

NZCCSS Submission

on Puka Matapaki: Tauākī Kaupapa Here A Te Kāwanatanga Mō Te Whakawhanake
Whare, Tāone Anō Hoki. Government Policy Statement: Housing and Urban
Development.

*“My people will abide in a peaceful habitation, in secure dwellings, and in quiet resting places.”
(Isaiah 32:18)*

1. Introduction and general comments

The New Zealand Council of Christian Social Services (NZCCSS) represents six member churches working for a just and compassionate society in Aotearoa New Zealand.¹ In seeking to fulfil this mission, we are committed to: (a) giving priority to the poor and vulnerable members of our society and (b) Te Tiriti O Waitangi.

NZCCSS member agencies support those who are vulnerable and marginalized through low incomes and poverty, ill-health and disability. NZCCSS member agencies support housing provision across the spectrum of housing needs, including social housing, rental housing, homelessness,² with security of housing as a critical aspect of housing. Access to home ownership is included for increasing security and equity in a home. Access to affordable housing is key to lifting families out of poverty and increasing wellbeing across marginalized communities in Aotearoa New Zealand.

2. Key Comments and Introduction.

NZCCSS welcomes the opportunity to provide feedback on the Government’s Policy Statement on Housing and Urban Development (SHUD).

The priority issues for NZCCSS are Affordable Housing and Community Housing Provider Partnerships.

Access to finance for community providers of housing through public funded capital investment to build houses, including financial recognition for the contribution of land made available by community providers.

¹ NZCCSS has six foundation members; the Anglican Care Network, Baptist Churches of New Zealand, Catholic Social Services, Presbyterian Support and the Methodist and Salvation Army Churches. Nationally member networks comprise 213 separate provider sites delivering social in 55 towns and cities throughout New Zealand. See www.nzccss.org.nz

² Member agencies including Vision West and Christchurch Methodist Mission are working with the **Housing First** programme to end homelessness: <https://www.housingfirst.co.nz/> , <https://www.mmsi.org.nz/housing>

The current model for addressing housing supply through Kāinga Ora is public-private partnerships with the government facilitating access to land and private developers doing the building. This is not State provision of housing, but state facilitated private development, in which public good in land and housing becomes transferred to privatized wealth.

NZCCSS supports a model of Community Housing Provider – government partnerships to be significantly expanded as a foremost model of addressing housing supply.

The following headings identify key issues that NZCCSS member organisations have raised in relation to the Government’s Statement on housing and development.

- 1- High level vision and scope
- 2- Affordable housing across the housing continuum of ownership, social housing and tenancies.
- 3- The role of Community Housing Providers – Partnerships and Finance
- 4- Specific communities (older people, disability and Pacifica)
- 5- Māori housing provision
- 6- Pasifika housing
- 7- Climate change and housing

Historical review of housing

If we look back to 1930s and 1940s during which time New Zealand had an extensive publicly funded state housing system, it would have been inconceivable that 23,000 households would be waiting on the housing register [MSD] due to a shortage of quality, affordable and secure housing or that rents would increase by 37% over the last 10 years [SNZ]. The Government’s housing statement acknowledges the market has failed low income households to secure a quality and affordable home. In contrast, the housing policy of the 1930s and 1940s provided for large scale and publicly funded state homes to be built. This tried and tested policy was found overall to provide a successful housing model. NZCCSS notes the building of publicly funded and owned state homes on an industrial scale is one of the key recommendations made by the Welfare Expert Advisory Group.

Focus areas and aspirations

This submission notes the 6 focus areas and the Vision statements the document as aspirational guidelines and themes for this submission. We comment on these in an appendix. “6 Focus Areas:

- *Ensure that more affordable houses are being build*
- *Support resilient, inclusive and prosperous communities*
- *Prevent and reduce homelessness*
- *Provide homes that meet people’s needs*
- *Invest in Māori-driven housing and urban solutions*
- *Re-establish housing’s primary role as home rather than a financial asset”.*

“A trend that emerged since COVID-19 is the increasing number of people previously not homeless filling up emergency and transitional housing. The most vulnerable are being squeezed out of any hope of permanent housing and even shelter.” NZCCSS Member organisation

2. Affordable Housing

Definition of 'affordable'

The Vision statement sets out to provide everyone with an 'affordable home' without any discussion on what constitutes 'affordability', and how this will be achieved across the housing continuum. NZCCSS is aware the Ministry of Housing and Development Unit has developed an affordability measure using Statistics New Zealand household income data. (<https://www.hud.govt.nz/news-and-resources/statistics-and-research/housing-affordability-measure-ham/>)

How will this affordability measure be integrated into the Government's vision and actioned? More clarity is needed around how the Government intends to address housing affordability across household incomes, size and needs. In New Zealand, in the year ended June 2020, 17 per cent of all households (homeowners and renters) and 27.1 per cent of renters spent 40 per cent or more of their household income on housing costs [Statistics NZ]. A definition of housing affordability could be linked to an agreed percentage of disposable household income (i.e 30%) being spent on either rent or mortgage payments. Rent and lending controls are two important tools to address aspects of the housing crisis. It is unethical that the cost of a basic human right such as housing is increasing out of reach at every point of the housing continuum. Urgent action is needed now.

Affordable Housing includes both access to affordable home ownership, and affordable rentals. We consider that supply and rental affordability are linked at a systemic level and that the diminishing availability of rental housing is linked to the shortage of supply and to the investment in housing for capital gains, which skews rental housing towards profitability priorities, rather than social and public good provision. However the two forms of housing should be clearly distinguished as the issues are distinctive. Specifically, rental accommodation is much more insecure than ownership, and rent does not go towards equity in a home.

The consultation emphasises that affordable housing will be provided through regulation. NZCCSS joins with many community housing providers in advocating for affordable house building through direct State provision

Housing supply:

"[We] expect to see 'more affordable homes are being built and available to rent and buy in locations that are well connected to jobs, services, and each other' (GPS-HUD p. 33)

In reference to the proposal for investment in new innovative construction methods, the consultation refers to 'leading by example'.

- a. We advocate for 'universal design' requirements for investment in urban development projects. Investment in both 'affordable' and 'housing of choice' needs to emphasize low carbon building, renewable energy systems, low water use building as meeting the requirements of intergenerational wellbeing (See section 3.7 below)
- b. Affordable housing through participation in Spatial planning need to link with Natural and Built Environment and Strategic Planning legislation
- d. Provide alternatives to individual ownership and limitations to accessing mortgage finance through shared ownership, rent to buy, or leasehold arrangements

Wellbeing Outcomes for Housing Supply

- Economic wellbeing – through affordability
- Social wellbeing – with social connection, access to services including health services, schools, transport
- Cultural wellbeing – connection with marae, wananga, ancestral heritage, creative and arts centres, recreation facilities, libraries, proximity with faith communities,
- Nature and ecosystem wellbeing with growth and development within ecosystem health standards

Affordable Tenancies

Rental regulation is needed to address affordability. The following are identified as tenancy issues.

- Regulation of property managers. Consultation on property management regulation is under way and housing networks are investigating rent control.
- Introduce a rental warrant of fitness, with further tenancy protections so that renters are protected from living in unhealthy, inaccessible and unsafe houses
- Fair rent: RTA puts limits on frequency of rent rises. There is a need for limits on the amount allowed for rent rises. For example by setting a rents at a percentage of income, such as 25%, and by tying increases to inflation. The average income to rent ratio is 35%. But those earning \$60 k pay 40 % in rent.
- Some people are not covered by the RTA – flatmates, private boarders. Protections are needed for these groups.
- Unaffordable rentals is a major issue for students. Studylink pays \$237, the average rent is \$250 in Wellington.

A case study of housing in Porirua shows the declining availability of rental houses. Since 2013 the rental housing stock in Porirua has fallen from 2709 in 2012 to 2598 in April 2021 – as in the following graph: (Source: MBIE, Sense Partners)

IN APRIL 2021, LESS THAN 1% OF THE RENTAL STOCK WAS VACANT



3. The role of Community Housing Providers and Provision of Capital

NZCCSS supports the broadening housing players - “enabling everyone who plays an important role in housing and urban development to do what they do best, by providing fit-for-purpose regulatory, institutional, and policy settings”

We note that community housing providers are included as ‘housing players’, further clarification is needed on specifically how the government sees community housing provider working in this space

and on provisions for financial enabling to support partnerships with community housing providers. A major blockage for NZCCSS members has been around the absence of guarantor provisions to overcome NGO Board adversity to the risks of debt required for financial commitments to housing developments. This issue will need to be addressed.

“We don’t have huge bank balances, so there still needs to be some way of funding the community housing sector to grow ... because the bottom line is we have to have more social housing.” Member organisation

“Our Methodist community housing providers often have access to land where social housing is needed, but the barrier to building the much needed housing is access to capital investment. If there more funds were available from government for capital investment, these organisations would be able to build more houses to meet the need in our community, as well as provide the wrap around support services and community development to make these successful tenancies and supportive inclusive communities”. NZCCSS member organisation

*“We also need to recognise that the market by itself will not deliver these outcomes, and there needs to be a much more deliberate and enduring role for government to facilitate and help deliver the shift in housing quality that we need. **However, this doesn’t mean that government should be or will be the default housing provider and primary source of funding.** We need to get much better at using government investment and action **as leverage to attract private and philanthropic capital (for example, Community Finance) to support the growth of non-government providers, for example, our important and growing cohort of community and Māori housing providers.**” (GPS-HUD Consultation document).*

The government needs consider:

- a. Access for community providers of housing to public funded capital investment to build houses, including financial recognition for the contribution of land made available by community providers.
- b. More clarity of a funding model underpinning this aspirational statement

The current model for addressing housing supply is through Kāinga Ora and private developers in public-private partnerships. This is not State provision of housing, but state facilitated private development, in which public good in land and housing becomes transferred to privatized wealth.

NZCCSS supports the a model of Community Housing Providers – government partnerships to be significantly expanded as a foremost model of addressing housing supply. This is a model that contributes to housing supply on the UK. The research by the Housing Forum provides additional information of the profile of house providers in New Zealand.

Community Housing Providers (CHPs) provide homes for nearly 30,000 New Zealanders nationally across over 15,000 homes. These include affordable rentals (4669), state houses, housing (9,949), progressive home ownership and group homes (993)². HUD’s quarterly report March 2021 reported that there were 73,847 public houses. 9,949 of these houses were provided by 59 registered

Community Housing Providers (13.47% of total state housing provision)³. They also provide a high-quality tenancy and property management service at the local and community level.³

In particular NZCCSS highlights that community providers bring community dimensions to housing provision by offering security of tenure. Security is compromised by investor ownership which is often motivated by profit. Community providers take account of access to community services, transport, schools, health services, access to recreational facilities, access to churches and faith communities in their approach to building.

In particular, providing for the low income sector will be associated with social support needs such as budgeting and debt management, support and advocacy in relation to income support and unemployment, and tenancy advocacy. Further social services are introduction of refugees to communities, and support for new migrants.

The community sector takes account of the changing and growing profile of tenancy housing, and is able to provide for a range of ownership, social housing and tenancy options. Very often community providers, especially churches own land, and need a financial guarantor to provide financing for housing development. The cost of land is one of the major aspects of the cost of housing, and without the need to buy land, the community and church sectors can make a significant contribution to housing supply. This is the principle being used in the development of papakāinga where Māori owned land enables housing initiatives that utilize the skills of those buying in to new house builds, so that whanau are employed for concreting, construction, plumbing, landscaping, and the land is also a source of investment and employment in orchards or other food growing enterprises.

3. Include specific communities (older people and people with disability).

Older People

High rents, especially in Auckland – challenging transition once no longer working and reliant on superannuation” Presbyterian Support

“We hear many stories of housing difficulties for 65+ and we are frequently asked if we provide housing to the elderly”

“We want to create an intergenerational community with older people at its heart”. NZCCSS member organisation

New Zealand has an ageing population set to increase as we live longer as baby boomers born between 1946 to 1965 moving into the 65+ age group [NZCCSS report: How are people faring in communities. August 2014]. Whilst the majority of this group are buffered from poverty largely due to high rates of home ownership, members report a small group of older New Zealanders who have either never owned their own home or who have entered retirement renting their home. ‘Aging in place’ for this group is a predominately private rental accommodation. Increases in rental costs experienced across the country have placed enormous financial stress on older people. At the same time rates of homeownership is declining across New Zealand. Housing policies need to be future proofed. All housing plans must include age friendly (and disability friendly) housing across the ownership-tenure continuum. Government must consult directly with older people to ensure housing policies reflect this need.

³ CEO and Sector Leaders Forum. 30 July 2021. Submission to GPS-HUD consultation. P. 4.

People with disabilities

“It’s worrying that the housing we need to live for the future isn’t being build and even if it was I couldn’t afford it” A quote from the Disability Connect

The housing needs of people with disabilities are not being met. The findings of a recent study by Disability Connect entitled “[Where will we live in the future](#)” drew on the lived experience of people with a range of disabilities, and found many face major challenges finding appropriate housing. NZCCSS supports the reports recommendation set a goal to use universal design for 100% of new public homes. This would also address the changing needs of older people needs as we age. We also strongly support extensive consultation with the disability sector on the housing needs of its members.

4. Māori Housing Provision

NZCCSS member agencies are engaged with Māori housing providers as part of their response to the housing needs of Māori clients. For example Vision West⁴ is involved with [Te Matapihi](#) and [Te Puni Kokiri national Māori housing](#) strategies in a senior advisor on social housing for whānau Māori, rangatahi homelessness, kaumatua and kuia and whānau takatāpui

A brief historical reference to the impacts on Māori and whanau from changes in housing costs and reveals the disproportionate impact that almost half of the children impacted by poverty after housing costs, are Māori.

Table 1: Findings for child poverty primary measure 50% of median income after housing costs by ethnicity June 2020⁵

European	14.8 (114,300 children)
Māori	21.1 (61,000 children)
Pacific Peoples	21.0 (30,700 children)
Total population	18.4 (210,500 children)

In 1986, around half of Māori children lived in an owner-occupied dwelling. By 2013, the proportion had declined to 38.5 percent of Māori children. Māori home ownership fell by 20 percent.⁶ The actual individual homeownership rate from 1986-2013 reduced to 28 percent for Māori.

The following are specific recommendations for Māori housing

- a. The GPS-HUD needs to have a clear purpose statement in respect of Māori housing linked to a Te Tiriti o Waitangi statement such as ‘give effect to Te Tiiti o Waitangi’. This would be consistent with the Natural and Built Environment (exposure draft) purpose of ‘Give effect to (the principles) of Te Tiriti o Waitangi.

⁴ Vision West Housing strategy: <https://www.visionwest.org.nz/housing>.

⁵ Statistics New Zealand. Child poverty statistics: Year ended June 2020

<https://www.stats.govt.nz/information-releases/child-poverty-statistics-year-ended-june-2020>

⁶ CEO and Sector Leaders Forum. 30 July 2021. Submission to GPS-HUD consultation. P. 5.

- b. Te Tiriti o Waitangi provides a framework for Māori self-determination of housing provision, and may require a Māori Housing Authority
- c. Self-determining Māori housing aims include:
 - i. Ensure more investments for local Iwi, Hapū and NGO providers to increase Māori leadership in a comprehensive housing responsiveness from Māori for Māori.
 - ii. Barriers to building on Te Ture Whenua land and Māori owned land be removed (while access to finance is one barrier, there are land-related barriers such as rural land categories and sewage requirements which are generally intended to protect agricultural land, but which also prevent consents for papakāinga housing).
 - iii. Provide central and local government support to iwi and Māori to enable papakāinga on iwi and Māori owned whenua in rural and urban environments
 - iv. Government investment and support for increasing iwi and Māori capability to provide housing solutions, including via Treaty of Waitangi post-settlement governance entities
 - v. That water infrastructure and water supply to marae, customary and urban papakāinga, Māori land owners, be provided at no charge. This is often the key to development options.

5. Pasifika Housing

Pasifika data is often interwoven with Māori data. Here we extrapolate specifically for Pacific housing.

Table 1: Findings for child poverty primary measure 50% of median income after housing costs by ethnicity June 2020⁷

European	14.8 (114,300 children)
Māori	21.1 (61,000 children)
Pacific Peoples	21.0 (30,700 children)
Total population	18.4 (210,500 children)

Attention needs to be given to Pasifika housing. Pacific Peoples are identified as facing the highest levels of housing insecurity in NZ.

Across the total population, and between 1986 – 2013, the fall in the percent of Pacific peoples with home ownership was much faster for Pasifika peoples than for the total population. Pasifika peoples' ownership fell by 34.8 percent.⁸

In 1986, around half of Pasifika children lived in an owner-occupied dwelling. By 2013, the proportion had declined to 28.4 percent of Pacific children. However, the actual individual homeownership rate over the same period, reduced to 19 percent Pasifika peoples.⁹

We refer to Matanikolo, a Tongan social housing initiative under the auspices of Lotofale'ia Methodist Church in Mangere as a valuable reference for Pacific led housing with community development principles for social housing.¹⁰

⁷ Statistics New Zealand. Child poverty statistics: Year ended June 2020

<https://www.stats.govt.nz/information-releases/child-poverty-statistics-year-ended-june-2020>

⁸ CEO and Sector Leaders Forum. 30 July 2021. Submission to GPS-HUD consultation. P. 5.

⁹ Census data <http://nzdotstat.stats.govt.nz/wbos/Index.aspx? ga=2.181434535.165777961.1516222762-1025093187.1510003368> Figure in Johnson, A., Howden-Chapman, P. and Equb, S. (2018) A Stocktake of New Zealand's Housing. Wellington: New Zealand Government p.14

¹⁰ Matanikolo: <https://airedaleproperty.org.nz/matanikolo-housing-project/>

In respect of ‘partnering with Pasifika communities’, we note the importance of recognizing the diverse Pacific nations in Aotearoa. In keeping with advice from Pacific communities amongst NZCCSS membership, we request consideration of the proposal for specific attention to partnering with Pacific communities for housing. Matanikolo is a fine example for this. Consideration could be given to a Pacific Housing authority.

Recommendations re Pasifika Housing:

- a. Establish a dedicated authority for public partnering with Pacific Peoples for house provision
- b. Partnering should involve housing provision supported by schemes such as rent-to-buy or shared equity as well as supporting access to finance
- c. Access to home ownership is a priority for Pacific fanau
- d. Develop an action plan for ownership, social housing and tenancy options suitable for extended fanau and multiple generational living
- e. Engage with Pasifika housing organizations and churches to identify needs and implement policy to support housing for Pacific communities
- f. As part of the recommendation for Community Provider – Public partnerships, carry out consultation and policy for partnering with Pacific Organizations and churches for house provision.

7. Climate change and housing

Emissions in Aotearoa are increasing. CO2 emissions are 24% higher than 1990. Methane is exempt from Zero Carbon Act

Climate change is shifting the patterns of rainfall; extreme weather events- flooding, drought. IPCC analysis shows diminished food security due to warming, changing rain patterns, and frequency of extreme weather events

NZCCSS notes the implication and opportunity for building supply to have regulatory requirements and financial support for house building aligned with zero carbon goals, and for the social dimension of climate change and zero carbon goals to be referenced in housing policy.

- That all housing, both affordable and ‘housing of choice’ be built to standards of universal design, and in accordance with zero carbon goals
- Build houses with low emissions materials and renewable energy systems
- Water storage and low water use systems. Waste water and sewage reticulation
- Guidelines for consents for low emissions building with renewable energy infrastructure.

Just Transitions

Just Transition is the practical interface between climate change science, law and policy, investment in low emissions economy, affordable housing, access to work, skills and employment.

http://www.communityhousing.org.nz/Downloads/Assets/Download/13325/1/Matanikolo_a_place_to_call_home_-_Airedale_Housing_Works_article.pdf

- <https://www.beehive.govt.nz/release/ministers-open-m%C4%81ngere-housing-development>

While Just Transitions are oriented to the labour market, housing is related to the labour market in terms housing provision and building. Issues pertaining to housing include:

- Jobs are good quality and that housing is available in proximity to jobs
- Housing provision is supported through government financing
- Green Jobs: Energy efficiency, Housing, Renewables, Transport, Forestry, Conservation, Food, Waste and recycling
- Procurement and purchasing policies – in particular construction materials.

Just Transitions offers an integrative framework for the changes ahead in moving away from fossil fuel industries and investing in renewable energy, green jobs and diversified agriculture and housing build on climate resilient principles.

The CTU *Just Transition* paper sets out the case for protection for employment and income provision for working people facing work changes, as well as making the case for employer and business investment in low carbon industry (Wagstaff and Huggard 2017).

NZCCSS identifies a range of systemic housing issues in keeping with the multiple dimensions of social, environmental, cultural and economic wellbeing. Given the longevity and investment dimensions of housing provision these include intergenerational wellbeing as an orienting focus for housing policy.

Thank you for the opportunity for engagement in the development of housing policy.

Ngā mihi nui

Sonia Scott and Betsan Martin

Policy Advisors

NZCCSS

Appendix

High level vision, and focus areas

“Everyone in Aotearoa New Zealand lives in a healthy, secure and affordable home that meets their needs, within a thriving, inclusive and sustainable community”

NZCCSS member agencies support the aspirational vision of the policy statement, acknowledging ‘home’ is represented across the housing continuum. Many of the stated aspirations correspond with community and affordable housing goals of our member organisations.

We would like to see ... ‘across the life span’ added at the end of the vision to make explicit the need to plan for changes to housing needs as we age.

Below are specific comments on the 6 focus areas set out in the housing statement.

Focus Area 1 - Ensure that more affordable houses are being build -NZCCSS recommends the additional wording - *and building community is a focus of all building developments*. This is to reflect the importance of building community alongside physical buildings. Members have witnessed housing developments being treated as commodities with the focus on bricks and mortar without consideration given to the community which will be living in them. This narrow focus misses the interdependence of people living in neighbourhoods each with their own distinct character, story and nature. This interdependence and relationship with others is at the core of community and humanity [Principles and Theological Reflection for Housing Regeneration Projects. 2019. NZCCSS.]

Focus Area 3 - Prevent and reduce homelessness.- The voice of those with lived experience of homelessness in decision-making needs to be captured under this focus area. It is critical that those with first-hand experience of homeless have an opportunity to contribute to housing solutions. Hidden homelessness also needs to be identified. For example, our member organisations advise there are older people (65 plus) without secure housing, living in transitory and precarious housing situations. The experience of this group in communities has largely gone unnoticed.

Focus Area 4). Provide homes that meet people's needs– A more explicit reference to population groups with specific housing needs is required. These groups include people with disabilities, mental health and physical challenges, and older people. Alternatively, a separate focus area could be added to capture marginalised groups with specific housing needs that are not currently being met.

Pacifica drive housing and urban solutions - Pasifika communities also have disproportionately low home ownership, and high rate rates of household poverty. NZCCSS recommends adding a focus area to signal the need for a pathway to support Pacific into quality, secure, and affordable homes. ‘Invest in Pacifica driven housing and urban solutions’.

Tangible provisions to achieve aspirations –Without a clear action plan and implementation tools, aspirations on their own do not achieve success. It is therefore critical that across all of these aspirations there are specific and tangible provisions and regulations to support the government's vision to be achieved.

Housing as a human right. New Zealand is a signatory to the Universal Declaration of Human Rights which sets out the right to housing and to live in ‘security, peace and dignity’. The Policy Statement on housing and urban development needs to include a rights-based housing rationale in line with New Zealand's international commitments.

