

EMAIL TRANSMISSION

13 May 2005

Christchurch City Council
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CHRISTCHURCH

Email: ccc_plan@ccc.govt.nz

For: Annual Plan Co-ordinator

Submission on Draft Annual Plan 2005/06

We act for Housing New Zealand Corporation ("HNZC"). We **enclose** a submission by HNZC on the Rotorua District Council draft Annual Plan 2005/06.

HNZC wishes to be heard in support of this submission. If you have any queries, please do not hesitate to contact us.

Yours faithfully
ELLIS GOULD



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IN THE MATTER OF The Local Government Act 2002
AND

IN THE MATTER OF A submission by Housing New
Zealand Corporation on the
Christchurch City Council draft
Annual Plan 2005/06.

To: 2006 Annual Plan Submissions
Christchurch City Council
PO Box 237
CHRISTCHURCH

SUBMISSION BY HOUSING NEW ZEALAND CORPORATION

HOUSING NEW ZEALAND CORPORATION ("HNZC") at the address for service given below makes the following submission on the Christchurch City Council draft Annual Plan ("the Plan"):

Introduction

1. HNZC is a corporation with the following objectives:
 - (a) To give effect to the government's social objectives by providing housing, and services related to housing, in a business like manner, and to that end to be an organisation that –
 - (i) Exhibits a sense of social responsibility by having regard to the interests of the community in which it operates; and
 - (ii) Exhibits a sense of environmental responsibility by having regard to the environmental implications of its operations; and
 - (iii) Operates with good financial oversight and stewardship, and efficiently and effectively manages its assets and liabilities and the government's investment; and
 - (b) To ensure that the Minister of Housing receives appropriate policy advice, other advice and information, on housing and services related to housing.

HNZC and Local Government

2. While HNZC has always taken an active and responsible role recognising that local government decisions in planning matters were directly relevant to HNZC's core business and statutory aims, the review of local government powers and consequent enactment of the Local Government Act 2002 ("LGA 02") has led HNZC to adopt a more holistic approach to its relationship with local government.
3. This more holistic approach is mandated by the Local Government Act changes. One of the aims of the Statement of Policy Direction (Department of Internal Affairs, 2000) in reviewing the Local Government Act 1974 was to: *"Develop a relationship between central and local government"*. The Government's strategy on sustainable development uses the Local Government Act 2002 to:
 - "Focus local authorities on promoting the well-being of their communities, in all of its social, economic, environmental and cultural aspects, consistent with the principles of sustainable development.
 - Provide flexibility for local authorities to work cooperatively and collaboratively with other public bodies and private concerns with common interests in advancing community goals."
4. Local government was given a purpose that (as per section 10 of the LGA 02) includes the promotion of the social, economic, environmental and cultural well-being of their communities, taking a sustainable development approach (section 3(d) LGA 02). The role of each Council at an individual level is to give effect to this purpose (as set out in section 11 of the LGA 02). In short, the issue is the well-being of communities.
5. HNZC recognises that there is a shared interest in local government decisions at the local level in terms of local government outputs, service levels, prioritisation, and identification of the connections between them. This is underlined by HNZC's various roles before local government as a statutory body with the aims expressed above, and as a landowner, developer, provider of social housing, landlord, and ratepayer.

6. HNZN is a party with a clear stakeholder interest in community well-being, which is an issue that cannot be split into central/local government roles. Such a split would ignore the inter-relationships inherent in the above various aspects of HNZN. A means of achieving community well-being is to facilitate HNZN's delivery of its statutory mandate (which by its nature seeks to achieve community well-being) at a local level as part of democratically achieving the purpose of local government.
7. Local government needs to form a strategic partnership with HNZN as a key player and stakeholder in the community, to develop combined plans of action that promote community well-being while recognising and addressing HNZN's concerns.
8. HNZN is committed to its role as part of the community. This includes taking part in community outcomes consultations and having regard to the community's desired outcomes as an input to its own planning process (HNZN recognises the circularity of this process).
9. There is a need for, and advantages to, building effective relationships between local authorities and central government agencies such as HNZN to enhance the ability of both parties to respond to the identified community outcomes and to ensure that districtwide/whole-of-community solutions are undertaken wherever possible. This is recognised in central government initiatives including the Local Government Housing Fund, and whole-of-government approaches such as those in the NZ Housing Strategy, including integrating housing policy and programmes with planning, regulatory, environmental, health, transport and economic development policy, as well as third sector initiatives such as the Housing Innovation fund.
10. HNZN is involved in programmes including sustainable, energy efficient housing and design guides (with the Ministries of Economic Development and Environment), and healthy housing as part of Community Renewal in partnership with local councils (with District Health Boards). HNZN is also concerned with the regional aspect of housing demand, supply and policy, working with communities to plan for growth in the future. Examples of this include SmartGrowth (Tauranga region) and the Auckland Regional Growth Strategy. Other policies being explored include innovative home ownership

programmes, promoting the private rental market and regulatory assistance where appropriate (such as Tenancy and Building/Construction).

Outline of submission

11. The particular aspects of the Plan to which this submission relates are as outlined in (a) to (d) below:
 - (a) Community Outcomes;
 - (b) City Development;
 - (c) Community Services; and
 - (d) Rates.

Community Outcomes

12. HNZN generally supports the “Sustainable Christchurch” community outcomes, and in particular, is a key stakeholder with regard to the following:
 - (a) A Liveable City;
 - (b) A City of Healthy and Active People; and
 - (c) A Safe City.
13. With regard to the outcome “Liveable City”, HNZN supports the Council’s recognition of the importance of appropriate and affordable housing, and the importance of having a choice of housing (page 14). In addition, HNZN supports the inclusion of “housing affordability” and “housing crowding” as key indicators in relation to this outcome.
14. HNZN notes the Council’s inclusion of ensuring appropriate and affordable housing as a challenge for the future, and would welcome the opportunity to work alongside the Council in developing responses to this challenge.
15. HNZN supports the Council’s intention, as set out in the Long Term Council Community Plan (“LTCCP”), to:
 - Support housing regeneration initiatives;

- Provide safe, accessible and affordable housing to people on low incomes, elderly persons and people with disabilities;
 - Work with government, non-government agencies and the community sector to ensure there is a diversity of housing tenures and types; and
 - Provide tenant support in order to help City Housing tenants to live independently and achieve a good quality of life. (page 21, Vol 2 of the LTCCP).
16. In addition, HNZN supports the Council's commitment to collaborating with other organisations to further the interests of the City and its people (page 23 of the LTCCP), and the inclusion of HNZN in the list of collaborations in which the Council is already involved. HNZN wishes to acknowledge the partnerships already fostered between HNZN and the Council, and looks forward to continuing to strengthen its partnership with Council in the provision of affordable housing for Christchurch City.

City Development

17. HNZN generally supports the Council's proposed City Development activities. HNZN supports the Council's statement that these activities contribute to the outcome of a Liveable City as follows: *"Urban, area and neighbourhood plans ensure the type of development meets human needs and aspirations"*. (page 32).
18. HNZN notes the "City Plan Urban Renewal and Area Plans" activity (page 34). As outlined in paragraphs 9 and 10 above, HNZN is involved in renewal projects and integrated development. As a key stakeholder in relation to several of the community outcomes for Christchurch City, and as a corporation with significant knowledge and expertise regarding socio-economic issues, HNZN would welcome the opportunity to liaise with the Council in relation to the development of these plans, and is happy to share its knowledge and provide assistance where possible.
19. HNZN supports the "Sustainability and Environmental Protection" activity (page 36), and the Council's intention to promote the adoption of sustainable design principles for all local construction (page 21, Vol 2 of the LTCCP). HNZN is involved with sustainable development, as outlined in paragraph 10

above. In addition, HNZN has carried out audits of its housing stock in a number of areas, including assessments of sustainability, and would welcome the opportunity to share its information and experience with the Council.

Community Services

20. HNZN supports the Council's continued commitment to the provision of social housing, and its recognition of the importance of *"low cost housing of a good standard (being) available to people on low incomes"* to the "Liveable City" outcome (page 37). HNZN notes the inclusion of Social Housing in the capital expenditure programme (page 82).
21. In addition, HNZN supports the activity "Community Support for Individuals and Groups", and in particular, the Council's commitment to *"co-convene the Christchurch Housing Forum"* (page 42).

Economic Development

22. HNZN supports the Council's commitment to economic development for the City, as a healthy economy increases job opportunities and decreases reliance on community housing. HNZN supports the Council's statement that: *"economic growth is not an end in itself, but a means to achieving the goals important to the people of the City. A sound, even growing economy is essential for achieving our social, cultural and environmental goals"*. (page 47).

Rates

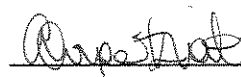
23. The Funding Impact Statement outlines that the Council intends to increase the general rate, including a rise of 3.13% for the residential sector. In general, HNZN urges fiscal prudence on proposals that will result in rates rises, particularly where this will impact on the overall affordability of housing. As Council will appreciate, any rates increases impact on HNZN's ability to provide quality social housing and contribute towards community outcomes. As such, HNZN seeks that as far as possible, rates increases be kept to a minimum.
24. HNZN notes the inclusion of the following Remissions and Postponement Policies in the LTCCP (pages 113 to 115, Vol 3): "Remission of rates

penalties imposed where there is an inability to pay" and "Remission of rates where the land is used by 'not-for-profit' clubs, associations and churches, for sport or for community benefit other than horse or dog racing".

25. HNZN is committed to working with councils in the provision of affordable housing. As part of that process it seeks that Council recognises HNZN's unique situation and gives consideration to formulating a policy to assist in the provision of social housing for Christchurch City, whether by rates rebate or remission or other accommodation that specifically recognises HNZN's situation. In this regard, HNZN notes its support for the remission policy for development contributions in respect of social/affordable housing and elderly persons' housing, which has been included in the Development Contributions Policy (pages 89 and 90, Volume 3 of the LTCCP).
26. The Corporation and its consultants are available to assist the Council in further examination of this issue and in drafting solutions to enable the Council to progress its rating policies to ensure an equitable result in relation to those owning significant social assets.
27. HNZN appreciates the opportunity to make this submission, and wishes to be heard in support of it when it is considered by the Council's committee.
28. HNZN reserves the right to address in its submission to the committee any matters additional to those outlined above that may come to its attention subsequent to this submission being lodged.

DATED at Auckland this 13th day of May 2005.

HOUSING NEW ZEALAND CORPORATION
by their solicitors and duly authorised agents
ELLIS GOULD



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