

# FEATHERSTON COMMUNITY BOARD

29 AUGUST 2017

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## NOTICE OF MOTION – PENSIONER HOUSING

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### **Motion**

I, Claire Bleakley, move that the Featherston Community Board:

1. *Receive the information.*
2. *Recommendation. Inform the pensioners of the rising rental cost anticipated per year.*
3. *Recommendation. Keep pensioner community housing as part of the SWDC service.*
4. *Recommendation: Consider where savings can be made for security of tenure.*
5. *Recommendation: Adopt the UN committee on Economic, Social and Cultural rights document "The right to adequate housing" (1991)*

### **Supporting Material**

Pensioner housing

At the last FCB meeting members of the community pensioner housing were concerned over a letter they had received and wanted to have clarification on the anticipated annual costs for their rental housing.

I would like to support the Council on preserving Community Pensioner housing for the pensioner and needy at such a low rental and believe that we should keep the kaupapa of the flats integrity.

The SWDC Community housing policy says, "units are to be self supporting with no input from ratepayers."

(<http://www.swdc.govt.nz/sites/default/files/PolicyCommunity%20Housing%20Policy%202016%20Review.pdf>)

On p. 88 of the 2017/18 long-term plan are a little misleading and lead people to think that the Featherston housing is costing the ratepayers. There are 6 bedsit units not 4 paying \$73 per week

The amount should be stated as "fees per week per unit".

PENSIONER HOUSING	FEES PER 4 WEEKS \$
<b>Featherston</b>	
Burling (Single) (\$73/week)	\$292.00
Burling (Double) (\$88/week)	\$352.00
Matthews (\$88/week)	\$352.00

In Featherston there are –

FEATHERSTON PENSIONER HOUSING			\$ unit per week	\$ total per week
<b>Burling Flats</b>				
	6	Bedsits (single)	\$73	\$ 438
	2	Bedroom (double)	\$88	\$ 176
<b>Matthews Flats</b>				
	6	Bedroom (double)	\$88	\$ 528
	14	Total per week		\$1142
		Total per year		\$59,384.00

The income for 2017/18 from these all-together will come to \$1142 per week from the flats.

This gives an annual total for income from the flats to September 2018 of \$59,384.

The Income And Expenditure statement for the year ending 30.6.2017 leaves the flats in deficit to the sum of \$41,154.41. The expenditure statement does not explain this loss.

The Income and Expenditure statement figures of \$88,176 need to be explained as to the reason that both Rent and Rates are charged as well as Corporate and Professional services. Are these body corporate services if so who owns their own unit?

Also a breakdown of all the different maintenance services and which units they were spent on, in which town.

Also why the same size unit in Martinbrough is only \$83 per week and Featherston is \$88.

The expenditure costs between 2015/16 and 2016/17 needs to be clarified and the accounting needs to be carefully explained for the Featherston Pensioner residents. Some kind of savings need to be considered for these flats to be

able to be maintained so that the lessees are given security of tenure and there is no cost blowout for either the residents or ratepayers.

The Council does liaise with the community housing for the Wairarapa and I believe we should adopt the UN committee on Economic, Social and Cultural rights document "The right to adequate housing" (1991), if this has not already been done.

Attachments:

Housing Income and expenditure Statements 2015/16 and 2016/2017.

Letter to Featherston residents advising rent rise.

Affordable Housing Continium. (CHAXX)

Copy of the Housing costs for 2017/18 Long Term Annual plan

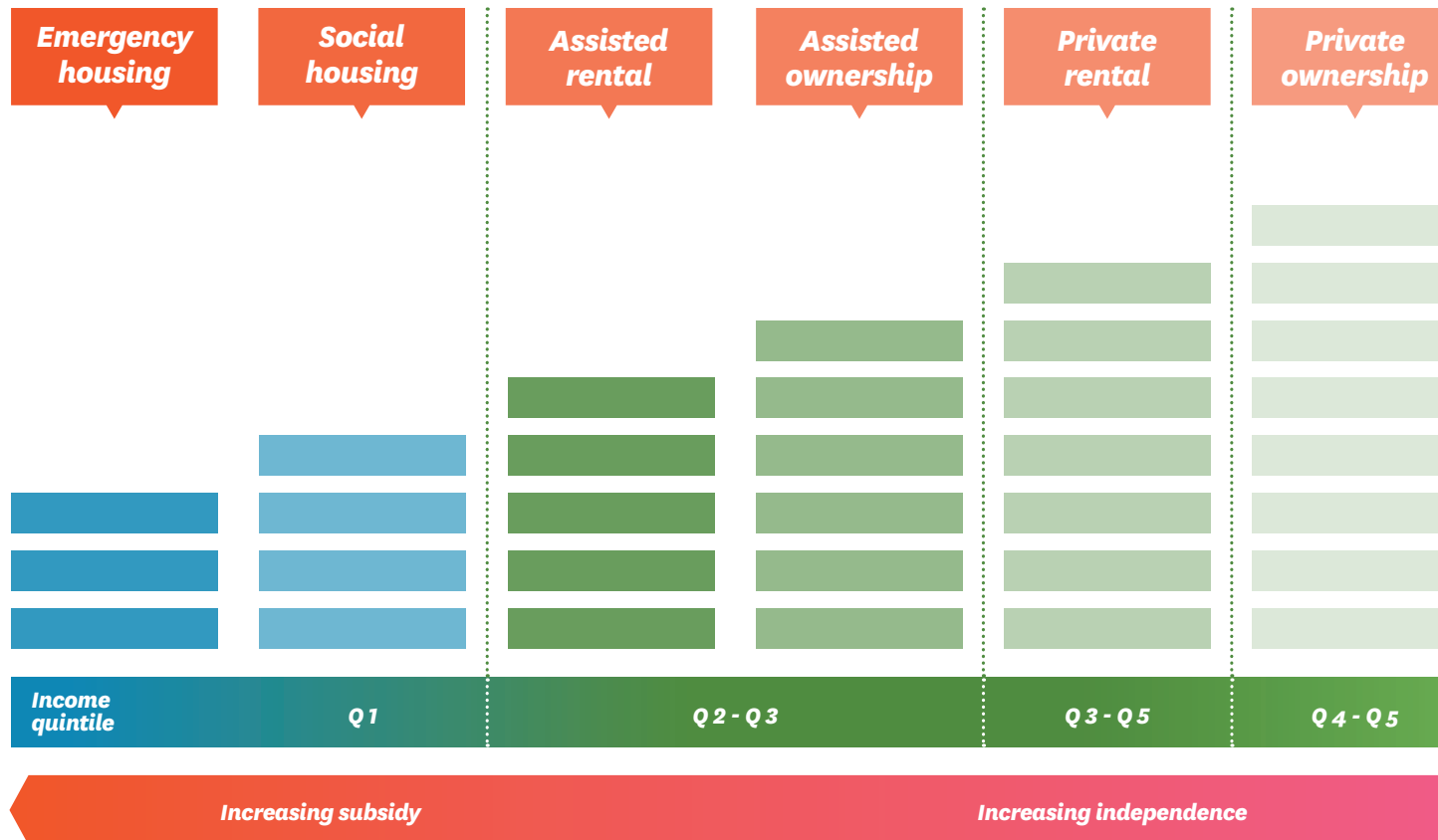
Signed: *Claire Bleakley*

Note: must be submitted to CEO or Committee Secretary ([Suzanne.clark@swdc.govt.nz](mailto:Suzanne.clark@swdc.govt.nz)) 5 working days before the meeting.

# AFFORDABLE HOUSING CONTINUUM

*Well-housed means living in adequate housing, that underpins good health, economic, environmental and social outcomes. Housing is a vital part of our community infrastructure. Public, private and community housing sectors each have an important role to play, working together to address the housing challenges facing New Zealand.*

## HOUSING AFFORDABILITY



**New Zealand Human Rights Commission states that “The human right to adequate housing is a binding legal obligation on the State of New Zealand”. Adequate housing takes account of security of tenure, affordability, habitability, availability and location of services, accessibility and cultural considerations.\***

\*The Right to Adequate Housing (Art. 11 (1) of the Covenant); Adopted at the Sixth Session of the UN Committee on Economic, Social and Cultural Rights, on 13 December 1991.

## Principles

1. **Affordability** means spending no more than 30% of gross household income on rent or mortgage.
2. The continuum fosters **security of tenure and pathways to greater independence** by offering housing choice.
3. Value created is **retained and recycled** for the future benefit of housing affordability in that community.
4. The **local community** and those people to be housed should influence housing responses. Pathway subsidies should have flexibility to meet that community's needs.
5. There are **incentives** and support for households to improve their circumstances.
6. **Commissioning** that optimises outcomes and value creation for households through transparency, collaboration and partnership; is preferred over procurement through competitive transactional tendering processes.
7. **Transparency** means subsidy costs and benefits are understood by all parties.
8. The development, measurement and evaluation of housing services and policies are driven by **robust, independent research and evidence**.
9. The continuum operates best where housing solutions are **matched to housing need in each community**. This includes tailored pathway subsidies for as long as people need it.
10. We measure **effective outcomes** based on the return on investment of total welfare spend on households and communities – now and over time.

## Housing pathway

### Very low income households

(Quintile 1)

Housing and support subsidies help very low income households and disadvantaged groups to access appropriate, secure and affordable housing. For this group 25% of their gross income is spent on housing. On the continuum this includes emergency and social housing.

### Low to moderate income households

(Quintiles 2-3)

Low to moderate income households spending no more than 30% of their gross income on rent or mortgage costs. On the continuum this includes assisted rental and assisted ownership.

### Moderate income and above households

(Quintiles 4-5)

Private housing bought and sold under prevailing market conditions. On the continuum this includes private rental and ownership. Some households in private rentals may receive the Accommodation Supplement.

## Pathway subsidies

### Emergency housing

Temporary accommodation and support subsidies for individuals and families who have an urgent need for accommodation because they have nowhere else to stay or are unable to remain in their usual place of residence. Includes temporary overnight accommodation and short term stays of approximately 12 weeks.

### Social housing

Subsidised rental accommodation combined with support services appropriate to household needs. Rents usually funded by the Income Related Rent Subsidy.

### Assisted rental

Subsidised rental accommodation Rents usually partially funded by the Accommodation Supplement and/or at below market rent levels.

### Assisted ownership

Household income-related pathways to home ownership. Subsidies include rent to buy, affordable equity and shared ownership.

# HOUSING

## INCOME & EXPENDITURE STATEMENT FOR THE YEAR ENDED 30 JUNE 2016

<b>Opening Balance</b>	1/07/2015	-
<b><u>Income</u></b>		
Rental		121,353.94
Interest		(224.25)
Total income for the year		<u>121,129.69</u>
<b><u>Expenses</u></b>		
General Expenses		26.64
Repairs and Maintenance (other)		25,918.35
Ground Maintenance		2,997.38
Repairs and Maintenance Buildings		14,639.91
Rent and Rates Payable		46,188.36
Corporate services and Prof Services		36,425.36
Insurance		9,080.04
Routine Maintenance		<u>2,552.23</u>
		<u>137,828.27</u>
<b>Surplus/(Deficit) for year</b>		<u>(16,698.58)</u>
Capital items		2,442.87
<b>Closing Balance</b>	30/06/2016	<u><u>\$ (19,141.45)</u></u>
	TRANSFER IN	121,129.69
	TRANSFER OUT	140,271.14

*Depreciation not included as we don't fund Depreciation on Pensioner housing*

# HOUSING

## INCOME & EXPENDITURE STATEMENT FOR THE YEAR ENDED 30 JUNE 2017

<b>Opening Balance</b>	1/07/2016	(19,141.45)
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### Income

Rental		122,307.00
Interest		(680.64)
Miscellaneous Income		194.42
Total income for the year		<u>121,626.36</u>

### Expenses

General Expenses		
Repairs and Maintenance (other)		22,116.40
Ground Maintenance		1,639.27
Utilities		426.57
Repairs and Maintenance Buildings		5,513.75
Rent and Rates Payable		49,662.66
Corporate services and Prof Services		38,514.07
Insurance		9,080.02
Routine Maintenance		14.25
		<u>126,966.99</u>

<b>Surplus/(Deficit) for year</b>		(5,340.63)
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Capital items		16,672.33
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<b>Closing Balance</b>	30/06/2017	<u><u>\$ (41,154.41)</u></u>
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TRANSFER IN	121,626.36
TRANSFER OUT	143,639.32

*Depreciation not included as we don't fund Depreciation on Pensioner housing*