



POLICY ON COUNCIL COMMUNITY HOUSING		ACTIVITY GROUP:	COMMUNITY SERVICES
Policy Type:	Council		
Approved by:	Council		
Department:	Service Delivery		
Date Approved:	17 September 2020	Next Review Date:	17 September 2023
Relevant Legislation:	Residential Tenancies Act 1986 Housing Improvement Regulations 1947 Healthy Homes Guarantee Act 2017		
Clutha District Council Documents referenced:	Clutha District Council Schedule of Fees and Charges Clutha District Council Significance and Engagement Policy Clutha District Council Policy on Market Rentals on Property Clutha District Long Term Plan		

PURPOSE

Council aims to provide community housing that is safe, secure and healthy, and to maintain it in accordance with current legislative requirements. Council's community housing units provide an affordable housing option for elderly and other vulnerable persons in the Clutha District.

The purpose of this policy is to outline:

1. Council's position regarding the future ownership and control of community housing blocks.
2. How Council will ensure that its community housing units meet legislative requirements.
3. How Council will set rental rates and fund renewal work.
4. Eligibility and tenancy selection criteria for Council's portfolio of community housing units.

SCOPE

This policy applies to all persons applying to reside in or who currently reside in Council's community housing and to Council staff and contractors who plan for, manage or maintain Council's community housing.

DEFINITIONS

Community housing block – A site where a number of community housing units are located. Currently there are 11 blocks, spread across eight towns in the Clutha District.

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

POLICY

1. Future ownership

- 1.1. Council is committed to providing Council community housing in the Clutha District.
- 1.2. Council will consider approaches from community organisations or similar concerning the future ownership and/or management of Council-owned community housing units.
- 1.3. If approved by Council, officers of Council will facilitate the development of proposals regarding the management and operation with interested groups, and also ensure that any proposals include the protection of the existing tenants.
- 1.4. Council will fulfil its obligations under the Local Government Act 2002 and conform with its Significance and Engagement Policy when considering future ownership options.

2. Level of service

- 2.1. Council's existing community housing units will be provided and maintained at a level that meets current legislative requirements.
- 2.2. Council will undertake work to ensure its existing units meet the requirements of the Healthy Homes Guarantee Act 2017 (HHS). This includes the installation of ceiling insulation in all existing units.
- 2.3. Improvements which exceed the requirements of the HHS may be undertaken where this can be done in a cost effective manner, and Council believes this will ensure the unit is more liveable (e.g. warmer, affordable to heat, meets modern standards).
- 2.4. Council will prepare plans and budgets for any required improvements or rebuilds in an Asset Management Plan, as part of its 3-yearly Long Term Plan process.
- 2.5. Council will consider the creation of additional new units at existing community housing blocks where:
 - There is sufficient space available; and
 - There are funds available for this purpose; and
 - The development can be undertaken as a rates neutral activity; and
 - There is sufficient demand for additional units.
- 2.6. Council will consider the creation of additional new community housing blocks where:
 - Land is available; and
 - There are funds available for this purpose; and
 - The development can be undertaken as a rates neutral activity; and
 - There is sufficient demand for an additional block; and
 - Services are available.

3. Setting rental rates

- 3.1. Council's community housing portfolio is run on a cost recovery basis. As such, it is a rates neutral activity in the Clutha District. Council does not subsidise the provision of Council community housing from general rates.
- 3.2. The rental rate for each block of community housing will be set at a level to ensure that it can be maintained for its anticipated habitable life at agreed service levels and replaced after this time.

3.3. The rental rate will be determined by a review of current and anticipated maintenance and renewal costs every three years as part of Council’s Long Term Plan process.

3.4. To remain consistent with Policy 3.1 the cost of undertaking improvements may result in a higher rental rate for community housing units, once this work has been completed. New tenancies shall be charged the new rate immediately. For existing tenancies any increase in rental rate shall be charged in accordance with the provisions set out in the Residential Tenancies Act 1986.

4. Funding of renewals

4.1. Council will operate a pool system for its Council community housing portfolio where all revenue generated by the operation of the units is used to offset the combined expenditure.

4.2. Any surplus or deficit will be carried forward as a combined account. Surplus funds will be used to replace existing units when the need arises, or to undertake renewal work on existing units.

5. Priority-based criteria for community housing tenants

5.1. All applicants for Council community housing must have a genuine need for housing.

5.2. The following priority based criteria applies to tenant selection in all community housing units:

Priority Level	Description
1	Applicant must be over 65 years of age and in receipt of a benefit.
2	The applicant must be between 25 and 64 years in age. The applicant must have an income that is considered to be low or be in receipt of a benefit, either of which, makes it difficult for them to enter the private rental market.

5.3. Where applicants that meet first priority criteria cannot be found to occupy units, lower priority criteria will be applied in order to maintain a high occupancy rate and to ensure Council’s community housing portfolio remains rates neutral and run on a cost recovery basis.

5.4. Priority level 2 tenants shall only become eligible when the unit has been vacant for more than 1 month.

5.5. Each priority level 2 application will be considered on a case by case basis.

5.6. Council’s existing community housing comprises relatively small, single-bedroom or studio units. They are suitable for single people or couples, but not families. If Council was to create additional new community housing (as described under policies 2.5 and 2.6), this would need to be of a different construction style, with multiple bedrooms, if it was to be suitable for other categories of tenants.

6. Tenant selection process

6.1. Council will 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.

- 6.2. Compatibility with existing tenants is a criteria for all applicants and can be a reason for declining applications or placing applicants on the waiting list until a suitable placement becomes available.
- 6.3. 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.
- 6.4. Tenancy agreements between the Council (as the landlord) and the tenant shall be periodic tenancies, with either party able to give notice as required under the *Residential Tenancies Act 1986*.

7. Transfer of tenants

- 7.1. Tenant requests to move (TRM) units will be at Council’s discretion, and will be considered subject to the following conditions:
- The tenant requesting to move must have a good payment record and keep their units clean and tidy as per the annual maintenance inspections.
 - Moving units requires the termination of the tenancy agreement and the commencement of a new tenancy agreement. 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).
 - All associated shifting costs will be borne by the tenant, including an administration fee of one week’s rent payable to Council.
 - Where more than one 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.
- 7.2. Council may require tenants to temporarily move to alternative accommodation where significant renewal work is to be undertaken on their existing unit. In this case, all associated shifting costs will be borne by Council. Council will attempt to minimise disruption for tenants during this process.

8. Smokefree housing

- 8.1. All new tenancy agreements shall require that all new tenancies shall be smokefree for all indoor areas. This includes tenants and any visitors to the units. 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.

9. Carparks and Carports

- 9.1. Car parking spaces are provided at Council's community housing blocks on a limited basis. The car parking spaces are not allocated to individual tenants.
- 9.2. Carports are allocated to specified units and are paid for by those tenants.

10. Version Control

Version History			
Date:	Action:	Name:	Version:
15 December 2011	Policy Issued		1
17 September 2020	Policy reviewed and adopted by Council	M. Goldsmith	2