

# Summary of Information

in the Statement of Proposal that the Council  
Restructures its Social Housing Portfolio





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## 1. Introduction

- 1.1 The Christchurch City Council is considering its role in the provision of social housing in the city.
- 1.2 At its meeting on 12 May, 2014, the Council adopted a proposal that it believes will give the Council more flexibility in the future ownership, management and development of its own social housing portfolio, while maintaining the Council's capacity to provide social housing. A Statement of Proposal has been prepared and is available for public inspection at the Council's libraries, service centres and on its website at [www.ccc.govt.nz/haveyoursay](http://www.ccc.govt.nz/haveyoursay)
- 1.3 This document is a summary of the information contained in the Statement of Proposal and is required to be a fair representation of the major matters in that document. The summary will be distributed more widely than the Statement of Proposal and forms the basis for general consultation.

## 2. The Council's preferred option

- 2.1 The Council has approached the issues and objectives of this matter with a combination of initiatives. The attachments to the Statement of Proposal contain information about 20 options (22 including two sub-options) that have been identified and assessed by the Council. Seven of these involve the establishment of an entity at "arm's length" from the Council for the purpose of providing community housing, while the remaining 13 options involve the Council retaining its social housing portfolio, with varying levels of financial sustainability.
- 2.2 For the purposes of consultation the Council has indicated its preferred option. This is that the Council:
- 2.3 Establishes as a limited liability company an entity, in which the Council will have an interest of up to 49%, that will be eligible for registration as a community housing provider under the provisions of the Housing Restructuring and Tenancy Matters (Community Housing Provider) Regulations 2014.
- 2.4 Initially subscribes for all the shares in the new company and appoints the first board of directors
- 2.5 Leases to the entity an appropriate mix of social housing assets
- 2.6 Gifts or sells to the entity certain assets from the Council's social housing portfolio
- 2.7 Transfers the ownership or control of some of the Council's social housing assets either to an entity in which the Council has an interest of up to 49%, or to a third party
- 2.8 Enters into arrangements itself with the Council's City Housing partners and others for the redevelopment of some of the land currently used for social housing.

## 3. Issues

- 3.1 Prior to the Canterbury earthquakes, the Council owned and operated a portfolio of 2,649 social housing units at 117 complexes. Currently, over 400 units are no longer available to rent due to damage, issues with the seismic strength of some buildings or other health and safety matters.
- 3.2 In 2013, the Government announced its Social Housing Reform Programme. If fully implemented, the programme would mean that the Government would purchase services in a social housing environment that would enable greater consumer choice and diversity. The emphasis would no longer be on the Government providing social housing primarily through ownership (e.g. Housing New Zealand), but on a greater percentage of social housing being delivered by non-government providers.

- 3.3 The Housing Restructuring and Tenancy Matters (Community Housing Provider) Regulations 2014 came into force on 14 April, 2014. The regulations include the criteria for the registration and management of non-government providers (defined as community housing providers). Local authorities, Council-controlled organisations and their subsidiaries (unless operating at arm's length) are not eligible for registration.
- 3.4 The effect of these changes is that, although some current Council social housing tenants will still be paid the accommodation supplement, the Council (as landlord) would not be entitled to receive the Government's new rental subsidy, the Income-Related Rent Subsidy (IRRS). To qualify, tenants must be renting accommodation owned or operated by a community housing provider registered under the Act.
- 3.5 The only ownership structure option available to be eligible for registration as a community housing provider would be for the Council to own no more than 49% of any registered provider, and for that provider to operate at arm's length from the Council.

#### 4. Financial implications

- 4.1 Council staff have identified that, in order to meet the current and long-term cost of owning and operating its social housing, a significant rent increase (46%) would be required. At present, tenants who are eligible for assistance receive an accommodation supplement from the Government that may reduce the effect of such an increase.
- 4.2 However, the Council would not be eligible for the IRRS. Should the Council become eligible to receive the IRRS as a community housing provider, it would enable the Council to set rents at market levels and the Government would pay the community housing provider the difference between what a tenant is charged (based on their income) and a market rent. It would also mean that a registered provider has additional income with which to maintain and develop its properties. At the moment, the Council's social housing tenants are paying, on average, about 50% of market rents.

#### 5. City Housing partners

- 5.1 In 2013, the Council approved 12 private companies and non-government organisations as city housing partners. A memorandum of understanding was signed with each entity.
- 5.2 The purpose was to identify organisations that were interested in working with the Council to re-develop a number of social housing sites. The Council was looking for innovative options for the replacement of existing "old and cold" units.
- 5.3 Social housing complexes at Andrews Crescent, Brougham Village, Willard Street, Coles Street and Carey Street contain some of these "old and cold" units, as well as more recent buildings that are earthquake-damaged, requiring seismic strengthening, and those that are functionally obsolete.
- 5.4 In the case of Andrews Crescent, there are currently 36 social housing units situated on a large area of land. The Council proposes entering into an arrangement with one of its City Housing partners for the replacement of the existing social housing stock (on part of the site) at no, or little, cost to the Council. In return, the Council would transfer the balance of the land to the partner for the development of market and low-cost housing.

#### 6. Options

- 6.1 The Council has identified and considered the costs and benefits of up to 20 options for the re-structuring of its social housing. These options, along with their descriptions, are provided on page 3 of this booklet. The full results of the Council's analysis of the different options are set out in the attachments to the Statement of Proposal.
- 6.2 The objective is to have more flexibility in the future ownership, management and development of the Council's social housing portfolio; therefore, a number of the options would not achieve that. For example, retaining sole ownership of most of the portfolio would not be financially sustainable, given that the Council is not eligible for registration as a community housing provider and, without the benefit of the IRRS, it would need to increase rents significantly. It is likely that the Council would have to amend its current policy and/or use rates income to supplement the funding of social housing.
- 6.3 However, other options identified could achieve the objective sought. These include the sale of social housing assets comprising buildings but not land, or both. The rateable value of the buildings is \$215 million, and for land and buildings \$343 million. Until the Council settles its insurance claim in respect of earthquake-related damage, it is difficult to assess the actual value of the assets for the purposes of a sale or lease arrangement.
- 6.4 There are options for the establishment of an entity that would enable the Council to restrict its interest to no more than 49% and, therefore, enable the entity to be eligible for registration as a community housing provider. It is proposed that, initially, the Council holds all of the shares in the entity, but then divests itself of sole ownership through selling shares to other organisations, issuing new shares or establishing a subsidiary in which the Council's interest is restricted to 49% or less.
- 6.5 Other options considered, and set out in the attachments to the Statement of Proposal, are to gift the buildings to the new entity, seek a capital injection from the Government (unlikely to be successful given the Government's existing commitment to the Canterbury rebuild), or to sell all or part of the Council's social housing portfolio to a third party.

#### 7. Legal considerations

- 7.1 A number of issues arise with regard to the proposals set out in the Statement of Proposal and are dealt with in more detail in that document. In particular, the Council has considered:
  - 7.2 Whether the proposals come within the scope of the purpose of local government
  - 7.3 Which of them is (or are) most cost-effective for households and businesses in the Council's district

7.4 Compliance issues with regard to the requirements of the Local Government Act 2002, Public Works Act 1981, Reserves Act 1977, and any other relevant legislation.

The following matters are also relevant:

- 7.5 Balancing the needs of different sectors in the community
- 7.6 Consideration of the fact that currently the land and buildings as a whole, owned by the Council for the provision of social housing, is listed as a strategic asset in the Council’s significance policy
- 7.7 Whether any commercial transactions entered into by the Council are in accordance with sound business practices, prudent stewardship and the effective and efficient use of the Council’s resources.
- 7.8 Section 10 of the Local Government Act 2002 provides that the purpose of local government is to enable democratic local decision-making by, and on behalf of, communities, and to meet the current and future needs of communities for good-quality local infrastructure, local public services and performance of regulatory functions in a way that is most cost-effective for households and businesses.
- 7.9 The concept of local infrastructure is essentially its “public” nature. In that context, the Council believes that the provision of public-sector rental housing is “social infrastructure”, a term that has been adopted by Central Government and which appears to be in common usage.
- 7.10 The Council has interpreted “local” as simply referring to activities undertaken within the Council’s district. It believes that, as a result of the effects of the earthquakes, the Council’s involvement in the provision of social housing is for the purpose of meeting the particular current and future needs of the Christchurch community. The Government has itself recognised this by looking to work together with the Council under the proposed Housing Accord.
- 7.11 Where the issue of cost-effectiveness is concerned, and to comply with its obligations under the Local Government Act 2002, the Council must identify and evaluate all reasonably practicable options and select the most cost-effective option available for the provision of social housing in Christchurch. The Council will take this into account when it comes to the decisions to be made once the views and preferences of interested and affected people have been obtained.

## 8. Submissions

8.1 The Statement of Proposal may be inspected (and a copy of the document obtained):

- Through the Council’s “Have Your Say” webpage: [www.ccc.govt.nz/haveyoursay](http://www.ccc.govt.nz/haveyoursay)
- At Council libraries and service centres
- By phoning the Council on (03) 941 8999 or 0800 800 169

8.2 See page 6 of this booklet for information about how to have your say on the Council’s proposal.

## 9. Options considered

The following table provides descriptions of the options considered by the Council for restructuring its social housing portfolio.

Entity	1	Lease land and buildings to a Community Housing Provider (CHP) (Council’s preferred option)	Christchurch City Council would lease the social housing land and buildings to a Community Housing Provider.
Entity	2	Sell social housing buildings to a Community Housing Provider and Christchurch City Council keep the land	The buildings are sold to a Community Housing Provider and Christchurch City Council receive money from the lease of the land.
Entity	2a	Sell social housing buildings to a Community Housing Provider at a price that allows the Community Housing Provider to be financial viable	The buildings are sold to a Community Housing Provider and Christchurch City Council receive money from the lease of the land.
Entity	3	Sell social housing buildings and land to a Community Housing Provider	All social housing buildings and land are sold at market value to a Community Housing Provider.
Entity	3a	Sell social housing buildings and land to a Community Housing Provider at a price that allows the Community Housing Provider to be financially viable	All social housing buildings and land are sold at market value to a Community Housing Provider.
Non-Entity	4	Central Government capital injection to social housing	“Formally ask Central Government to invest in social housing buildings in order to make Christchurch City Council social housing financially sustainable (not asking for any Income Related Rent Subsidy and Christchurch City Council retain full ownership). *Please note: this could relate to a one off capital injection or on-going financial contribution.”

Entity	5	Gift social housing buildings to a Community Housing Provider and Christchurch City Council retain ownership of the land	The building is gifted to a Community Housing Provider and Christchurch City Council receive money from the lease of the land.
Entity	6	Sell social housing land and buildings – with a Community Housing Provider lease in place.	Christchurch City Council sell the social housing complexes (land and buildings) with a Community Housing Provider lease in place for an agreed period of time.
Non-Entity	7	Rates injection to social housing	“Ask Council for rates money to put into social housing to ensure the financial sustainability of social housing. *Please note: this could relate to a one off capital injection or on-going financial contribution.”
Entity	8	Gift social housing buildings and land to a Community Housing Provider	All social housing buildings and land are gifted to a Community Housing Provider.
Non-Entity	9	Rent increase 46%	46% rent increase would result in the social housing portfolio becoming financially sustainable and includes cost to strengthen the buildings.
Non-Entity	10	Do nothing and continue with minimal rent increases	Small percentage increases of rent on an annual basis. All social housing buildings and land would remain financially unsustainable. Continue with Partnerships Programme.
Non-Entity	11	Sell and lease back 17 under-capitalised sites	Sell under-capitalised properties on the market, or to a developer and then Christchurch City Council lease back to use as social housing for an agreed period of time. The developer could then change the use at the end of the lease.
Non-Entity	12	Christchurch City Council retain and operate social housing buildings and land, however no longer fund for replacement	The Local Government Act 2002 requires Councils to fund for replacements so Christchurch City Council would no longer fund for replacement and over time exit social housing.
Entity	13	Rent increase 35%, and sell 17 under-capitalised sites to a Community Housing Provider	Selling the under-capitalised complexes to a Community Housing Provider and applying a rent increase of 35% to the retained sites brings the social housing buildings and land to a sustainable level. The Community Housing Provider could access Income Related Rent Subsidy to maintain / re-develop these sites.
Non-Entity	14	Affordable housing and social housing portfolio	Use the social housing buildings and land for both affordable rental housing and social housing purposes. Make use of the higher income received from affordable housing to subsidise social housing (returning to the former public housing model).
Non-Entity	15	Sell social housing buildings and land and build new stock	Sell social housing buildings and land to get the greatest return and reinvest capital into new social housing developments.
Non-Entity	16	Buy new social housing stock – Invest	Attempt to get out of the current financial situation by increasing revenue for the new properties to off-set the loss on some of the worst properties.
Non-Entity	17	Rent increase to market level – Exit social housing	Christchurch City Council increase rents to a market level to make all social housing buildings and land financially sustainable and return a dividend to Christchurch City Council rate payers.
Non-Entity	18	Rent increase of 32% and sell 17 under-capitalised sites	Selling the under-capitalised complexes and applying a rent increase of 31% to the retained sites results in all social housing buildings and land being financially sustainable.
Non-Entity	19	Demolish all social housing buildings and land and re-develop through a build, own, operate and transfer scheme; or a build, own, and transfer scheme	Christchurch City Council agrees to demolish all social housing buildings and land and use the land to build better quality housing via a build, own, operate and transfer scheme. This means that Christchurch City Council would operate a lease to own scheme over an agreed period of time.
Non-Entity	20	Sell all social housing buildings and land and exit provision of social housing	Sell all social housing buildings and land in accordance with relevant legislation, exiting social housing provision.

# Answering your questions

## **Is the Council's social housing currently funded by rates?**

Rates do not currently fund the Council's social housing portfolio. The Council's proposal is for its social housing to remain separate and ring-fenced from rates income.

## **Where can I get more detailed information about the Council's proposal?**

The Council's full Statement of Proposal about options for restructuring its social housing portfolio is available online at [www.ccc.govt.nz/haveyoursay](http://www.ccc.govt.nz/haveyoursay) and at Council libraries and service centres.

Further information about the decision-making and consultation process is also available online at [www.ccc.govt.nz/socialhousing](http://www.ccc.govt.nz/socialhousing)

## **Has the Council already made up its mind?**

The Council has explored a number of options in detail and, from those, developed its proposal for the future of its social housing. We now want to hear what you think about the proposal and options before the Council makes a decision. You can also have your say in person at public hearings. For more information, see page 6.

## **Why is the Council re-evaluating its role in social housing?**

The Council's current social housing portfolio is no longer financially viable and this problem has been compounded by the Canterbury earthquakes.

A social housing entity set up as a registered community housing provider would be eligible for the Income-Related Rent Subsidy from the Government. The income stream from this subsidy would hugely improve the financial viability of the Council's social housing stock and allow it to be sustained, improved and grown into the future.

## **How does the Council's proposal affect its current social housing tenants?**

At this time, tenants continue to remain tenants of the Christchurch City Council. However, the Council is proposing creating an entity to own or operate its current social housing portfolio. Should this happen, the Council would communicate how tenancy agreements may be transferred to the new organisation.

Should the entity become eligible to access the Government's Income-Related Rent Subsidy, the majority of the Council's social housing tenants would pay a lower rent than they currently do, and the rent levels would be set by Work & Income based on tenants' income, assets and other criteria.

## **Who lives in the Council's social housing?**

A wide range of people are eligible for the Council's social housing service, including the elderly, disabled persons, sickness or unemployment beneficiaries and people on very low incomes. In general, all of these people have met financial hardship criteria. They are also some of Christchurch's most vulnerable residents.

## **What would the proposed new entity do?**

The proposed new entity would be formed between Christchurch City Council and other organisations interested in providing social housing in Christchurch.

It is envisaged that the entity would be a registered community housing provider and, therefore, be eligible to access the Government's Income-Related Rent Subsidy for social housing tenants.

## **Who would own the remaining 51% of the entity?**

At this stage the Council has no clear direction on who would own the remaining 51% of the entity. However, the Council would seek feedback from other social housing providers and the Government about potentially owning part, or all, of the remaining 51% share.

## **How has the Council calculated the financial impact of the various options?**

The Council has used a financial model that takes into account all of the costs associated with owning and operating its social housing service over the long term. The model has been used to consider the Council's position, as well as the proposed entity's, to determine the likelihood of the entity being financially viable.

The model uses actual and forecast information from the Council's asset management system, along with a number of assumptions around things like inflation, interest rates, property values, strengthening costs and insurance settlements.

Many of these factors can influence the outcome of the modelling. Further research is under way to peer review the model and to reduce uncertainty around some of the variables used in the modelling.

## **What does "under-capitalised" social housing refer to?**

This refers to currently "old and cold" social housing units which would require significant spending to bring them up to the Council's desired standard.

## **What is the Housing Accord?**

Christchurch City Council and the Government have signed a draft Housing Accord to increase the number of affordable houses in the city, including social housing.

The Accord is subject to ratification by the Council based on the outcome of future consultation with residents on the Council's role in providing affordable housing in its district.

## **How would the Council's proposal affect rates in Christchurch?**

It is too early in the decision-making process to determine exactly how rates might be affected. It will depend on the outcome of re-evaluating the Council's role in providing a social housing service in Christchurch.

If the Council was to decide to use rates income to fund its social housing, it is estimated that this would require \$9 million per year, with an expected rates increase of 2.3 to 2.7%. This option is outlined in the Council's full Statement of Proposal.

## **What happens now?**

The Statement of Proposal was adopted by the full Council on 12 May, 2014. It is now out for public consultation via a Special Consultative Procedure, to allow for community input, until 26 June, 2014. Anyone who is interested can make a submission on the Council's proposals. See page 7 for information about how to make a submission.

# How to have your say

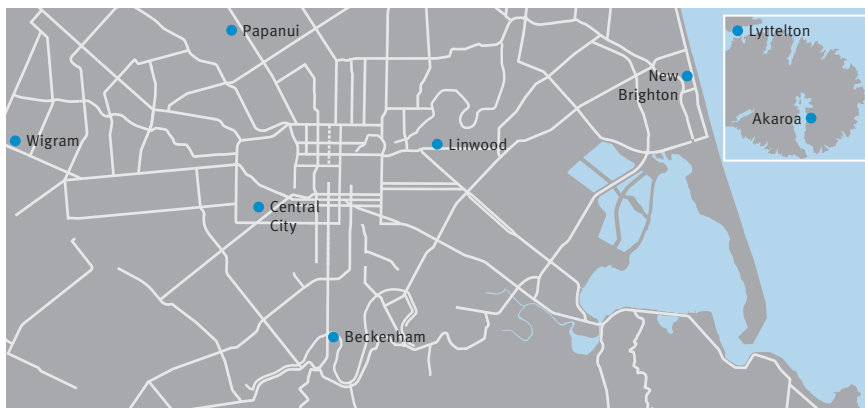
## What do you think about our proposal?

### We'd like to know.

For now, the Council's proposal is just that – a proposal.

We now want to hear what you think before we make a final decision later this year.

Come along and talk to us about the proposal and find out more.



## Community drop-in sessions

Date	Time	Venue
Thursday 22 May	4.30pm–6.30pm	Boardroom, Papanui Library and Service Centre, 35 Langdons Road, Papanui
Wednesday 28 May	4.30pm–6.30pm	Boardroom, Christchurch City Council, 180 Smith Street, Linwood
Wednesday 4 June	4.30pm–6.30pm	Burwood–Pegasus Boardroom, Corner Beresford and Union streets, New Brighton
Thursday 5 June	4.30pm–6.30pm	Harvard Community Lounge, Corsair Drive, Wigram
Saturday 7 June	2pm–4pm	Civic Offices Function Room, 53 Hereford Street, Christchurch
Wednesday 11 June	4.30pm–6.30pm	South Christchurch Library, Boardroom, 66 Colombo Street, Beckenham
Thursday 12 June	4.30pm–6.30pm	The Top Club, 23 Dublin Street, Lyttelton
Wednesday 18 June	2pm–4pm	Akaroa Sports Complex, Akaroa

The Council will also be holding separate meetings for its social housing tenants and groups who work with the Council's City Housing unit.

## Social media

We encourage online debate about our proposal but we can only consider your feedback if you fill out the official submission form.

Online comments, including those on social media sites, do not count as formal submissions.

To influence the Council's final decision, fill in the submission form at [www.ccc.govt.nz/haveyoursay](http://www.ccc.govt.nz/haveyoursay). Remember to include your full name, address and phone number. No anonymous submissions will be accepted.

Alternatively, you can use the attached submission form or pick one up from Council libraries or service centres.

Send us your completed submission online, by email or through the post.

There is more information on the next page about how to make your submission, which must be received by 5pm on Thursday, 26 June 2014.



## Public hearings

The Council will hold public hearings in July 2014. With limited time available, we encourage like-minded residents who wish to submit on the same topic to nominate a spokesperson and provide one submission, along with a supporting submission form. This form is at the back of this booklet.

➔ Submission forms are also available online and at Council libraries and service centres.

# Submission form

## PLEASE READ BEFORE COMPLETING YOUR SUBMISSION

The public consultation period is from Wednesday, 21 May 2014, to 5pm Thursday, 26 June 2014.

It will help us if you clearly:

- state what issue(s)/topic(s) you want to comment on, and
- provide comments.

**Please note:** We are legally required to make all written or electronic submissions available to the public and to Councillors, including the name and address of the submitter. The submissions, including all contact details provided, will be available to the public. Information will be available to the public subject to the provisions of the Local Government Official Information and Meetings Act 1987. If you consider there to be compelling reasons why your contact details and/or submission should be kept confidential, you should contact the Council's Hearings Team Leader, Megan Pearce, by phoning (03) 941 8999 or 0800 800 169.

## You may send us your submission:

### Online:

You may enter your submission using the online form provided on the Council's website at [www.ccc.govt.nz/haveyoursay](http://www.ccc.govt.nz/haveyoursay). Please follow all the instructions on the Council's website for the online form.

### By email:

[housingsubmission@ccc.govt.nz](mailto:housingsubmission@ccc.govt.nz)

Please make sure your full name and address is included with your submission.

### By mail (no stamp required):

Freepost 178  
Social Housing Proposal  
Christchurch City Council  
PO Box 73016  
Christchurch 8154

## No anonymous submissions will be accepted

Whether you use this form or not, you must provide your full name, address and telephone number. If you are submitting on behalf of an organisation please state this and your role within that organisation.

Submissions must be received (NOT postmarked) at the Hereford Street Civic Offices no later than 5pm on Thursday, 26 June 2014. To ensure receipt, hand deliver last-minute submissions to the Civic Offices, 53 Hereford Street, Christchurch.

## Your submission

If you wish, you can present your submission at a hearing. Please tick the appropriate box below. The hearings will be held during July 2014. Limited time will be allocated for speaking to your submission, including time for questions from the Councillors. The Council is asking people who make written submissions to consider joining with others if they wish to speak at public hearings. The Council will confirm the date and time of your hearing in writing, by email or by telephone call.

### Please tick one

I do NOT wish to discuss my submission at the hearing, and ask that this written submission be considered.

**OR**, I wish to discuss the main points in my written submission at the hearings to likely be held during July 2014.

I am completing this submission:  For myself  On behalf of a group or organisation

If you are representing a group or organisation, how many people do you represent?    n/a

If your submission is supported by others, have you attached a supporting submission form?  Yes  No  n/a

Contact name \_\_\_\_\_

Organisation name (if applicable) \_\_\_\_\_

Organisation role (if applicable) \_\_\_\_\_

Contact address \_\_\_\_\_

Postcode \_\_\_\_\_

Phone number (day) \_\_\_\_\_ Phone number (evening) \_\_\_\_\_

Email (if applicable) \_\_\_\_\_

Signature \_\_\_\_\_ Date \_\_\_\_\_





# Submission form

**The Council’s objective for the provision of social housing in Christchurch is to:**

- Have more flexibility in the future ownership, management and development of the Council’s own social housing portfolio.
- Ensure that the portfolio has a financially viable and sustainable future.
- Maintain the capacity to provide the current number of social housing units in the Council’s portfolio and to act as a catalyst for the provision of at least 1,000 additional units in the city.

**The purpose of the Council’s social housing objective is to better address the shortage of social housing and the implementation of the Government’s Social Housing Reform Programme.**

1. Overall, do you support or not support the Council’s social housing objective?

- Support    Do not support    Don’t know

Please comment: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

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\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**To meet the above objective, the Council is consulting on its preferred option for the ownership and governance of its social housing portfolio (land, buildings and tenancies).**

2. For each of the initiatives proposed, please indicate whether you support or do not support that initiative:

A. CCC Establishes as a limited liability company in which the Council will have an interest of up to 49%, and that will be eligible for registration as a community housing provider under the provisions of the Housing Restructuring and Tenancy Matters (Community Housing Provider) Regulations 2014.

- Support    Do not support    Don’t know

Comments: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

B. CCC initially subscribes for all the shares in the new company and appoints the first board of directors.

- Support    Do not support    Don’t know

Comments: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_



C. CCC leases to the entity an appropriate mix of social housing assets.

Support    Do not support    Don't know

Comments: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

D. CCC gifts or sells to the entity certain assets from the Council's social housing portfolio.

Support    Do not support    Don't know

Comments: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

E. CCC transfers the ownership or control of some of the Council's social housing assets either to an entity in which the Council has an interest of up to 49%, or to a third party.

Support    Do not support    Don't know

Comments: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

F. CCC enters into arrangements itself with the Council's City Housing partners and others for the redevelopment of some of the land currently used for social housing.

Support    Do not support    Don't know

Comments: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



**In the process of developing its proposals, the Council has identified a number of options for the management of its social housing asset (land and buildings)**

3. Please indicate your level of support for the following options:

Options	Descriptions	Strongly support	Support	Do not support	Strongly do not support	Don't know
1	Lease land and buildings to a Community Housing Provider (Council's preferred option)					
2	Sell social housing buildings to a Community Housing Provider and Christchurch City Council keep the land					
2a	Sell social housing buildings to a Community Housing Provider at a price that allows the Community Housing Provider to be financial viable					
3	Sell social housing buildings and land to a Community Housing Provider					
3a	Sell social housing buildings and land to a Community Housing Provider at a price that allows the Community Housing Provider to be financially viable					
4	Central Government capital injection to social housing  Formally ask Central Government to invest in social housing buildings in order to make the Council's social housing financially sustainable (not asking for any Income-Related Rent Subsidy and the Council retains full ownership).  Note: this could relate to a one-off capital injection or ongoing financial contribution.					
5	Gift social housing buildings to a Community Housing Provider and Christchurch City Council retain ownership of the land					
6	Sell social housing land and buildings – with a Community Housing Provider lease in place.					

of

Options		Descriptions	Strongly support	Support	Do not support	Strongly do not support	Don't know
7	Rates injection to social housing	Ask the Council for rates money to put into social housing to ensure the financial sustainability of social housing.  Note: this could relate to a one-off capital injection or ongoing financial contribution.					
8	Gift social housing buildings and land to a Community Housing Provider	All social housing buildings and land are gifted to a Community Housing Provider.					
9	Rent increase 46%	46% rent increase would result in the social housing portfolio becoming financially sustainable and includes cost to strengthen the buildings.					
10	Do nothing and continue with minimal rent increases	Small percentage increases of rent on an annual basis. All social housing buildings and land would remain financially unsustainable. Continue with Partnerships Programme.					
11	Sell and lease back 17 under-capitalised sites	Sell under-capitalised properties on the market, or to a developer, and then the Council leases back to use as social housing for an agreed period of time. The developer could then change the use at the end of the lease.					
12	The Council retains and operates social housing buildings and land, however no longer funds for replacement	The Local Government Act 2002 requires councils to fund for replacements so Christchurch City Council would no longer fund for replacement and, over time, exit social housing.					
13	Rent increase 35% and sell 17 under-capitalised sites to a Community Housing Provider	Selling the under-capitalised complexes to a Community Housing Provider and applying a rent increase of 35% to the retained sites brings the social housing buildings and land to a sustainable level. The Community Housing Provider could access the Income-Related Rent Subsidy to maintain / re-develop these sites.					



Options	Descriptions	Strongly support	Support	Do not support	Strongly do not support	Don't know
14	Affordable housing and social housing portfolio					
15	Sell social housing buildings and land and build new stock					
16	Buy new social housing stock – Invest					
17	Rent increase to market level – Exit social housing					
18	Rent increase of 32% and sell 17 under-capitalised sites					
19	Demolish all social housing buildings and land and re-develop through a build, own, operate and transfer scheme; or a build, own, and transfer scheme					
20	Sell all social housing buildings and land and exit provision of social housing					

5. From the table above, please show your three preferred options below.

1. Option number	
2. Option number	
3. Option number	

6. Do you have any further comments about the Council's proposal? \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_



# Supporting submission form

Please use this form if you wish to gather support for your submission. Anyone who signs the form is still able to make their own submission, should they wish to.

**The public consultation period is from Wednesday, 21 May 2014, to 5pm on Thursday, 26 June 2014.**

**Please note:** We are legally required to make all written or electronic submissions available to the public and to Councillors, including the name and address of the submitter. The submissions, including all contact details provided, will be available to the public subject to the provisions of the Local Government Official Information and Meetings Act 1987. If you consider there to be compelling reasons why your contact details and/or submission should be kept confidential, you should contact the Council's Hearings Team Leader, Megan Pearce, by phoning (03) 941 8999 or 0800 800 169.

**Hearings:** You may attend the hearings to hear the submission you are supporting, however, only the original submitter will have the opportunity to be heard, if they have indicated that intention in their submission.

We the undersigned support the entire submission on the Christchurch City Council's Social Housing Proposal, written by:

(attached in front of this form).

Name (first and last name)	Contact address	City	Postcode

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