

Elder Housing Operational Policy 2021

1. Relevant Legislation

Local Government Act 2002
Residential Tenancies Amendment Act 2020

2. General Approach

- 2.1 Western Bay of Plenty District Council owns four housing villages in Te Puke, Katikati and Waihi Beach. The villages are for the purposes of providing affordable housing for *older people* living in the District.
- 2.2 Council's general approach to this activity is:
- Council employs staff to carry out property and tenancy management functions, in accordance with relevant legislation.
 - The activity is self-funding. That is, revenue generated (primarily rental income) covers all capital and operational expenditure, without rates input.

3. Policy Objectives

- 3.1 To provide guidelines for tenant eligibility for people wanting to live in Council-owned elder housing units.
- 3.2 To provide guidelines for the setting of rents, in accordance with the general approach set out in Clause 2.
- 3.3 To ensure Council meets its statutory obligations with respect to tenancies.

4. Definitions

Older People are those who are eligible for NZ Superannuation. This is currently people aged 65 years and over.

Accommodation Supplement is the subsidy provided by the Ministry of Social Development to support people to meet their housing costs.

Live Independently means to have the ability to manage living on one's own, either with or without support, as certified by a medical doctor.

Effective Rent means the level of rent set by Council, minus the *Accommodation Supplement*.

5. Policy Eligibility Criteria

- 5.1 Applicants must be *Older People* who are New Zealand residents.
- 5.2 Applicants must be able to demonstrate their total assets are worth \$40,000 or less for a single person, and \$50,000 or less for a couple.
- Total assets include cash, investments, dividends, bonds, shares, trust of any kind, house and other property, car, caravan or boat. It does not include furniture or personal effects.

- 5.3 Applicants must be able to demonstrate that they are able to *Live Independently*.
- 5.4 Applicants must have two written references, or provide the details of two people willing to provide verbal references. Referees must not be relatives of the applicants.
- 5.5 If there is a waiting list for units, consideration will be given to the following criteria:
- Where applicants either reside, or have a history of residency within the Western Bay of Plenty District, or
 - Whether applicants have close family either residing in the District, or with a history of residency in the Western Bay of Plenty.

6. Ongoing Eligibility

- 6.1 Tenants are obligated to inform their tenancy manager of any changes to their circumstances.
- 6.2 At any time, Council's tenancy managers can request evidence of a tenant's eligibility to remain in their units.

7. Tenancy Agreements

- 7.1 Council will ensure its tenancy agreements comply with the requirements of the Residential Tenancies Act 1986 at all times.

8. Rent Setting

- 8.1 Council will set the *Effective Rent* at a level that amounts to no more than 35% of the nett weekly rate of NZ superannuation.

Two examples are set out below:

Example 1: Single person receiving NZ superannuation

- Council sets rent at \$220 a week.
- At \$220 a week, the accommodation supplement is currently \$77.70
- *Effective rent* is \$142.30 (rent minus accommodation supplement).
- NZ super is \$436.94 a week (nett).

The *Effective Rent* as a percentage of NZ super is 32.6%.

Example 2: married couple receiving NZ superannuation

- Council sets rent at \$280 a week.
- The accommodation supplement is \$78.40
- Effective accommodation cost is \$201.60
- NZ super is \$672.22 a week (nett).

The *Effective Rent* as a percentage of NZ super is 29.9%.

- 8.2 Tenants are not required to be eligible for the *Accommodation Supplement*. For tenants that are not eligible for the *Accommodation supplement*, the rent they pay may be higher than 35% of their income.
- 8.3 Rents will be reviewed annually through Council's fees and charges schedule.

9. Water Rates

- 9.1 Council will continue to cover the costs of water rates, as the units are not on individual meters. This policy may be reviewed if units are redeveloped, and individual meters are installed.

Group	Infrastructure Services	Contact (3rd Tier Manager)	Strategic Property Manager	
Creation Date	7 th September 2021	Resolution Reference	PP21-5.2	
Authorised by	Policy Committee		Date	7th September 2021