

CLUTHA DISTRICT COUNCIL POLICY

Policy Number	05 – 05 – 001	Council Community
Prepared by	Manager District Assets	Housing
Authorised by	District Assets Committee	
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Policy on Council Community Housing

Purpose

This policy states Council's eligibility and tenancy selection criteria for its portfolio of community housing units located in Balclutha, Clinton, Kaitangata, Lawrence, Milton, Owaka, Tapanui and Waihola.

This policy establishes the use of a "pool" system of rentals for the housing units to allow Council to keep the units self funding and undertake maintenance when the need arises.

The policy also sets down Council's position regarding the future ownership and control of the housing units throughout the district.

Policy

Tenant Selection Process

As a responsible landlord it is appropriate for Council to consider the suitability of applicants applying to live in a community housing environment. In particular, Council shall consider the risk of damage to Community Housing Units and the impact on other tenants in a community housing environment. The following measures will be used to assess prospective tenants:

- **Meeting/Interview**
Council staff will meet with all prospective tenants to show them the flats and an interview may be requested on a case by case basis.
- **Landlord Reference**
Council requires a minimum of one previous landlord reference or equivalent (feedback regarding current housing arrangements) i.e. a letter from neighbours for a home owner or a letter from a residential House Manager, etc.
- **Credit Check**
Council will assess all applicants' financial history and ability to keep up with rent payments.
- **Support**
If the applicant requires support services from an external agency as assessed by Council Staff, then the details of any on-going support will be required in writing.

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Priority Based Criteria

1. That Council acknowledges the needs of the community for housing and for Council community housing units to remain self-funding.
2. That the following priority based criteria applies:

Priority Level	Description
1	Applicant must be over 65 years of age and in receipt of a benefit.
2	Applicant must be over 55 years of age and in receipt of a benefit.
3	Applicant must be single and over 25 years of age and must enter into an agreement stating they will not adversely affect or offend the existing tenants.

3. Where elderly persons cannot be found to occupy units, lower priority criteria will be applied in order to fulfil Council's other aim of maintaining a high occupancy rate, and facilitate Council's target of the units being self funding.
4. That each priority shall only become eligible when the unit has been vacant for more than one month.

Rental Review

All rental rates will be set at the market rate in order for units to be self funding. Council does not subsidise elderly persons housing units from general rates.

All rentals will be set at the market rate applicable for the unit, as determine by a rent review every three years.

Rentals will be adjusted annually in keeping with inflation.

Pool Rentals

Council will retain a pool system for it housing units where all revenue generated by the operation of the units is used to offset the combined expenditure. Any surplus or deficit is carried forward as a combined account.

Smokefree Housing

From 15 December 2011 the tenancy agreement shall require that all new tenancies shall be smokefree for all indoor areas. This includes tenants and any visitors to the

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units. This shall be assessed as part of the annual maintenance inspection or individual checks as required. Failure to comply with this requirement may result in the tenancy being terminated and cleaning of the unit with all costs to be recovered from the tenant. This includes where tenants elect to shift units.

Any existing tenants who smoke as at 15 December 2011 will be discouraged from smoking inside their units.

Tenant Requests to Move Units

Council Community Housing Units 'Tenants Requests to Move (TRM) units within a township will be considered subject to the following conditions:

- TRM's will only be considered where there is not an existing waiting list, i.e. new tenants will take priority over those that want to move units.
- The tenant requesting to move must have a good payment record, keep their units clean and tidy as per the annual maintenance inspections and must be a Priority 1 tenant, i.e. over 65 years of age and receiving a benefit.
- The tenant must not have requested and been granted a TRM during any previous tenancy with Council.
- Moving units requires the termination of the tenancy agreement and the commencement of a new tenancy agreement under the current terms. All arrangements for the new tenancy shall be the responsibility of the tenant e.g. termination of the current contract, reapplying for the new tenancy, redirection of automatic payments, WINZ involvement, electricity, phone, etc.
- All associated shifting costs are to be borne by the tenant, including an administration fee of one week's rent payable to Council.
- Where more than 1 tenant applies for a vacant unit, priority will be given to the tenant that currently has longest continuous tenancy with Council.
- Requests to move units must be made within three weeks of a unit becoming vacant to ensure all residents have an equal opportunity to request to move.

Future Ownership

1. Council acknowledges that the provision of community housing units is not a core activity of the Clutha District Council.
2. Council will consider approaches from community organisations or similar concerning the future ownership and/or management of community housing units.

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3. Once approved by Council, officers of Council are instructed to facilitate the development of proposals regarding the management and operation with interested groups and that any proposals must include the protection of the existing tenants.
4. As the Local Government Act 2002 and Council's Policy on Significance defines Council housing as a 'strategic asset', Council has obligations under the Act to deal with Council housing in a specific way regarding future ownership.

Procedures

N/A

Definitions

Single person - For the purpose of this policy a single person means one person without dependants.

Relevant Legislation

Local Government Act 2002

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Legal Compliance

Section 5 of the Local Government Act 2002 defines a **strategic asset**:

in relation to the assets held by a local authority, means an asset or group of assets that the local authority needs to retain if the local authority is to maintain the local authority's capacity to achieve or promote any outcome that the local authority determines to be important to the current or future well-being of the community; and includes—

- (a) any asset or group of assets listed in accordance with section 90(2) by the local authority; and
- (b) any land or building owned by the local authority and required to maintain the local authority's capacity to provide affordable housing as part of its social policy; and

Section 90 of Local Government Act 2002 states that:

- (1) Every local authority must adopt a policy setting out –
 - (a) that local authority's general approach to determining the significance of proposals and decisions in relation to issues, assets, or other matters; and
 - (b) any thresholds, criteria, or procedures that are to be used by the local authority in assessing the extent to which issues, proposals, decisions, or other matters are significant.
- (2) The policy adopted under subsection (1) must list the assets considered by the local authority to be strategic assets.
- (3) A policy adopted under subsection (1) may be amended from time to time.
- (4) A local authority must use the special consultative procedure both in relation to—
 - (a) the adoption of a policy under subsection (1); and
 - (b) the amendment, under subsection (3), of a policy adopted under subsection (1).

The Clutha District Council's policy on significance lists Council Housing as a strategic asset as per s90(2) requirement.

Where any significant dealing with Council Housing to occur, e.g. sale of Council housing units then the special consultative procedure detailed under s83 of the LGA 2002 must be followed.

Related Policy and Documents

- Schedule of Fees and Charges
- Council Policy on Market Rentals on Property
- Council Policy on Significance

Key Words

Council community housing, elderly persons housing, priority criteria, pool system, market rentals, rental review, pool rentals, strategic asset.