

Supply of Essential Services to Sub-standard Housing in NECBOP

**Research on issues facing water supply,
wastewater disposal, and energy supply in rural
Northland, East Cape, and eastern Bay of Plenty**

Appendices A-E

June, 2007



Housing New Zealand

Housing New Zealand Corporation

Appendix A – Project plan: research on supply of essential services to sub-standard housing

Purpose

Housing New Zealand Corporation supports the upgrade and maintenance of essential services to low income rural households as part of its rural housing programme. The Corporation intends to undertake research to identify issues constraining rural households' access to sewage disposal, safe drinking water and electricity¹, and opportunities for improvement of schemes addressing need.

This work is expected to contribute to improved Housing New Zealand rural housing products and services, and improved coordination with other agencies' initiatives. The work will also assist Housing New Zealand in its current work developing housing standards applicable to rural HNZN-owned dwellings.

Housing New Zealand Corporation

Housing New Zealand Corporation, a Crown entity formed on 1 July 2001, has two distinct roles, namely to:

- Deliver housing assistance in accordance with current government policy
- Act as the principal adviser to government on housing and housing policy¹.

The Corporation's mission is to provide access to decent homes to help New Zealanders manage their own circumstances and contribute to community life.

The Corporation has identified one overarching and two intermediate outcomes to guide its long-term efforts, and demonstrate contributions to key Government goals and the New Zealand Housing Strategy. The overarching outcome is that:

- All New Zealanders have access to affordable, sustainable, good quality housing appropriate to their needs.

The intermediate outcomes are:

- The housing sector has the capability to deliver good quality, affordable housing appropriate to changing needs.
- New Zealanders have the capacity to obtain and maintain housing and contribute to cohesive communities.

The Corporation's publications are available on its website www.hnzc.co.nz

Research aim

This research focuses on essential services (primarily sewage disposal, drinking water and electricity²) in Northland, eastern Bay of Plenty and the East Coast (the NECBOP area). It aims to:

1. Develop an overview of the means of sewage disposal, supply of drinking water, and provision of electricity² that are used in the NECBOP area;

¹ Although the Department of Building and Housing has the lead policy advice role with respect to building quality.

² Or alternative energy supplies for cooking, lighting, room or water heating.

2. Find out what factors present barriers to adequate sewage disposal, drinking water and electricity² in NECBOP;
3. Determine how well existing government policies and practices are meeting needs for the supply and maintenance of essential services to low income households in NECBOP;
4. Identify options for how HNZC support for the supply and maintenance of essential services to low income households in NECBOP could be provided more effectively.

This project builds on the recent evaluation of the HNZC Rural Housing Programme. It will feed into:

- HNZC advice to Cabinet on the long term role of government in alleviating sub-standard housing, including in rural areas, where households are unable to pay;
- Improved delivery of Rural Housing, better coordination of its services with relevant initiatives run by other agencies, and possibly development of new HNZC products to alleviate sub-standard housing;
- The development of Community Housing Response Plans: a community engagement process currently being initiated by HNZC, that will enable rural communities in the NECBOP area to identify, prioritise and implement sustainable housing solutions with the HNZC's and other agencies' help. This research project will provide an overall context of issues with accessing services in the NECBOP area, informing the development of community plans;
- Development of the "Decent House" project, which is establishing a coherent set of standards for HNZC dwellings, and detailing the interventions required when dwellings do not meet standards. Appropriate standards and interventions can differ significantly between rural and urban areas, and this research project will contribute to ensuring that standards developed for rural dwellings are appropriate.

Background

Small rural communities face particular difficulties in accessing essential services, due to their distance from main areas of supply and their low rating bases. Lack of adequate services can pose significant health risks, for example contamination of waterways and groundwater by untreated sewage, and the fire risk from using candles for lighting. In the last seven years several government schemes have been set up that provide support for provision and maintenance of services to rural dwellings.

These schemes are:

- **Rural Housing:**
HNZC scheme that upgrades substandard rural dwellings, including upgrading and maintenance of drinking water, sewage disposal, and electricity supply (or alternative energy supplies for cooking, lighting, room or water heating), where required;
- **The Sanitary Works Subsidy Scheme (SWSS):**
Ministry of Health scheme that improves sewage treatment, reticulation and disposal for small rural communities who are unable to fund the necessary upgrades themselves.
- **The Tourist Demand Subsidy Scheme (TDSS):**
Ministry of Tourism scheme, run in close conjunction with the SWSS, that assisted small communities with high tourism flows to invest in water and sewerage infrastructure to sustain their local tourism industry.

- The Drinking Water Assistance Programme (DWAP):
A recently-established, Ministry of Health-run scheme that funds upgrade and establishment of systems supplying drinking water to small communities who are unable to fund the necessary upgrades themselves.

There are currently no government schemes focussing specifically on the supply of electricity to communities, although the RHP can in some circumstances upgrade dwellings' electricity supply.

More detail on each scheme is given below.

Rural Housing

Following a number of fatal fires in Northland in 2001, the Government directed officials to address the problem of sub-standard housing in Northland, East Coast/eastern Bay of Plenty. Government indicated that the process of resolving sub-standard housing should not only address housing need and generate improved housing, but also use a cross-agency response to improve social and economic well being, and enhance communities' capability to manage their own interests.

Rural Housing is an HNZA-run scheme that works with rural communities to identify interventions that will improve the quality of housing, increase the supply of affordable, quality houses, and help communities manage their own housing needs. The programme uses a variety of products, the most commonly-used in the programme to-date being:

- Essential Repair Suspensory Loans: Loans targeted to rural areas, that cover the costs of urgent or essential repairs to address faults that seriously affect the health or safety of the household. The loan is intended to assist householders who live in a substandard dwelling, and do not have the means to undertake repairs themselves. Repayment is not usually required.
- Infrastructure Suspensory Loans: Loans targeted to rural areas, that cover the costs of providing essential services to a dwelling and/or property (e.g. cleaning, repair, replacement, or installation of waste water systems, drinking water systems, power systems, or vehicle access to the property site). Loans apply to both new and existing dwellings, and are available to individual households, groups of owner-occupiers, and community organisations. Repayment is not usually required.
- Contribution to the development of Housing Action Plans or Whanau Support Plans.
- Insulation retrofits.
- As a last resort, placing HNZA houses into the community to replace dwellings beyond repair with state rental accommodation.

Relevant findings from the outcomes evaluation of Rural Housing are:

- 1 One of the barriers to the achievement of expected outcomes concerned how the condition of a house should be assessed, and the quality to which substandard housing should be improved.
- 2 A survey of the Corporation's files indicated that 61 percent of 252 dwellings subject to technical assessment were either 'past redemption' or required urgent repairs because the dwelling was unsafe (for example, electrical wiring was exposed), a health hazard and/or had no power connected.
- 3 Analysis of in-depth interviews with recipients of Rural Housing assistance indicated that plumbing was frequently a problem. In some cases this consisted of a lack of

plumbed amenities (sinks, hot water, showers). In other cases, plumbing was simply inoperable, damaged or inadequate. In particular, interviewees repeatedly identified septic tanks (or other types of on-site effluent treatment systems³), water tanks, spouting and sumps as problems. Some recipients also found that assistance was associated with new burdens. For example, the power costs for the model of on-site effluent treatment system installed and the added cost of cleaning bills⁴.

- 4 A house condition survey instrument, developed by BRANZ, was used as a basis for developing a survey of house condition in rural areas as part of the evaluation. This House Condition Survey provided information on the cost of upgrading housing stock to a new or safe condition but did not include the cost of upgrading infrastructure – sewerage, electricity and water.
- 5 The evaluation indicated that further work was required to identify a standard to which house improvement will be completed. As part of its Decent House project, the HNZC is currently in the process of developing such standards.

The evaluation left a gap in the findings with respect to essential services because the House Condition Survey provided information on dwelling condition, but did not include the status of the sewage disposal, drinking-water or electricity provision in these houses.

The Sanitary Works Subsidy Scheme

The SWSS is a Ministry of Health-administered scheme, primarily aimed at improving sewage treatment, reticulation and disposal for small rural communities, who are unable to fund the necessary upgrades to meet public health and resource management requirements. As well as improving sewage treatment, the scheme also covers new works to add fluoride to community drinking water supplies. The scheme is currently on-hold, pending a review, as its funds have largely been allocated.

A comprehensive engineering survey preceding the set-up of the scheme was initiated in mid-2000. Cabinet considered the detailed scheme proposals in October 2001 and announced the Sanitary Works Subsidy Scheme (SWSS) in May 2002.

The prime criteria for the SWSS Scheme (Budget announcement May 2002) are:

- Health risks are posed by the community's existing treatment plant disposal system and discharge (priority criterion)
- Environmental and cultural needs will be covered by the Scheme to the extent required to obtain relevant resources consents under the Resource Management Act 1991
- Eligible communities are between 100 and 10,000 people
- Socio-economic conditions of the community in question to be considered
- The maximum subsidy from the SWSS for eligible capital works to be 50% for communities up to 2,000 people, reducing in a straight line to 10% for communities of 10,000 people

³ An on-site effluent treatment system is one where kitchen, laundry and toilet wastes are collected, treated and applied to land within the property boundaries of their place of origin. This includes systems that consist solely of a primary pre-treatment unit (septic tanks) and those with both primary and secondary treatment units.

⁴ Changes made in 2006 mean that special needs grants available through Work and Income can now be used to cover these cleaning costs.

- The SWSS subsidy is to be at least matched by an equivalent contribution from the relevant District Council, and there must be an undertaking by that Council to ensure adequate maintenance and operating arrangements for 20 years
- The responsible District Council may be required to have constraints on its expenditure as part of the grant agreement to ensure that the benefits of the subsidy are passed on to rate payers.

For the fluoridation part of the Scheme, the prime criteria were:

- 50% of the cost of the eligible capital works
- Expenditure on water fluoridation will not exceed more than 10% of the total annual appropriation for SWSS

The SWSS does not apply to industrial discharges, new or future subdivisions, domestic wastewater discharges with the property boundary, maintenance costs, city councils, or for upgrading existing reticulation systems.

The Tourist Demand Subsidy Scheme

The TDSS was set up following a 2003 study, commissioned by the Ministries of Tourism and Economic Development, which found that although tourists are currently paying for their use of water and sewerage infrastructure, smaller communities can face difficulties in funding the capital costs of upgrading or replacing these facilities.

The TDSS assists small communities with high tourism flows to invest in water and sewerage infrastructure to sustain their local tourism industry. The scheme was allocated one-off funding of \$11M over three years by the Ministry of Tourism.

A single funding round was held for the entire \$11M, and successful applicants were announced on 13 April, 2006. The TDSS was run in close conjunction with the SWSS and used the same Sanitary Works Technical Advisory Committee (SAWTAC) technical review process.

The TDSS selection criteria were:

- Schemes with strong public health and environmental benefits (15% weighting).
- Communities facing affordability challenges. These include:
 - Small population size, and therefore high scheme costs per person (17.5% weighting).
 - Low ability to pay as measured by deprivation indices (12.5% weighting).
- Communities supporting the national economic benefits of tourism as measured by the number and expenditure profile of tourists in the scheme area (20% weighting).
- Communities with water and/or wastewater costs that are significantly driven by tourism flows (35% weighting).

The Drinking-Water Assistance Programme

The government announced the Drinking-Water Assistance Programme (DWAP) on 5 May, 2005. The Ministry of Health-administered programme has a \$136.9M budget (excluding GST), and has two components: The Technical Assistance Programme (TAP) and the Capital Assistance Programme (CAP). The TAP programme commenced on 1 July 2005, and is worth \$15.6M over 7 years. It provides training and resources to assist drinking water suppliers to optimise performance of their systems, develop and implement Public Health Risk Management Plans and sustainability plans, and identify the equipment and capital investment required for the supply to provide safe drinking-water. The CAP

programme commenced on 1 July 2006, is worth \$117.8M over 10 years, and provides financial assistance for upgrading water suppliers' infrastructure.

To be eligible for assistance through the scheme, a supply must:

- Supply less than 5000 people and a minimum of 25 people for 60 days of the year (1500 person days)
- Be owned by a local authority or residential community, via a legal entity such as an incorporated society
- Be operated on a not-for-profit basis

To be eligible for capital assistance through CAP, communities or local authorities must:

- Demonstrate that they would have difficulty funding capital improvements themselves and have a deprivation index of 4 or more;
- Be participating in the TAP, be registered on the Register of Community Drinking-Water Supplies, have prepared a Public Health Risk Management Plan and a sustainability plan, and have demonstrated that their supply has been optimised;
- Demonstrate a clear need to establish a reticulated drinking-water supply if none is already present.

The level of subsidy provided to a community through the CAP is determined by community size and deprivation index, with smaller, more deprived communities receiving a greater level of subsidy.

The Health (Drinking Water) Amendment Bill

The health (drinking water) amendment bill is currently before the Health select committee. Under this legislation elements of the currently voluntary drinking-water strategy are expected to become compulsory.

The DWAP is complementary to this bill, in that it is expected to assist compliance with the legislation among suppliers.

In its current form the bill imposes regulations on suppliers and therefore may have impacts on reticulated community supplies, but not private households' own drinking water supplies.

Stakeholder organisations

Stakeholder organisations relevant to this research include:

- Central government agencies: Housing New Zealand, Ministry of Health, Department of Building and Housing, Ministry of Social Development, Department of Internal Affairs, Ministry of Economic Development, Te Puni Kokiri.
- Local and regional government in the NECBOP area: Northland Regional Council, Environment Bay of Plenty, Gisborne District Council, Far North District Council, Kaipara District Council, Whangarei District Council, Opotiki District Council, Kawerau District Council, Whakatane District Council, Rotorua District Council.
- District Health Boards: Northland DHB, Toi Te Ora (Bay of Plenty and Lakes DHB), Tairāwhiti District Health.
- Companies involved in the transmission and supply of electricity in the NECBOP area.
- Service providers associated with the rural housing programme.

- Hapu, iwi, and other Maori organisations and associated businesses in the NECBOP area.

About the research project: supply of essential services to sub-standard housing

Research questions

This research focuses on essential services (sewerage, drinking water and electricity²) in Northland, eastern Bay of Plenty and the East Coast (NECBOP area).

1. Develop an overview of the means of sewage disposal, supply of drinking water, and provision of electricity² that are used in the NECBOP area;
 - Where do reticulated services extend to?
 - What methods for sewage disposal, supply of drinking water, and provision of electricity² are commonly employed outside of reticulated areas?
 - What areas can be identified as having particularly poor access to essential services, and what is the nature of their situation?
2. Find out what factors present barriers to adequate sewage disposal, drinking water and electricity² in NECBOP;
 - What local and national issues are affecting or in future may affect supply and maintenance of essential services?
 - What are the characteristics of households that are not accessing adequate essential services? (e.g. location, occupancy rate, household composition, household income, rented versus owner-occupied, community size and density, employment opportunities, etc)
 - What are householders' attitudes to the importance of essential services, in situations where they are not accessing adequate sewage disposal, drinking water, or electricity?
 - What particular issues do rural, low income households face in obtaining and maintaining essential services?
 - What similarities and differences exist between communities or regions within NECBOP, in respect to issues that affect their access to essential services?
3. Determine how well existing government policies and practices are meeting needs for the supply and maintenance of essential services to low income households in NECBOP
 - Taking account of HNZC and non-HNZC government support for supplying and maintaining essential services, are there gaps and/or overlaps between programmes supporting the supply and maintenance of essential services?
 - What are the characteristics of households without adequate essential services, that are not eligible for support through existing government programmes?
 - How are the barriers to access to services identified in this study influencing the effectiveness of government policies?

- How are central and local government and other agencies (including community organisations) working together to ensure the supply and maintenance of essential services for low income households, and how effective is this interaction?
4. Identify options for how HNZC support for the supply and maintenance of essential services to low income households in NECBOP could be provided more effectively:
- How could government assist in overcoming the factors identified as constraining access to services in the NECBOP area?
 - What changes to HNZC services could be made to improve the supply and maintenance of essential services to low income rural households?
 - How should HNZC coordinate with other agencies or organisations to improve the supply and maintenance of essential services in low income households?

Limitations of scope

This is a tightly focussed piece of research, that must be completed within a tight timeframe. The scope of this research is therefore limited in the following key respects:

- The analysis of local issues affecting supply and maintenance of essential services is restricted to the NECBOP area
- Although this research is highly relevant to the HNZC's Rural Housing Scheme, it is not an outcome or process evaluation of the scheme
- The essential services that this study will focus on are sewage disposal, drinking water and electricity (or alternative energy supplies for cooking, lighting, room or water heating). Telecommunications and vehicle access to houses can also be considered to be essential services, and while they are within the scope of this research, they are not a major focus because of time and resource constraints.

Research approach

The following table summarises the research approaches that will be used in relation to each of the research aims

Aim	Approach
1. Overview of the means of sewage disposal, supply of drinking water, and provision of electricity ² in NECBOP	<ul style="list-style-type: none"> • Review existing information on the supply and maintenance of essential services in the NECBOP area. • Interview key informants, e.g. environmental health officers, service providers, runanga housing coordinators, HNZC regional managers, MSD Regional Commissioners.
2. What factors present barriers to adequate sewage disposal, drinking water and electricity in NECBOP	<ul style="list-style-type: none"> • Review existing information on the supply and maintenance of essential services in the NECBOP area. • Interview key informants with regional knowledge (as above). • Brief case studies to exemplify the issues raised
3. How well are government policies and practices meeting	<ul style="list-style-type: none"> • Review existing documentation on schemes providing government support for housing infrastructure. • Interview key informants with regional knowledge (as above)

needs for essential services to low income households in NECBOP	and also those with knowledge of central government scheme policies and practices. <ul style="list-style-type: none"> • Map information on dwelling characteristics to eligibility for government support, to determine gaps in support.
4. Options for how HNZC support could be provided more effectively	<ul style="list-style-type: none"> • Approach as above. • Synthesise findings and develop recommendations

Time-frame

Mid-late Feb	Complete consultation and obtain project sign-off
Late-Feb – Mid March	Development of field work instruments and set up of interviews
Mid-March – end April	Field work
1 June	Draft report completed for Policy Team
Early-mid June	Consultation on draft report
1 July	Final report completed

Research project management

This research project will be managed and, for the most part conducted, by members of the HNZC Research and Evaluation Team. Some external resources will also be required for components of the research.

Internal and external resources

This project is expected to require a minimum of 50 FTE days of Research and Evaluation Team member time.

Further costs are expected to be incurred to a maximum of \$15,000 to cover:

- Maori interviewer time
- Transcription services
- Travel and accommodation

Oversight

The project will be overseen by the Research and Evaluation team member responsible for the project, who will:

- Coordinate the activities of the Research and Evaluation Team members working on the project
- Manage the activities of any external contractors employed on the project
- Carry out the bulk of the synthesis and reporting of findings, and coordinate any involvement of other staff members in synthesis and reporting.

Consultation/communication

The scope of this project, as outlined in this project plan, has undergone consultation within HNZN with the following groups:

- Policy Team
- Housing Innovations
- Design Team
- Regional Managers in the NECBOP area

It has also undergone consultation with the following agencies external to HNZN:

- Ministry of Health
- Department of Building and Housing
- Ministry of Social Development
- Department of Internal Affairs
- Te Puni Kokiri

Communication with the District and Regional Councils in the NECBOP area may be initiated via HNZN Regional Managers, who are primarily responsible for this relationship.

Key interviewees from community organisations and service providers will be identified on the basis of advice from regional HNZN staff, and contacted in the manner most appropriate to their situation. E.g. in some cases initial contact by the researcher may be appropriate, while in other cases initial contact via regional staff or other intermediaries may be necessary.

The draft report on the findings will undergo internal peer review within the Research and Evaluation Team, and will be consulted on with the following HNZN groups:

- Policy Team
- Housing Innovations
- Design Team
- Regional Managers in the NECBOP area

Appendix B – Questions and probes from the interview schedules

Appendix B1 Regional interview questions and probes

Section 1 - Overview of Region & its Infrastructure

Use a map of the area

1. Please describe the area for which you have knowledge of infrastructural issues.
Ascertain geographic area – mark on map

2. Please give an overview of what you know about the means of sewage disposal, drinking water supply, and energy provision that are used in the region?
Make use of map and checklist of infrastructure types

Probes:

	Geographic extent of council-provided services (e.g. town water supplies and sewerage)
	National grid-connected electricity supplies
	Other sewerage, drinking water, electricity/energy supply types (<i>refer to checklist</i>): - Types in use - Where used - Rough proportion of households on different types of supply
	Any documents that give info on the extent and location of services? (e.g. sanitary water assessments)
	Any documents that give info on local authority requirements on sewerage, drinking water and electricity systems?

3. What are your views on the adequacy of infrastructure in the region?

Probes:

	What in your opinion constitutes adequate and inadequate?
	Extent of inadequacy e.g. geographic area, numbers affected?
	What are the impacts of inadequate services – e.g. health & safety issues, cultural or social issues, economic issues, environmental issues, other?

Section 2 - Barriers

4. What factors act as causes of inadequate household sewage disposal, drinking water supply and energy provision in the region?

Probes:

	pre-existing issues with housing stock or infrastructure (e.g. capacity or condition of existing stand-alone or reticulated systems)
	householders' personal situations (e.g. financial situation, security of tenure, house ownership versus renting)

	Socio-economic factors in the community (e.g. demographics, population growth/contraction, employment opportunities, average income, rating base)
	environmental factors (e.g. climate, soil type, other)
	cultural factors (e.g. land-use restrictions)
	land-use factors (e.g. agricultural/horticultural use, nature of any subdivision, etc)
	geographic factors (e.g. proximity or remoteness to main centres)
	legislative issues or local or central government policies
	local capability in installing and maintaining privately owned systems (e.g. suppliers of systems and compatible appliances, installation & maintenance professionals, householders' ability to maintain & use systems properly)

Identify & note the (up to 3) most significant causes

For the (up to 3) most significant barriers:

<ul style="list-style-type: none"> - How/why does it affect infrastructure supply - which areas/communities/households does it apply to? - What are the characteristics of households that face this barrier? - How do households or communities react? - Have ways been found of overcoming the barrier? Any examples that could form a short case study to demonstrate the barrier? <i>(note details over page)</i> 	
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Examples that could form short case studies to demonstrate one or more barriers

Probes:

	what barriers were faced and why?
	how did community/household respond?
	was the situation resolved or not?
	what allowed or didn't allow resolution
	what would it take in the future to resolve the situation or prevent it happening again?
	others who should be contacted and their contact details

Section 3 - Assistance

5. HNZN staff only (Refer to list of HNZN schemes)

These are the HNZN products and services that we're aware of that are used as part of the rural housing programme.

Which of these do you use in your region to support the provision of infrastructure to low income households?

Probes:

	comment on which are most used
	have we missed any?

6. What initiatives are you aware of that are supporting the supply of infrastructure to low income homes in the area?

(for HNZN staff ask about non-HNZN initiatives)

(including central government, local government, and community/runanga/other assistance)

Probes:

	scheme name
	organisation that runs the scheme
	scheme contact
	what type of assistance and for whom
	where to find further information/documentation

7. How effective are the HNZN and the non-HNZN initiatives (mentioned in q5 & 6) in meeting needs?

Probes:

	what is working well and why?
	what is not working well and why not?
	Refer back to q4 – are initiatives addressing the causes of inadequate services?
	awareness of schemes among eligible households/communities?

Examples where assistance was provided that could form short case studies to demonstrate effectiveness of types of assistance

Probes:

	for what was the assistance provided?
	what agency/agencies provided assistance?
	what type and level of assistance was provided?
	what was the outcome of the assistance?
	describe any coordination between agencies
	Could the way things were done be improved on? How?
	Any others who should be contacted and their contact details

8. Looking over all the forms of support that you know of, do you see any overlaps between initiatives (e.g. different schemes providing the same assistance to the same target population)?

Probes:

	which schemes overlap and how?
	is the overlap a problem or not?

9. Are there gaps in assistance that result in areas, communities, or households in need not being able to access assistance?

Probes:

	explain the gap/why is it a gap?
	what are the characteristics of the households/communities that fall into the gap?
	what is the impact on communities/households of not being able to access support? How do they react

10. How could HNZC deliver improved assistance for the provision of infrastructure to low income households?

Section 4 - Coordination

11. To what extent are the infrastructure-related activities of different organisations in your area coordinated?

(e.g. central government, local government, runanga or other Māori housing providers. other community organisations, drinking water/sewage/electricity service providers):

Probes:

	are organisations working together or at odds?
	what aspects of different organisations' activities: - work well together? - do not work well together?
	would there be benefit from greater coordination?

12. How could coordination between organisations be improved?

Section 5 - New Ideas and Innovative Solutions

13. Do you have any suggestions for innovative/original/unusual solutions that would help households to access adequate infrastructure?

Section 6 - Other Comments

14. Do you have any other comments or suggestions you'd like to make?

May include comments relating to other services, e.g.

- Telecommunications – land-lines, mobile coverage, internet broadband
- Vehicle access to houses
- Storm-water drainage
- Solid waste (rubbish) disposal
- access to essential facilities in the area, e.g. hospital, GPs, groceries
- emergency management

Appendix B2 Central government agency interview questions and probes

Section 1 - Overview of agency's activities

- 1) What policies and practices does [interviewee's agency] have in place that support directly or indirectly, the supply and/or maintenance of essential services for low income rural households?

Probes:

	Name & description of policy/scheme/activity
	\$ allocated to policy/scheme/activity
	Who are the target recipients of support from policy/scheme/activity (seek any documentation on scheme rules/eligibility criteria)
	Do they have data on characteristics of actual recipients who are using the policies (i.e. not just target recipients)?
	Seek any further documentation

- 2) Evidence of outcomes:
What are your views on the effectiveness and outcomes of the above mentioned policies and practices in meeting needs for the supply and/or maintenance of essential services?

Probes:

	Any documentation on effectiveness, outcomes?
	Issues that were brought up in regional interviews

Section 2 – Coordination between agencies

- 3) How do your agency's activities or schemes fit with other agencies' work?

Probes:

	<i>other agencies schemes that link to their activities</i>
	<i>Extent to which they work with others & how they work with others</i>
	<i>How they keep up to date with what other agencies are doing in relation to support for infrastructure?</i>

- 4) How could government agencies coordinate better in providing support for infrastructure?
- 5) Do you see any overlaps between different agencies' initiatives (e.g. different schemes providing the same assistance to the same target population)?

Probes:

	<i>How they overlap, what specific parts of the activities overlap?</i>
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	<i>What is the outcome of the overlap, eg is it a problem or not?</i>
	<i>How did the overlap come about eg deliberate/accidental?</i>
	<i>Any future plans to rationalise the overlap?</i>

4) Are you aware of any gaps in current government policies and practices that result in an inability of some low income rural households to access or maintain sewerage, drinking water or energy supply?

Probes for each potential gap in policy/practice:

	Explain the gap/and why they have identified it as a gap
	how it affects low income households accessing services
	Identify the characteristics of those households who fall into the gap
	Identify any gaps within the population who are eligible but are still missing out?
	Also bring up any relevant regional issues raised.

Section 3 – Suggestions for improvements

7) How do you think that government support for low income rural households' access to infrastructure could be improved

Probes:

	<i>Ways of improving communication between agencies during the development and implementation of policies</i>
	<i>Any changes to existing schemes' criteria</i>
	<i>Any new schemes that should be developed?</i>
	<i>If funding is mentioned ask how much more/less is needed?</i>

8) Do you think that there are ways in which Housing NZ, specifically, could improve its support for low income rural households' access to infrastructure

Section 4 - Other comments

Probe for: Telecommunications
 Stormwater
 Rubbish disposal
 Vehicle access

Appendix C – Interviewees

Name	NECBOP area	Role and organisation
Blair Wilmshurst	East BOP	District Inspector, Opotiki District Council
Susan Jolly	East BOP	Social Development Manager, Bay of Plenty, Ministry of Social Development
Haydn Read	East BOP	Director, Works and Services, Whakatane District Council
Pete McDonald	East BOP & East Cape	RHP Property Development Manager, Housing New Zealand
Kay Charles	East BOP & East Cape	Delivery Manager, Housing New Zealand
Willy Ngamoki	East BOP	Housing Coordinator, Te Runanga O Te Whanau
Judith Robertson	East Cape	Environmental Health Officer, Gisborne District Council
Mike Gould	East Cape	Maintenance Supervisor, Housing New Zealand
Alan Hall	East Cape	Health Protection Officer, Tairāwhiti District Health Board
Rick Mansell	East Cape	Economic Development Officer, Gisborne District Council
Terry Ehau	East Cape	Kaitiaki, Regional Services, Ngati Porou Hauora
Ian Petty	East Cape	Chief Building Inspector, Gisborne District Council
Moetahi Ruru	East Cape	Housing Manager, Te Runanga O Turanganui a Kiwa
Ronald Nepe	East Cape	Chief Executive Officer, Te Runanga O Turanganui a Kiwa
Anne Huriwai	East Cape	Housing Manager, Te Runanga O Ngati Porou
Geoff Garnham	Northland	Independent Contractor
Turi Te Hira	Northland	Housing Project Manager, Te Runanga o Te Rarawa
Colin Brickell	Northland	Contract Supervisor, Housing New Zealand
Bill Coffey	Northland	Integrated Services Coordinator, Ministry of Social Development, former Housing Support co-ordinator in partnership with HNZC, MSD and local iwi
Margaret Wright	Northland	Integrated Services Coordinator, Ministry of Social Development, former Housing Support co-ordinator in partnership with HNZC, MSD and local iwi
Mike Wright	Northland	Regulatory Operations Officer, Far North District Council
Len Parker	Northland	Developer of wastewater treatment systems and former drainlayer
Sera Belinda Grubb	Northland	Architect
Eric Wagener	Northland	Drainlaying Contractor
Rod Topp	Northland	RHP Property Development Manager, Housing New Zealand
Bill Thomson	Northland	Contract Supervisor (Property Improvement) RHP, Housing New Zealand
Pauline Tangohau	central government	SHAZ Manager, Te Puni Kōkiri
Beth Neill	central government	Social Development Manager, Northland, Ministry of Social Development
Nick Hewer-Hewitt	central government	Senior Advisor, DWAP, Ministry of Health
Jaime Reibel	central government	Strategy & Market Planning Manager, Housing Innovations, Housing New Zealand
Peter Galvin	central government	Contractor, Housing Innovations, Housing New Zealand
Greg Motu	central government	Senior Advisor Market Development, Housing Innovations, Housing New Zealand

Appendix D – Pre-interview information and consent forms

Appendix D1 Regional interviewee pre-interview information

Supply of Services to Sub-Standard Rural Housing: a Housing New Zealand research project

What is this research about?

This research will examine issues that constrain rural households' access to services in the Northland, East Cape and Eastern Bay of Plenty areas.

For the purposes of this study, *services* are defined as either *reticulated or non-reticulated* systems for :

- sewage disposal
- supply of drinking water
- supply of electricity or alternative forms of energy for cooking, lighting, room or water heating

Why is this research being done?

The research findings will feed into:

- Upcoming Housing New Zealand advice to Cabinet on the future role of government in alleviating sub-standard housing
- Improvement of Housing New Zealand products and services for areas that have difficulties accessing infrastructure

What will be asked in the interviews?

The interviews will focus on interviewees' areas of expertise, and gather views on:

- The overall status of sewage disposal, drinking water supply, and electricity provision in the region
- Factors that act as barriers to adequate household sewage disposal, drinking water supply, and electricity (or alternative energy) supply
- The effectiveness of current government practices in assisting low income households' to gain access to adequate services
- Ways in which Housing New Zealand could provide better support for low income household's access to services

In addition to gathering interviewees' views on the above factors, we will ask for examples that could form the basis of short case studies, that demonstrate:

- Factors that have helped or hindered households' access to services

- How barriers to access to services have been overcome and lessons that could be learnt for the design of future government support

A summary of the questions that will be asked in the interviews is attached as page 3 of this document.

The interview is expected to take 1½ to 2 hours.

Confidentiality & reporting of the research results

Interviews will be treated as confidential. While a report on the findings may be made publicly available, it will present the themes emerging from interviews in aggregate form only and will not attribute views or statements to individuals unless their explicit permission is sought.

It is possible that some quotes or case studies will identify individuals, and in this case, the quotes or case studies will only be published with the permission of the individuals that are identified.

Interviewees will be sent a summary of the report's findings, and the full report will be available on request.

Timetable

March 2007	Booking of interview times with interviewees
Mid-March – end April, 2007	Conduct interviews
2 nd half of 2007	Publication of results

Contact details for further information

If you have any questions, or would like further information, such as a copy of the full project plan, please contact:

Andrea Knox
Senior Research and Evaluation Analyst
andrea.knox@hnzc.co.nz
(04) 439-3686

Or:

Annette Baker
Research and Evaluation Analyst
Annette.baker@hnzc.co.nz
(04) 439-3412

Essential Services Research - Summary of interview questions

Section 1 - Overview of Region & its Infrastructure

1. Geographic area for which you have knowledge of infrastructural issues.
2. Overview of your knowledge of the means of sewage disposal, drinking water supply, and electricity or alternative energy provision that are used in the region
3. What are your views on the adequacy of infrastructure in the region?

Section 2 - Barriers

3. What factors act as barriers to adequate household sewage disposal, drinking water supply and energy provision in the region?

Section 3 - Assistance

4. What HNZC products and services are being used to support the supply of infrastructure to low income households?
5. What non-HNZC initiatives are supporting the supply of infrastructure to low income homes in the area?
6. How effective are the HNZC and the non-HNZC initiatives in meeting needs?
7. How could HNZC improve its assistance for supply of essential services to low income households?

Section 4 - Coordination

8. To what extent are the infrastructure-related activities of different organisations in your area coordinated?
9. How could coordination between organisations be improved?

Section 5 - Other Comments

10. Any other comments or suggestions

Appendix D2 Central government agency interviewee pre-interview information

Supply of Services to Sub-Standard Rural Housing: a Housing New Zealand research project

What is this research about?

This research will examine issues that constrain low income rural households' access to services in the Northland, East Cape and Eastern Bay of Plenty areas. It will also examine the how government initiatives can better assist these households to gain access.

For the purposes of this study, *services* are defined as either *reticulated or non-reticulated* systems for :

- sewage disposal
- supply of drinking water
- supply of electricity or alternative forms of energy for cooking, lighting, room or water heating

Why is this research being done?

The research findings will feed into:

- Upcoming Housing New Zealand advice to Cabinet on the future role of government in alleviating sub-standard housing
- Improvement of Housing New Zealand products and services for areas that have difficulties accessing infrastructure

What will be asked in the interviews?

The interviews will focus on interviewees' areas of expertise, and gather views on:

- Government policies in place that support the supply and maintenance of essential services to low income households
- The coordination of government agencies in the development and implementation of policies
- The effectiveness of current government practices in assisting low income households to gain access to adequate services
- Ways in which the government could and Housing New Zealand in particular provide better support for low income household's access to services

A summary of the questions that will be asked in the interviews is attached as page 3 of this document.

The interview is expected to take 1 to 1½ hours.

Confidentiality & reporting of the research results

Interviews will be treated as confidential. While a report on the findings may be made publicly available, it will present the themes emerging from interviews in aggregate form only and will not attribute views or statements to individuals unless their explicit permission is sought.

It is possible that some quotes or case studies will identify individuals, and in this case, the quotes or case studies will only be published with the permission of the individuals that are identified.

Interviewees will be sent a summary of the report's findings, and the full report will be available on request.

Timetable

Late March/early April 2007	Booking of interview times with interviewees
April 2007	Conduct interviews
2 nd half of 2007	Publication and release of results

Contact details for further information

If you have any questions, or would like further information, such as a copy of the full project plan, please contact:

Andrea Knox
Senior Research and Evaluation Analyst
andrea.knox@hnzc.co.nz
(04) 439-3686

Or:

Annette Baker
Research and Evaluation Analyst
Annette.baker@hnzc.co.nz
(04) 439-3412

Essential Services Research - Summary of interview questions

Section 1 – Overview of activities that support the supply or maintenance of services for sub-standard rural housing

1. Overview of your agency's policies and practices.
2. What outcomes are being achieved?

Section 2 – Coordination between agencies

3. What related schemes are run by other agencies, and how do different agencies work together in supporting supply of services to sub-standard rural housing?
4. Any overlaps or gaps in the assistance provided by different agencies?

Section 3 – Suggestions for improvements

5. How can government better support access to services for low income rural households?
6. How can Housing New Zealand, specifically, improve its assistance?

Section 4 - Other comments

7. Any other comments or suggestions

Appendix D3 Confidentiality and reporting agreement

Confidentiality and reporting agreement

Individual confidentiality

Interviews will be treated as confidential. While a report on the findings may be made publicly available, it will present the themes emerging from interviews in aggregate form only and will not attribute views or statements to individuals unless their explicit permission is sought.

Permission will be sought to publish identifiable information

It is possible that some quotes or case studies will identify individuals, and in this case, the quotes or case studies will only be published with the permission of the individuals that are identified.

Accessing the report on findings

Interviewees will be sent a summary of the report's findings, and the full report will be available on request.

Data saving and sharing

In accordance with the Privacy Act 1993, the information collected in this interview will only be used for the purpose for which it is collected, and no identifiable information will be passed on to other agencies. However, with your permission, Housing New Zealand would like to retain the transcript and notes from this interview for possible future research use. Confidentiality will be maintained and no individuals' identities will be published.

Signing and authorising

I have read the above. I understand that by signing below I am authorising Housing New Zealand to collect, hold and disclose information as described in this agreement.

Do you consent to Housing New Zealand retaining your transcript and notes for future research use? **(please circle one)** **Yes / No**

Do you consent to the recording of this interview? **(please circle one)** **Yes / No**

Signed..... **Date**.....

Appendix E – Eligibility criteria for the Housing New Zealand Rural Housing Programme

Recipients of support must meet both general RHP eligibility criteria, and specific criteria for the product they are receiving. Dwellings are assessed for eligibility for repair against to Housing New Zealand's standard technical assessment criteria.

Appendix E1 General RHP eligibility criteria

The customer must be:

- a New Zealand citizen or a resident of New Zealand
- the owner of the substandard dwelling, or whanau of the owner and paying no rent or paying no more than the equivalent of the rates charged by the territorial local authority.

Income criteria

The customer must meet the Corporation's income and asset criteria and provide evidence of their main sources of income. Where the income and asset limits are exceeded, the customer's ability to finance part or all of the repairs by way of a Home Improvement Loan must be assessed.

Assessable income

Assessable income is:

- the total income that the homeowner (or whanau paying no rent) receives.
- calculated as follows—net weekly income + family tax credit + weekly income from assets.

Income sources

The following main sources will be used to assess income:

- all income tested benefits from WINZ
- New Zealand Superannuation from WINZ
- Veteran's Pension from WINZ
- salary and Wages
- Accident Compensation income
- self employed income
- study grants (basic grant and independent circumstances grant) from WINZ.

The following sources will not be used:

- IRD parental tax credit
- IRD in-work payment
- WINZ disability allowance
- WINZ disability support service income
- WINZ special benefits
- WINZ orphans and unsupported child benefit
- WINZ war pensions
- WINZ training and incentive allowance
- WINZ participation allowance
- ACC independence allowance
- A and B bursaries
- income from savings and investments under the applicable threshold
- funeral benefit income paid by Friendly Societies and Credit Unions
- military decoration payments

- child support income
- GST payments
- debt/health or disability insurance income
- income from Children, Young Persons, and their Families Service
- life insurance income
- income related insurance — where the amount is being used to pay debt or to pay essential costs arising from the applicant's health or disability and where no assistance is available from WINZ.

Income Threshold

The income threshold is based on the New Zealand Superannuation Rate⁵

- for a single person household i.e. a person with no partner or dependants (these households may include 'other persons' or 'boarders'), the income threshold is based on 1.5 times the New Zealand Superannuation rate for a sole person.
- for all other household types, the income threshold is based on 1.5 times the New Zealand Superannuation rate for a married couple.

Assets

Realisable assets are assets that can be converted into cash to assist the customer to resolve their own housing problem. Realisable assets include cash assets (savings and investments) that are a source of additional income.

The following items are included as realisable assets:

- money in bank accounts, including fixed and term deposits with any bank, friendly society, credit union, or building society
- shares, stocks, debentures and bonds (including bonus bonds and shares in energy organisations)
- money invested with or lent to any bank or other financial institution
- mortgage investments and long term loans
- building society shares
- the customer's share in any partnership
- bills of exchange or promissory notes
- the net equity held in any property or land not used as the person's home
- the net equity held in an owner occupied or holiday home
- the net equity of a caravan or boat
- the net equity of other vehicles (i.e. classic motorbikes, additional cars, not used as reasonable means of transport for private use).

The following items are non-realisable assets and are not to be included in the asset calculation:

- customer's share in Māori freehold land
- customer's personal effects
- reasonable means of transport for private use.

Assets threshold

The asset threshold is set at 10 percent of the national median house sale price. A comparison of the customer's realisable assets is made against this threshold (excluding normal household effects and any adequate means of transportation).

Exceptions

The Corporation may consider exceptions to the above criteria where individual circumstances merit assistance. For example, seasonal workers' income is based on the previous 12 months earnings. Where the homeowner believes that their next 12 months of

⁵ <http://www.workandincome.govt.nz/get-assistance/main-benefit/nz-superannuation.html>

income will be different (such as moving from fulltime employment to part-time employment) then special consideration is given to the applicant's likely income.

Appendix E2 Technical assessment of dwellings

The Corporation's standard tools and templates are used to conduct the technical assessment of the dwelling.

The assessment determines a dwelling condition category of an A, B, or N, as described in the table below:

Dwelling Condition Category	Description
Category A	Faults pose life endangering threats to the health and safety of the household and/or the dwelling is past redemption.
Category B	Faults pose a significant threat to the health and safety of the household.
Category N	Faults do not pose a significant threat to the health and safety of the household.

Category A Dwellings

- Where a dwelling is identified as Category A, territorial local authorities (TLAs) have the responsibility to condemn or order a house to be demolished. The Corporation must work with the customer, TLA and other agencies, for example health agencies, to reach agreement to condemn or demolish the dwelling.
- The Corporation will pay for the consent and cost of demolition if this is prohibitive for the customer.
- The Corporation must obtain agreement from land owners to demolish or make uninhabitable the Category A dwelling before a relocatable state rental is placed on the land. Where possible and practicable, all essential services must be disconnected and all entrances sealed.
- Where land owners do not agree to demolish or make the dwelling uninhabitable, a memorandum of understanding is to be signed by the land owners and the Corporation stating that "This dwelling is not eligible for repair by the Corporation", where possible and practical.
- A Category A or B dwelling which is classified as a historical or heritage house, or is located on a historic or heritage site, cannot be demolished. The Corporation will not apply to demolish a dwelling where a community or customer believes the dwelling may have historic significance. An application to determine the historic status of the dwelling or site must be made to the New Zealand Historic Places Trust by the customer/community or the Corporation. A solution must then be determined based on the Trust's decision.

Appendix E3 Specific ERS� criteria

Dwellings eligible for repair

Dwellings eligible for repair are permanent places of residence where faults pose a significant threat to the health and safety of the household that may include:

- houses/flats with or without infrastructure
- garages with floors and/or infrastructure
- sheds, barns and railway carriages with infrastructure.

Dwellings not eligible for repair include, but are not limited to:

- caves
- sheds, barns and railway carriages with no infrastructure
- garages without floors and without infrastructure
- buses, cars, caravans, car crates, trucks, boats.

Definitions of “dwellings eligible for repair” do not apply to Category A dwellings, where urgent repairs are needed to address life endangering threats to the health and safety of the household.

Urgent and essential repairs

If the dwelling is a Category A or B, urgent or essential repairs may be carried out, using the Corporation’s Standards for Urgent and Essential Repairs.

Emergency repairs

- Emergency repairs may be carried out immediately on a Category A or B dwelling to a maximum of \$500.
- The Corporation will pay for emergency repairs and any inspections required as part of the technical assessment if the customer proves to be not eligible for a suspensory loan.
- Where the customer is eligible for a suspensory loan, the cost for emergency repairs and inspection reports must be included in the suspensory loan.

Urgent repairs for category A dwellings

An Essential Repairs Suspensory Loan for a Category A dwelling is available where the:

- dwelling has life endangering threats that require urgent repair as defined in the Corporation’s Standards for Urgent and Essential Repairs
- customer has agreed to leave the dwelling and the customer and Corporation is working towards a long term solution
- customer is not going to leave the dwelling and the household composition includes children and or elderly
- maximum loan is \$10,000, written off six months from the date the loan agreement is signed by both parties.

For a Category A dwelling, urgent repairs should be limited to the minimum required to ensure that the household is not in immediate danger. A long term solution involving re-housing the tenant must be explored, for example, a home loan or relocation to a private, community or state rental.

Essential Repairs for category B dwellings

For a Category B dwelling, essential repairs should return the dwelling to a standard where it:

- no longer poses a health and safety threat to the customer, and
- is adequate for purpose.

A property is adequate for purpose when the:

- faults that pose a significant health and safety threat to the household have been rectified
- Corporation's Standards for Urgent and Essential Repairs have been met.

The Corporation must advise the customer with an Essential Repairs Suspensory Loan for a Category B dwelling that, where possible and practical, they are expected to:

- complete a home maintenance course where provided in the local community within one year of work being completed (or if the homeowner is unable, nominate someone if available to complete a course).

Note:

Where maintenance courses are not available or home owners cannot attend owing to ill health, the Corporation will provide basic maintenance information material.

- contribute towards the repair and ongoing maintenance of the dwelling. For example, customers may be required to paint the area of the property that has been repaired.
- submit a budget report where they have a debt of more than \$5,000.

Essential repairs for a dwelling on multiply owned Maori freehold land

Where an Essential Repairs Suspensory Loan is made for a dwelling on multiply owned Maori freehold land, approval from the land owners must be sought if repairs could potentially impact on the cultural connection to the dwelling.

Appendix E4 Specific ISL criteria

Infrastructure Suspensory Loan for an individual household

- An Infrastructure Suspensory Loan (ISL) for an individual customer is available for:
 - Category B dwellings in rural Northland/East Coast/Eastern Bay of Plenty (NECBOP)
 - Construction of new dwellings where the customer is vacating a Category A or B dwelling in rural NECBOP.
- The cost of ongoing maintenance is excluded under an Infrastructure Suspensory Loan.
- Agreement from all land owners must be obtained before an Infrastructure Suspensory Loan is approved.

Infrastructure Suspensory Loan for a group of owner occupiers

- An Infrastructure Suspensory Loan may be advanced in rural Northland/East Coast/ Eastern Bay of Plenty (NECBOP) to individuals as part of a group of owner occupiers to provide essential services to a cluster of Category B or new dwellings.
- Loans to individual borrowers must be for an equal portion of the cost of the project.
- Agreement from all land owners must be obtained before an Infrastructure Suspensory Loan is approved.
- The total aggregate cost of the solution (for the group of owners occupiers) must be less than or equal to the cost of the work, if funded through individual households.
- The cost of ongoing maintenance is excluded under an Infrastructure Suspensory Loan.

Infrastructure Suspensory Loan for a community group

- An Infrastructure Suspensory Loan can be advanced in rural Northland/East Coast/Eastern Bay of Plenty (NECBOP) to a community group to connect essential services to a cluster of Category B or new dwellings.
- Agreement from all land owners must be obtained before an Infrastructure Suspensory Loan is approved.
- An Infrastructure Suspensory Loan is not available in conjunction with a Housing Innovation Fund Loan.
- The cost of ongoing maintenance is excluded under an Infrastructure Suspensory Loan.
- The Corporation must advise the community group about alternative funding where available, for example the Sanitary Works Subsidy Scheme (SWSS).

Eligibility criteria for a community group

An Infrastructure Suspensory Loan is available for projects undertaken by community groups when the:

- essential services provided are within rural Northland/East Coast/ Eastern Bay of Plenty (NECBOP)
- community group is a legal entity with appropriate legal management and financial structures
- community group has a mandate from its community
- project to be undertaken has a mandate from the community
- project is providing essential services to more than one dwelling.

Community group project plan

To be eligible for an Infrastructure Suspensory Loan, a community group must supply a project plan that includes:

- a feasibility study that considers and recommends alternatives
- surveys
- project modelling
- an estimate of costs
- time frames
- information on the community group, its organisational structure, governance and accountability framework, financial management and administration systems
- information on the experience and technical expertise of the intended works contractor
- legal and resource consents.

The total solution must be affordable and sustainable for the community group and its customers.

Appendix E5 Specific Relocatable State Rental criteria

When no other solution is available and a dwelling is a Category A, the customer may be eligible for a relocatable state rental.

A relocatable is a house or unit erected:

- temporarily upon Corporation land in such a manner as to be relocatable, or;
- on land not owned by the Corporation but with the acknowledgement that the Corporation retains "ownership" of the asset and is able to remove it at its own cost.

A relocatable state rental may only be offered if the solution is considered to be sustainable. This is defined as the ability of the solution to continue into the future for the customer, community and the Corporation (future as defined by the term of the agreement with the land owning entity).

Types of land

The Corporation may consider placing state rentals on the following types of land:

- Corporation owned land
- General land owned by an individual
- General land multiply owned by Māori
- Māori freehold land multiply owned
- Māori freehold land individually owned.

The Corporation will not place relocatable state rentals on Māori Customary land and Māori Reservations.

General conditions

A relocatable state rental on private rural land may be offered as a solution where all the following conditions are met:

- the customer lives in rural Northland/East Coast/ Eastern Bay of Plenty
- the existing dwelling is a Category A
- the customer is a beneficial owner of the land or where the land owners agree
- land owners acknowledge that other uses of the land will not be possible during the term of the agreement with the Corporation
- no other options are available to the customer and the placement of the relocatable state rental is considered by the land owners and the Corporation to be the most effective, efficient and sustainable option
- a legal agreement must be signed by the Corporation and the land owning entity agreeing that a dwelling/s can be placed on the land for residential purposes to house people who meet the Corporation's Social Allocation System criteria
- the land owning entity must have the legal capacity within its objects and powers or constitution to enter into the agreement
- land owners agree to one of the following options:
 - the Category A dwelling is demolished
 - the Category A dwelling is made uninhabitable
 - to sign a memorandum of understanding that the dwelling will not be eligible for repair by the Corporation.

Appendix E6 Specific Community Owned Rural Rental Housing Loan criteria

Community group eligibility

A Community Owned Rural Rental Housing Loan is available to a community group that has:

- A long term commitment to the provision of social housing
- A mandate from its community to develop their project
- A legal mandate to administer the land and housing developed
- An ability to make a contribution through the provision of cash, land, or sweat equity
- An organisational structure with the capacity and capability to deliver housing including:
 - a clear governance and accountability framework
 - financial management systems
 - clear asset management policies and systems
 - clear tenant and client services policies and practices.

Where a community group does not have the capacity and capability to deliver housing but a leaseback of the properties to the Corporation is proposed, the group must provide a plan to ensure capacity and capability is developed by the end of the lease. The plan must be provided and approved before the loan is approved.

A legal capacity check must be undertaken on all community groups applying for a Community Owned Rural Rental Housing Loan. The legal capacity check must follow the Corporation's standard template.

Project eligibility

The proposed community housing project must:

- Support the Government's goals of eliminating substandard housing by increasing the housing stock in areas where quality housing is in short supply (this may involve the construction of new dwellings or purchasing and refurbishing existing dwellings).
- Develop a housing project to increase housing supply in a rural Northland/East Coast/Eastern Bay of Plenty community that has Category A dwellings.
- Have community support
- Be affordable and sustainable for the community group and its customers.
- Address asset and tenancy management requirements.

Loan conditions

- Loans approved must comply with the Corporation's credit policy. The loan agreement must follow the Corporation's standard template.
- When approving loans, the Corporation must consider potential impact on existing tenants if purchasing properties currently rented.
- Properties purchased can be leased back to the Corporation under the Home Lease programme. All the standard terms and conditions of the Home Lease Programme must apply, for example:
 - Properties must be tenanted according to the Social Allocation System with the assessment conducted by the Corporation
 - Community groups must be advised that under a leaseback, properties are tenanted using the Social Allocation System and tenants may not necessarily be associated with their organisation/whanau/hapu.

Capacity Development Fund

- Funding is available for community groups to obtain professional and technical assistance with:
 - Land acquisition
 - Concept design
 - Resource and building consent
 - Legal issues
 - Development of project costs.
- The maximum amount available can be no more than 10% of the total cost of the proposal.
- Priority for funding must be given to community groups that are ready to undertake a project and are likely to be granted loan funding within a reasonable timeframe.