



New Zealand Council Of  
Christian Social Services

**SUBMISSION TO THE  
Department of Building and Housing  
Housing Shareholders Advisory Group  
September 2010**

**Introduction**

The New Zealand Council of Christian Social Services (NZCCSS) has a long history of analysing the policies of successive governments and advocating for just and compassionate responses to the needs of ordinary New Zealanders. Through our network of social service agencies we are aware of the critical issues facing families and the impact of government policies on making lives either easier or more difficult. Housing is absolutely central to the wellbeing of people and families/whānau and our member agencies deal on a daily basis with the at times desperate housing situation of their clients. NZCCSS welcomes the opportunity to comment on the document *Home and Housed: A Vision for Social Housing in New Zealand*.

**About NZCCSS**

The New Zealand Council of Christian Social Services (NZCCSS) works for a just and compassionate society in Aotearoa/New Zealand. This work involves developing and critiquing policy and advocating for the development and maintenance of appropriate services for the relief of the vulnerable and poor members of our society.

NZCCSS has six foundation members; the Anglican Care Network, Baptist Churches of New Zealand, Catholic Social Services, Presbyterian Support New Zealand Inc and the Methodist and Salvation Army Churches. Through their networks and approximately 639 social service organisations NZCCSS members make a significant contribution to New Zealand's social wellbeing through the delivery of services such as food banks, budget advice, , employment assistance, social work and counselling services and benefit advocacy services. The involvement of our agencies in housing covers the whole spectrum of homelessness, emergency accommodation, community housing and retirement housing.

See Appendix 1 for further information on NZCCSS. Contact details for this submission are:  
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## Summary of Comment

NZCCSS supports the broad analysis contained in this report and welcomes this report as a vital step in building a constructive response to New Zealand's social housing needs. It is not possible to fully address all the issues raised by the HSAG report within this submission. NZCCSS is focusing on some key issues. Our comments will be addressed to the overall vision statement and the recommendations under the four broad "major initiatives".

### Vision statement

*We envision a future in which the public, private, non-government sectors and iwi all work in concert to ensure that every New Zealander has decent, affordable housing. It is a future where help for people with the highest level of need goes hand in hand with opportunity for those who are ready to move on. It is a future in which all providers of social housing play to their natural strengths, concentrating on the core activities that they do best. (Home and Housed, p.4)*

The report sets out its vision for social housing above that looks to the aspiration for all to have decent affordable housing. We remind the HSAG that New Zealand is a signatory to the United Nations Declaration of Human Rights and that the **right to housing** has priority in setting housing policy and places the highest obligation on the state to act. The right to housing should be explicitly recognised in all housing related legislation and policy (e.g. HNZC explicitly acknowledges this right in its Statement of Intent 2010 – 2013).

Christian teaching emphasises our shared humanity, that we are all loved by God and Christian teaching is to 'love your neighbour as yourself' (Matthew 22:39). This moral imperative is shared across all religious faiths and social ethics. This deep concern for our common humanity finds expression in the social goal of ensuring that all people can live in decent, affordable housing.

Therefore, it is important in reassessing housing policy not to lose sight of the essential moral imperative on government grounded in human rights and religious teaching. Our vision for housing in New Zealand must not become a residual vision that seeks only to be some form of "safety net" for the "most needy" .

### Four Major Initiatives

1. **Empowering HNZC to focus on the "high needs" sector**
2. **Develop third-party participation**
3. **Instigate initiatives across the broader housing spectrum**
4. **Clarify sector accountabilities and delivery expectations**

### Empowering HNZC to focus on the "high needs" sector

**"Housing for life" or housing for those in "greatest need during that need":** NZCCSS has considerable concerns about how such a change in policy will affect security of tenure for tenants. There are already so many pressures on low income families at present and the economic outlook

for the foreseeable future is bleak. How would such a policy be applied as people's circumstances change, for instance moving in and then out of employment, break-up of relationships, etc?

The private housing market in NZ is insecure and dysfunctional for people on low incomes. It is morally questionable whether the state can justify not offering tenancy security when it is not acting sufficiently to protect people in the private housing market.

**Active portfolio management:** The drive for efficient use of the crown asset (housing) must not be at the cost of the people it is there to serve – their rights and social networks. HNZC's "very strong balance sheet" is a gift from tax payers of previous generations and to be treated with great caution and respect. HNZC's role in the housing market has steadily declined over the past twenty years. From 1986 the number of private rental households has doubled to almost 300,000 at the 2006 census. In the same time the number of social housing households declined from just over 90,000 to less than 70,000. This means that state housing has declined from being around 37% of the rental market 20 years ago to barely more than half that at 19% in 2006. This downward trend cannot continue indefinitely without there being some consensus reached about how and who will ensure that low income and vulnerable families/whānau and individuals are housed. Active portfolio management should not be a "code" for reductions in state housing. NZCCSS supports measures to ensure that within that portfolio the supply of HNZC homes is better matched to needs, but also recognises the need for security of tenure and of community engagement.

**The report makes some questionable assertions about homelessness and waiting lists.** For example, the assertion (p.24) that New Zealand's unmet need is not as great as other countries. There is no official data on homelessness in New Zealand yet it is clearly a very significant (if largely hidden) problem. Similarly HNZC waiting lists cannot be claimed as an accurate assessment of housing need, as it appears that these lists are actively managed to keep them from growing (this appears to be one function of the HNZC's new "options & advice service"). It must be asked if comparing the HNZC waiting list numbers with those of Canada or the UK is actually comparing "apples with apples"? NZCCSS supports the work being done to better define and measure the homelessness problem in New Zealand and recommends that more work be done to assess the true level of need for social housing in New Zealand.

### **Develop third-party participation**

**Transfer of capital and/or dwellings to NGOs:** NZCCSS welcomes the recommendations around strengthening the base of community housing. This is a vital and necessary step (but not sufficient) step to overcome our housing issues. Christian social service organisations are involved in social and community housing in throughout New Zealand and in various ways. There is a great deal of interest in those agencies and associated churches to explore community housing options but there are considerable hurdles.

We are aware of agencies with resources (land, buildings and investment finance) that could be applied to social housing. While some organisations have successfully negotiated the Housing Innovation Fund pathway to create new social housing, other organisations have found it a highly unsatisfactory process. Expanding the asset base through additional properties or capital at

affordable rates could be achieved through a variety of means. A constructive and active approach to building the sector's ability to respond would make a huge difference. The sector needs to be actively supported to achieve the standards and regulations necessary to deliver housing of the same or better quality as HNZC.

**Enabling access to income related rents:** NZCCSS fully supports placing non-government social housing providers on the same financial footing as HNZC by allowing access to IRR funding. The inequity that exists between HNZC tenants and social housing tenants who have the same income but receive considerably difference financial assistance must be corrected. The NZCCSS *Grassroots Voices* study in 2009 confirmed how effective IRR are in lifting low income families out of poverty.

### **Instigate initiatives across the broader housing spectrum**

The current recession is showing no sign of coming to an end and has had the dual effect of increasing demand for social housing at the same time as government funding is under pressure. **The housing sector is the one area where the dramatic increases in economic inequality over the past twenty years have played out.** The massive rises in house prices between 2000 and 2008 have created massive wealth inequalities between those who own and those who do not own. This report addresses the place of HNZC in this highly unequal housing market and correctly identifies the wider issues around housing affordability that need to be addressed at the same time.

There is a potentially disastrous shortfall in housing developing. The recession is indeed turning into a long one and building is one area where this is acute. The Canterbury earthquake will throw all predictions into disarray but construction rebuild activity in one part of the country will not help other parts such as Auckland with desperate shortages.

The report notes that between 20,000 to 25,000 new dwellings are needed each year. Over the past two years new consents have only amounted to 16,167 in 2010 and 14,175 in 2009. So the market is already falling short. If it is assumed that 20% of the dwellings need to be in the affordable category (4,200 units) and HNZC adds a mere 400 per year, the remaining 3,800 must come from the private sector or community sector. In the current settings this will not happen.

There is huge potential for economic growth and job creation in housing. Investment in this sector will help secure the many thousands of jobs in the sector and open up the possibility for new employment. The government has to find a way to be active in social housing whether it be direct by building itself or indirect by helping to finance others to do it.

**NZCCSS strongly supports proposals for wider range of products that enhance home-ownership and leveraging of the Crown's balance sheet.** The housing policies of the post-war years used government guarantees for loans and fixed low interest loans to successfully assist people into home ownership. We need to adapt these concepts into the 21<sup>st</sup> Century with its expanded range of financial instruments.

**Incentives to encourage supply of affordable housing:** NZCCSS strongly resists moves to reduce regulatory barriers (such as those under the Resource Management Act) that would in any compromise environmental standards or best practice in urban planning. Increasing the supply of affordable housing should not be at the expense of environmental or social standards.

**Incentivise the private sector:** While supporting incentives to the private sector in principle, NZCCSS notes that the private sector has a very poor record in delivering affordable housing. NZCCSS supported legislation (since repealed) that sought to empower local authorities to require developers to set aside a proportion of new developments as affordable housing.

### **Clarify sector accountabilities and delivery expectations**

NZCCSS supports the recommendation to clarify sector arrangements. Housing policy over recent years has suffered from lack of leadership and direction and it is important to identify a lead government agency for housing policy. It would seem logical that this be the Department of Building and Housing. More important is that the agency must be resourced to do its job well, which would most likely entail a considerable expansion of its current policy capacity. NZCCSS notes that no statistics are kept of the number of eviction orders made by the Tenancy Tribunal. Yet we are aware of thousands of evictions are processed each year and it is most likely that the low income and most vulnerable households are those most affected.

The recommendation to concentrate decisions about access to IRR and AS with the Ministry of Social Development needs more consideration. A mechanism must be found to achieve a more cohesive approach to managing the income assistance, financial and tax policy in relation to housing within Government.

## **APPENDIX ONE – About NZCCSS**

### **NZCCSS Mission and Role**

NZCCSS works for a just and compassionate society in Aotearoa New Zealand. We see this as a continuation of the mission of Jesus Christ. In seeking to fulfil this mission, we are committed to:

giving priority to poor and vulnerable members of our society

Te Tiriti O Waitangi

The key roles of NZCCSS are to represent the common interests and vision of our members at the national level; to supply information and networking opportunities to support members provide quality services; and to develop, critique and advocate for policies that will assist poor, vulnerable and disadvantaged members of society. A national Council, made up of two representatives from each denomination, governs NZCCSS. A small Secretariat team carries out the day-to-day work of the Council. This includes gathering and distributing information, research on social policy issues, and building relationships with government officials and others working in the community sector.

A Policy Group oversees the policy and research work that NZCCSS does in three key areas: child and family, housing and poverty and services for older people. Each Policy Group is made up of at least two council representatives plus social services managers, academics or others with particular expertise in that area. This means that the work that NZCCSS does is well informed by what is happening in our members' communities.

Collectively, our six foundation members represent 639 organisations that operate a total of 1214 social service programmes throughout New Zealand. Our members deliver a wide range of services that cover such areas as child and family services, services for older people, food bank and emergency services, housing, budgeting, disability, addictions, community development and employment services.

[www.justiceandcompassion.org.nz](http://www.justiceandcompassion.org.nz)