

Housing New Zealand Corporation Board

25 October 2011

Suspensions Policy

General Manager Sector and Stakeholder

Purpose

- 1 The purpose of this paper is to request the Board's approval for Housing New Zealand Corporation's adoption of a suspensions policy, which is scheduled for implementation on 30 November 2011.

Recommendations

- 2 It is recommended that the Board:
 - a) **note** that on 30 November 2011, the Corporation intends to introduce a policy to suspend former Corporation tenants from eligibility for state housing where their tenancy is ended as a result of:
 - i) serious and or repeated anti-social behaviour (including unlawful activity) and/or
 - ii) a serious breach to their tenancy obligations and/or
 - iii) serious fraud (including subletting) and/or
 - iv) a serious income-related rent debt.
 - b) **adopt** the Corporation's suspensions policy
 - c) **approve** the attached draft article on the suspensions policy, which is due to be sent to tenants in the November 2011 issue of *Close to Home*.

Background

- 3 In April 2011 Cabinet recommended, as part of a set of decisions on changes to eligibility for state housing, that former Corporation tenants would be suspended for one year for serious breaches of their tenancy agreement [SOC Min (11) 6/2]. The term 'former tenants' reflects the intention that the suspension will take effect from the date the customer vacates their tenancy.
- 4 Currently, when a tenant has their tenancy ended for a serious breach of their tenancy responsibilities or serious anti-social behaviour, they can immediately reapply for state housing. Under the new policy, the Corporation will be able to suspend their eligibility for a state house for up to 12 months.

Proposal

- 5 The Corporation has developed a proposed suspensions policy that permits suspension from eligibility for one year arising from a number of criteria. The purpose of the policy is to protect the financial interests of the Corporation and the Crown, and the safety and interests of the community, Corporation staff and contractors, and to provide an incentive for tenants to moderate their behaviour and fulfil their tenancy obligations. The policy will not be applied retrospectively.
- 6 In relation to anti-social behaviour, the suspensions policy complements the Corporation's Encouraging Good Neighbour Behaviour policy (EGNB). Suspension, following termination of a tenancy, would be the final step in the EGNB process.

- 7 The proposed criteria for suspension are:
- serious and/or repeated anti-social behaviour (as defined in the EGNB policy, and including unlawful activity, assaults, and/or threats against staff, neighbours, or contractors)
 - a serious breach of their tenancy obligations and/or
 - serious fraud (including subletting) and/or
 - a serious income-related rent (IRR) debt.
- 8 The proposed policy also includes the ability to suspend persons living at or associated with a Corporation property who are not the tenants, where the Corporation believes on credible evidence that those persons undertook the serious anti-social behaviour that led, or occurred prior to, the end of the tenancy.
- 9 The Corporation will follow a fair and transparent process when considering suspending a tenant's eligibility for state housing. Any decision to suspend a tenant will take into consideration the tenant's circumstances and their history.
- 10 The proposed policy provides that a suspension may be waived by the Chief Executive on the grounds of:
- severe housing hardship
 - the interests of any affected children
 - a demonstrated commitment to repay debt
 - proven changes in behaviours or circumstances.

Tenants will also be able to appeal to the State Housing Appeals Authority if they apply for a waiver of their suspension and this is declined.

Next steps

Go live date

- 11 Once the Board has adopted the proposed suspensions policy, the Corporation will implement it on 30 November 2011.
- 12 This implementation date allows time for information on the policy to reach Corporation customers before it comes into effect. The Corporation has already indicated to Ministers that it would advise tenants of the policy at the outset of their tenancies, and in the case of existing tenants, when the policy comes into effect.

Communications

- 13 It is proposed that an article on suspension will be featured in the *Close to Home* publication that will be sent to tenants on 7 November 2011 (A draft article is attached as an Appendix).
- 14 The article provides key information on suspensions, and advises that the policy will start from 30 November 2011. National Contact Centre and front line staff will be prepared to manage enquires regarding suspensions at this time and fact sheets will be available to supply to customers. New tenants will receive information about suspensions in their Welcome Home Packs from 30 November 2011.
- 15 Communication to staff is being phased in leading up to the go live date. Project updates to senior leaders are occurring now, and this will filter through to front line staff via team briefings, leading up the go live date. Key messages will be provided in November 2011 to regional managers and delegated staff.

Training

- 16 A business user group, along with members of the project team, ran through a training session on 13 October 2011 to test and finalise the training approach, suspensions documentation, and supporting training material. Excellent feedback was received regarding the process and documentation, including the feedback that the policy is workable and practical.
- 17 Training sessions have been booked for the first half of November 2011 for regional managers and delegated staff in Auckland, Wellington, and Christchurch. Training sessions will also be held for staff in the National Contact Centre, and Tenancy Services Delivery Business Improvement, Investigations, and Audit teams in this same period.

Board actions

- 18 Although introduction of a suspensions policy has been recommended by Cabinet, the proposed suspensions policy is a matter of operational policy and therefore must be formally adopted by the Corporation.
- 19 In June 2011 the Board delegated authority for the adoption of operational policy to the Chief Executive. However, decisions on major policy statements determining Corporation direction and strategy were reserved for the Board.

Appendix

Draft article on suspensions policy for November issue of 'Close to Home'

Kathy Clement
**General Manager Sector and
Stakeholder**

Lesley McTurk
Chief Executive

Appendix

Draft article on suspensions policy for November issue of 'Close to Home'

Suspension from Housing New Zealand houses

A very small percentage of our tenants defraud the system, act in ways that intimidate or harm others, or abuse or use our properties as a base for criminal behaviour. From 30 November, Housing New Zealand can suspend tenants who carry out these and other serious antisocial activities. Once suspended, that person will not be eligible for a state house for a year.

We may also suspend former tenants and other people living or associated with the property but not named on the tenancy agreement where, on credible evidence, we believe those people were involved in serious antisocial behaviour.

This policy works hand in hand with the Encouraging Good Neighbour Behaviour policy which we introduced last year to encourage good behaviour, and address bad behaviour that might result in a tenancy being terminated. Customers, whose tenancies are terminated under the Encouraging Good Neighbour Behaviour policy, can now also be suspended from applying for a state house for a year.

Dr Lesley McTurk, Housing New Zealand chief executive, explains why we are doing this. "Most of us want the same thing – a happy and safe environment to live in. This policy will enable us to suspend tenants who disrupt others from enjoying their houses, and protect our tenants, staff and houses from unlawful or antisocial behaviour".

Tenants will not be suspended for breaking a window, or missing a one-off rental payment. This policy has been introduced to address serious antisocial, criminal or fraudulent behaviour.

Dr McTurk explains further - "This policy is about fairness – we're making changes so we can house people who really need our help for as long as they need a state house. Fraudulent and antisocial tenants should not receive a state house ahead of others who are in need on the waiting list'.

Suspended tenants will be able to apply for an internal review if they do not agree with the decision to suspend them. The review will be based on the original grounds of the suspension.

For more information, you can pick up a brochure from your local Neighbourhood Unit, or download one online www.hnzc.co.nz

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