social housing for the vulnerable in our community, the aged and sick were specifically referred to. Some stated that the consequences of not doing this would be homelessness for some. Some stated that the social housing should be a high priority for the Council.

***Social housing is a central Government role* 14 comments**

There was a very consistent message in these comments that central Government should provide social housing and not the Council. Many of these also stated that this is not core business and results in rate payers paying twice. A couple of submitters stated that Council should sell to Government.

A couple of submitters stated that Council should not be the second largest provider of Social housing in New Zealand.

***CCC should keep control over social housing* 14 comments**

There was a consistent message in these comments to retain control over social housing by retaining at least 51% ownership. The majority of comments stated or implied 100% ownership. One commenter stated that the decision needs to be appropriate for the future and not just now.

A number of comments warned against giving control to government as a response to the recent government policy on rental subsidies.

One submitter stated that it is important to keep control and this would be difficult with some groups, such as a church group.

***CCC should have no involvement in social housing* 13 comments**

These comments consistently stated that CCC should stop providing social housing. A range of secondary arguments supported this point: focus on core business; keep other assets such as port but get rid of social housing; a few tenants should not be subsidised at the expense of all tenants; should be sold to get capital for rebuild; should not just be CCC providing, other Councils should also; the same should be used to reduce rates and there should be no borrowing or subsidising to support social housing.

***Social housing is a cost to rate payers* 8 comments**

These comments consistently stated that rates should not be used to support social housing.

***More information needed* 7 comments**

A number of submitters stated that they didn't understand the information provided or found it difficult to decipher, another stated that there was limited rationale to support the *Options*. One commenter stated that they didn't have confidence in the information provided.

***CCC should spend on other things, not social housing* 5 comments**

These comments stated that CCC should spend on core services such as infrastructure, particularly in the current rebuild environment. They did not want money spent on social housing.

***Cost to tenants* 4 comments**

These comments were related to keeping tenant's rents affordable.

***Consultation process* 3 comments**

These comments included questioning of the quality of the Submission Form (considered biased), that the process has caused worry and the *Options* table is subject to misinterpretation.

Other

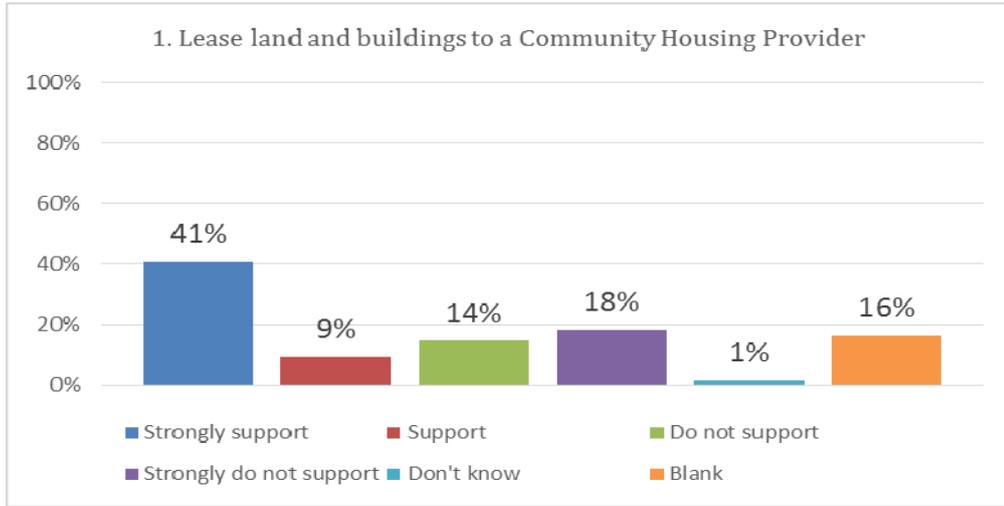
36 comments

There were a range of other points made, these included: reduction in CCC involvement will not reduce the total Christchurch housing stock; social housing must cover costs but take management away from CCC; CCC could proceed with providing social housing and engage with the government; a housing trust that has links to other social support services would be best placed to provide social housing in Christchurch; a number of comments were to do with providing appropriate standard properties for tenants; gift properties to mental health services; gift properties to tenants; board should have at least 3 community representatives; should be provided for all; a social housing provider could have their own agenda; all tenants must be treated equally by a new entity; social housing should be of universal design; there is no guarantee of future governments keeping the subsidy; this policy seems to contradict the Social Housing Strategy.

Appendix 1.

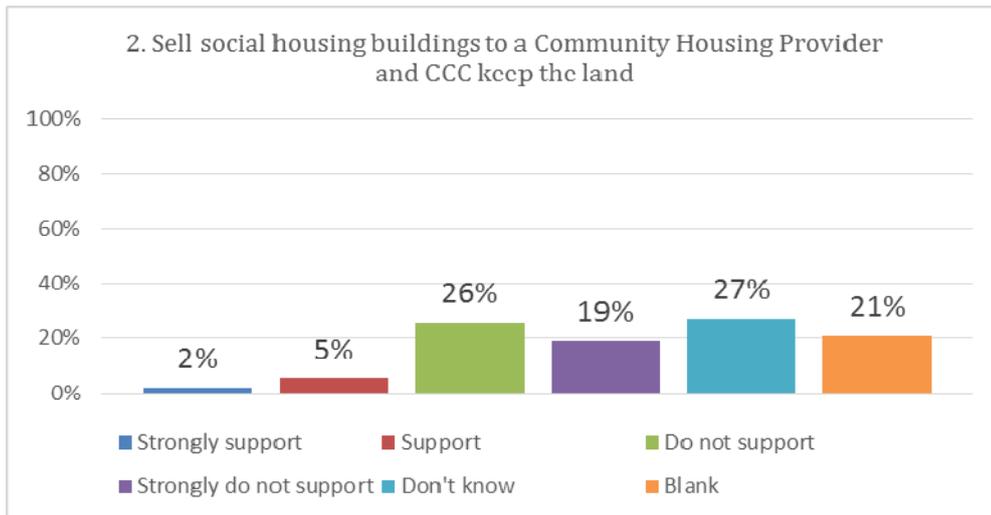
Levels of support for Options (1-20)

1. Lease land and buildings to a Community Housing Provider (Council's preferred option)



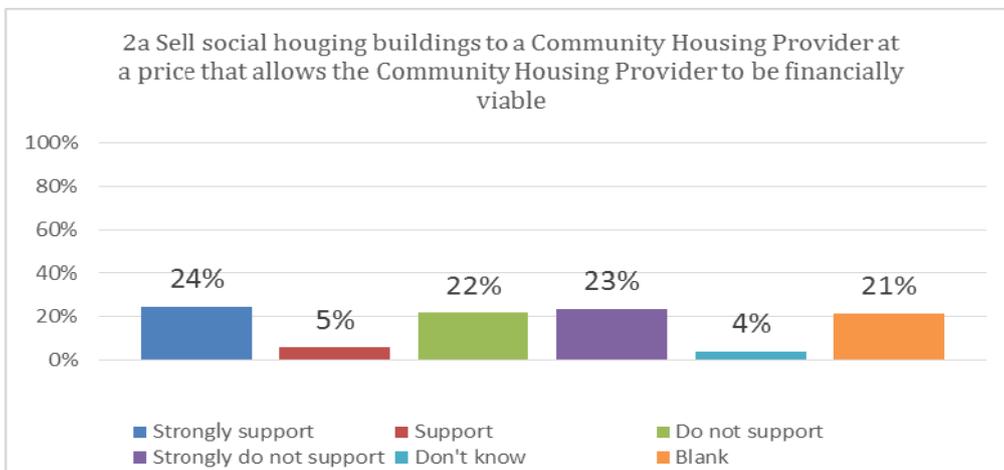
400 submitters answered this question.

2. Sell social housing buildings to a Community Housing Provider and CCC keep the land



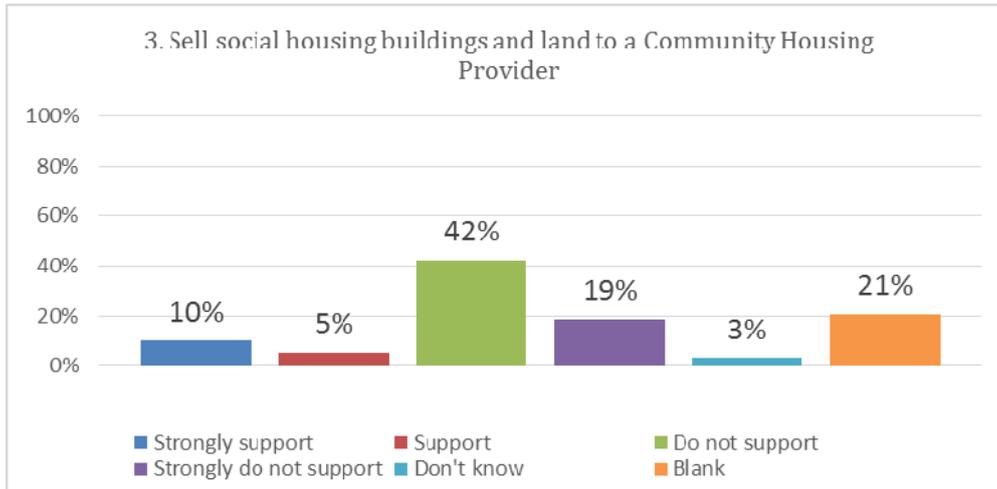
378 submitters answered this question.

2a. Sell social housing buildings to a Community Housing Provider at a price that allows the Community Housing Provider to be financially viable



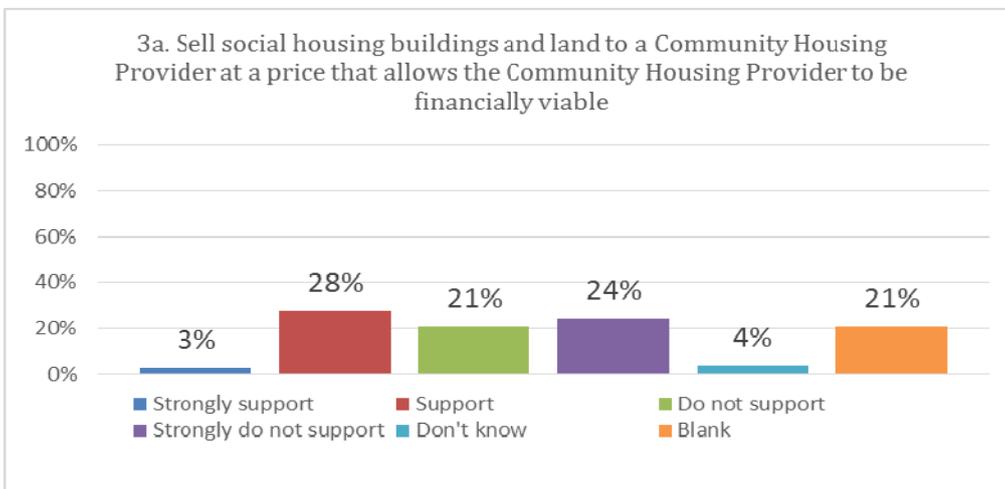
376 submitters answered this question.

3. Sell social housing buildings and land to a Community Housing Provider



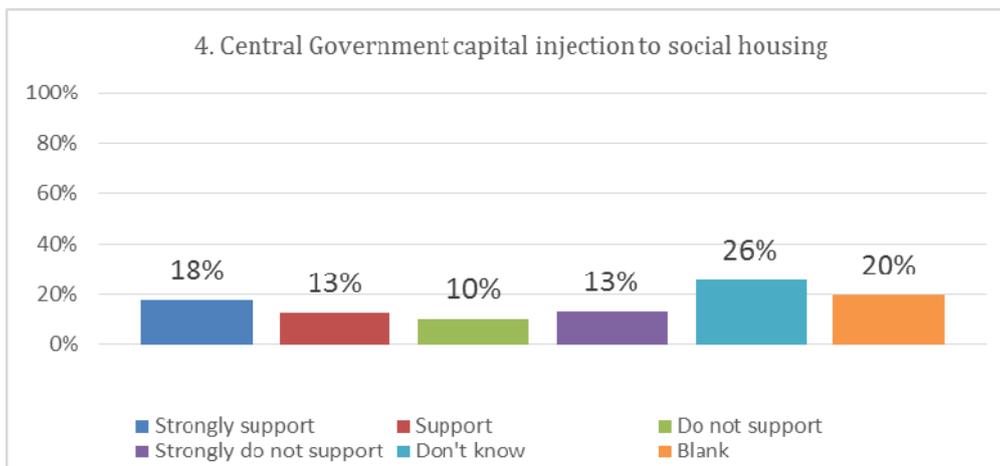
380 submitters answered this question.

3a. Sell social housing buildings and land to a Community Housing Provider at a price that allows the Community Housing Provider to be financially viable



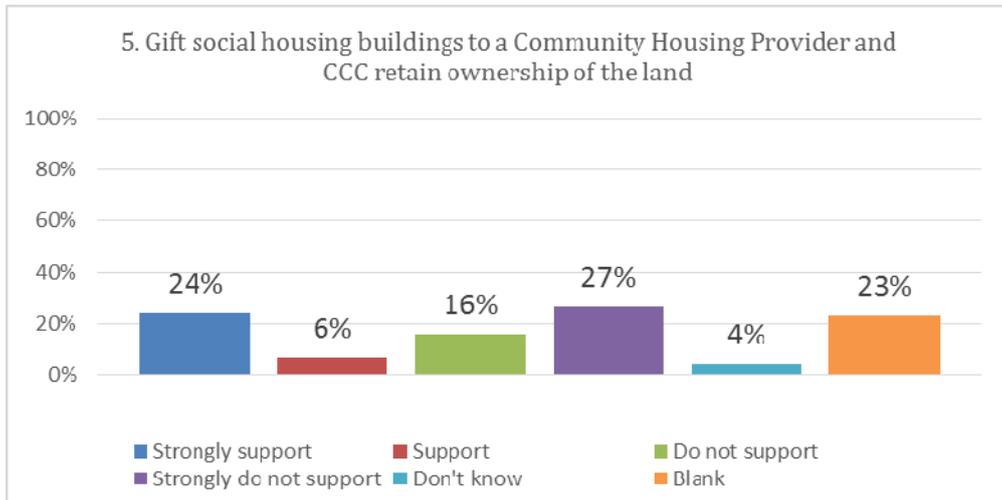
378 submitters answered this question.

4. Central Government capital injection to social housing



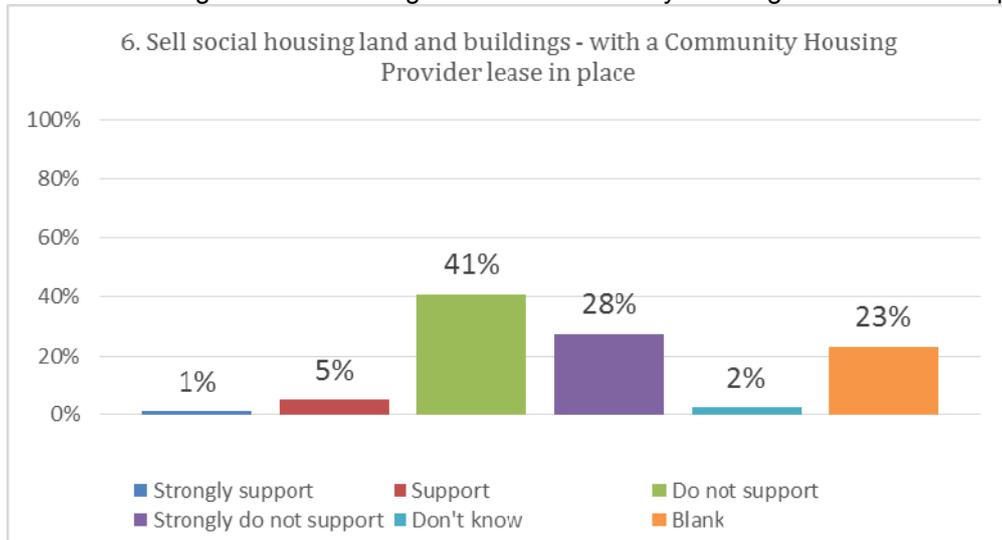
384 submitters answered this question.

5. Gift social housing buildings to a Community Housing Provider and CCC retain ownership of the land



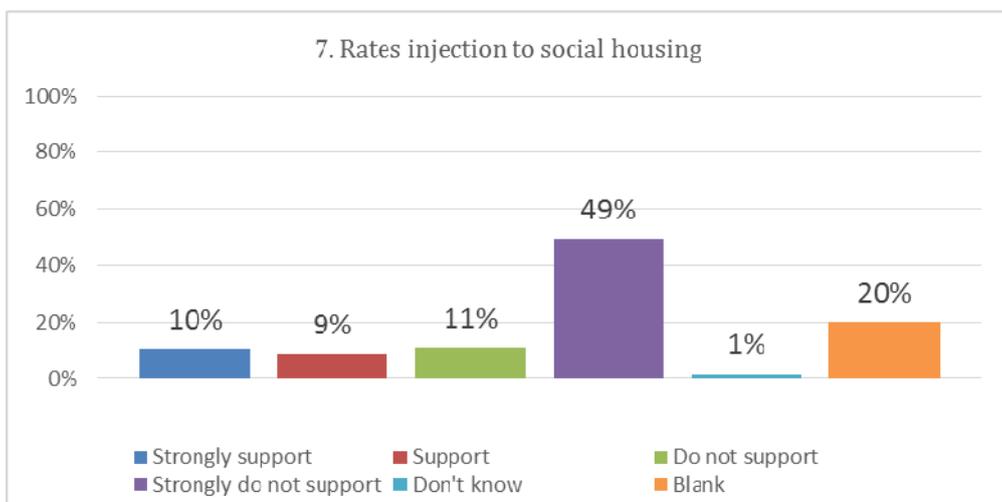
368 submitters answered this question.

6. Sell social housing land and buildings – with a Community Housing Provider lease in place



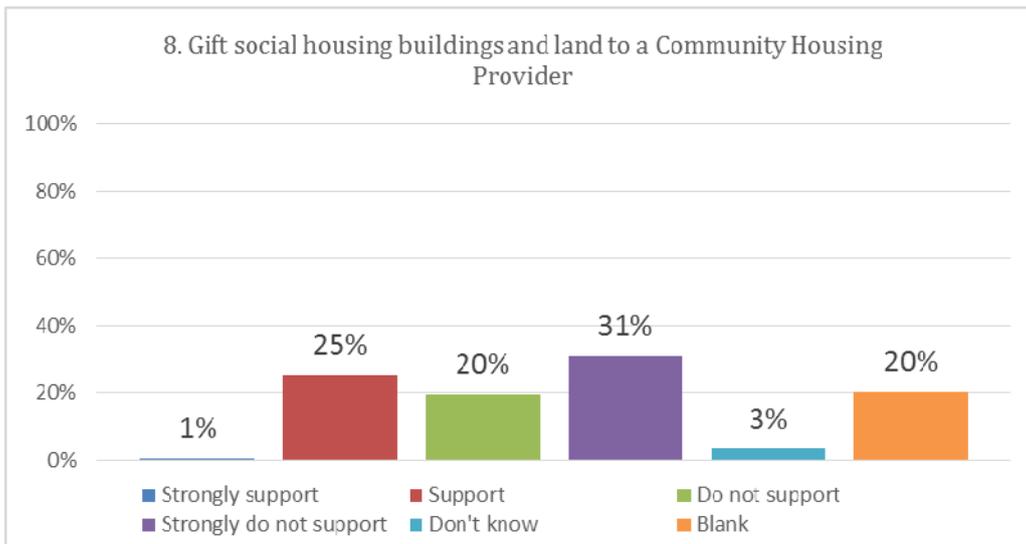
367 submitters answered this question.

7. Rates injection to social housing



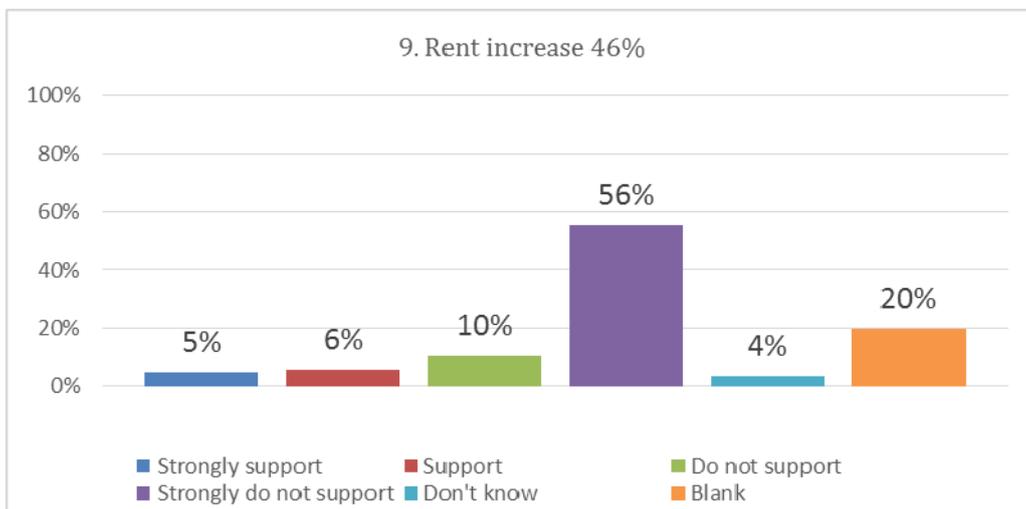
383 submitters answered this question.

8. Gift social housing buildings and land to a Community Housing Provider



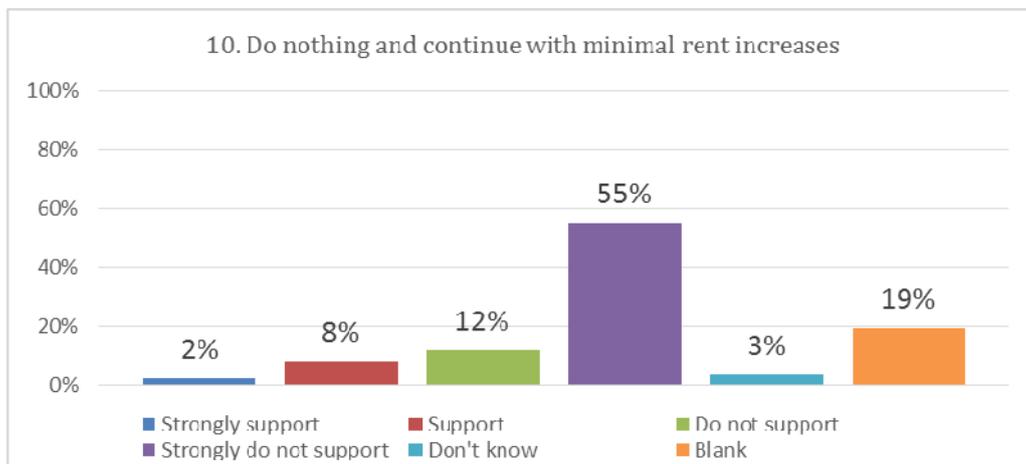
381 submitters answered this question.

9. Rent increase 46%



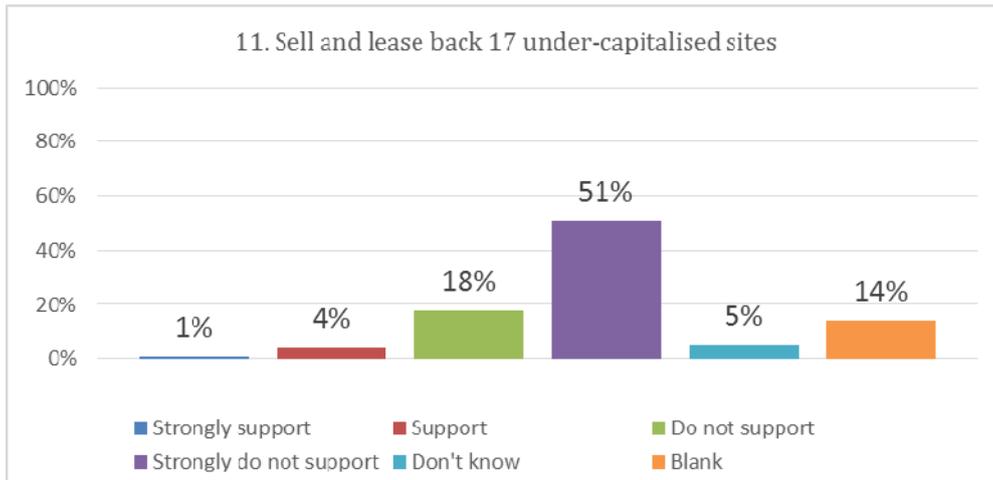
383 submitters answered this question.

10. Do nothing and continue with minimal rent increases



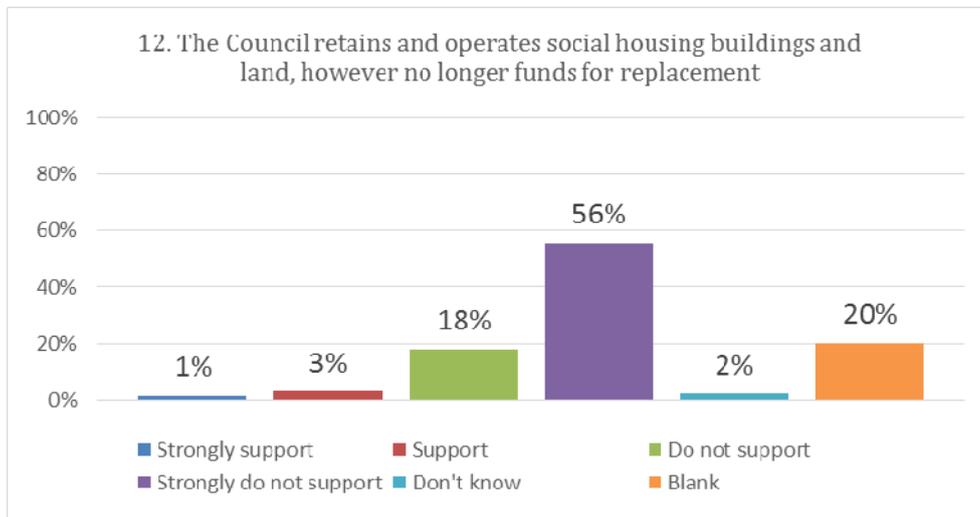
386 submitters answered this question.

11. Sell and lease back 17 under-capitalised sites



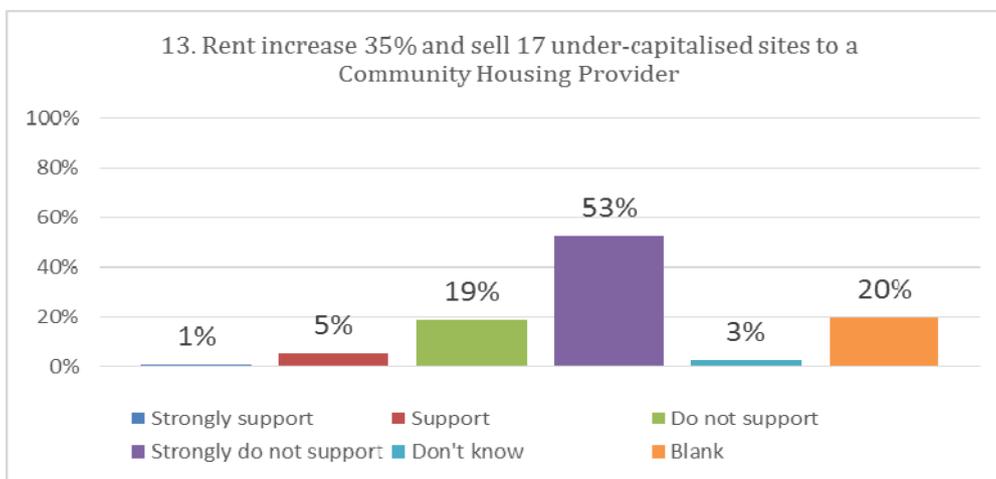
372 submitters answered this question.

12. The Council retains and operates social housing buildings and land, however no longer funds for replacement.



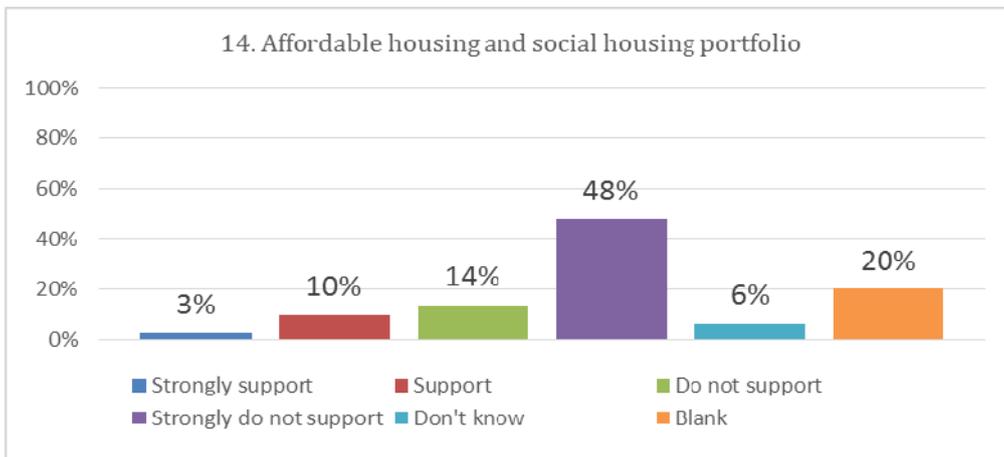
382 submitters answered this question.

13. Rent increase 35% and sell 17 under-capitalised sites to a Community Housing Provider



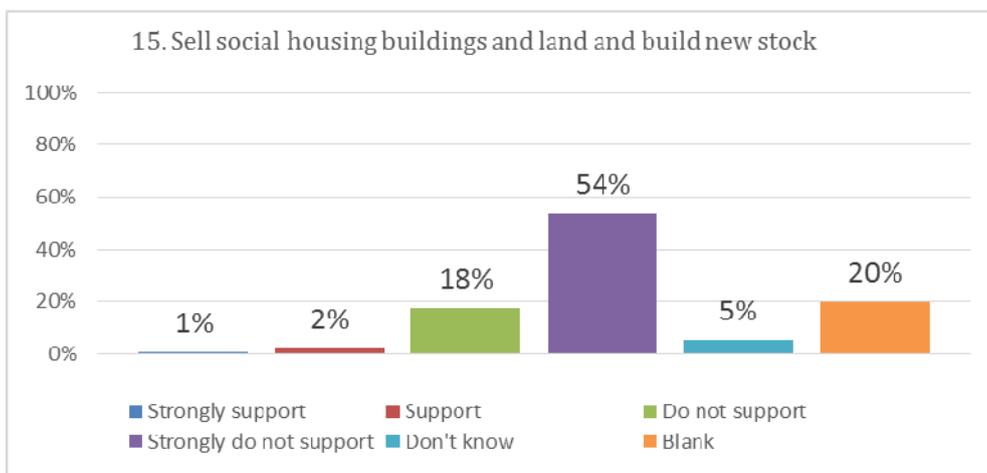
384 submitters answered this question.

14. Affordable housing and social housing portfolio



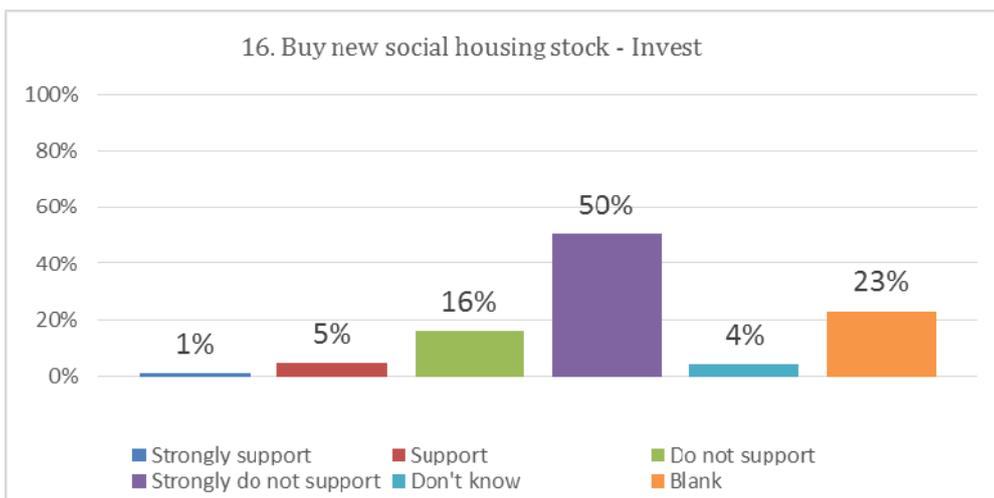
382 submitters answered this question.

15. Sell social housing buildings and land and build new stock



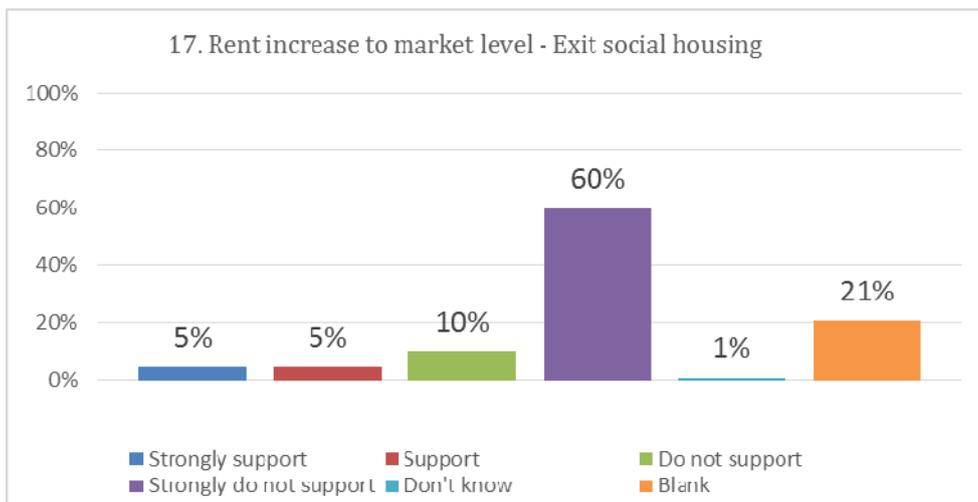
382 submitters answered this question.

16. Buy new social housing stock – invest



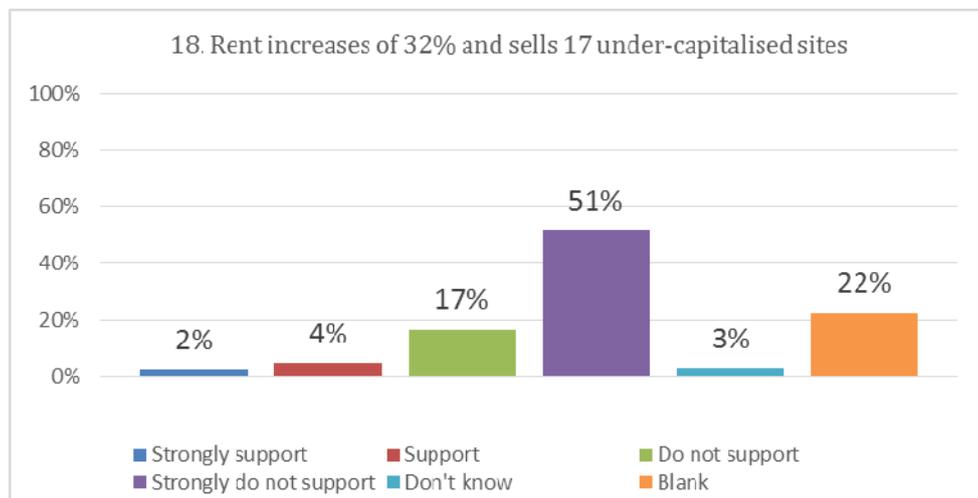
367 submitters answered this question.

17. Rent increase to market level – Exit social housing



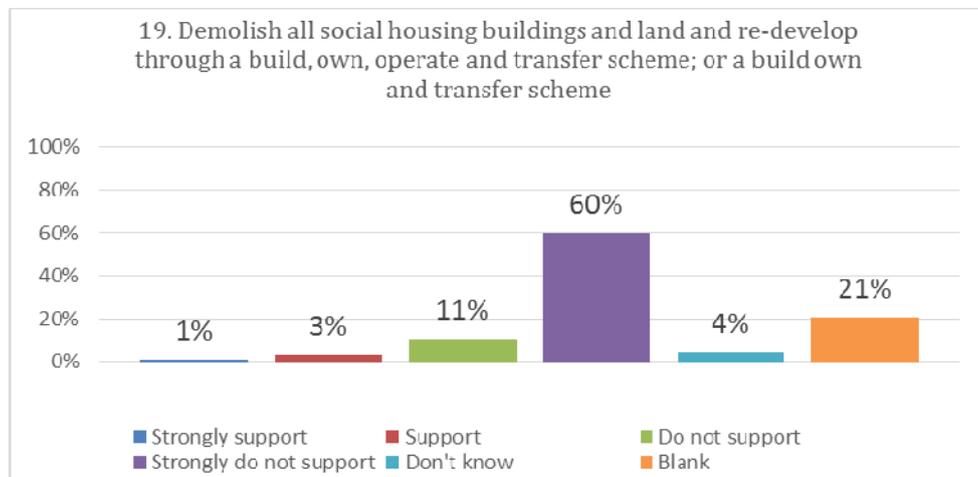
380 submitters answered this question.

18. Rent increase of 32% and sell 17 under-capitalised sites



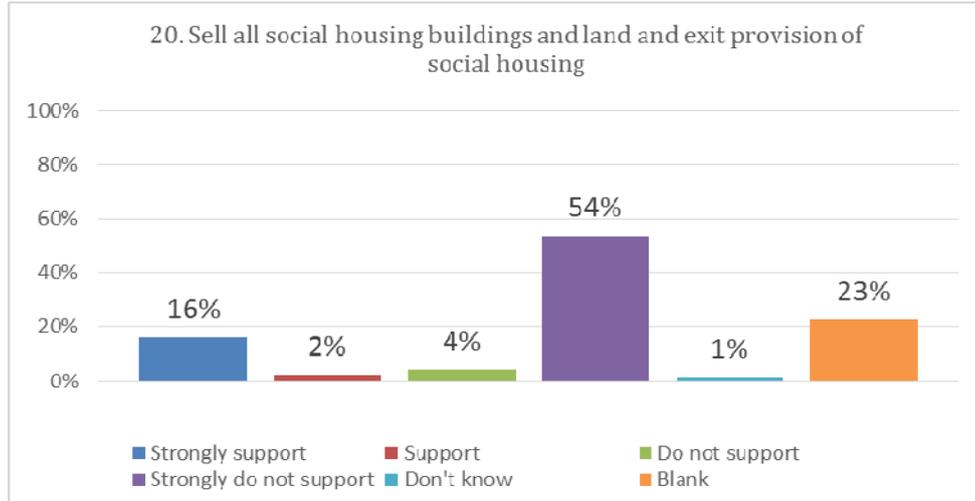
371 submitters answered this question.

19. Demolish all social housing buildings and land and re-develop through a build, own, operate and transfer scheme; or build, own and transfer scheme



380 submitters answered this question.

20. Sell all social housing buildings and land and exit provision of social housing.



370 submitters answered this question.