

Housing Subcommittee

AGENDA

Notice of Meeting:

An ordinary meeting of the Housing Subcommittee will be held on:

Date: Friday 5 April 2019
Time: 1pm
Venue: Committee Room 1, Level 2, Civic Offices,
53 Hereford Street, Christchurch

Membership

Chairperson	Councillor Glenn Livingstone
Deputy Chairperson	Councillor Phil Clearwater
Members	Councillor Vicki Buck
	Councillor Anne Galloway
	Councillor Yani Johanson
	Councillor Deon Swiggs

2 April 2019

Principal Advisor

John Filsell
Head of Community Support,
Governance & Partnerships

Sarah Drummond
Committee and Hearings Advisor
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Note: The reports contained within this agenda are for consideration and should not be construed as Council policy unless and until adopted. If you require further information relating to any reports, please contact the person named on the report.

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Strategic Framework

The Council's Vision – Christchurch is a city of opportunity for all.
Open to new ideas, new people and new ways of doing things – a city where anything is possible.

Whiria ngā whenu o ngā papa Honoa ki te maurua tāukiuki

Bind together the strands of each mat
And join together with the seams of respect
and reciprocity.

The partnership with Papatipu Rūnanga
reflects mutual understanding and respect,
and a goal of improving the economic,
cultural, environmental and social
wellbeing for all.

Overarching Principle

Partnership – Our
people are our taonga
– to be treasured and
encouraged. By working
together we can create
a city that uses their
skill and talent, where
we can all participate,
and be valued.

Supporting Principles

Accountability	Collaboration
Affordability	Prudent Financial Management
Agility	Stewardship
Equity	Wellbeing and resilience
Innovation	Trust

Community Outcomes

What we want to achieve together as our city evolves

Strong communities

Strong sense of
community
Active participation in
civic life
Safe and healthy
communities
Celebration of our
identity through arts,
culture, heritage and
sport
Valuing the voices of
children and young
people

Liveable city

Vibrant and thriving
central city, suburban
and rural centres
A well connected and
accessible city
Sufficient supply of, and
access to, a range of
housing
21st century garden city
we are proud to live in

Healthy environment

Healthy waterways
High quality drinking
water
Unique landscapes and
indigenous biodiversity
are valued
Sustainable use of
resources

Prosperous economy

Great place for people,
business and investment
An inclusive, equitable
economy with broad-
based prosperity for all
A productive, adaptive
and resilient economic
base
Modern and robust
city infrastructure and
community facilities

Strategic Priorities

Our focus for improvement over the next three years and beyond

Enabling active citizenship and connected
communities

Maximising opportunities to develop a vibrant,
prosperous and sustainable 21st century city

Climate change
leadership

Informed and proactive
approaches to natural
hazard risks

Increasing active, public
and shared transport
opportunities and use

Safe and sustainable
water supply and
improved waterways

HOUSING SUBCOMMITTEE - TERMS OF REFERENCE

Chair	Councillor Livingstone
Membership	Councillor Clearwater (Deputy Chair), Councillor Buck, Councillor Galloway, Councillor Johanson, Councillor Swiggs
Quorum	Half of the members if the number of members (including vacancies) is even, or a majority of members if the number of members (including vacancies) is odd.
Meeting Cycle	As required
Reports To	Social, Community Development and Housing Committee

Responsibilities

The Housing Subcommittee is responsible for:

- Examining a broad range of issues including homelessness, youth housing, emergency housing, social housing, the future of Council's housing stock, housing affordability schemes for first home buyers, the rental market and housing density
- Reviewing and advising on housing policy, legislation and related issues.
- Overseeing the Council's housing asset management including Otautahi lease and reporting matters
- Providing advice on particular housing matters that support Council's decision making across the continuum of social, affordable and market housing, including innovative housing solutions that will increase the supply of affordable housing
- Facilitating collaborative action across the continuum of social, affordable and market housing with Central Government agencies, e.g. Ministry for Business, Innovation and Enterprise (MBIE), Ministry of Social Development (MSD), The Tenants Protection Association (TPA), NGO's, Te Wai Pounamu Community Housing Providers Network, Housing NZ Corporation (HNZC), Canterbury District Health Board (CDHB) and providers of mental health accommodation, Department of Corrections, representatives from the disability sector, and NZ Coalition to End Homelessness (NZCEH)
- Monitoring the delivery of the Housing Policy 2016 priority actions across its 8 key goals
- Overseeing the Council's actions in relation to housing from the Greater Christchurch Partnership (UDSIC) Strategy
- Overseeing the Social Housing Strategy 2007
- Support Council's participation and leadership within the Christchurch Housing Accord.

The Subcommittee will work in close collaboration and partnership with the community, government and private sectors to find new ways and set clear targets to address housing issues including increasing the supply of affordable and social housing in Christchurch.

The Subcommittee will report back to, and obtain its strategic direction and priorities from the Social, Community Development and Housing Committee on all aspects considered under these Terms of Reference.

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1. Apologies

An apology was received from Councillor Galloway.

2. Declarations of Interest

Members are reminded of the need to be vigilant and to stand aside from decision making when a conflict arises between their role as an elected representative and any private or other external interest they might have.

3. Confirmation of Previous Minutes

Attached are the notes from the Housing Subcommittee meeting held on [Monday, 17 December 2018](#) (refer page 6).

4. Deputations by Appointment

There were no deputations by appointment at the time the agenda was prepared.

5. Presentation of Petitions

There were no petitions received at the time the agenda was prepared.

Housing Subcommittee OPEN MINUTES

Date: Monday 17 December 2018
Time: 2.30pm
Venue: Committee Room 1, Level 2, Civic Offices,
53 Hereford Street, Christchurch

Present

Chairperson	Councillor Glenn Livingstone
Deputy Chairperson	Councillor Phil Clearwater
Members	Councillor Vicki Buck
	Councillor Anne Galloway
	Councillor Yani Johanson
	Councillor Deon Swiggs

17 December 2018

Principal Advisor

John Filsell
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Governance & Partnerships

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- Part A Matters Requiring a Council Decision
Part B Reports for Information
Part C Decisions Under Delegation
-

The agenda was dealt with in the following order.

1. Apologies

Part C

Committee Resolved HSTF/2018/00014

That the apologies from Anne Galloway be accepted.

Councillor Buck/Councillor Galloway

Carried

2. Declarations of Interest

Part B

There were no declarations of interest recorded.

3. Confirmation of Previous Minutes

Part C

Committee Resolved HSTF/2018/00015

That the minutes of the Housing Subcommittee meeting held on Friday, 5 October 2018 be confirmed.

Councillor Swiggs/Councillor Clearwater

Carried

4. Deputations by Appointment

Part B

There were no deputations by appointment.

5. Presentation of Petitions

Part B

There was no presentation of petitions.

6. New Decision Making Model - Presentation

Staff provided an update and presentation to the Subcommittee on decision making models. The Committee agreed they would attend a series of workshops to contribute to the development of the model.

Councillor Swiggs left the meeting at 2.47pm during the presentation of Item 6, and did not return.

7. Verbal Update on the Social Housing Strategy

Paul Cottam provided a verbal update to the Subcommittee on the Social Housing Strategy.

- The Committee received an update on:
- A workshop held with the local Community Housing Providers network on 6 December 2018
- Feedback included CCC taking an active role in broader community housing provision and support
- Other workshops planned for government agencies and for NGOs in February 2019
- Elected Member briefing on early feedback and ideas on 5 February 2019

The Committee requested staff to provide the Housing Subcommittee with a discussion paper on worthwhile options for increasing the number and geographical spread of social and affordable housing in greater Christchurch.

Councillor Anne Galloway arrived at 3.43pm during the discussion of Item 7.

Meeting concluded at 3.49pm.

CONFIRMED THIS 4th DAY OF FEBRUARY 2019

**COUNCILLOR GLENN LIVINGSTONE
CHAIRPERSON**

6. Social Housing Healthy Homes Legislative Changes

Reference: 19/215955

Presenter(s): Carmen Lynskey - Manager Social Housing

1. Purpose of Report

- 1.1 The purpose of this report is to update the Housing Subcommittee on the 2019 changes to the Healthy Homes standards under the Residential Tenancies Act 1986 (RTA).

2. Executive Summary

- 2.1 In December 2017 the Healthy Homes Guarantee Act (No 2) was passed into law, with a subsequent discussion document released by the Ministry of Building, Innovation and Employment (MBIE) in October 2018.
- 2.2 The aim of the legislation is to ensure that all people living in rental accommodation in New Zealand have a warm and dry home to improve the wellbeing of New Zealanders and their families.
- 2.3 Healthy Homes Standards set the minimum requirements for heating, insulation, ventilation and also addresses moisture ingress, and drainage and draught stopping.
- 2.4 While the standards were announced in February 2019 the corresponding specification details are yet to be announced. It is expected that once drafted in regulations and approved by Cabinet that these become law by mid-2019.
- 2.5 Community Housing Providers (CHP's) have until 2023 to comply with the standards. As Council are an asset owner of social housing properties we have the responsibility to ensure that all owned stock comply with standards under the regulations.

3. Staff Recommendations

That the Housing Subcommittee:

1. Receive the information provided.

4. Council's Policy Position

- 4.1 Council has an interest in housing, as set out in the Housing Policy 2016 and other documents.
- 4.2 A key goal of the Housing Policy is:
Housing quality - Improve the standards, regulations and monitoring on housing design and quality to achieve healthier housing for households irrespective of their income.
- 4.3 Given this goal, Council has a direct interest in the Healthy Home Standards.
- 4.4 Council also owns significant numbers of residential houses, which it leases to the Otautahi Community Housing Trust for social housing purposes. The direction for Council's social housing is guided by the Social Housing Strategy 2007.
- 4.5 The Social Housing Strategy includes several goals pertinent to the healthy homes standards. Specifically, Council has the goal to:

- support best practice for warm, dry and safe housing;
- 4.6 This goal indicates that Council has an interest in improving the overall standards for warm, dry and safe housing. This interest needs to be balanced against the financial sustainability of the portfolio, being aware of the impact on rental and Council’s rate neutral policy.

5. Key Points

- 5.1 In October 2018 a draft submission to the proposed Healthy Homes Standards for rental properties was presented to the Housing Subcommittee for approval. The submission was drafted to reflect a desire to support improvement of standards while maintaining the financial sustainability of Council’s portfolio.
- 5.2 Table 1 (below), taken from the Ministry of Housing and Development Website (MHUD) provides an overview of the standards released in February 2019:

<https://www.hud.govt.nz/residential-housing/healthy-rental-homes/healthy-homes-standards/>

Standard	Required standard
Heating	There must be fixed heating devices, capable of achieving a minimum temperature of at least 18°C in the living room only. Some heating devices are inefficient, unaffordable or unhealthy and will not meet the requirements under the heating standard.
Insulation	The minimum level of ceiling and underfloor insulation must either meet the 2008 Building Code, or (for existing ceiling insulation) have a minimum thickness of 120mm.
Ventilation	Ventilation must include openable windows in the living room, dining room, kitchen and bedrooms. Also an appropriately sized extractor fan(s) in rooms with a bath or shower or indoor cooktop.
Moisture ingress and drainage	Landlords must ensure efficient drainage and guttering, downpipes and drains. If a rental property has an enclosed subfloor, it must have a ground moisture barrier if it’s possible to install one.
Draught stopping	Landlords must stop any unnecessary gaps or holes in walls, ceilings, windows, floors, and doors that cause noticeable draughts. All unused chimneys and fireplaces must be blocked.

Table 1.

- 5.3 In preparation for the release of the regulations, Housing staff are undertaking a review of all properties to best understand what will be required of Council to meet these obligations and to better understand the cost of this.

Insulation

- 5.4 88% of open units have been assessed as compliant with current standards, with the remaining 12% programmed for assessment and/or completion of installation as applicable. It is expected that all assessments will be completed by end of March 2019 and all installation by May 2019.

Ventilation

- 5.5 A first analysis indicates that 61% of kitchens and 69% of bathrooms in Council units have some type of ventilation installed.

Heating

- 5.6 Council currently provide one fixed source of heating per unit, generally located in the lounge/living area of the unit.

Moisture Ingress and Drainage

- 5.7 Where possible ground moisture barriers are installed as part of the underfloor insulation programme.

Draught Stopping

- 5.8 Staff have investigated a number of options and have completed installation of a system at Huggins Place during the EQ repairs that has proved successful in eliminating draughts from doors. This will continue to be a priority for investigation and rectification.

Financial Impacts

- 5.9 Officers are currently assessing the likely cost to upgrade units to the new standards. We assessed the “worst case” cost to upgrade to the indicative standards included in the consultation document at \$12 to \$14 million. The approved standards mean that the upgrade cost will be lower, however, we have not yet completed this estimate.
- 5.10 The Healthy Home Standards will not impact on rates.
- 5.10.1 Council has a policy to operate its social housing on a rates neutral basis. Funding for social housing is kept separate from rates, with the only sources of funding being rent, interest and insurance payments (if any). All revenues are booked to a ring fenced “housing fund”, and all expenditure (maintenance, renewal and any new investment) are drawn from it.
- 5.10.2 Even with the upgrades, the fund will remain solvent and the long term effects will remain manageable. The upgrades will reduce the Council’s flexibility to undertake other assisted housing activities such as building new or replacing existing units over the next ten years.
- 5.11 Given that our units are rented to some of those least able to pay, it is unlikely that the Council, like many other public good housing providers, will be able to recover its investment through increased rents. It may be appropriate for the Council to advocate to Central Government for assistance so that public good housing providers can meet the improved standards.

Attachments

There are no attachments to this report.

Confirmation of Statutory Compliance

Compliance with Statutory Decision-making Requirements (ss 76 - 81 Local Government Act 2002).

(a) This report contains:

- (i) sufficient information about all reasonably practicable options identified and assessed in terms of their advantages and disadvantages; and
- (ii) adequate consideration of the views and preferences of affected and interested persons bearing in mind any proposed or previous community engagement.

(b) The information reflects the level of significance of the matters covered by the report, as determined in accordance with the Council's significance and engagement policy.

Signatories

Authors	Claire Milne - Programme Liaison Advisor Carmen Lynskey - Manager Social Housing
Approved By	Bruce Rendall - Head of Facilities, Property & Planning Anne Columbus - General Manager Corporate Services

7. Social Housing Update on the 2018-2019 Earthquake Repairs Programme

Reference: 19/223983

Presenter(s): Carmen Lynskey Manager Social Housing

1. Purpose of Report

- 1.1 The purpose of this report is to provide an update to the Housing Subcommittee on the planned 2018-2019 Earthquake Repairs Programme.

2. Executive Summary

- 2.1 In June 2017 staff developed the 2017-2019 EQ programme of works for the Social Housing portfolio based on expected scope and funding and using the asset optimisation strategy as the basis to determine priority.
- 2.2 The programme set a plan of works for the 2017/18 and 2018/19 financial years through the LTP 2018-2028 process with a pre-determined tranche of works that included repairs, demolitions and a new build.
- 2.3 Tenders for the 2018/19 programme were released in January 2019 with the tender review undertaken in February 2019.
- 2.4 A report was submitted to the Finance and Performance Committee of the Whole for approval for award of the contracts for the FY18/19 repairs programme on 7 March 2019.
- 2.5 The 2019 EQ repairs programme of works consists of three tranches comprising eight complexes from the FY18/19 programme, and the completion of works at two complexes from the FY 17/18 programme.

3. Staff Recommendations

That the Housing Subcommittee:

- a. Receive the information provided.

4. Key Points

- 4.1 The priority of earthquake repairs to the social housing units is determined using the Asset Optimisation Strategy that was approved by Council in 2016. Options have ranged from undertaking no remedial action, to completing full repairs, demolition of total constructive losses and rebuilding additional units.
- 4.2 In June 2017 staff developed the 2017-2019 EQ programme of works and this programme was subsequently adopted through the 2018-2028 LTP process.
- 4.3 From time to time the identification of urgent major works has determined early repair of individual units which are then repaired under the Social Housing Team planned works programme ahead of the complex EQ works.
- 4.4 To date under the EQ Repair and Renewal programme some 1007 social housing units have been repaired and/or returned to service. A total of 363 units have been demolished (inclusive of 113 units within the Residential Red Zone).
- 4.5 61 new units have been built across seven complexes with a further five currently under construction at Bruce Terrace in Akaroa.

- 4.6 The FY18/19 Earthquake Repairs programme, subject to approval by the Finance and Performance Committee of the Whole, is scheduled for site mobilisation on 1 April 2019 - with an expected completion date of 30 November 2019.
- 4.7 The 2018/19 programme represents the completion of Council's Earthquake Repair programme. There are still some minor repairs required on units across several complexes, however, these will be undertaken as part of business as usual activities such as renewal programs or vacant unit maintenance.

FY2018/19 Programme

- 4.8 EQ repairs will be undertaken in a total of 131 units across eight complexes including: Allison Courts, Bryndwr Courts, and Cleland Street (7 units), Mackenzie Courts, Nayland Street, Reg Adams Courts, Walsall Street and Waltham Courts.
- 4.9 In addition to EQ repairs, Council has included some renewal works (roof replacements) in the scope of this contract. These works were planned for the next five years, and bringing them forward has been done to minimise disruption to tenants.

FY217/18 Programme

- 4.10 Works will continue on the releveling and return to service of eight closed units at HP Smith and the repair of the remaining 12 units.
- 4.11 The new build of five units at Bruce Terrace is on schedule for completion by June 2019. The demolition of the existing three units will be undertaken once code of compliance has been received and the tenants have been transferred across to these new units.
- 4.12 The defects inspections and remediation's programme will continue as scheduled for works completed in 2017/18.

Tenant Consultation and Engagement

- 4.13 Staff will continue to communicate closely with OCHT to ensure that tenants are well informed of upcoming and in-progress works.
- 4.14 Tenants will be supported while transferring to temporary accommodation within the housing portfolio during the works. This is achieved by undertaking a phased approach to works within each complex with temporary accommodation needs managed in discussion with OCHT and using vacant units from the portfolio where possible.

Attachments

There are no attachments to this report.

Confirmation of Statutory Compliance

Compliance with Statutory Decision-making Requirements (ss 76 - 81 Local Government Act 2002).

(a) This report contains:

- (i) sufficient information about all reasonably practicable options identified and assessed in terms of their advantages and disadvantages; and
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