



**'Everybody needs somewhere
to put their head at night don't they?'**

Southland Community Housing Strategy Report

May 2017



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Commissioned by the Invercargill City Council

May 2017

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Executive Summary

Introduction

The imperative of adequate housing is recognised through international declarations, treaties and guidelines, through national standards and obligations, and through local visions and goals.

This project originated from community concerns about housing needs in Invercargill and the wider Southland area, which led to an offer by the Invercargill City Council to lead the development of a Southland Community Housing Strategy. The strategy was intended to provide directions and options for those involved in housing for vulnerable Southlanders. It was not intended to be confined to the specific role of Council or of any other single organisation or agency.

The scope of this report and strategy encompasses emergency, transitional, short-term and long-term housing, Council-owned rental housing, State-owned rental housing, private sector rental housing, and housing quality.

The report and strategy have been based on a community-led development approach, proposing a collaborative locally-led strategy to work towards the vision that “all people living in Southland have access to appropriate, adequate and affordable housing that meets their needs”.

Southland Context

Southland has generally stable population numbers, of whom over half live in the Invercargill City Council area. Invercargill’s, Southland’s and Gore’s population numbers have fluctuated over the years, but without massive change. For example, Invercargill’s population has, over a 21 year period, edged up from 54,200 to 54,700. In the same period, Gore’s population change has been 1,050 people (loss), and Southland’s has been just 300 (loss). Projections to 2043 predict ongoing population stability, with slight increases in Invercargill City and Southland District and a small decline in Gore District. While the Southland population is diminishing as a proportion of the national population, its numbers remain generally steady. It is the numbers, not the proportions, which are of most significance with regards to housing.

The majority of Southland households live in homes which they, or a family trust, own. For those in rental housing, rent levels in Southland are generally lower than the New Zealand median rent.

Changes in the Southland context are in the wind, with the Southland Regional Development Strategy goal of an additional 10,000 people by 2025. Refugee resettlement, while not expected to be numerically large, may also carry implications for housing.

Background and Methodology

A community forum about housing, held in Invercargill in July 2016, led to an agreement that a multifaceted collaborative approach to housing was needed. The Invercargill City Council’s offer to



lead the development of a strategy and action plan resulted in the contracting of this report and strategy.

The process of developing the strategy has involved widespread consultation with individuals, agencies and organisations with an interest in housing, guided by a Community Housing Strategy Steering Group. The consultation has included:

- A half day Southland Community Housing Forum in November 2016
- Ongoing engagement with the forum facilitators' group
- Quantitative data sought from Council, Government, and NGO sources.
- Extensive community engagement through
 - Interviews
 - Focus groups
 - Questionnaires

Emergency Housing

The need for emergency housing is largely unpredictable. Emergency housing can be needed by any individual or family, in particular circumstances.

Emergency housing in Southland is currently provided by three organisations. The Invercargill and Gore Women's Refuges provide for women and children whose safety is affected by family violence. Both Women's Refuges at times experience demand in excess of their capacity. This is compounded by difficulties accessing other accommodation after the emergency period, especially for the transitional period after leaving the safe house.

The Salvation Army provides emergency accommodation in Invercargill, primarily at its hostel in Leven St. Demand exceeds availability on a weekly basis. The Salvation Army is also working towards renting two houses in the community to provide emergency housing for families.

The quality and connectedness of these local provisions has been noted, however they are not able to fully meet the demand for emergency housing. Some emergency housing needs are unable to be met because of constraints of criteria, capacity and compatibility. All three local providers have also identified that post-emergency transitional housing is a pressure point.

Solutions identified include additional emergency housing, specific post-emergency transitional housing, and developing a central contact point for emergency housing. While emergency housing is primarily a central government responsibility, it is local NGOs doing the provision. A collaborative community-led approach is recommended to extend Southland's emergency and post-emergency transitional housing options. Councils can take a leadership role in this regard.

Housing for Vulnerable Young People

Young people in the 16 and 17 year age group, neither able to live with a parent or guardian nor supported by them, emerged as a particularly vulnerable group with regards to housing. These young people are recipients of the Youth Payment, and are required to be in full-time education or



training and to work with a Youth Service Provider (Southland Community College). Their housing options are often very limited, e.g. to couch-surfing, thereby compounding the issues and challenges they already face.

The proposed solution is the provision of supervised residential accommodation, with capacity for up to six or eight people receiving Youth Payments, with a live-in supervisor, clear rules and boundaries, and with good support from other agencies. Such a provision has previously been successfully run in Invercargill and this experience can be built on with a more sustainable approach.

These young people can be described as 'at risk', but they also represent positive potential for their community. Stable accommodation underpinning the lives of these young people can enable them to succeed in their education and training programmes and to move more positively into adult life. While the welfare of Youth Payment recipients is primarily a central government responsibility, it is clearly in the best interests of the wider community to ensure positive futures for its young people. A collaborative community-led approach is proposed.

Council-Owned Rental Housing

The Invercargill City Council (ICC), Southland District Council (SDC) and Gore District Council (GDC) each owns a portfolio of rental properties. The ICC has 215 units, the SDC has 69 and the GDC has six. Most are one-bedroom units, with some studio units in Invercargill and one two-bedroom unit in each of the ICC and SDC areas. All of these units are occupied most of the time.

The ICC and SDC prioritise older residents, and the ICC also has priorities relating to age, medical or disability issues and financial constraints. The ICC has a waiting list, as does GDC. Waiting list information was not available for the SDC units. Rents are set to be at an affordable level for the target group.

There was widespread support amongst those consulted for the ongoing provision of these units, which are generally seen to meet a housing need in the local community.

In Invercargill city, two clear considerations emerged which are significant for the adequacy of local Council-owned rental housing provision. The first is that the ICC continue with its current provision of affordable housing for the existing priority groups. If the ICC were to cease to provide this service, this would substantially compound the housing challenges and pressures in the Invercargill community.

The second is a proposed extension of the ICC housing provisions to more fully meet the need for such housing, both for the current priority groups and for a wider sector of the community. Groups within a widened scope could include people in younger age groups e.g. 45 plus, who fall within specified income and asset limits; older people in the next tier of income / asset constraint; and older people needing to downsize their housing.

Ongoing rejuvenation of current housing stock is needed, as is ongoing attention to disability-accessibility and user-friendliness of the units.

A collaborative approach is recommended, particularly to the increased provision of housing. This could include exploring the options regarding establishing a new Community Housing Provider,



partnering with Southland NGOs, collaborating with South Alive, and partnering with SIT's construction division.

It is also recommended that further consideration be given to the current premise that Council's housing provision is / should be cost-neutral, to reflect the priority accorded in this community for ensuring housing for our most vulnerable residents.

State-Owned Rental Housing

The State-owned rental housing stock in Southland, managed by Housing NZ, has been the subject of much community, political and media focus over the past two years since the Government announced its intentions to sell the portfolio of 370 houses in Invercargill. Since then, this decision appears to have been rescinded, however it has not proven easy to obtain details from Housing NZ, including details of numbers and general locations of houses, occupancy rates and other information. It seems clear that there are currently some vacant housing NZ properties, and also some unmet demand from people assessed as eligible for 'social housing'.

The Government's ongoing Social Housing Reform Programme is bringing significant change to this sector, and to the roles and responsibilities of the government agencies involved. While the responsibility for state-owned rental housing lies clearly with central government, there is strong community interest in ensuring provision to meet local needs.

This strategy recommends ongoing community advocacy for the retention and optimal utilisation of Housing NZ properties in Southland to meet local housing needs and perseverance in seeking accurate data from Housing NZ. It is also recommended that Housing NZ be invited to be involved in community collaborations to meet other housing needs, e.g. properties for transitional housing or for supported youth housing.

Rental Housing – Private Sector

Private sector rental housing is a significant part of Southland's housing sector, and has a strong influence on the availability, affordability and quality of housing options for many members of our communities. Statistics show that an increasing number of Southland households live in houses that they do not own.

We were told by multiple informants that the demand for rental housing in Invercargill, and many other parts of Southland, is currently very high. Amongst other factors, the increasing numbers of international students studying at SIT have an inevitable impact on the rental housing market in Invercargill. SIT's direct provisions of apartments for international students are also increasing, but do not match the demand.

Tenants reported feeling vulnerable to increasing rents and to the diminishing availability of rentals. Even though Invercargill and other Southland rent levels are not as high as in some other parts of New Zealand, affordability remains a critical issue for tenants, especially for the most financially constrained.

Private rental housing is primarily a private sector opportunity and responsibility, however, the local community also has an interest in, and responsibility for, housing availability for its members. This is particularly compounded by initiatives to increase the local population, either generally, such as



SoRDS, or specifically, such as SIT international students in Invercargill or a new dairy factory near Gore. Councils and key community partners have a role to play. Councils can take a leadership role in promoting the provision of appropriate and affordable housing options, including in the private rental sector.

This strategy recommends the promotion of a 'mixed housing model' for property development, the encouragement of local investment in rental properties, the intensification of housing stock in selected locations e.g. replacing one dilapidated house on a large section with two or more new or relocated houses, and the promotion of and participation in local partnerships focusing on improving the provision of appropriate and affordable rental housing options. It is also proposed that a tenants' education programme be developed by an appropriate group or agency, focusing on healthy and positive tenancy.

Quality of Housing

Throughout this project, the quality of housing in Southland arose as an area of widespread concern, regarding Invercargill City (including Bluff) and also a number of towns around rural Southland. This is particularly an issue because of the combination of:

- The well-known links between housing quality and health
- The age of our housing stock, including that most houses were built prior to minimum insulation requirements
- The southern climate

The Ministry of Building, Innovation and Employment (MBIE) is introducing further measures designed to "make homes warmer, drier and safer for hundreds of thousands of New Zealanders", including compulsory insulation standards.

Housing quality issues are most challenging for rental properties, with key issues being weather-tightness, insulation, heating and warmth. Concerns were expressed to us by tenants, landlords, rental property managers, NGOs, local Councils and agencies.

A range of solutions has been proposed in this strategy, to set a direction that leads to warmer, drier, more weathertight and healthier homes. The solutions are primarily proposed for rental properties, as that is the sector with the greater proportion of substandard and basic homes.

The recommended solutions include:

- The introduction of a local Code of Practice / registration for rental property managers, on a voluntary 'best practice' basis.
- Promotion of the awareness and use of MBIE's tools and mechanisms.
- The introduction of a Southland Healthy Homes Standard, primarily for rental properties, incorporating elements to ensure basic healthy safe homes. This would be on an aspirational 'best practice' basis, incentivised, e.g. through rates, with checklists and a Council-mandated system of assessment.
- The continuation of Council's demolition project of derelict houses.

A community collaborative approach is recommended to improving housing quality, involving local groups and organisations, landlords, property managers and developers, local and central government and key community partners.



Proposed Southland Community Housing Strategy

The solutions proposed throughout this project have been woven into a Southland Community Housing Strategy, with a proposed timeframe of 2017 – 2025. Most solutions are founded on a collaborative community-led approach, harnessing the expertise, resources and goodwill of multiple local and national parties. While many of the solutions are not the primary responsibility of local government, Councils can take a leadership role towards realising the vision of the strategy. The development of action and implementation plans would be a constructive next step.

The proposed Southland Community Housing Strategy can be found on pages 67-76 of this report.



Introduction

The vision of the Southland Community Housing Strategy is that everyone who lives in Southland has access to appropriate affordable housing that meets their needs.

The imperative of adequate housing is recognised from international to local levels.

International Perspective

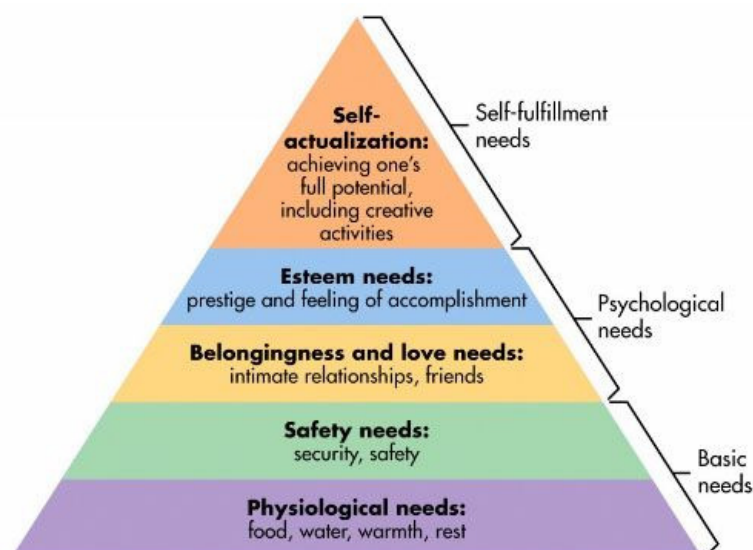
Housing as a Human Right

The United Nations' Universal Declaration of Human Rights, Article 25, recognises adequate housing as a fundamental human right:

'Everyone has the right to a standard of living adequate for the health and well-being of himself and of his family, including food, clothing, housing and medical care and necessary social services, and the right to security in the event of unemployment, sickness, disability, widowhood, old age or other lack of livelihood in circumstances beyond his control.'

Housing on Maslow's Hierarchy of Needs

Similarly housing is recognised as a fundamental need. Abraham Maslow's classic Hierarchy of Needs is a five-tier pyramid model of human needs (1943, 1954), presenting the needs in an order of precedence. According to this model, the most fundamental level of needs, i.e. physiological needs, takes precedence until met sufficiently, then one progresses to address the next level of need.



Shelter is generally considered to be one of the physiological needs, with housing coming within the category of safety needs. Both physiological and safety needs are regarded as the basic levels of need.



It must be fundamental to any community that the basic needs of its members are provided for, and that there is also support and opportunity for the higher level of needs.

World Health Organisation

The World Health Organisation (WHO) identifies the connection between housing and health, and is currently developing international guidelines for 'healthy housing'. The WHO Department of Public Health and Environment claims that better overall health can be promoted through primary preventative measures relating to housing construction, renovation, use and maintenance.

New Zealand Perspective

Human Rights Commission

Further to the inclusion in the 1948 Universal Declaration of Human Rights of adequate housing as a fundamental human right, New Zealand has ratified multiple other international treaties which incorporate the right to housing into the right to an adequate standard of living. "The human right to adequate housing is a binding legal obligation of the State of New Zealand. This means the State of New Zealand has agreed to ensure that the right to adequate housing is progressively realised in New Zealand" (Source: Human Rights Commission). The right to adequate housing has been described by United Nations authorities as meaning "the right to live somewhere in security, peace and dignity".

The United Nations has defined seven standards that must be met in order for housing to be adequate. These are:

- Security of tenure
- Habitability
- Accessibility
- Affordability
- Availability of services, materials, facilities and infrastructure
- Location
- Cultural Adequacy

More detail on these standards is included in Appendix One.

Community Housing Aotearoa

Community Housing Aotearoa (CHA) is the peak body for New Zealand's community housing sector. Its work aligns with the UN's housing adequacy definition. CHA's vision is: 'We want to know that all New Zealanders are well-housed and living in homes that are: habitable, affordable, accessible, secure and culturally appropriate'.

CHA has nearly 100 members, including organisations and individuals involved with affordable and social housing in New Zealand. CHA "works to represent their voice, supporting the growth and development of community housing providers to better help them provide affordable and social housing." CHA has developed a series of measures and indicators which are available on their website: <http://communityhousing.org.nz/new-zealand/our-place/measures>



There are no CHA provider members listed on the CHA website for the Southland region, although some national members are active in Southland, e.g. Habitat for Humanity NZ, Salvation Army.

Local View

A very local view of the importance of housing options for all is encapsulated in this statement from a long-term tenant in a Council flat in Invercargill, *“Everybody needs somewhere to put their head at night, don’t they?”*

Everyone spoken to in the consultation which underpinned the development of this strategy expressed concern for those members of our community who are most vulnerable to their housing needs not being adequately met. There was general agreement with the vision of the strategy, that everyone who lives in Southland has access to appropriate affordable housing that meets their needs.

Community-Led Development Approach

This report is based on a community-led development approach. The essence of Community-Led Development is working together in a place to create and achieve locally-owned visions and goals. (Source: Inspiring Communities, www.inspiringcommunities.org.nz)

Inspiring Communities, New Zealand’s specialist organisation in community-led development, identifies this approach’s core principles as:

1. Shared local visions drive action and change.
2. Using existing strengths and assets.
3. Many people, groups and sectors working together.
4. Building diverse and collaborative local leadership.
5. Working adaptively, learning informs planning and action.

Scope of this Project

This project stemmed from community concerns, particularly as expressed in public forums, about housing needs in Invercargill and the wider Southland area. In response to these concerns, the Invercargill City Council offered to take a leadership role in the development of a Southland Community Housing Strategy. This Strategy was not intended to be limited to Council’s role in housing, but rather to provide directions and options for those involved in housing for vulnerable Southlanders.

The scope of the consultants’ work for this was to: identify the strengths, gaps, challenges and opportunities for emergency and transitional housing, short term and long term housing; research, compile and provide comment on quantitative and qualitative data gathered from Government and non-government sources; facilitate community engagement opportunities including surveys, forums,



interviews and focus groups; build a picture which informs about community, private, state, Council and emergency housing; and provide discussion on the quality of housing.

The scope of the project has been very broad, encompassing emergency, transitional, short-term and long-term housing, Council-owned rental housing, State-owned rental housing, private sector rental housing, and housing quality. It has not been within the scope of the project to undertake detailed in-depth analysis of each housing sector.

The project has been primarily focused on Invercargill, as the major population centre in Southland. However its scope encompasses the Invercargill City Council, Southland District Council, and Gore District Council areas, and the proposed strategy is intended for consideration by stakeholders in the wider Southland region.

The report and strategy have been based on a community-led development approach, proposing a collaborative locally-led strategy to work towards the vision that “all people living in Southland have access to appropriate, adequate and affordable housing that meets their needs”.



The Southland Context

Overview of Southland

Southland is mainland New Zealand's southernmost region and is the second largest region in New Zealand, covering an area of 34,000km². Over half of Southland's land area is public conservation land, including Fiordland and Rakiura National Parks (Source: Environment Southland). Farms occupy 85% of the remaining land. With a population of 93,339 (2013 census), Southland has 2.2% of New Zealand's population. Southland is one of New Zealand's most sparsely populated areas.

Population

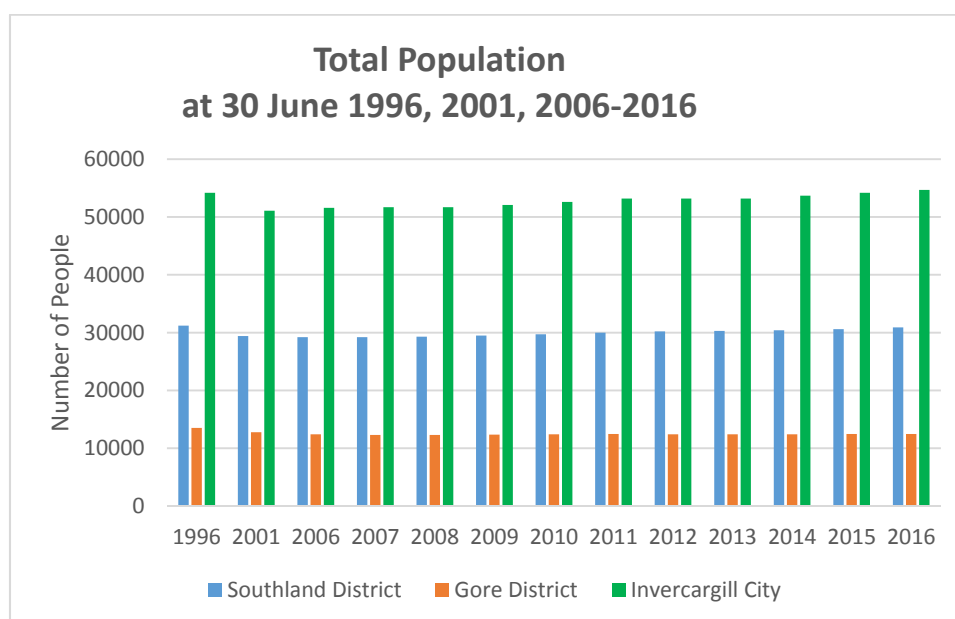
Of the overall Southland population, over half live in the Invercargill City Council area. The 2013 census shows the population figures for the three Council areas in Southland as:

Population of Southland Region and New Zealand					
2013 Census					
	Invercargill City	Southland District	Gore District	Southland Region	New Zealand
Total people	51,696	29,613	12,033	93,339	4,242,051

Source: Statistics New Zealand

This represents an increase of 2,463 people, or 2.7%, since the 2006 Census.

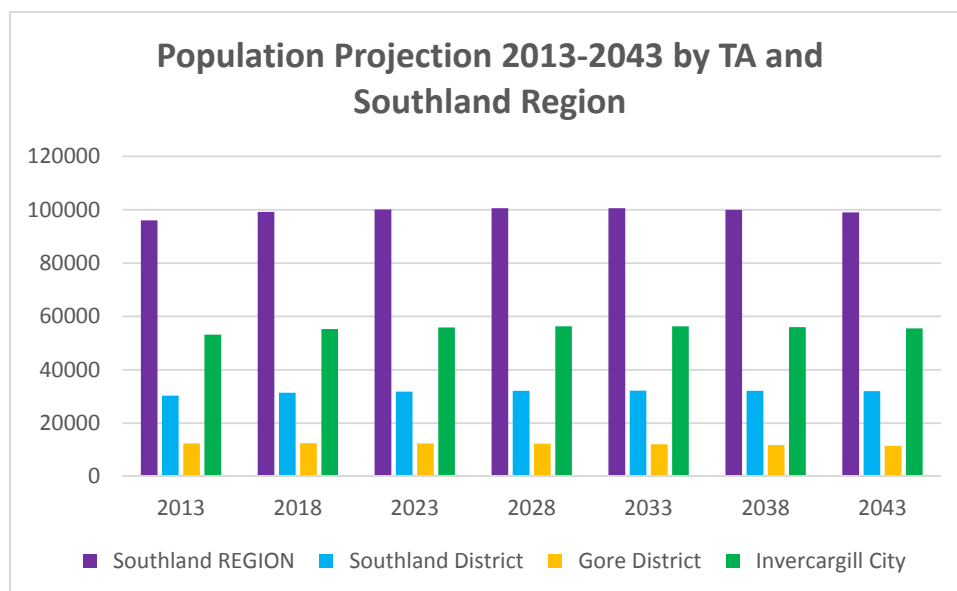
Looking back, the Southland population has not changed significantly over the past 20 years. Since 1996, Invercargill's population has gone from 54,200 to 54,700; Southland District's population from 31,200 to 30,900; and Gore District's from 13,500 to 12,450.



(Source: Statistics NZ website April 2017)



Population projections to 2043 predict ongoing generally stable population levels, with a slight increase in both Invercargill City (55,500) and Southland District (32,000), and a small decline in Gore District (11,450).



(Source: Statistics NZ website April 2017)

Population, Age and Ethnicity

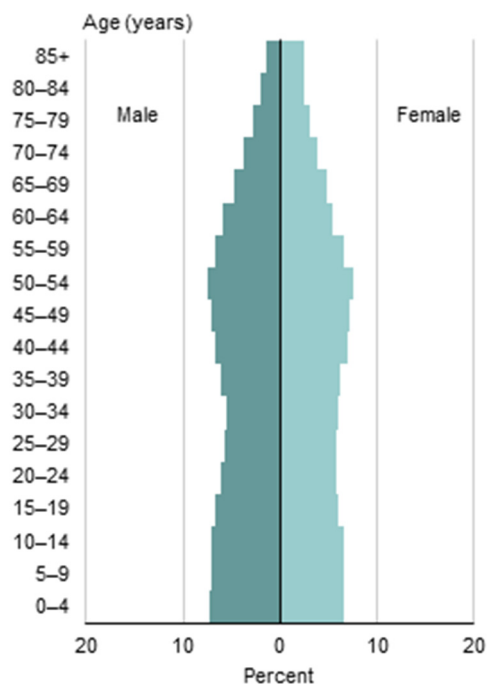
In 2013, 14.5% of Invercargill residents identified as Māori, while 12.4% of Southlanders in total identified as Māori. This compares with a national figure of 14.9% Māori (Statistics NZ).

The Southland population is slightly older than for New Zealand overall, with a median Southland age of 39.6 (Invercargill City 39.2 years; Southland District 39.1; Gore District 43 years). For New Zealand as a whole, the median age is 38.0 years. 15.7 percent of people in Southland Region (Invercargill City 16.1%; Southland District 13.6%; Gore District 19%) are aged 65 years and over, compared with 14.3 percent of the total New Zealand population.

The Māori population of Southland, as for New Zealand overall, is a markedly more youthful population than the general population. The median age of Māori is 23.4 years in Southland Region (Invercargill City 23.8; Southland District 22.4; Gore District 23.0), compared with a median of 23.9 years for all Māori in New Zealand.

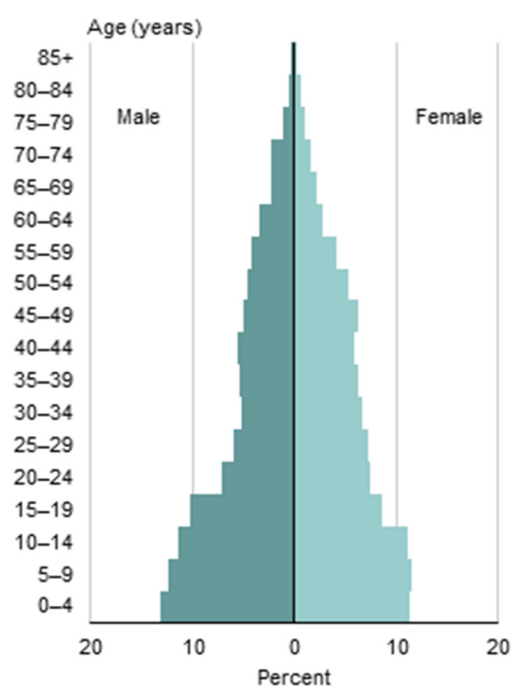


Age and sex of people
Southland Region 2013 Census



Source: Statistics New Zealand

Age and sex of Māori
Southland Region 2013 Census



Source: Statistics New Zealand

Southland is less ethnically diverse than New Zealand overall, with relatively low proportions of people identifying as Pacific peoples, Asian or any other ethnicities.

Ethnic Groups in Southland Region and New Zealand					
2013 Census					
Ethnic group	Invercargill City	Southland District	Gore District	Southland Region	New Zealand
European	88.1	89.8	90.8	89.0	74.0
Māori	15.1	10.0	10.8	13.0	14.9
Pacific peoples	3.2	0.8	0.8	2.1	7.4
Asian	3.0	3.9	1.8	3.2	11.8
Middle Eastern, Latin American, African	0.3	0.6	0.2	0.4	1.2
Other ethnicity not elsewhere classified	2.2	2.5	1.7	2.2	1.6

Source: Statistics New Zealand



Southland Economy

The Southland climate is temperate, with 'plentiful' rainfall. There is a small annual range of temperature, especially in the coastal areas.

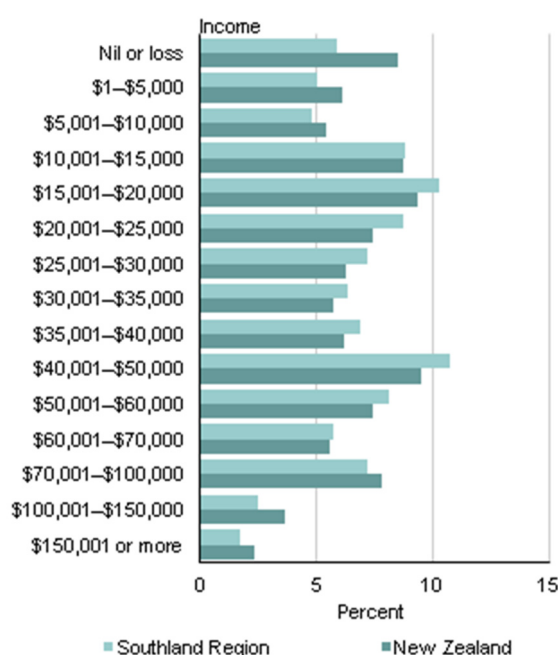
Southland's economy has a large primary sector, focusing on agriculture, forestry and fishing. Agriculture, primarily pastoral farming, makes up roughly 22% of Southland's economy, which compares to 5% for the New Zealand economy. Commercial forestry is well-established. There is also a strong commercial and recreational fishing industry, including aquaculture. Beyond the primary sector, the Southland economy has a strong manufacturing sector, with meat and milk processing and an aluminium smelter at Tiwai Point near Bluff. Meat processing is the biggest employer in the region, with around 3,800 employees, and Fonterra's milk processing plant at Edendale is the largest in the country. The service sector is small, although tourism is growing and now accounts for almost 10% of the regional economy. (Source: Environment Southland)

From 2013 Census figures, the unemployment rate in Southland is 4.7% (Invercargill City 6.2%; Southland District 2.6%; Gore District 3.9%), for people aged 15 years and over, compared with 7.1% for all of New Zealand.

The median income of \$29,500 in the Southland region is higher than for all New Zealand (\$28,500), however the median income of Invercargill City (\$27,400) is lower than the national median, and also lower than in either Southland District (\$33,900) or Gore District (\$28,800).

The figure below shows that Southland people are under-represented at both ends of the income spectrum, in comparison to New Zealand overall, with a lower percentage of Southlanders earning less than \$10,000 or more than \$70,000.

Total personal income for people aged 15 years and over
Southland Region and New Zealand
2013 Census



Source: Statistics New Zealand

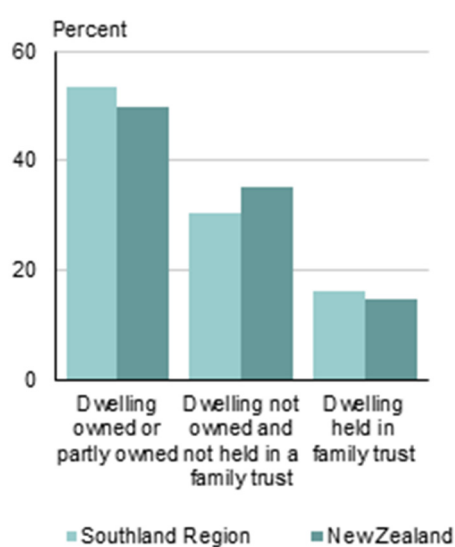


Southland Households and Housing

Approximately two-thirds of Southland households (67.6%) are made up of one-family households (Invercargill City 65.1%; Southland District 72.4%; Gore District 66.9%). This is similar as for New Zealand as a whole (68.3%) (Source: Statistics NZ, 2013 Census).

69.7% of Southland households live in occupied private dwellings which they owned or held in a family trust (Invercargill City 70.4; Southland District 67.1; Gore District 72.5). This is a higher proportion than New Zealand as a whole, with 64.8% of households. For Southland households who rented the dwelling that they lived in, the median weekly rent paid was \$180, (Invercargill City \$200; Southland District \$130; Gore District \$160). This compared with \$280 for New Zealand as a whole. (Source: Statistics NZ, 2013 Census).

Home ownership by household
Southland Region and New Zealand – 2013 Census



Source: Statistics New Zealand

Southland Regional Development Strategy (SoRDS)

SoRDS was commissioned as a project by the Southland Mayoral Forum in 2014. SoRDS has a primarily economic development focus, and has identified Southland's diminishing proportion of the New Zealand total population as being of concern. Its big goal is to attract 10,000 more people to Southland by 2025.

Refugee Resettlement

It has recently been announced (1 May 2017) that Invercargill has been selected for new refugee resettlement. <http://www.stuff.co.nz/national/92104313/invercargill-to-be-new-refugee-settlement> The numbers are not yet known, and Immigration New Zealand has claimed that "suitable housing is available". This represents a new factor in the Southland mix, whose influence and impacts are not yet known.



Background and Methodology

Invercargill Social Housing Forum

A community forum was held at the Pacific Island Advisory and Cultural Trust Hall in Invercargill on 21 July 2016, organised by the Invercargill State Housing Action group. The forum sought to find answers to questions relating to the experiences of social housing tenants in Invercargill and the level of need seen by community providers, identify if there was unmet need and, if so, propose what could be done. The forum was attended by a range of tenants, housing and community agencies, political parties, and others with an interest in housing.

It was agreed that Invercargill's housing needs required a multifaceted collaborative approach. Subsequent discussions led to an offer from the Invercargill City Council to lead the development of a strategy and associated action plan. <http://www.stuff.co.nz/national/82340261/Invercargill-social-housing-forum-its-time-for-change>

The forum also led to the formation of a Community Housing Strategy Steering Group and to the contracting of this report and strategy by the Invercargill City Council.

Community Housing Strategy Steering Group

The Steering Group formed from the July forum comprised nine representatives of eight organisations and agencies concerned with housing or housing related provision. The focus of the Steering Group has been to guide the development of the strategy.

Members of the Steering Group have been: Liz Craig, Rachael Goldsmith and Dave Kennedy, all from the Invercargill State Housing Action group, Rebecca Amundsen from the Invercargill City Council, Sumaria Beaton from Awarua Synergy, Perry Bray and Dave Hope from the Salvation Army and the Breathing Space Trust, Paul Searancke from Habitat for Humanity, Margaret Cook from the South Alive Housing Group, Neil Boniface from the Southland Warm Homes Trust and (formerly) ICC and South Alive Housing Group. Mary Napper from the ICC also attended Steering Group meetings.

Southland Community Housing Forum

A significant consultation step in the development of the Southland Community Housing Strategy was a half day forum held on 16 November 2016. The forum was attended by 67 members of the community, representing 41 community organisations and government agencies, and was designed to gather and collate views regarding current and future community housing provision in Southland. The forum sought to identify the strengths, challenges, gaps and opportunities regarding emergency housing provision, short-term / transitional housing provision, long-term housing private rentals and long-term state / Council housing provision in Southland. It also identified who might most be in need of each of these different provisions.

The information collected from this forum was collated and analysed and has been included in the appropriate report sections.



Facilitators Group

To assist with the success of the community forum we pulled together a team of facilitators for the small group sessions. Aside from all being skilled facilitators, this group of eight professionals brought an interest in the community sector, housing challenges and an understanding of the local Southland issues.

After the forum we continued to engage with the facilitators group as both a sounding board for the development of the report and strategy and a forum for feedback and discussion.

Quantitative Data

To establish the baseline quantitative data, information was sought from Southland, Government and non-government organisation sources. This involved a desktop study to identify, from these organisations, need, usage and current housing provision in Southland.

To gather specific data on current provision, criteria, occupancy rates, rents, duration of stay, waiting lists and wait times, we circulated a questionnaire to the three territorial authorities in the Southland region. To gather data on non-Council provisions a similar questionnaire was circulated to the Womens' Refuges, the Salvation Army, PACT, Housing New Zealand and the Ministry of Social Development.

Wider Consultation

A key part of the information gathering process was the facilitation of community engagement opportunities such as surveys, interviews and focus groups. The purpose of these was to identify key themes, issues, benefits and ideas, from a local and wide ranging perspective.

Face-to-face interviews were held with individuals and representatives from a range of community organisations and Government agencies. These included representatives from local organisations and government agencies working with potentially affected client groups, service (education, training and welfare) providers, accommodation providers, property managers, agencies working with landlords and tenants and organisations developing strategies and plans that may influence the housing needs in Southland (refer Appendix Two).

To gather further information from residential renters in the region, we developed a Survey Monkey questionnaire which was circulated via the Southland Renters and Flatmates Facebook page (refer Appendix Three).

A questionnaire, also using Survey Monkey, focused on giving landlords the opportunity to provide information and feedback, was circulated to local landlords via the Invercargill Landlords Association, the Steering Group and the Facilitators Group (refer Appendix Three).



Three focus groups were held with tenants, including two groups of Invercargill City Council housing tenants, to gather their perspectives on the current state of rental housing in Southland and any issues, benefits and ideas they had regarding housing in the Southland community.

In addition interviews were held with two representatives from the Christchurch City Council about their social housing strategy and the recent local changes in social housing management.

Discussions were also held with two representatives of the Ministry of Building, Innovation and Employment (MBIE) Tenancy Services.

This wider consultation yielded qualitative data that has contributed to an informative picture about community, private, state, Council and emergency housing.



Emergency and Post-Emergency Transitional Housing

Emergency housing is defined by Social Housing Minister Amy Adams as “being for someone having an urgent need for accommodation if, on the date they apply or during some or all of the next seven days, they cannot remain in their usual place of residence (if any), and will not have access to other accommodation that is adequate for the needs of the client and their immediate family.”

The Ministry of Social Development provides help to people in need of emergency housing. The MSD website includes that “...if you need help we may be able to refer you to an MSD emergency housing place for up to 12 weeks while you find longer term accommodation. During that time we can work with you and the emergency housing provider to help you plan your move to longer-term housing.” The MSD website provides links for people who “urgently need a place to stay right now”, and refers out-of-hours inquiries to a directory which lists only two providers of emergency housing for Southland: the Gore Women’s Refuge and Auckland-based SHINE. MSD also provides an Emergency Housing Special Needs Grant which pays for short-term accommodation “where people cannot meet the cost of this from their own resources or from other sources.” (Source: MSD website).

Emergency housing in Southland is primarily provided by the Women’s Refuges in Invercargill and Gore and by the Salvation Army-run Breathing Space Trust. Other accommodation options, including private rentals, motels, boarding houses such as The Haven, caravan parks, and the homes of friends and family, are also sometimes used by people in need of accommodation in emergency circumstances.

Need for Emergency Housing

Emergency housing can be needed by any individual or family, in particular circumstances.

Examples of such circumstances include: family violence, family breakdown, eviction (sometimes related to job loss, e.g. for dairy farm workers), people experiencing sudden health events or sudden loss of income, and following natural disaster (earthquake, flood, and fire).

While emergency housing can be needed by anyone, those with limited finances and/or limited support are the most vulnerable in these circumstances, as constrained resources result in fewer options.

Emergency housing is, by definition, needed when it’s needed, and that can be with little advance warning.

Supply

Invercargill Women’s Refuge

The Invercargill Women’s Refuge provides emergency accommodation for women and children whose safety is affected by family violence. Invercargill Women’s Refuge has one safe house in Invercargill, with six bedrooms. Multiple families can stay in the safe house simultaneously, to a maximum of six.



The safe house is a well-maintained brick and roughcast house, with heat pumps for heating.

The length of stay can vary from one night to up to three months. Invercargill Women's Refuge say they "wouldn't kick anyone out without somewhere to go".

People staying in the safe house are required to make a financial contribution. For a single woman, the cost is \$10 per night or \$70 per week. For a woman with one child, the cost is \$15 per night or \$85 per week. For women with two or more children, the nightly and weekly costs are \$15 and \$95 respectively.

In addition to the safe house, Invercargill Women's Refuge has some government funding which can be used to access emergency accommodation for women who meet Refuge criteria.

Gore Women's Refuge

The Gore Women's Refuge provides safe house emergency accommodation for women and children who are victims of family violence. Gore Women's Refuge has one safe house in Gore, with a maximum capacity of 10 people.

The safe house is approximately 60 years old, and is heated by heat pumps.

There is no maximum length of stay. People staying in the safe house are generally required to make a financial contribution after the first week, with a maximum contribution of \$150 per week for a woman with three children.

Salvation Army

The Salvation Army provides emergency accommodation in Invercargill, and receives government funding for 13 emergency 'beds'. The Salvation Army's main provision takes the form of eight hostel rooms. The target groups for this accommodation are single men or women, or families. The Salvation Army's eligibility criteria require that the client "must be engaged with Salvation Army social services and be proactive in helping themselves". There are also requirements associated with running an unsupervised hostel with regards to compatibility of clients and the care and protection of any young people and other residents staying there.

The maximum length of stay is 84 nights (12 weeks). This is also the typical length of stay. People staying in the hostel accommodation are required to pay \$80 per week.

The hostel accommodation is an old building which was built approximately 100 years ago as a nurses' home. There is ceiling insulation and boiler heating, however the rooms need refurbishing.

In addition to the hostel accommodation, the Salvation Army is working towards renting two houses in the community to provide emergency housing for families. Their intention is to secure one two-bedroom house, and one three-bedroom house. This would alleviate a gap in current emergency housing provision, although the Salvation Army considers that ideally a third house could be secured to meet the local needs.

Southland Community Housing Forum

Strengths of the local emergency housing provision, as identified at the Southland Community Housing Forum, include the quality and connectedness of the local emergency housing services



supported by a caring and proactive community. The provision of some private sector options, with financial support from Work and Income, was also noted.

Demand

Invercargill Women's Refuge

Demand for emergency housing occasionally exceeds the available capacity at the Invercargill safe house. In such instances, Invercargill Women's Refuge will refer to other accommodation options if necessary. Sometimes the women or families concerned want to transfer to other towns, in which case Invercargill Women's Refuge can liaise with other Refuges.

In some circumstances, Invercargill Women's Refuge is contacted by people in need of emergency accommodation who do not meet the criteria for Refuge accommodation, e.g. the need is not related to family violence. In these cases, Invercargill Women's Refuge will refer to other options, such as The Haven. The most significant demand that Invercargill Women's Refuge cannot meet is accommodation for homeless women who do not fit within Refuge criteria.

The other major issue is housing for women and their families after the initial emergency period. The length of stay at the safe house has increased because other housing has become harder to access.

Gore Women's Refuge

Demand for emergency housing exceeds the available capacity at the safe house infrequently, approximately once per year. In these circumstances the client is put into a motel.

Gore Women's Refuge does not generally refer people to other accommodation providers.

Salvation Army

Demand for the Salvation Army accommodation exceeds capacity on a weekly basis. The Salvation Army refers people on to private sector providers and to Housing NZ, when their hostel rooms are full or when they cannot place them because of personal issues.

The demand from families for emergency housing will be better able to be met when the Salvation Army has secured the two houses (as discussed above).

The Salvation Army recognises that there is a homelessness issue in Invercargill. There is a small number of people who are 'living rough'. They noted that most homelessness is less visible, as these people are couch-surfing in other people's homes.

Southland Community Housing Forum

Participants at the Community Housing Forum also noted that the emergency housing supply did not always meet the demand levels.

The specific criteria and target groups of emergency housing providers were also noted, with concerns about the implications for people in need of emergency housing who did not meet these



criteria. Demand is more diverse than supply, geographically and by sector / nature of need. Examples of the need for emergency accommodation that might not align with existing targeted provision included emergency accommodation for young people who cannot live at home, for families, for people with mental health issues, for people with disabilities, for evicted or displaced workers whose accommodation goes with the job (e.g. dairy farm workers and their families). Emergency housing can also be hard to find for male victims or perpetrators of family violence, with the impact of Police Safety Orders meaning a need for accommodation at short notice, and for people needing emergency accommodation as a result of family conflict or relationship breakdown.

Trends

At a national level, demand for emergency housing appears to be very high. A media report <http://www.newshub.co.nz/home/politics/2017/02/government-blows-the-budget-on-emergency-housing.html> from February 2017 claims that the recently introduced Emergency Housing Grant exceeded budgetary expectations in the December 2016 quarter, with the 8,860 grants in that three month period being more than six times the Government's expectations of 1,400 per year. A 2016 HousingWORKS (Australasian Housing Institute) report cited by Community Housing Aotearoa states that all over New Zealand, but particularly in Auckland, "There's more demand for emergency housing than ever before and providers are distressed".

In Southland there is an ongoing high demand for Refuge services, as can be expected in the context of New Zealand's high rates of Family Violence (details available at <https://nzfvc.org.nz/family-violence-statistics#statistics-at-a-glance>). Both the Invercargill and Gore Women's Refuges at times experience demand that exceeds capacity.

There is also an ongoing high demand for other emergency housing, as evidenced by the pressures on the Salvation Army's emergency accommodation capacity.

Challenges

The emergency housing challenges discussed by Southland Community Housing Forum participants were generally more about what is not available, rather than with what is currently being provided. The challenges identified related to the limited availability and scope of emergency housing provisions. Compatibility of different sector groups was also noted as presenting challenges, as some client groups are necessarily mutually exclusive in order to ensure safety (e.g. victims and perpetrators of family or sexual violence). Forum participants also noted that accessibility of information about emergency housing provisions and availability could be improved.

In both Gore and Invercargill, according to feedback received from emergency accommodation providers and from forum participants, the next step of finding housing to move on to following emergency housing is often also challenging.

Both the Invercargill and Gore Women's Refuges identified finding transitional or longer-term housing for women and children after the initial emergency period as being problematic. It was noted that women who have come from situations of family violence often face issues of poor credit ratings and poor reputations with landlords, often due to the actions of the violent partner. This compounds the difficulties in finding rental accommodation after the emergency period. The



Salvation Army's experience has been similar, with them identifying a need for more short term emergency accommodation for transitional clients.

All three Southland providers of emergency accommodation noted affordability as a further factor, with the cost of rental accommodation increasing. It was remarked that there has not been a corresponding increase in the maximum accommodation supplement. They also noted a general lack of more affordable warm private rental accommodation.

With rental accommodation being less available and less affordable, transitional or permanent post-emergency housing becomes harder to find, thereby delaying the exit from the emergency accommodation. This has also been noted at a national level, with "Emergency housing providers around the country (are) saying there are major delays in clients exiting emergency housing and finding access to permanent housing." (Source: HousingWORKS – June 2016).

Solutions

There is a need for some additional emergency housing in Invercargill, available for use by existing providers. Emergency housing suitable for families would fill a need, as would some additional facilities, e.g. one or two bedroom units.

The provision of some specific transitional housing would also be very helpful. A transitional house each, rented or owned by the Invercargill and Gore Women's Refuges, could be available for use by the women who are ready to move on from the safe houses but still who have nowhere longer-term to move to. Women in these transitional houses could still be receiving Refuge (and other) support. It was noted by one Refuge that this could help "prevent the situation of moving straight from the safe house into an unsupported environment where they might find it difficult to manage and consequently fail to thrive".

Separate transitional accommodation for the use of other emergency housing providers could also be helpful, although it is noted that the refurbishment and utilisation of more rooms at the Salvation Army-run hostel could go some way towards meeting the needs.

There is a specific need around housing for vulnerable young people, and this is addressed in a separate section of this report.

Responsibility for Solutions

Emergency housing is first and foremost a central government responsibility, with the Ministry of Social Development being in the lead role. The government-owned property portfolio managed by Housing NZ is also part of the picture. The government responsibility for non-emergency social housing is also linked with emergency housing, particularly for the post-emergency stage.

NGOs such as Women's Refuge and the Salvation Army are vital to emergency housing provision locally.

The local community also has a strong interest in emergency and transitional housing, as it is members of our own community who are the people in need of such accommodation in particular circumstances. Key partners in the Southland community may take a role in extending the



emergency and post-emergency transitional housing options. Councils can take a leadership role in this regard.

Recommendations for Strategy

1. Recognise and endorse the importance of the current provisions of Invercargill and Gore Women's Refuges and the Salvation Army / Breathing Space Trust.
2. Additional emergency housing:
 - a. Two or three houses in Invercargill for the purpose of providing emergency housing for families.
 - b. Additional one or two bedroom units for emergency housing.
3. Transitional housing for post-emergency stage:
 - a. A transitional house in Invercargill, and Gore if required, for the specific use of Women's Refuge clients.
 - b. Transitional housing for the use of others in the post-emergency stage. This could include extension of the use of the Salvation Army Leven St property, and/or a physically separate property.
4. Convene a community partnership group to work on 2 and 3 above, including:
 - a. Emergency housing providers, i.e. Women's Refuge, Salvation Army
 - b. Southland Breathing Space Trust, Habitat for Humanity
 - c. Council
 - d. Construction partners, e.g. SIT, construction businesses
 - e. An opportunity for private landlords and other accommodation providers to be involved
 - f. With potential funding support from local funders (ILT, ILT Foundation, CTOS) and local service clubs and businesses.
 - g. With liaison and advocacy with MSD and Housing NZ to ensure their resources are harnessed.
5. Vulnerable Young People (see separate section)
6. Develop a central Information point /contact for Emergency Housing, e.g. a shared database enabling quick access to information about local provisions and current availability.



Housing Options for Vulnerable Young People

'The minute they get somewhere stable, they do really well'.

Work and Income pays a Youth Payment (YP) to young people aged 16 or 17 who can't live with their parents or guardian and aren't supported by them or anyone else. Eligibility criteria indicate the type of circumstances that the YP is intended for, e.g. a young person who has come out of the care of Ministry for Vulnerable Children, Oranga Tamariki (formerly Child Youth and Family) or can't be supported by their parents or guardian e.g. because they are deceased, in prison, or in hospital, or because there is a good reason why they can no longer live with their parents or guardian, or be supported by them or anyone else. YP recipients are required to be in full-time education, training or work-based learning, and to work with a Youth Service Provider.

Work and Income also pays a Young Parent Payment (YPP) to eligible young parents aged 16-19 years.

The Southland Community College is Southland's only Youth Service Provider. As such, they work with young people receiving either the Youth Payment or the Young Parent Payment. The Southland Community College advised that as at February 2017 there were approximately 100-120 YP and YPP clients in the area encompassing Southland, Queenstown-Lakes and Central Otago. Most of these young people are in Invercargill.

Challenges

The Southland Community College and other feedback identified the 16 and 17 year age group as a particularly high pressure point with regards to housing. Many accommodation providers will not accept these young people, they are too young to be legally able to sign a tenancy agreement and they find themselves with limited housing options. The Youth Services team advised that their YP clients mainly live with friends, siblings, sometimes grandparents. Some end up 'couch-surfing' which can compound the issues and challenges they already face.

The YPP clients, by comparison, are reported to be mainly aged 18 and over, and mainly living in stable accommodation. While their needs can be significant in any emergency situation, generally they are in more stable circumstances than the YP clients.

It is YP clients who are the particular focus for housing with regards to this strategy.

Solutions

The Youth Services team at the Southland Community College proposed that these challenges could be met by the provision of supervised residential accommodation for young people receiving Youth Payments, with capacity for up to six or eight young people, with a live-in supervisor and clear rules and boundaries, and with good support from other agencies.



Such accommodation has previously been provided in Invercargill, by the Nga Kete Maturanga Pounamu Trust (NKMPT). This provision ran for four years, and was primarily for 16-17 year olds coming out of Child Youth and Family care. NKMPT management identified that main challenges to the sustainability of this model were funding constraints and organisational burn-out with just the one agency managing all aspects of the accommodation, supervision, case work and other inputs.

Both Youth Services and NKMPT agreed that the renewal and refinement of this model of accommodation for a targeted group of vulnerable young people would help fill a significant local need. This group of young people can be described as 'at risk', but they also represent positive potential for their community. Stable accommodation underpinning the lives of these young people can enable them to succeed in their education and training programmes, and to move more positively into adult life.

Elements of the model recommended by both Youth Services and Nga Kete include:

- The young people involved must be in training or employment
- Accommodation in a rented house for a maximum of 6-8 young people, with a bedroom each
- An onsite supervisor (particularly overnight)
- Clear rules and boundaries, including a curfew (e.g. 10pm)
- Guidance about meal planning and preparation, life skills etc
- Affordable board/rent payments (paid direct by Youth Services)
- A collaborative approach involving at least two separate agencies, one providing the accommodation and a different agency/agencies providing the case work, working together for the best outcomes for the young people concerned.

Many of the costs involved could be met from existing government funding streams, however it is expected that some additional funding would also probably be required.

It has been remarked that these young people are the products of their earlier environments, and that they can succeed well if they have support and a stable base.

Responsibility for Solutions

The welfare of young YP and YPP clients is primarily a central government responsibility, with Work and Income / Ministry of Social Development being in the lead role. Youth Services and NGOs funded to provide services to 'at risk' youth are key to any successful initiatives locally.

The local community also has a strong interest in ensuring sound foundations and positive futures for its young people, as they are central to the future of our communities. The 2016 Southland Regional Development Strategy aims to attract more people to Southland, partly to form the workforce of the future. The young people already in our community clearly are also significant contributors towards this. Councils can take an advocacy and leadership role in this regard.



Recommendations for Strategy

1. Supervised housing for young people aged 16-19 years:
 - a. With priority given to young people aged 16-17 years
 - b. In a rented house/s, each accommodating up to 6-8 young people
 - c. With live-in supervision and clear boundaries
 - d. With case-work and other support woven in.
2. Convene a community partnership group to work on 1 above, including:
 - a. Southland Community College / Youth Services
 - b. Nga Kete Matauranga Pounamu and other interested local providers of services to youth
 - c. With liaison and advocacy with MSD and Housing NZ to ensure their resources are harnessed.
 - d. With potential funding support from local funders (ILT, ILT Foundation, CTOS)
 - e. An opportunity for private landlords and local businesses to be involved
 - f. Development of a collaborative model to include:
 - i. Appropriate housing
 - ii. Affordable rent
 - iii. Supervision
 - iv. Case workers
 - v. Community linking / mentoring possibilities
 - vi. Funding for set-up costs and support



Special Housing – Disability

Amongst Southland’s housing provisions are some provided specifically for people with disabilities. While it lies beyond the scope of this report to identify or discuss these services in detail, we have chosen to include some key information about the main three providers.

The main providers of such housing are PACT Group, IHC IDEA Services and the McGlynn homes. Most of the residents of these homes are entitled to government support to meet their living costs (e.g. through Ministry of Health, SDHB, ACC or WINZ).

We note that other providers of residential services, e.g. aged care residential homes, also include some provisions for younger adults with disabilities. Their services are not within the scope of this report.

PACT Group

PACT provides supported accommodation for people living with an intellectual disability or recovering from mental illness. PACT has 10 houses in Invercargill, with a maximum capacity of 36 people. This accommodation is mostly on a long term basis, although the length of stay can be highly variable.

This accommodation is provided on a fully funded basis. PACT refers people on to private landlords when “they are ready to go it alone”. PACT can continue to provide community support to people who are living independently, including PACT holding the tenancy and subletting to clients.

The PACT houses are generally high standard homes under 20 years old, with ceiling and underfloor insulation, and heated by heat pumps.

PACT personnel have identified a gap in the Invercargill housing provisions of single person units.

McGlynn

There are three McGlynn homes in Invercargill, each providing accommodation and support for up to six people under 65 years of age, who have a physical disability. This accommodation is generally on a long-term residential basis.

The McGlynn homes are all well-maintained, self-contained homes. Two are in the Windsor area and one is at Waikiwi. Each resident has their own room, with shared communal living area and kitchen facilities. They function like ‘flatting’, maximising independent living, with support workers on site at all times.



IHC IDEA Services

IDEA Services also has residential group homes in Southland. It has 18 staffed residential homes in Invercargill, 13 of which are owned by IHC Accessible Properties and five of which are rented from private landlords. These provide accommodation for approximately 50 people. IDEA Services also has five residential homes in Gore, four of which are owned by Accessible Properties, plus one residential home in Wallacetown. IHC Accessible Properties also owns a block of three flats in Waikiwi. Idea Services provides support to their clients living in these flats and in other privately rented accommodation.



Council-Owned Rental Housing

The Invercargill City Council (ICC), Southland District Council (SDC) and Gore District Council (GDC) each own a portfolio of rental properties. (Refer Appendix Four)

Invercargill City Council

Supply

The ICC has 215 units, including 54 units in Invercargill north of Tay St, 144 units in Invercargill south of Tay St, and 17 units in Bluff. Of the 215 ICC units, 34 are studio units, 180 are one-bedroom units, and one is a two-bedroom unit.

The units all have ceiling and underfloor insulation. None have double glazing.

The rent range for ICC units is currently \$85 - \$106 per week. No bond is required.

Priority is given to applicants who are 60 years of age and over, and who are within the specified income limit (currently \$24,700 for a single person) and asset limits (the primary and secondary asset limits for a single person are currently \$23,000 and \$50,000). People with an ongoing housing need, with regards to medical conditions or chronic disability, are also given priority consideration. Eligibility is limited to people with New Zealand citizenship or permanent residency.

Demand

With occupancy levels over 99%, the ICC units are full, although there is steady turnover (e.g. 10 exits in the last quarter of 2016).

There is an ongoing waiting list for ICC units, with average wait-times of up to 12 months.

ICC Housing staff receive inquiries from people outside the priority groups, including younger people and people who are long-term beneficiaries, as well as older people who have limited financial resources but do not meet the specified income and asset limits.

Generally, the demand for ICC units is from people with limited financial means. The pressure on the private rental market has reportedly been accompanied by an increase in rents, therefore increasing the affordability pressures on people with limited financial resources.

Southland District Council

Supply

The SDC has 68 one-bedroom units in its district, comprising units are Edendale (10), Wyndham (10), Lumsden (4), Riversdale (2), Ohai (5), Nightcaps (6), Tuatapere (8), Otautau (5), Riverton (12) and Winton (6). The SDC also has one two-bedroom unit in Edendale. This portfolio has remained consistent since at least 2011.

The units all have ceiling and underfloor insulation. None have double glazing.

The rent range for these units is \$77.50 - \$93.50 per week. No bond is required.



Priority is given to applicants who are 60 years of age and over.

Demand

Occupancy levels are at 100% for most of the SDC units, with occasional vacancies.

No information was available about waiting lists or waiting times for SDC units.

Gore District Council

Supply

The GDC has only six units in its district. All six are one bedroom units, and all are in Gore. This portfolio has remained consistent since at least 2011.

Five of the six units are occupied by people aged 65 and over. The other unit is occupied by a family with children.

The units all have ceiling insulation. None have underfloor insulation or double glazing. Their heating source is electric nightstore heaters.

The rent for these units is \$90 per week. A bond is required.

Priority is given to applicants who have a good credit rating and good references.

Demand

With all six units occupied, the occupancy rate is 100%. As at June 2016, there were three people on the waitlist, with an average wait time of at least one year.

The Council Tenants' Perspective

Ten tenants of one of the ICC housing complexes contributed their perspective via two focus groups. Of these ten tenants, three were men and seven were women. All were over the age of 65, with most aged in their seventies and eighties.

These tenants had lived in the ICC complex for between one and 17 years, with an average of almost eight years. The longest wait to get assigned a unit was two years, and the shortest was no wait at all.

When asked where they had previously lived, the tenants had lived in a variety of circumstances, but their options had become limited by the constraints of age, health issues and finances. In the words of one tenant, "we have an empty financial well". Affordability was a key concern for these tenants, both for themselves and for others in the community who they perceived as also having few housing options. It was noted by the tenants that there is little prospect of improvement to the financial situation of older people who have little money. For those who have never had a house to sell, there is no capital to call upon. With cost of living pressures, affordable rent makes an important contribution to the alleviation of financial worries.



These tenants said that they had no other housing options and would be ‘stuck’ if the ICC didn’t provide these units.

When asked what they valued most about living in the ICC units, several clear themes emerged. The first of these was the feeling of safety and security. The tenants greatly valued the security of tenure in the ICC units, especially in their older years. The sense of community was also important to them. While privacy was precious, the company and support of other tenants was appreciated. The relationship with Council was also of value, with Council staff being especially appreciated for being helpful and obliging. The stability of these relationships was also important, with personal relationships able to be developed over a period of years.

Overall, the tenants described themselves as very grateful to be able to live in these units. “We’re lucky here”.

Perspectives from Housing Forum

Participants at the Southland Community Housing Forum agreed that an existing strength in housing provision is the amount of Council housing available, particularly in Invercargill. ICC council housing stock was seen to be well maintained and cost neutral. The continuity and security of both provision and tenure were recognised as strongly positive aspects.

While the Council’s provision of housing for people over 65 and/or with health or disability issues was strongly endorsed by forum participants, the lack of affordable housing for young people and families was noted as one of the housing gaps in the Southland community.

Ideas for the housing strategy included the development of new housing to both replace and extend the housing stock.

Trends

Occupancy levels are high for all Councils’ housing units. In the ICC area, demand exceeds supply, both from the sector of the community which falls within the eligibility criteria, and also from sectors beyond that who are experiencing affordability and availability challenges in the private rental housing market (refer section on private rental market).

The Southland Regional Development Strategy ‘Big Goal’ of increasing Southland’s population by 10,000 additional people by 2025 would clearly result in increased pressure on housing supply. Any reduction in availability or affordability of housing will inevitably increase demand for low-cost housing, including that provided by Councils.

Demographic trends indicate an ageing population in Invercargill and in the Southland and Gore districts.

There is also a significant increase in the number of international students studying at the Southern Institute of Technology in Invercargill, with a consequential increase in demand for rental housing stock. This is discussed further in the private sector rental housing section of this report.



Challenges for Council Rental Housing

In Invercargill, demand exceeds supply. The ICC's housing service has always been cost-neutral to the Council.

The costs of building new units would, on a full cost-recovery model, result in rentals considerably in excess of current ICC rental levels. This might work well for a different segment of the community requiring housing options, but would be unaffordable to the Council's existing top priority groups.

In the past, Central Government provided financial assistance to Councils to provide housing, especially for older citizens. Current Central Government policy does not encourage councils to provide housing to vulnerable members of their communities. Government support for community housing is currently channelled to Community Housing Providers (CHPs). Local authorities and council-controlled organisations are excluded from eligibility to register as CHPs, although a subsidiary of a local authority or council-controlled organisation may apply to register as a CHP if it is 'operating at arm's length'.

<http://chra.mbie.govt.nz/i-want-to-apply-for-registration/eligibility-criteria-and-exclusions/>

There are current examples of Councils moving their housing to CHPs, such as in Christchurch where the Christchurch City Council leases units to the Otautahi Community Housing Trust, which operates as a CHP. The Council still owns its social housing buildings and land but leases these assets to the Otautahi Community Housing Trust to manage separately. The Trust is responsible for tenancy management, rent-setting and the day-to-day maintenance of units, while major repairs, renewals and the development of new social housing remain the Council's domain. The funding model used is reportedly on a profit-share basis, with the rent being paid to the Trust, then a proportion of it being paid to the Council for maintenance costs, while the Trust retains the balance for development.

The Otautahi Community Housing Trust took over the Christchurch City Council tenancy management portfolio in October 2016, so this has been in operation for less than 8 months, although planning for the establishment of an independent CHP was undertaken for two years prior to this. This model, and others established by Councils elsewhere in NZ, may be usefully investigated as part of the exploration of options for Southland. Retention of Council ownership and stability of tenants' tenure and rent levels remain fundamental to ensuring security of provision in the context of ongoing housing need in our communities and a volatile national-level political environment with regards to housing.

The role that Councils can most usefully play in supporting the provision of appropriate and affordable housing for vulnerable members of the Invercargill, Gore and wider Southland communities remains a key challenge for this strategy.

Pressure Points and Vulnerabilities

As identified above, some sectors of the local population are particularly vulnerable with regards to access to appropriate and affordable housing to meet their needs. These are primarily people with limited financial resource, and often with some additional vulnerability as well, such as age, chronic illness, and/or disability.



Those most at risk with regards to housing also include young families on low incomes and families with broken relationships.

The pressures currently on Council housing seem greatest in the Invercargill City Council area.

With the Council focus primarily on the 60 plus age group, the most vulnerable in this age group are also those with limited financial means, especially when compounded by health and/or disability issues.

Solutions

In Invercargill city, there are two clear considerations that are significant for the adequacy of local Council-owned rental housing provision.

Firstly, that the ICC continue with its current provision of affordable housing for its designated priority groups. The service is clearly needed and highly valued by those who live in ICC units. If the ICC were to cease to provide this service, this would substantially compound the housing challenges and pressures in the Invercargill community.

The second consideration is an increase in the Council's housing provision, to:

- Increase the provision of housing units for the current designated priority groups, in order to more fully meet the demand. A big increase is not needed, and analysis of waiting lists and waiting times would help inform the exact number required.
- Increase the provision of housing units for a widened target group, including:
 - people in younger age groups, e.g. 45 plus, who fall within specified asset and income limits
 - older people who don't meet the current financial criteria, but whose assets and income nevertheless pose significant constraints regarding housing options, e.g. with asset limits up to \$100,000. This group could have the potential to pay higher rent, but still below general market rates.
 - Older people who need to downsize their housing, e.g. because they are no longer able to manage the demands of a bigger home and section, but who have low equity levels limiting their options.

An increased provision, as proposed, could be undertaken either by the ICC alone or in collaboration with others. Possible partners could include an existing Community Housing Provider or a new one established for this purpose. Southland-based NGOs are potential partners. SIT's construction division might also take a contributing role in a community collaboration to increase provision. South Alive would clearly be a potential partner in any initiatives towards developing more Council units in South Invercargill.

A third related consideration is the age of current Council housing stock. The Council is well aware of the need for maintenance and rejuvenation of the housing stock, and this must form part of the strategy going forward.

Rejuvenation may also include replacement, e.g. one suggestion was transferring some of the ICC units to SIT for student accommodation, and replacing them with new purpose-built units for the ICC housing tenants. There would be a requirement for additional capital to make this workable.



A final consideration is the accessibility of the Council housing units. Disability-accessibility and user-friendliness must be an important consideration in the maintenance and extension of the Council's housing stock.

The focus for Council housing was primarily on Invercargill City. Any changes to Council housing provision by SDC or GDC should also give consideration to issues of demand from current and prospective target groups, and the suitability of the housing stock.

Responsibility for Solutions

Responsibility for Council housing clearly sits with the Council concerned. However, optimising the provision and utilisation of Council housing could involve collaborative approaches with other community partners.

Recommendations for Strategy

1. Continue with the provision of affordable housing for the current designated priority groups.
2. Increase the provision of housing units for currently designated priority groups, towards meeting the demand as ascertained by analysis of waiting lists and waiting times.
3. Increase the provision of housing units for a widened target group:
 - a. Younger age groups e.g. 45plus, who fall within specified income and asset limits,
 - b. Older people in the next tier of income / asset constraint, e.g. with asset limits up to \$100,000,
 - c. Older people needing to downsize their housing.
4. Explore the options for a collaborative approach to the increased provision proposed in 2 and 3 above, including:
 - a. Establishing a new Community Housing Provider,
 - b. Partnerships with Southland-based NGOs,
 - c. Partnership with SIT's construction division,
 - d. Collaboration with South Alive for any provision in South Invercargill.
5. Continue to work on a rejuvenation plan for current housing stock.
6. Give further consideration to the current premise that Council's housing provision is / should be cost-neutral, to reflect the priority accorded in this community for ensuring housing for our most vulnerable residents.
7. Ensure that disability-accessibility and user-friendliness are important considerations in the maintenance, redevelopment and extension of Council housing stock.



State-Owned Rental Housing

Historically the government has owned and operated a large portfolio of 'state houses' throughout New Zealand. These houses were rented to families and individuals who met the specific criteria for a state house. Housing New Zealand (Housing NZ) is now referring to its portfolio of houses as 'social housing'. The Government has embarked on a Social Housing Reform Programme, which is making significant changes to central government's role in the provision of housing. The changes include a transfer of responsibility for assessing housing need and administering income-related rents to the Ministry of Social Development (MSD), while Housing NZ continues in the role of property manager and landlord for those properties still in state ownership. It is not within the scope of this report to examine these changes in detail.

In this section we will be focusing on the State-owned rental housing managed by Housing NZ.

In recent years the size of this portfolio nationally has diminished, with Government selling off some of the stock. In May 2015 Government announced it would sell the portfolio of 370 state houses in Invercargill <http://www.stuff.co.nz/national/politics/68322396/Invercargill-and-Tauranga-chosen-for-first-state-house-sales>. Local concern in response to this announcement triggered the genesis of this project. In March 2016 PACT was identified as the only shortlisted provider to whom the properties might be sold <http://www.stuff.co.nz/national/politics/78002219/Invercargill-sale-of-state-houses-moves-forward>. By May 2016 PACT had withdrawn from the process, which by this time was for 348 Housing NZ houses <http://www.stuff.co.nz/national/politics/80458757/Sole-buyer-of-Invercargill-state-houses-pulls-out-stalling-Government-plans>. A recent media report quoted Housing NZ's statement that "we have got no intention of getting rid of state housing in Invercargill". The same article claimed that state house numbers in Invercargill had dropped from 424 to 370 between 2012 and 2016. <http://www.stuff.co.nz/southland-times/news/90873332/invercargills-state-house-numbers-wont-be-slashed-hnz>

Supply

Housing NZ 'social housing' is provided for people who are most in need of housing for as long as they need it. To be considered for social housing "you must have a serious housing need and be able to show us that you've done everything you can to find somewhere to live" (Source: Housing NZ website). Housing NZ does not offer emergency housing. For "emergency housing, people need to contact Work and Income or Senior Services" (Source: Housing NZ website).

Housing NZ provides some houses for rent in each of Southland's local authority areas.



Housing NZ Managed Stock in the Southland area – March 2017 (From Statistics NZ April 2017)

Council	Number of bedrooms					Total
	1	2	3	4	5+	
Gore District	2	24	12 (13)	1		39 (40)
Invercargill City	16 (19)	170	146 (151)	21	2	355 (363)
Southland District		3	2			5
Total	18	197	160	26	2	403 (408)

Note: The figure in bracket () indicates statistic for 30 June 2016

(Source: Statistics NZ website April 2017)

The distribution of Housing NZ houses in Invercargill in 2015 was as follows.

Number of Housing NZ Houses in the Invercargill City – 30 April 2015

Territorial Local Authority	Census Area Unit	Properties
Invercargill City	Appleby-Kew	12
	Crinan	19
	Georgetown	22
	Gladstone-Avenal	1
	Grasmere	5
	Hawthorndale	30
	Heidelberg	90
	Kingswell-Clifton	21
	Newfield-Rockdale	44
	Richmond	32
	Strathern	18
	Waikiwi	2
	Waverley-Glengarry	67
Windsor	8	
Invercargill City TOTAL		371

We note the discrepancies in the numbers of houses, and the evident decline in Invercargill, however have been unable to secure precise numbers from Housing NZ.



Demand

To be eligible for Government social housing, it is necessary to be on the 'Social Housing Register', managed by MSD.

The Social Housing Register is comprised of a Housing Register and a Transfer Register. The Housing Register is prioritised by need and consists of social housing applicants who have been assessed against specific stated criteria as being eligible for social housing. The Transfer Register is made up of people already in social housing, but who have requested and are eligible for a transfer to another property. The Social Housing Register differentiates between Priority A and Priority B categories. Priority A is accorded to 'People who are considered 'at risk' and includes households with a severe and persistent housing need that must be addressed immediately'. Priority B is for 'People who have a 'serious housing need' and includes households with a significant and persistent need.' Both priority groups must be 'unable to access and/or sustain suitable, adequate and affordable alternative housing'.

Further information about applying for social housing is available on MSD's website:

<http://www.housing.msdt.govt.nz/housing-options/social-housing/who-can-get-social-housing.html>.

The term 'Social housing' applies to houses that are rented out by Housing New Zealand or rented out by a housing provider that can get an income-related rent subsidy from Government (i.e. the Government pays part of the tenant's rent). A tenant living in social housing may pay an income-related rent. Prospective tenants are advised that "The amount of social housing is limited. If you do qualify, you will need to wait for a suitable house to become available. How long you will wait varies depending on your 'assessed' need and location."

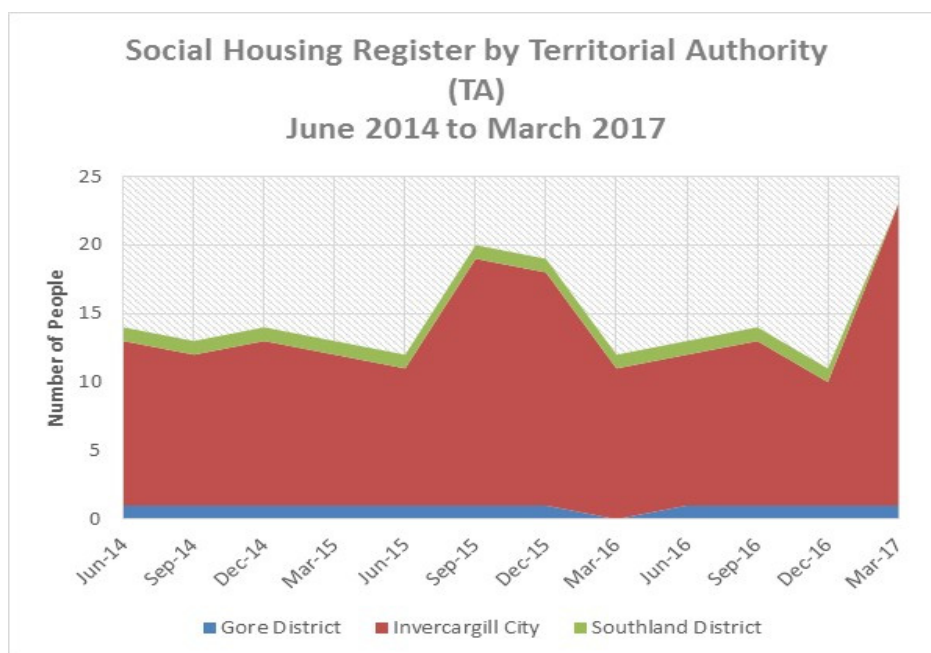
The table below shows the demand for state-owned housing rentals from people assessed as eligible across Southland's 3 territorial authorities from June 2014 to March 2017. This is the number of people on the Housing Register i.e. on the waitlist for housing.

Demand as indicated by Social Housing Register by Council area: June 2014 to March 2017

TA	Jun-14	Sep-14	Dec-14	Mar-15	Jun-15	Sep-15	Dec-15	Mar-16	Jun-16	Sep-16	Dec-16	Mar-17
Gore District	S	S	S	S	S	S	S	0	S	S	S	S
Invercargill City	12	11	12	11	10	18	17	11	11	12	9	22
Southland District	S	S	S	S	S	S	S	S	S	S	S	0
Total	12	11	12	11	10	18	17	11	11	12	9	22

(Source: Statistics NZ website April 2017)

Please note that the 'S' in this and following tables denotes data suppressed because of small numbers and 'to ensure the privacy of our clients'. The suppressed information means that no clear information is available for either the Gore or Southland Districts.



(Source: Housing NZ website April 2017)

The Social Housing Register information can be analysed by Council area and housing priority, although the information is obscured to some extent by the amount of suppressed data, especially for Southland District and Gore District. Analysis by housing priority for the combined Southland area shows the following information, indicating that for the only year for which the data is given, most Southland people on the Register were of Priority A rating, i.e. 'at risk'.

Housing NZ - Social Housing Register Breakdown by Housing Priority, 2014 – 2016

Southland (combined area)	Housing Priority		Total
	A	B	
December 2016	S	S	9
December 2015	14	9	23
December 2014	S	S	14

(Source: Housing NZ website April 2017)

The demand from people on the Social Housing Register is mainly for one and two bedroom homes (in terms of their assessment), as illustrated in the following table:

Housing Register, by number of bedrooms required, 2014 - 2017

Southland (combined area)	Bedrooms required					Total
	1	2	3	4	5+	
March 2017	10	9	S	S	0	22
December 2016	7	S	S	S	0	9
December 2015	14	7	S	S	0	23
December 2014	7	S	S	S	0	14

(Source: Housing NZ website April 2017)



Note: The totals are not exact sums of the columns, so presumably some calculation has been included by Housing NZ to reflect the 'S' data.

We also sought information about currently vacant housing NZ properties. As at 31 March 2017, there were evidently 14 Housing NZ rental properties vacant in Southland, mostly in Invercargill. Four state houses in Gore are recorded as currently pending sale.

Vacant Housing NZ Rental Properties and reason for Being Vacant – 31 March 2017

			Vacant Properties						Total
			Short Term ³		Long Term ³				
Territorial Local Authority ¹	Total Units	Total Vacant	Ready to let	Under Repair	Meth Contamination	Other	Pending Sale	Unknown	
Gore District	39	5 (4)		1 (0)			4		5 (4)
Invercargill City	355 (359)	9 (13)		0 (2)	2	6	(11)	1	9 (13)
Southland District	5	0		0					0
Total				1	2	6	4	1	

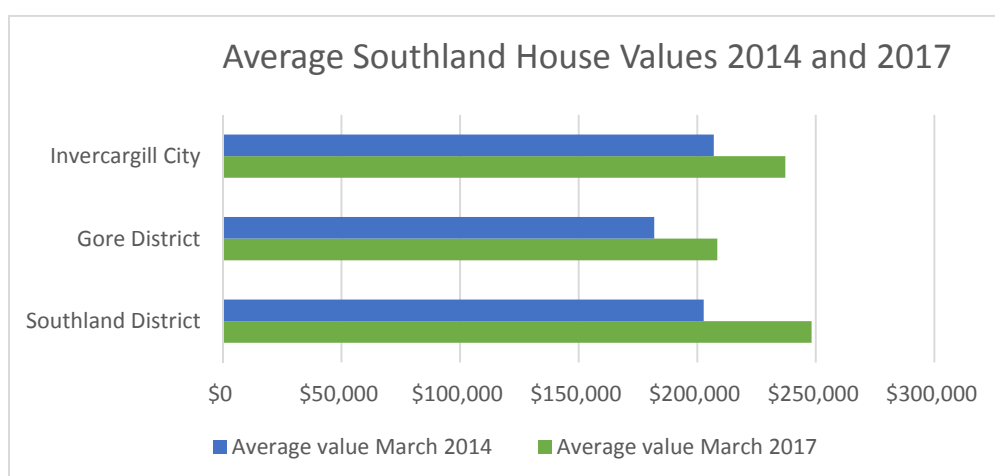
Note: Figures in brackets () indicate the 30 September 2016 statistics.

(Source: Housing NZ website April 2017)

Trends

A clear trend affecting state-owned housing is the ongoing changes to this sector, and the changing roles and responsibilities of the government agencies involved. The ongoing Social Housing Reform Programme indicates significant change is continuing.

Alongside this, house values are increasing, making house ownership further out of reach for people with limited assets and income. While Southland remains more affordable than many other parts of New Zealand, house values are nevertheless increasing, as shown in this graph.



(Figures from www.qv.co.nz)



In the three year period from March 2014 to March 2017, average residential house values increased by 14.6% in both Invercargill City and Gore District, and by 22.4% in the Southland District.

As is discussed in the section of this report about private sector rental housing, rent levels are also increasing.

The combination of increasing house values, rising rent levels, and the winds of change blowing through the state housing sector, has contributed to heightened levels of concern in the community regarding housing, especially for those most vulnerable.

Challenges

Our key challenge with this section of the project has been extracting information from Housing NZ.

We are still waiting for responses to questions lodged variously at the end of March and the beginning of April, which apparently have been redirected and lodged through the Official Information Act (OIA), with a response, to at least some of the questions, due by 5 May 2017.

These questions focused on:

- The number of state houses in Southland (by TA) in the past 3, 5 and 10 years; and/or annually
- The location of each of these state houses (i.e. suburb, township)
- A breakdown of the number of state houses in each Council area by number of rooms
- Whether these state houses meet the current and imminent insulation standards
- Annual statistics indicating occupancy rates

The split in responsibilities between Housing NZ and MSD creates additional challenges towards getting a full picture of supply of and demand for state-owned houses in Southland. The amount of movement in the government position regarding the sale of Invercargill's state houses since the commencement of this project has also provided some challenges to gaining a clear view of the overall situation.

Solutions and Responsibility

The responsibility for state-owned rental housing lies clearly with the state, i.e. with central government. Housing NZ's website states "We focus on the efficient and effective management of state houses and the tenancies of those living in them, in order to meet demand from MSD's social housing register. We own or manage around 64,000 properties nationwide, including about 1,500 houses for community groups providing residential services".

While responsibility for state housing does not lie with any particular local community or council, there is strong community interest in ensuring provision to meet local needs.



Recommendations for Strategy

1. Continue clear community advocacy for the retention and optimal utilisation of Housing NZ properties in Southland to meet local housing needs.
2. Continue to seek accurate data from HNZ regarding supply, demand, waitlists and occupancy rates.
3. Involve HNZ in community collaborations to meet other housing needs e.g. properties for transitional housing, properties for supported youth housing.



Rental Housing – Private Sector

“The best solutions are usually local solutions”

Private sector rental housing is a significant part of the housing picture in Southland. While its private sector nature puts some aspects of its provisions beyond the scope of this report, there are other aspects which are clearly of Council and wider community interest. The private rental market has a strong influence on the availability, affordability and quality of housing options for many members of our communities.

Supply

Rental Real Estate Property Managers

Representatives from five different real estate companies provided information for this strategy. While this does not constitute the total real estate property management in Southland, it represents the majority of it.

The five companies between them manage approximately 1,700 rental properties, in Invercargill and also in Southland’s rural townships. Across these five companies, they estimate approximately half of their combined rental properties are owned by Southland-based landlords.

The property managers’ view is that approximately 85% of rental properties in Southland are managed through property managers, however information held by central government gives a view from a different angle. All tenancy bonds are lodged with the Ministry of Building, Innovation and Employment (MBIE), and MBIE’s information shows that for the 2015-2017 period, only 41% of the 8,657 new property bonds for Invercargill City were lodged under the Property Management Company category. For the Southland District, this was only 27% of the 1,322 bonds lodged. While the number of bonds lodged reflects turnover as well as the number of rental properties, and excludes longer term rentals for which the bonds were paid prior to this period, these figures suggest that a significant number of rental properties are managed directly, without the involvement of property management companies.

The general manager of one real estate company informed us that his company does not currently have as many rental properties as previously. This decline in rental properties was also noted by three other real estate companies. His understanding is that the reduced rental portfolio results partly from people selling their rental properties, particularly to first home buyers. He also advised that quite a few properties, previously rentals, have been demolished or transported elsewhere. In addition to this, he said that some people are moving their investments away from rental properties and into other forms of investment.

Several sources advised us that local rental landlords in Southland are not investing for capital gain, but for rental income and cash flow. One landlord told us that there is “no capital gain here for landlords, except 2016/17 which was the best year ever”. He commented further that “people who live here are landlords not property speculators”.



Habitat for Humanity

Habitat for Humanity is a Christian-based international not-for-profit organisation whose philosophy is that “Everyone in the world deserves a decent place to live”. Habitat’s focus in New Zealand is on alleviating housing poverty. In Invercargill, Habitat has 14 rent-to-buy properties. The selection process includes that applicants need to be on a low income and must be in housing need. Habitat’s client base generally has debt, poor credit references, poor tenancy references, and come from a background of intergenerational renting.

Council and State-owned Rental Housing

These are discussed separately, in their own sections of this report.

Demand

Rental Real Estate Property Managers

Demand for rental housing is high in Invercargill, with agents reporting receiving multiple applications for each rental property. One company described the demand for rental housing as “massive”.

Higher levels of competition for rental properties are resulting in:

- Waitlists for certain types of rental housing, especially affordable housing
- Potential tenants with greater social need / circumstances are not necessarily now able to be accommodated
- Agents can be ‘choosy’ about the tenant they put into a property
- Increased rent levels
- Some tenants take on poorer quality homes initially to get into the rental market, and/or to get tenancy references, and use these as a stepping stone into better quality houses or houses in the location they want.

Demand is also influenced by the numbers of international and domestic students studying at the Southern Institute of Technology (SIT). Some rental managers work particularly closely with SIT to get students into rentals. The increasing numbers of international students at SIT has an inevitable impact on the rental housing market in Invercargill. Many of the international students have access to SIT Apartments for the first few months of their stay in Invercargill, however this provision is for a maximum of up to six months after which the students have to find alternative accommodation, mainly from the private rental market.

Southland Regional Development Strategy

The SoRDS goal of an additional 10,000 people in Southland by 2025 would, if achieved, clearly put an increased demand on the housing market. SoRDs personnel advised that, as SoRDS is an economic development strategy, “no consideration was given to housing or other social issues”.



Trends

Rental Real Estate Property Managers

Rental portfolios are reportedly decreasing, with an increase in sales of rental properties. This is inevitably exacerbating the shortage of properties to rent. Rental property managers say that this is a big change from the situation two years ago, when there was an over-supply of rental properties.

A factor identified in the sale of rental properties is an apparent increased in sales to first home buyers, especially those who cash in their KiwiSaver to purchase their first home. “First home buyers can afford to buy in Southland so are snapping up many of the rental properties as they come on the market.”

Alongside this, rents have reportedly increased over the past 12 months, some by \$10 to \$30 per week. Increased rents reflect increased demand, and also increased costs (insurance, regulations, meth testing, health and safety etcetera). According to one property manager, the average rent for a three-bedroom house in Invercargill is \$270 per week, with variation based on location.

Rental properties are subject to an increase in legislative requirements e.g. Insulation standards and the imminent new meth testing standards. Rental property agents say that these requirements are contributing both to increased rents and to the decisions by some landlords to sell their rental properties.

The property managers also report an increase in the availability of rental houses in the higher \$340K - \$450K price bracket.

The goal of the Southland Regional Development Strategy (SORDS) to attract an additional 10,000 people to Southland would, if achieved, clearly have a huge impact on housing, as current housing provisions do not meet the housing needs of the existing population.

Habitat for Humanity

Habitat for Humanity personnel reported that they have also observed rising rents in Invercargill.

Tenants

Some tenants interviewed for this report observed that rents have increased over the past 5 years, without property improvement. Some also commented on additional costs imposed on tenants, e.g. that some property agents include in the lease requirements that when the tenant moves out of a property they need to pay for commercial carpet cleaning, regardless of the carpet quality or condition, and produce the receipt to get their bond back. The tenants noted such requirements as an additional barrier to affordability.

Tenants' views were also sought via a Survey Monkey questionnaire, for which seven responses were received. Of these, six of the tenants were renting in the Invercargill City Council area and one in the Southland District Council area. One respondent was renting a state house and the other six were renting private rentals.

Their views echoed those of the rental property managers and others interviewed, in noting the trend of increasing rent and diminishing availability of rentals. Their comments included:



- “I’ve rented in many areas of Invercargill over the past 10 years. Rental prices in some areas are ridiculous for the area and condition of house and property.”
- “Good rental houses are hard to find, and are usually overpriced.”
- “Invercargill is becoming more overpriced in rentals and the quality of the houses do not match the actual quality of the rental.”

The current rental brackets for these tenants (excluding the tenant in a state house) were as follows:

Weekly Rent	2 bedroom house	3 bedroom house	4 bedroom house	Total respondents
\$100 - \$199	One respondent	One respondent		2
\$200 - \$250	One respondent	One respondent		2
\$251 - \$299			One respondent	1
\$300 - \$350		One respondent		1
Total respondents	2	3	1	6

These tenants were also asked to identify the most important aspects that influence their choice of rental property. The issue that emerged as the most important priority was price / affordability. The next priority was warmth / insulation / heating. Other lower priority issues were location, fencing, proximity to schools, and pets.

Landlords

A Survey Monkey questionnaire designed to elicit landlords’ views was circulated via the Invercargill Landlords’ Association and other networks. Only one response was received, from a landlord who owns five rental properties in the Invercargill City Council area. This respondent’s properties are mostly occupied, and generally on a long term basis.

When asked to comment on trends and changes in the Southland rental market, this landlord identified a likely challenge for the next five years as being to provide and cope with shorter term tenancies for international students. They also noted that a recent trend has been improving standards in rental properties handy to primary schools, compared to properties away from schools.

Southern Institute of Technology (SIT)

For the past 10 years, SIT has had a clear strategy of increasing numbers of international students. As of March 2017, SIT had 939 international students enrolled, with student numbers targeted to grow year on year. <http://www.stuff.co.nz/southland-times/news/90614710/southland-economy-benefits-from-international-education>. SIT is targeting an increase of 200 international students in 2017. SIT’s most popular markets for international students are China and India, followed by Korea, Sri Lanka and Indonesia.

Domestic student numbers at the Invercargill campus have also increased.

<http://www.stuff.co.nz/southland-times/news/89440001/SIT-enrolments-off-to-a-good-start>



SIT itself provides some apartment style accommodation for international students. It is currently undertaking a housing development on Yarrow St for which the focus is international students. The accommodation is provided for the initial 6 months of the student's stay, then they must move on to other accommodation options. Families are not provided for in the SIT apartments.

SIT students represent a significant part of the demand for rental accommodation. SIT is also, through its apartments, involved in the supply of accommodation, although to a more limited extent. The SIT CEO noted that accommodation for international students is not keeping up with the growth in numbers. The type of living that international students expect must also be considered, i.e. well insulated small apartments close to the amenities. SIT expects to have to increase its housing provision soon. SIT is part of the SORDS strategy to increase the population in Southland, with a stated goal of getting 3500 international students, 6000 including dependents, by 2025. <http://www.stuff.co.nz/southland-times/news/90614710/southland-economy-benefits-from-international-education>.

SIT also sees itself as a key partner in the housing strategy for Southland, including through its trade-built houses (for which there is currently a two year waiting list).

Rental property managers, and other members of the Southland community, have also observed a lack of alignment between the type of accommodation preferred by international students and the housing available on the market. Many of the international students are reported to prefer apartment style living, with higher concentrations of occupants per apartment. By contrast, much of the rental housing available is made up of three bedroom houses with $\frac{1}{4}$ acre sections and section maintenance responsibilities.

A comment about SIT students and their impact on rental housing included that "SIT students are taking up greater proportion of rental market". It was not within the scope of this report to quantify this, however that information may be useful towards the implementation of some elements of this strategy.

Challenges

Some landlords, and other interviewees, expressed concerns about the standards demonstrated by some involved in the rental market, including both tenants and landlords. This included concerns about "a lack of respect (by tenants) for properties", and concerns about the landlords providing very poor quality houses. It was commented that properties which were managed by a real estate group tended to be better looked after. While some privately managed properties are very well looked after, it was observed by a number of interviewees that most of the poor quality homes are owned and managed by private landlords.

Tenants spoke of the inherent vulnerability of being a tenant with regards to the risks of either increased rent or being asked to leave. Some tenants felt relatively powerless in terms of any potential for negotiating with their landlords, or discussing issues of property quality. Some tenants spoke of rent increases over the past 5 years, without any accompanying property improvements. For tenants with significant financial constraints, the bottom line is affordable rent. While some would love to see their homes improved, they are concerned that any improvements would mean increased rent, which could mean the property becoming unaffordable for them to stay on.

The impact of absentee owners was also identified as a challenge for rental housing.



Rental housing as an investment for capital gain was also seen as problematic by tenants, primarily because of its impact on affordability. Others noted that absentee landlords who purchase Invercargill houses for capital gain may not invest much in maintenance. It was also noted by interviewees that the flip side of investing for capital gain can be capital loss, with recent instances of this being cited.

It is evident that private sector rents have increased, with an accompanying decrease in the availability of affordable private sector rental properties. While the issue of rental affordability is more acute in many other cities in New Zealand, it is also of critical importance to tenants in the rental market in Southland. In the words of one interviewee, “Housing stocks are low and affordable, warm, dry houses are hard to find”.

Other challenges for the private rental housing market in Invercargill are associated with changes in the city. Increasing numbers of international students bring a corresponding increase in the demand for smaller apartment-style accommodation close to the centre of the city. In addition to this, the city is addressing challenges regarding its ageing and emptying CBD. There is increasing mention of the possibilities of inner city apartment developments in Invercargill, with mixed views about their feasibility.

The key issues regarding private rental housing in Southland are adequate supply of housing to match the needs, affordability and housing quality.

Solutions

In the words of a participant at the Housing Forum, “as a community, we can do better than this”.

Improving the provision, affordability and quality of houses available for private rental is not directly within the scope or mandate of any single agency. While private rentals are clearly in the private sphere, and subject to supply and demand economic influences, the community has an interest in ensuring that its more vulnerable members have access to suitable housing.

Some directions and steps have been proposed that could provide a positive lead in Southland. These include:

1. Continue working on options for student accommodation in the central city, linked with the CBD revitalisation work, to both cater for the students and also relieve the pressure on the wider rental housing market.
2. Encourage mixed housing models, in preference to concentrations of the same type and age of house in the same area.
3. Encourage property subdivision, through planning and fee requirements.
4. Support tenants through the development of a tenants’ education programme. This could particularly support people struggling to have the references needed for lease agreements.
5. Harness community partnerships and collaborations to find local solutions.

Issues relating to quality of rental housing are addressed in a separate section of this report.



Responsibility for Solutions

Private rental housing is primarily a private sector opportunity and responsibility. Tenants in private rental accommodation may be eligible for government financial support.

However, the local community also has an interest in, and responsibility for, housing availability for its members. This is particularly compounded by initiatives to increase the local population, either generally, such as SoRDS, or specifically, such as SIT international students in Invercargill or a new dairy factory near Gore. Key community partners have a role to play.

Council responsibility lies primarily in planning and consents, regulation and costs. Councils can take a leadership role in promoting the provision of appropriate and affordable housing options, including in the private rental sector.

Recommendations for Strategy

1. Promote a 'mixed housing model' for property development.
2. Encourage local investment in rental properties.
3. Promote the intensifying of housing stock in selected locations e.g.
 - Sub-divide and build on back of section
 - Sub-divide and relocate on back of section
4. Promote and participate in local partnerships with a focus on improving the provision of appropriate and affordable rental housing options.
 - Continue working with South Alive and other community initiatives with a focus on healthy housing and healthy communities.
 - Continue working on options for student accommodation in the central city.
 - Continue working on other central city housing options, linked with the CBD revitalisation work.
 - Consider the implications for housing of any SoRDS related initiatives.
5. Promote the development of a tenants' education programme, focusing on healthy and positive tenancy, and providing a certificate of attendance and participation.
 - Refer separate section for recommendations related to housing quality.



Quality of Housing

“Living under a bridge would be better”

The quality of housing in Southland has emerged as an area of widespread concern, regarding Invercargill City (including Bluff) and also a number of towns around rural Southland.

Links between housing quality and health impacts are well known, both globally and in New Zealand (refer Healthy Housing He Kainga Oranga) <http://www.healthyhousing.org.nz>. In 2016 the Public Health Association identified housing as the most important public health issue facing New Zealand. (‘The Lens’, Vol 2, No 1, October 2016).

The World Health Organisation has, for the past 30 years, recommended maintaining indoor air temperatures of 18-24°C to protect health. (www.healthyhousing.org.nz)

In New Zealand, more than two thirds of houses were built before minimum insulation was required in 1978. This is similar in Invercargill, where approximately 70% of houses date from pre-1970s. Further to this, we were informed that Southland has a higher proportion of old houses than many other parts of the country.

In Southland, the issues related to ageing housing stock are compounded by our climate at the far south of New Zealand. Invercargill’s average temperature is 9.9 degrees on an annual basis; with a January average of 14 degrees and a July average of 5.3 degrees. The climate also includes “plentiful rainfall”, with Invercargill receiving 1,000-1,200mm per year (Source: Environment Southland). That Invercargill airport features a depiction of Tawhirimatea, the god of wind and weather, is also indicative of the local climate.

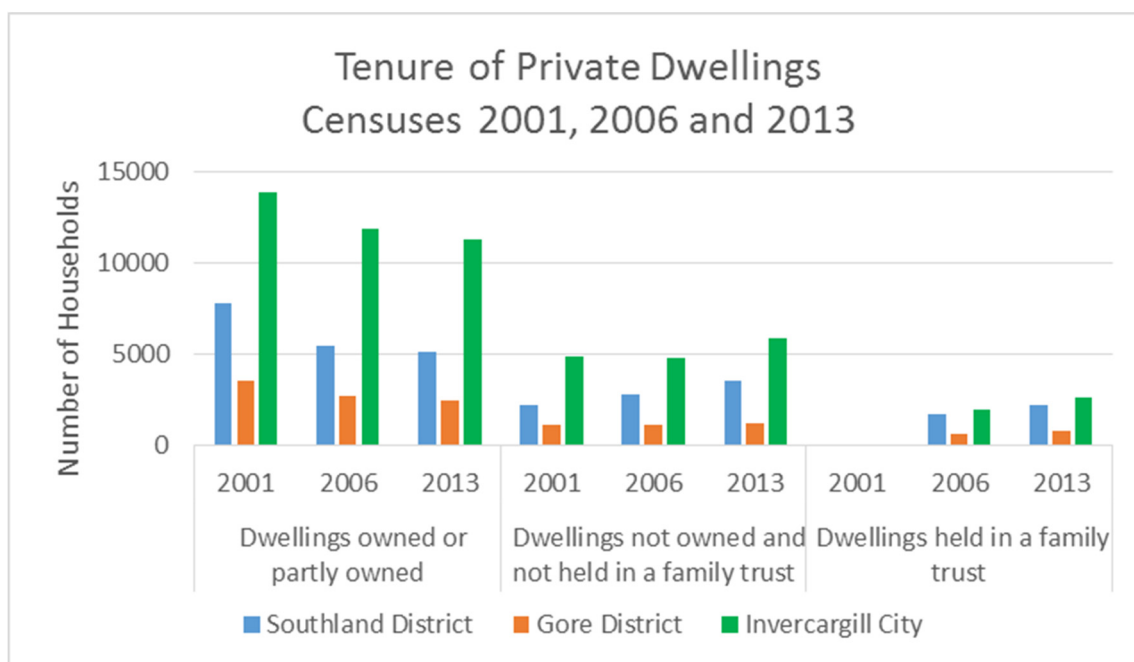
National standards are unlikely to have been designed with Southland’s conditions as a primary consideration. It is likely most national level policy is set facing north, not south. This creates both an opportunity and a challenge for Southland to find its own ways to work towards its housing stock being healthy for people to live in.

Issues

Housing quality issues have been recently reported as more challenging for rental properties than for owner-occupied houses. The Building Research Association of New Zealand’s (BRANZ) 2015 House Condition Survey, recently reported on, found that 32% of rental properties were poorly maintained, 44% were reasonably maintained, and only 24% were well maintained. The comparative figures for owner-occupied properties were 14% poorly maintained, 38% reasonably maintained and 48% well maintained. Mould was reported as visible in nearly half of the houses.

<http://www.stuff.co.nz/life-style/home-property/91799947/rental-properties-in-far-worse-condition-than-owneroccupied-homes-survey-finds>

This is particularly important to housing quality when considered alongside the increasing number of Southland households living in dwellings that they do not own, as illustrated below.



(Source: Statistics NZ website April 2017)

The specific numbers for dwellings neither owned nor held in a family trust were as per the table below:

Dwellings not owned and not held in a family trust			
	2001	2006	2013
Southland District	2,244	2,859	3,594
Gore District	1,119	1,182	1,272
Invercargill City	4,860	4,821	5,880

(Source: Statistics NZ website April 2017)

The evidently poorer maintenance of rental properties is despite the legal responsibilities of landlords “to provide and maintain the premises in a reasonable condition”.

<https://www.tenancy.govt.nz/starting-a-tenancy/new-to-tenancy/key-rights-and-responsibilities/>

The Ministry of Building, Innovation and Employment (MBIE) is introducing further measures designed to “make homes warmer, drier and safer for hundreds of thousands of New Zealanders”.

These measures include insulation standards. An insulation statement is now compulsory on all new tenancy agreements signed since 1 July 2016. In the statement the landlord must disclose whether there is insulation in the rental home, where it is, what type and what condition it is in so that the tenant can make an informed decision. Insulation will be compulsory in all rental homes, where it is reasonably practical to install, from 1 July 2019.

<https://www.tenancy.govt.nz/maintenance-and-inspections/insulation/>



Southland Perspectives

A consistent theme emerging from all the consultation undertaken in the development of this report, has been concern about the poor quality of some housing in Invercargill and wider Southland. Some particular areas in Invercargill have been identified as having some of the worst rental houses.

Invercargill Women's Refuge personnel, for example, have observed that rental accommodation in which some of their clients live is of such a low standard that it was commented that "living under a bridge would be better".

Habitat for Humanity personnel noted that some Southland houses are in a very poor state e.g. "broken back and sunken piles". Some of these houses are said to owner-occupied by people who appear to have lost the means or ability to look after their house. It was observed that this situation was often triggered by a 'life event' affecting their health and/or their finances which can then spiral downwards.

The condition of rental properties in the CBD was of concern to some, with particular mention of some 'generationally-owned' CBD buildings which have commercial / accommodation at the top. Rents are said to be insufficient to cover maintenance and the owners possibly won't do the work to bring the building up to code in 15 years. There is a perceived risk of such owners eventually "walking away" from their buildings, thereby compounding issues of rental housing standards and availability. This challenge is also linked to that of inner city regeneration, and the level of commitment of the community to address these issues.

It was noted by Venture Southland personnel, with reference to the SoRDS goal of an additional 10,000 people, that Southland would need improved quality, as well as expanded quantity, of rental stock as people moving into the area would probably rent before deciding where to buy.

A South Invercargill tenant observed, during a focus group, that the flat he rents has no insulation, no building paper and significant condensation. His doctor has recommended he move elsewhere, but affordability limits his options.

It was also noted by tenants that they thought it would be unrealistic for landlords to do everything all at once, and that it would therefore be better to take an incremental approach to quality improvements.

The tenants who responded to the Survey Monkey questionnaire identified what they considered to be the essential elements for a house to be a basic and adequate rental property. Their responses were as follows:



	Respondent 1	Respondent 2	Respondent 3	Respondent 4	Respondent 5	Respondent 6
1.	Weathertight	Weathertight	Heat	Heat	Adequate heating that doesn't cost the earth to use	Heat source
2.	Insulation	Heating	Insulation	Insulation	Full insulation	insulation
3.	Heat source	State of house - no mould in house, especially kitchen and bathroom	fenced	Fencing	Healthy and clean	weathertight
4.	Garage	State of house - no holes in walls, carpet in good condition		Clean and tidy	Secure fencing for children	Fencing
5.		Plumbing		Not damp		Garage
6.		Fenced		Animals allowed		
7.		If no garage, at least a small shed for storage		carpets		

Heat, insulation 'healthy / clean / tidy', and fencing were the most frequent responses. Half of the respondents also identified 'weathertight' as essential, with the implication that this cannot necessarily be taken for granted.

Southland real estate property managers also identified quality of rental houses as an issue. Their experience is that most landlords meet the legislative requirements regarding rental housing, although some leave it until the last minute to comply. The agents described a category of 'basic home' that would include insufficient insulation and insufficient heating, and estimated that about 20% of Southland housing stock would sit in the 'basic housing' category. They also identified Gore and Maitua as having a higher percentage of very old homes. Their experience was that turnover of basic housing was notable in the winter.

From information provided primarily from the property managers, and from our other consultation, we have developed the following spectrum of housing quality, to illustrate the range of rental housing in Southland.



Spectrum of rental housing quality

Characteristics of each of these clusters

Sub-Standard → Basic Housing → Comfortable Housing → Executive Housing

- *No fixed heating source*
- *No or very limited insulation*
- *Not weather tight*
- *Obviously cold and damp interior*
- *Limited to no maintenance undertaken but obviously in need of some*

- *Outdated décor*
- *Older home (pre 1940s)*
- *Heating insufficient e.g. inefficient fixed heating source*
- *Insulation insufficient for winter weather and may not comply with legislation*
- *Areas of cold/damp interior*
- *Limited or no garaging*
- *Generally weather tight*
- *Adequate provisions*
- *Some delays in getting maintenance completed*

- *Some updating of décor*
- *Older home (1940s to 1980s)*
- *Heating sufficient / fixed heating source provided*
- *Insulation complies with legislation*
- *Maintenance generally attended to*
- *Comfortable provisions*

- *Modern or modernised executive townhouse*
- *Possibly have an ensuite*
- *Insulation well above standard requirements*
- *Often double glazed*
- *Weather tight single or double garaging*
- *Maintenance well attended to*
- *Very comfortable provisions*



Solutions

A range of solutions has been proposed, to set a direction that leads to warmer, drier, weathertight healthier homes. The solutions are primarily proposed for rental properties, as that is the sector with the greater proportion of substandard and basic homes.

One solution identified, by real estate property managers, was the introduction of a voluntary Southland 'code of practice' or registration for property managers. Such a proposal would involve some training and agreeing on some baseline standards for property management. This would not be mandatory but would introduce a 'best practice' framework. Proposed aspects of the standards include:

- People skills, for working with both landlords and tenants
- Doing thorough property quality checks
- Knowledge of legislative and regulatory requirements and understanding of their application

The work that MBIE is doing to 'make homes warmer, drier and safer' is also recognised as part of the solution. Promotion of the use of MBIE's new self-audit questionnaire for landlords and property managers is proposed, along with awareness and use of MBIE's compliance and investigations mechanisms, to ensure that the minimum residential tenancy standards are met in their properties. This encompasses compliance with the standards for residential tenancy agreements, records, maintenance and behaviours.

A significant initiative that was widely proposed and supported was the introduction of a Southland Healthy Homes Standard. This was proposed and/or supported by almost all people consulted in the formulation of this report and strategy, including tenants, landlords, property managers, Council personnel and NGO representatives. Anticipated benefits include:

- Southland-specific standards for healthy homes
- Raising the bottom line of rental housing standards
- Greater confidence for tenants in the rental market
- An independently-established basis for landlords to aspire / claim to be 'landlords of choice'
- Contribute to the value of a rental property if sold
- A positive contribution to the housing needs associated with SoRDS population goal

The proposed Southland Healthy Homes Standard would be on an aspirational 'best practice' basis. The detail of the housing standards which would form the checklist for the Southland Healthy Homes Standard are beyond the scope of this report, but would need to be developed and agreed, with a priority reference to ensuring healthy safe homes. There was general agreement that Council would have a role in the establishment of the standards and mandating the assessment processes. Examples of Housing Warrant of Fitness / Healthy Rentals standards developed elsewhere are appended as a point of reference. It was also agreed that a Southland Healthy Homes Standard would need to align with, and complement, the existing and emerging standards being set both nationally (e.g. smoke alarms and insulation) and locally (e.g. clean air requirements). However it is noted that the Southland standards, e.g. for insulation, should reflect the specific Southland climatic conditions.

It is proposed that the introduction of a Southland Healthy Homes Standard is both incremental and incentivised. The incentive most frequently identified was a system of rates rebates, which could align with an incremental approach. E.g. rental properties which achieved Level 1 of the Southland Healthy Homes Standard could qualify for one level of rebate, and properties which then achieved Level 2 could be rewarded by a higher level of rebate.



An important consideration in this is how to ensure that improved standards of rental housing do not contribute to rising rents. It is proposed that, to qualify for the rebates incentives, the landlord or property manager concerned would need to commit to holding the rent levels. Otherwise there is a strong risk that the most vulnerable members of our community would simply get squeezed out of their improved housing by unaffordability.

As with many other elements of this strategy, a community collaborative approach to improving housing quality is proposed. This includes harnessing the interests, expertise and goodwill of a wide range of community inputs. Key partners, along with Councils, have been identified as including:

- Southland Warm Homes Trust
- South Alive
- Southland NGOs
- Landlords, property managers and developers
- SIT
- Community funders (ILT, Community Funders)
- Central Government, e.g. Housing NZ, MBIE

Contributions and involvement from other community partners would also be welcome.

The final recommendation for addressing housing quality issues is that the Invercargill City Council should continue with its project to demolish derelict houses. This initiative gained strong endorsement from community members consulted for this strategy.

As one group of Invercargill tenants described it: “Some house quality is shocking. A lot of people have little choice, have to take what they can get. Some places are unfit to live in.” This strategy identifies options for working towards an improved standard of housing in our community.



Recommendations for Strategy

1. Introduce a local Code of Practice / registration for rental property managers, on a voluntary 'best practice' basis, incorporating:
 - Working with people (tenants and landlords)
 - Doing thorough property quality checks
 - Knowledge of regulations, and applying them
2. Promote use of MBIE's self-audit questionnaire for property managers, when released.
3. Promote awareness and use of MBIE's Tenancy Compliance and Investigations Team and its mechanisms.
4. Introduce a Southland Healthy Homes Standard, primarily for rental properties
 - On an aspirational 'best practice' basis
 - Incentivised, e.g. Rates rebates and conditional on rents not increasing for defined period
 - Includes checklist and Council-mandated system of assessment
 - Incorporates elements to ensure basic healthy safe homes.
5. Harness a community collaborative approach to improving housing quality, with potential key partners including:
 - Southland Warm Homes Trust
 - South Alive
 - Southland NGOs
 - Landlords, property managers and developers
 - SIT
 - Service clubs
 - Community funders (ILT, Community Funders)
 - Central Government, e.g. Housing NZ, MBIE
 - Other community partners
6. Council demolition project of derelict houses (aims to demolish 5 per year).





Proposed Southland Community Housing Strategy 2017 – 2025







Proposed Southland Community Housing Strategy 2017 - 2025

Vision:

That all people living in Southland have access to appropriate, adequate and affordable housing that meets their needs.

Housing Focus	People in Need	Strategies	Timeframe
A. Emergency Housing	People in Crisis, e.g. <ul style="list-style-type: none"> ○ Family violence ○ Homelessness ○ Sudden health event ○ Sudden loss of income ○ Eviction ○ Natural disaster 	1. Recognise and endorse the importance of the current provisions of Invercargill and Gore Women's Refuges and the Salvation Army / Breathing Space Trust.	2017 ongoing
		2. Additional emergency housing: <ul style="list-style-type: none"> a. Two or three houses in Invercargill for the purpose of providing emergency housing for families. b. Additional one or two bedroom units for emergency housing. 	2017 - 2022
		3. Transitional housing for post-emergency stage: <ul style="list-style-type: none"> a. A transitional house in Invercargill, and Gore if required, for the specific use of Women's Refuge clients. b. Transitional housing for the use of others in the post-emergency stage. This could include extension of the 	2017 - 2019



Housing Focus	People in Need	Strategies	Timeframe
		<p>use of the Salvation Army Leven St property, and/or a physically separate property.</p> <p>4. Convene a community partnership group to work on 2 and 3 above, including:</p> <ul style="list-style-type: none"> a. Emergency housing providers, i.e. Women’s Refuge, Salvation Army b. Southland Breathing Space Trust, Habitat for Humanity c. Council d. Construction partners, e.g. SIT, construction businesses e. An opportunity for private landlords and other accommodation providers to be involved f. With potential funding support from local funders (ILT, ILT Foundation, CTOS) and local service clubs and businesses. g. With liaison and advocacy with MSD and Housing NZ to ensure their resources are harnessed. <p>5. Develop a central Information point /contact for Emergency Housing, e.g. a shared database enabling quick access to information about local provisions and current availability.</p>	<p>2017 ongoing</p> <p>2018</p>
<p>B. Housing for Vulnerable Youth</p>	<p>Young ‘at risk’ people aged 16-19 can’t live with parents / guardian, especially Youth Services clients e.g. ex-CYFs care</p>	<p>1. Supervised housing for young people aged 16-19 years:</p> <ul style="list-style-type: none"> a. With priority given to young people aged 16-17 years b. In a rented house/s, each accommodating up to 6-8 young people c. With live-in supervision and clear boundaries d. With case-work and other support woven in. 	<p>2017 - 2018</p>



Housing Focus	People in Need	Strategies	Timeframe
		2. Convene a community partnership group to work on 1 above, including: <ul style="list-style-type: none"> a. Southland Community College / Youth Services b. Nga Kete Matauranga Pounamu and other interested local providers of services to youth c. With liaison and advocacy with MSD and Housing NZ to ensure their resources are harnessed. d. With potential funding support from local funders (ILT, ILT Foundation, CTOS) e. An opportunity for private landlords and local businesses to be involved f. Development of a collaborative model to include: <ul style="list-style-type: none"> i. Appropriate housing ii. Affordable rent iii. Supervision iv. Case workers v. Community linking / mentoring possibilities vi. Funding for set-up costs and support 	2017 - 2018
C. Council-Owned Housing	People with an ongoing housing need, with priority to: <ul style="list-style-type: none"> 1. older people 2. people with chronic medical conditions or disability 	1. Continue with the provision of affordable housing for the current designated priority groups.	2017 - 2025
		2. Increase the provision of housing units for currently designated priority groups, towards meeting the demand as ascertained by analysis of waiting lists and waiting times.	2017 - 2025



Housing Focus	People in Need	Strategies	Timeframe
	3. people within specified income and asset limits 4. older people needing to downsize housing	3. Increase the provision of housing units for a widened target group: <ul style="list-style-type: none"> a. Younger age groups e.g. 45 plus, who fall within specified income and asset limits, b. Older people in the next tier of income / asset constraint, e.g. with asset limits up to \$100,000, c. Older people needing to downsize their housing. 	2020 - 2025
		4. Explore the options for a collaborative approach to the increased provision proposed in 2 and 3 above, including: <ul style="list-style-type: none"> a. Establishing a new Community Housing Provider, b. Partnerships with Southland-based NGOs, c. Partnership with SIT's construction division, d. Collaboration with South Alive for any provision in South Invercargill. 	2017 - 2025
		5. Continue to work on a rejuvenation plan for current housing stock.	2017 – 2018 (planning) 2019 ongoing (action)
		6. Give further consideration to the current premise that Council's housing provision is / should be cost-neutral, to reflect the priority accorded in this community for ensuring housing for our most vulnerable residents.	2017 ongoing



Housing Focus	People in Need	Strategies	Timeframe
		7. Ensure that disability-accessibility and user-friendliness are important considerations in the maintenance, redevelopment and extension of Council housing stock.	2017 ongoing
D. State-Owned Rental Housing	People assessed by MSD as eligible, including having a 'serious housing need' and being 'unable to access and/or sustain suitable, adequate and affordable alternative housing'.	1. Continue clear community advocacy for the retention and optimal utilisation of Housing NZ properties in Southland to meet local housing needs.	2017 ongoing
		2. Continue to seek accurate data from HNZ regarding supply, demand, waitlists and occupancy rates.	2017
		3. Involve HNZ in community collaborations to meet other housing needs e.g. properties for transitional housing, properties for supported youth housing.	2017 ongoing
E. Private Rental Housing	Particular focus on people: <ul style="list-style-type: none"> ○ on low incomes ○ without good credit rating and/or rental references ○ with no/little housing equity 	1. Promote a 'mixed housing model' for property development.	2017 ongoing
		2. Encourage local investment in rental properties.	2017 ongoing
		3. Promote the intensifying of housing stock in selected locations e.g. <ul style="list-style-type: none"> ○ Sub-divide and build on back of section ○ Sub-divide and relocate on back of section 	2018 ongoing



Housing Focus	People in Need	Strategies	Timeframe
		4. Promote and participate in local partnerships with a focus on improving the provision of appropriate and affordable rental housing options. <ul style="list-style-type: none"> ○ Continue working with South Alive and other community initiatives with a focus on healthy housing and healthy communities. ○ Continue working on options for student accommodation in the central city. ○ Continue working on other central city housing options, linked with the CBD revitalisation work. ○ Consider the implications for housing of any SoRDS related initiatives. 	2017 ongoing
		5. Promote the development of a tenants' education programme, focusing on healthy and positive tenancy, and providing a certificate of attendance and participation.	2018 ongoing
F. Housing Quality	Issues include: <ul style="list-style-type: none"> ○ Ageing housing stock ○ Dilapidated and/or unsanitary living conditions ○ Health impacts ○ Impacts of insulation and heating 	1. Introduce a local Code of Practice / registration for rental property managers, on a voluntary 'best practice' basis, incorporating: <ul style="list-style-type: none"> ○ Working with people (tenants and landlords) ○ Doing thorough property quality checks ○ Knowledge of regulations, and applying them 	2018 – 2019
		2. Promote use of MBIE's self-audit questionnaire for property managers, when released.	2018 – 2019



Housing Focus	People in Need	Strategies	Timeframe
		3. Promote awareness and use of MBIE’s Tenancy Compliance and Investigations Team and its mechanisms.	2018 ongoing
		4. Introduce a Southland Healthy Homes Standard <ul style="list-style-type: none"> ○ On an aspirational ‘best practice’ basis ○ Incentivised, e.g. Rates rebates and conditional on rents not increasing for defined period ○ Includes checklist, Council-mandated system of assessment etc ○ Incorporates elements to ensure basic healthy safe homes. 	2017 - 2018
		5. Harness a community collaborative approach to improving housing quality, with potential key partners including: <ul style="list-style-type: none"> ○ Southland Warm Homes Trust ○ South Alive ○ Southland NGOs ○ Landlords, property managers and developers ○ SIT ○ Service clubs ○ Community funders (ILT, Community Funders) ○ Central Government, e.g. Housing NZ, MBIE ○ Other community partners 	2017 ongoing
		6. Continue the Council demolition project of derelict houses	2017 ongoing





Appendices





Appendix One: The Human Right to Adequate Housing in New Zealand

- **Security of tenure:** Residents should be protected against forced eviction, harassment and other threats including predatory redevelopment and displacement.
- **Habitability:** Housing must provide residents with adequate space that protects them from cold, damp, heat, rain, wind, and other threats to health, structural hazards, and disease.
- **Accessibility:** Housing must be accessible to all, and disadvantaged and vulnerable groups – including the disabled – must be accorded full access to housing resources.
- **Affordability:** Housing costs should be at such a level so as not to compromise the attainment of other basic needs. For example, people should not have to choose between paying rent and buying food.
- **Availability of services, materials, facilities and infrastructure:** Housing must provide access to services essential for health, security, comfort and nutrition. This includes water and sanitation, power and other essential utilities.
- **Location:** Housing should not be built on polluted sites or in immediate proximity to pollution sources that threaten the right to health of residents. The physical safety of residents must likewise be guaranteed. Additionally housing must be in a location which allows access to employment, health-care services, schools, child care centres, and other social facilities.
- **Cultural Adequacy:** Housing and housing policies must guarantee the expression of cultural identity and diversity, including the preservation of cultural landmarks and institutions. Redevelopment or modernisation programs must ensure that the cultural significance of housing and communities is not sacrificed.

[www.hrc.co.nz/files/1214/2681/4255/Right to Housing Flyer FINAL 2.pdf](http://www.hrc.co.nz/files/1214/2681/4255/Right_to_Housing_Flyer_FINAL_2.pdf)



Appendix Two: Contributors to this Report and Proposed Strategy

Throughout the project many people we met with or interviewed suggested others who could provide valuable insight and perspective. Thank you to all who participated and contributed.

We have endeavoured to list as many as possible of the contributors to the formulation of this report and proposed strategy. We apologise for any inadvertent omissions or errors from the lists below.

Steering Group

Organisation / Agency	Representative
Awarua Synergy	Sumaria Beaton
Invercargill City Council	Rebecca Amundsen
Invercargill City Council	Mary Napper
Invercargill State Housing Action Group	Liz Craig
Invercargill State Housing Action Group	Dave Kennedy
Invercargill State Housing Action Group	Rachael Goldsmith
Salvation Army and Breathing Space Trust	David Hope
Salvation Army and Breathing Space Trust	Perry Bray
Habitat for Humanity	
Southland Warm Homes Trust, South Alive and (formerly) ICC	Neil Boniface
South Alive	Margaret Cook

Facilitators Group

Organisation / Agency	Representative
Community Trust of Southland	Robyn Koehler
Invercargill City Council	Mary Napper
Invercargill City Council	Kari Graber
Invercargill State Housing Action Group	Liz Craig
Invercargill State Housing Action Group	Dave Kennedy
Ministry of Social Development	Megan Roskilley
South Alive	Nikki Arron
Venture Southland	Bobbi Brown



Community Forum

Organisation / Agency Representative

() = Number of representatives

Age concern

Awarua Synergy

Awarua Whanau Services (2)

Breathing Space Trust

CCS disability Action (3)

Community Care Trust

Community College – Youth Services (3)

Community Corrections- prisons and probation

SDHB Community Mental Health Team

Community Networking Trust

District Nursing

ICC Councillors and Mayor x4

Family Works (2)

Fiordland Senior Housing

Gore Community Networking Trust

Grey Power

Housing Care ICC (2)

Idea Services (2)

Invercargill Women's Refuge

MSD – Work n Income/CYF (6)

Multicultural Council (2)

Nga Kete Matauranga Pounamu (2)

Number 10 Youth One Stop Shop

Public Health South – Medical Officer of Health

Political parties

Police – Community Policing Unit

Political Representatives (4)



Community Forum Continued

Organisation / Agency Representative

Presbyterian Support Southland (2)

Property Managers (2)

Rest Home Association

Rural Community Workers

South Alive

Southern Institute of Technology (SIT)

Southland Beneficiaries and Community Rights (3)

Southland Help

Southland Warm Homes Trust

Salvation Army (2)

Venture Southland Board

Venture Southland Community Planners

Well South

YMCA – Education Services



Interviews with Representatives from:

Organisation / Agency

Awarua Synergy

Christchurch City Council Asset Management and Planning Personnel

Gore Women's Refuge

Habitat for Humanity (2)

Hoamz Property Manager

Invercargill City Council Personnel (5)

Invercargill Women's Refuge

Nga Kete Matauranga Pounamu Charitable Trust

Pride Real Estate Manager

Presbyterian Support Southland

Ray White Invercargill Property Manager

Salvation Army

South Alive Housing

Southern Institute of Technology

Southland Community College

Southland Real Estate Property Manager

Southland Regional Development Strategy (SoRDS)

Southland Warm Homes Trust

Tenancy Services (Compliance and Investigations) (2)

Tenants - Invercargill City Council Housing (10)

Tenants – South City private housing (3)

Todd and Co Realty Property Manager

Venture Southland

Youth Services

Contributors who responded to Survey Monkeys:

Residential Renters Survey (6)

Landlords Survey (1)



Appendix Three: Survey Monkeys for Residential Renters and Landlords

Residential Renters in the Southland Region Survey Monkey

Proposed Southland Community Housing Strategy

Survey - Residential Renters in the Southland Region

As part of developing a Proposed Community Housing Strategy for Southland, we would like to get some information and feedback from Residential Renters to complement the feedback we have received from other stakeholders including community groups, rental property managers, landlords Council staff and other interested parties.

We would appreciate you taking a few minutes to complete the survey.

The information will then be collated with all the other information we have received and form part of the report back to Councils.

1. How long have you been renting a residential property in Southland?

- Less than 6 months
- 6 to 12 months
- 1 to 2 years
- 3 to 4 years
- More than 5 years

2. What part of the Southland region are you currently renting in?

- Invercargill City Council area
- Gore District Council area
- Southland District Council area

3. What type of property are you currently renting?

4. How long have you been in your current rental property?



5. What size house are you currently renting and what rent bracket is your household paying in your current rental property? (indicate the number of bedrooms and rent that applies to your household)

	1 bedroom	2 bedrooms	3 Bedrooms	4 Bedrooms	More than 4 bedrooms
Between \$0 and \$99 per week	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Between \$100 and \$199 per week	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Between \$200 and \$250 per week	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Between \$251 and \$299 per week	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Between \$300 and \$350 per week	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Between \$351 and \$399 per week	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Between \$400 and \$450 per week	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Over \$450 per week	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

6. How is your current rental property managed?

7. Please list the most important aspects that influence your choice of rental property (1 being most important to 5 being of lesser importance).

1.	<input type="text"/>
2.	<input type="text"/>
3.	<input type="text"/>
4.	<input type="text"/>
5.	<input type="text"/>

8. What do you consider the essential elements (eg. heat source, insulation, garage, weathertight etc etc) for a property to be a basic and adequate rental property?

1.	<input type="text"/>
2.	<input type="text"/>
3.	<input type="text"/>
4.	<input type="text"/>
5.	<input type="text"/>
6.	<input type="text"/>
7.	<input type="text"/>



9. What ideas do you have about improving the overall quality of rental housing in Southland?

10. Any other ideas or comments you would like to note about rental housing in Southland (please identify specific comments related to specific Council areas)



Invercargill Landlords Survey Monkey

Rental Housing in Southland - Landlords' feedback

Landlords' feedback

As part of developing a Proposed Community Housing Strategy for Southland, we would like to get some information and feedback from Landlords to complement the feedback we have received from other stakeholders including community groups, rental property managers, Council staff and other interested parties.

We would appreciate you taking a few minutes to complete the survey.

The information will then be collated with all the other information we have received and form part of the report back to Councils.

If you would like more information on the project, please contact Tina on 027 201 1000.

Please complete the survey by 19th April 2017.

1. How many rental properties do you have in each of the following areas?

Invercargill City Council area	<input type="text"/>
Gore District Council area	<input type="text"/>
Southland District Council area	<input type="text"/>
Outside of the Southland region	<input type="text"/>

2. How are these rental properties managed?

Other (please specify)



3. What is the average occupancy of your properties?

	No properties in this area	Mostly vacant	Occasionally vacant	Mostly occupied
Invercargill City Council Area	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Gore District Council Area	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Southland District Council Area	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

4. What term of rental are your properties usually tenanted for?

5. Please comment on any ideas you have about improving the overall quality of rental housing in Southland?

6. Please comment on what you see as the key trends/changes in the Southland rental market over the past 2 years?

7. What do you see as the likely challenges in the Southland rental market over the next 5 years?

8. Any other ideas or comments you would like to note about rental housing in Southland (please identify specific comments related to specific Council areas)

Done - Thanks for your time



Appendix Four: Councils' Housing Summary

The following information relates to Councils' housing provisions, occupancy, wait lists and wait times (Nov 2016).

Invercargill City Council

	Number of Units (2016)	Size	Occupancy	Average Wait List	Average Wait time
Invercargill North of Tay St	8	Studio	100%	1	Varies
	46	1 bedroom	100%	4	Varies
Invercargill South of Tay St	42	Studio	100%	2	Varies
	101	1 bedroom	99%	6	Varies
	1	2 bedroom	100%	1	Varies
Bluff	17	1 bedroom	100%	3	Varies

- Insulation
 - o Mixture of ceiling and underfloor insulation, some double glazing
- Heating source
 - o electric heaters
- Occupants
 - o North of Tay St - 80% over 60 years; 20% other criteria
 - o South of Tay St - 72% over 60 years; 28% other criteria
 - o Bluff - All over 60 years old
- Rent range
 - o North of Tay St - \$93-\$102
 - o South of Tay St - \$84-\$102
 - o Bluff - \$93-\$94
- Bond
 - o No bond required
- Eligibility Criteria
 - o People over 60 or with chronic disability or health issues and within the defined income and asset limits



Southland District Council

	Number of Units (2016)	Size	Occupancy	Average Wait List	Average Wait time
Edendale	10	1 bedroom	91%	No Data Available	No Data Available
Edendale	1	2 bedroom	100%		
Wyndham	10	1 bedroom	100%		
Lumsden	4	1 bedroom	100%		
Riversdale	2	1 bedroom	100%		
Ohai	5	1 bedroom	100%		
Nightcaps	6	1 bedroom	100%		
Tuatapere	8	1 bedroom	100%		
Otautau	5	1 bedroom	80%		
Riverton	12	1 bedroom	92%		
Winton	6	1 bedroom	100%		

- Insulation
 - o All units have ceiling and underfloor insulation
- Heating Source
 - o Unspecified
- Occupants
 - o People 60 years + are priority
- Rent range
 - o \$77.50 - \$90.50 for 1 bedroom units (Depending on location)
 - o \$93.50 for 2 bedroom unit
- Bond
 - o No bond required
- Eligibility Criteria
 - o People 60 years and over are priority



Gore District Council

	Number of Units (2016)	Size	Occupancy	Average Wait List	Average Wait time
Gore Central	6	1 bedroom	100%	3	1 year +
No other Council provision in other locations in GDC					

- Insulation
 - o Ceiling insulation
- Heating Source
 - o Nightstore heater
- Occupants
 - o 83% = 65 years+
 - o 17% families with children
- Rent range
 - o \$90
- Bond
 - o Bond required
- Eligibility Criteria
 - o Good credit rating
 - o Good references

