



NATIONAL COUNCIL OF WOMEN OF NEW ZEALAND

TE KAUNIHERA WAHINE O AOTEAROA

26 June 2013

S13.06

Submission to the Social Services Committee on the Social Housing Reform (Housing Restructuring and Tenancy Matters Amendment) Bill 116-1

The National Council of Women of New Zealand (NCWNZ) is an umbrella organisation representing 47 organisations affiliated at national level and a further 41 organisations affiliated at branch level. It has 22 branches throughout the country attended by representatives of these organisations, as well as individual members. NCWNZ's function is to represent and promote the interests of New Zealand women through research, discussion and action.

This submission has been prepared by the NCWNZ Family Affairs Standing Committee and the Parliamentary Watch Committee after consultation with the membership of NCWNZ.

Introduction

NCWNZ has a long history of concern for affordable housing, going back to 1945, when a resolution was passed *"that in all housing schemes the lower income groups should be catered for."*

The National Council of Women has since the year 2000, supported initiatives that have looked at policy which would help expand the number and diversity of social housing providers, and policies that social housing goes to those who "really need it". NCWNZ submission 2001.16 supported the ruling that gave people (in particular those on low or modest incomes who wish to own their own homes) help and advice on matters relating to housing or urban development. At that time NCWNZ saw this provision as an attempt to encourage tenants to move to private sector housing as their circumstances improve, and commended this ruling.

The NCWNZ membership is concerned now, with the availability of houses for rent as well as for sale, and feel quite strongly that the pool of social houses should be increased and at an affordable cost.

In 2004 The NCWNZ Submission 04.39, stated that the Government needs to encourage initiatives by community organisations, the private sector and local authorities. This submission went on to state that "protection is required to ensure both the private investor and the tenant, or new home buyer does not lose if the economy changes quickly. Market factors cause considerable stress on all levels within the housing sector."

“Our membership has concerns, due to the volatility of the present housing market investment structure, that low income people who are disadvantaged by the lack of appropriate housing schemes, can be easily duped into questionable financial arrangements with little or no legal protection.”

The above statement written in 2004 still applies in the present day housing climate.

The Bill

Section 56 Tenant’s duty to advise change of circumstances

Under the new provisions (s56 (1)-(3) a duty is extended to all tenants (whether paying market rent or income-related rent) and prospective tenants.

- To “promptly” advise HNZ of any changes in circumstances (of the tenant or their partner/spouse) likely to result in the person **no longer being eligible** for HNZ housing.
- Failure to provide this information within 4 weeks of the change in circumstances, without reasonable excuse, is an offence under the Act (s61AA). Liable for \$2000 fine.

Some of the membership felt that this is quite a heavy burden on tenants, especially prospective tenants who might not be aware of relevant circumstances that could possibly affect their eligibility for HNZ housing. The question has been asked – “would HNZ or another agency find suitable housing for those who need to move on?” While the membership agrees that it is important to free up larger houses when a person’s circumstances no longer require a large house, there is also the social need of community, children’s schooling and the possibility of it being difficult to find private accommodation, especially if the tenant has a criminal record. HNZ has often been the only option for this group.

The inclusion of fines for incorrect provision of information is a concern. Accruing debt is a problem that people on limited incomes have and is not always their fault but one of circumstances. Anything that adds to a situation where it negatively compounds on the well-being of the family and children, needs to be addressed. Support and guidance need to be top priority to help that particular family.

A number of our members are concerned that HNZ and other community housing tenancies that once were secure tenancies are to become insecure. One of the positives of the existing HNZ housing is that tenants are secure from having to keep moving as long as they are paying their rent. The social impacts of transient living are recognised and serious,

Private sector rentals will not give them the same security, and this has the potential to adversely impact on the health and well-being of the children, in particular those who may have to move schools when they move houses. The financial costs of moving can be high and could result in parents having to pay higher costs to travel to paid employment. This could also place unnecessary stress on the family.

Section 57AA HNZ may review housing eligibility

HNZ may review the **housing eligibility** including the **housing need** of the tenant.

- Neither “housing eligibility” nor “housing need” have been defined in the Act. Does this mean that HNZ can remain flexible in its standards as to what these terms will be measured against?

We would hope that the assessment of need would relate to the particular circumstances of the individual or family rather than just being about financial and family circumstances.

The majority of our respondents support review, but it needs to be balanced with properly managed transitions with minimisation of social disruption.

Section 57AC HNZ may investigate circumstances of prospective tenant

These prospective tenants have no right of appeal and yet are under the same investigatory powers as those eligible or housed in a social housing situation. (s62AA – s62AC)

We would ask that this be reviewed.

Section 59AA HNZ may require information for certain purposes

(4) “(a) no later than 5 working days after the notice was given;

As has been stated above, it is hoped that the particular circumstances of the individual or family will be taken into account, and guidance and help given to attain the information required.

Part 7 HNZ Housing

70 Purpose for this Part and Parts 8 to 10

(1) The purpose of this Part and **Parts 8 to 10** is to reform the provision of social housing by establishing a framework for a multiple-provider social housing market.

NCWNZ membership was divided on this, with the majority of members who responded preferring that HNZ retain the full housing portfolio. Reasons given for this were:

- It is better to have housing under a separate portfolio
- HNZ needs to have strong links with other Government Agencies and groups involved in the choice and welfare of their tenants.
- There is development of expertise within HNZ in respect of allocation and management of housing tenancies. If the allocation of these tenancies is removed and given over to Ministry of Social Development (MSD) there will be a loss of institutional knowledge and expertise.
- There is the question of whether the MSD will have the specific expertise to take on this role, and whether extra resources and staff will be granted to that Ministry.
- The challenges for the multiple-providers have always been financial and contestability for a small pool of Government funding. Having a number of housing organisations competing for limited funds is going to compromise providing secure, affordable housing

Members who were in favour of the idea of this shift stated:

- MSD are more informed of the family’s situation and needs and are better suited to match the housing situation with the actual family
- Tenants eligible for a housing support supplement can work with the one department.
- Support was given to the repeated calls by private landlords for rent to be taken from the benefit at source, and this would usually be the MSD.

73 Agency to notify HNZ of income-related rent

There is concern that community housing providers, who become registered social housing providers, will lose their autonomy and thus not be able to provide secure tenancies. The income-related rent will be calculated and overseen by MSD and discretion by HNZ to accept lower rent payments will be limited. (s73(4)).

78 HNZ may review placement

Any loss of autonomy for the community housing providers is a concern. These providers are able to provide appropriate housing for different client groups and often provide a higher level of support than that which is currently provided by HNZ.

96 Income-related Rent

(1)(a) a registered community housing provider has been allocated or referred an eligible tenant by the agency:

There is no definition of 'allocate' but to have these words of **refer** and **allocate** this would seem to suggest that when a provider has been allocated a tenant, then it would have no choice but to accept that tenant. The Bill does not indicate that the provider has the power to reject a tenant on any grounds. This is of concern, as it has the potential to compromise the specialised work of the provider and may also compromise the limited funding that the provider can secure, especially if the tenant is one with specialised needs or high needs.

Part 10 Regulatory Authority

165 Registration continuous so long as criteria continue to be met

There is support for regular assessment of the registered community housing provider. Having high standards to comply with would mean that not many community housing providers would be eligible to become registered and this intrusive nature of some of the Authority's powers may be a disincentive for some.

Planning and provision of social housing should be fair and equitable across the whole country. As has been seen in the debates, at this stage government money put aside for these providers would only cover 17-20%.

172 Annual reports provided by registered community housing providers

This section is supported.

Conclusion

While there is support for many aspects of this Bill, NCWNZ members would be very concerned if the main intent is about moving people out of HNZ housing if they are financially able to do so - without consideration for the social needs of the family or individual tenant. Parts of the Bill read more like transitional housing and the social impacts of transient living are serious.

If the Ministry of Social Development is to be the main authority, members would wish to see adequate resourcing and finances given to make for a quality 'wrap around service' so that individuals and families can be well supported and the children given every opportunity to have clean, dry, warm and healthy homes to live in. One of the visions that we see is that of a '*Hand up rather than Hand out*'.

Good quality social housing needs are imperative for all age groups, and with an aging population, the need for smaller bungalow accommodation will be in demand. There is

certainly a need for more innovative approaches that meet the needs of the changing social structure of our society.

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