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Doing away with the one size fits all model.

Professor Terry Burke

Swinburne University of Technology

Melbourne Australia

Objectives and Structure

OBJECTIVES

To review the housing environment as a way of suggesting the need for housing assistance reform

To critically evaluate whether there is a better way of providing service in social housing.

To suggest specific areas where there is potential for reform of policy, management and administration of social housing

The Housing Assistance Environment

Changing labour markets

Changing demographics

- population growth 1,560,000million
- Households 480,000
- in poverty H'holds 48,000

Changing social values/expectations/needs

Changing housing market.

What does this all mean? Greater socio-economic diversity!-----greater diversity in housing policy, management and assistance.

The Siloed housing model

Current Attributes

- Private market Dominance (94%)
- Three tenure sectors
- One dominant social Housing provider (HNZC)

Problems

No sector can now fit its traditional role

Lack of mobility

Increasing inequality.

Lack of choice

Deepening housing stress

A Contemporary New Zealand Housing System



NZ Social housing in context.

- Dominance by HNCZ
- The context changed in the 1990s and did see major reform eg allocations, rent setting, but still within one size fits all framework.
- It emerged from a homogeneous, and equalitarian society where both horizontal and vertical equity were important and which were achievable in the context of the era. _ a one size fits all management and allocative system worked reasonably well and provided administrative simplicity

• Reform potential

Choice of providers

Allocations

Rent setting

Asset Management

Choice of providers

What choice model?

Competitive Model

Complimentary model

Continuum model

Specialist model

- On site support –reinstitutionalisation?
- Off site support

One Housing System

Reforms of practice

Allocations

- **Primary Rationing**
- Eligibility; Bringing Security to private rental-changing residential tenancy legislation thereby reducing demand on Social housing sector.
- **Secondary Rationing**
- Quotas on segments in certain market contexts
- Local area flexibility
- Use of choice based allocations.
- Allocations linked to rents (next)
- Linking allocations with outcomes (specific groups only)
- Transfers

Reforms of Practice

Rent Setting.

Model 1 Household Rents not just market rents to reflect attributes of location, housing quality, amenity, size, type.

Properties with identified qualities (Gold properties) to have household rent of 30 per cent.

Applying tenants can apply for HNZ normal or HNZ gold (the 30percent properties). Rents thus linked to allocations. Applicant apply for what they can afford.

Model 2 Residual rent model where formula is not one benchmark but relates to household size and associated expenditures. For some households might be 22% for others 33%

Model 3 Allocations disconnected from household size formula. The forgone rent assumption but poor client service and less important in NZ where rebate is not an internal liability of HNZC.

Model 4 Compulsory Rent Saver. (Stone model) Forced equity build up.

Building a Professional workforce;
dispelling old orthodoxies:

- Anybody can be a housing worker/manager.
- The siloed workforce
- Professional development (residual and selective)