



Minute of Decision

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Social Housing Reform Programme: Overview (Paper One)

Portfolio: Finance

On 8 December 2014, following reference from the Cabinet Social Policy Committee, Cabinet:

- 1 **noted** that the government's Social Housing Reform Programme (SHRP) is aimed at improving the lives of vulnerable New Zealanders by getting them into housing which meets their needs for the duration of that need;
- 2 **noted** that the SHRP comprises:
 - 2.1 establishing the Ministry of Social Development (MSD) as the single purchaser of social housing places independent of any housing provider, so that access to social housing is no longer determined by who owns the house;
 - 2.2 growing the Community Housing Providers (CHPs) through MSD's contracting and transfers of Housing New Zealand Corporation (HNZC) stock;
 - 2.3 an expanded role for CHPs because they are able to respond to the particular needs of tenants;
 - 2.4 making Income Related Rent Subsidies (IRRS) available to non-government CHPs to help those providers to grow;
 - 2.5 the introduction of tenancy reviews to ensure that assistance is provided to those who need it for the duration of their need;
 - 2.6 an ongoing programme of sales, reinvestment, and redevelopment by HNZC as part of its business as usual asset management;
 - 2.7 housing more families by making better use of HNZC land, by opening it up for redevelopment;
- 3 **agreed** to commence the next steps of the SHRP, including Ministers engaging with key stakeholders to outline the government's thinking and upcoming decisions;
- 4 **agreed** that the objectives of the SHRP be to:
 - 4.1 ensure that people who need housing support can access it and receive social services that meet their needs;

- 4.2 ensure that social housing is of the right size and configuration, and in the right areas, for those households which need it;
- 4.3 help social housing tenants to independence, as appropriate;
- 4.4 encourage and develop a more diverse ownership of social housing, with more innovation and responsiveness to tenants and communities;
- 4.5 help increase the supply of affordable housing, especially in Auckland;

5 **agreed** that the government make the following commitments:

Over the next few years:

- 5.1 HNZC and community housing providers will collectively provide more social housing places in New Zealand than there are now – particularly in Auckland and Christchurch;
- 5.2 HNZC will continue to be by far the biggest owner of social housing in New Zealand and by 2017 it is envisaged that it will provide around 60,000 properties;
- 5.3 properties will be sold only if this results in better services for tenants and fair and reasonable value for taxpayers;
- 5.4 tenants in properties that are sold will continue to be housed for the duration of their need;
- 5.5 the government will spend more on IRRS and will ensure that HNZC has enough capital to build new social housing and to redevelop its existing properties;

6 **invited** the Minister of Finance and the Minister for Social Housing to report progress on the SHRP to Cabinet in November 2015;

7 **noted** that the new social housing system will require greater government funding than at present;

8 **authorised** the Minister Responsible for HNZC and the Minister for Social Housing to make any final editorial changes to the SHRP papers considered by Cabinet on 8 December 2014 [CAB (14) 611-613].

Secretary of the Cabinet

Reference: CAB (14) 611
Revised paper submitted by the Minister Responsible for HNZC
and the Minister for Social Housing