

SIAN ISSUE 28, July 1992

The SIA Newsletter is compiled and published by members of the Association for Social Assessment (Inc.) and distributed free to SIA Network members. Its aim is to encourage contact and sharing of information between all those interested in social assessment in New Zealand. The views expressed are those of the authors and do not necessarily represent those of their various employers or the Association.

ASA (Inc.) Membership

Please support ASA by becoming a member! If you are already a member - pass the enclosed membership form on to someone else that you think may be interested. Membership fees for 1992 are \$10 for those on low incomes and \$30 for others (including organisations)

Membership is now about 120, but there are still quite a few unpaid subscriptions

1992 Member Subs are now due

This issue has been compiled and edited by James Newell with help from Paul Lister. Lay out and typesetting were done by James Newell and David Press in Wellington. As usual, we note that the copy and information in the newsletter is only as good as the network out there. In recent issues we have kept to the idea of a major theme, in this case - housing.

In the next two issues we plan to feature resource management/conservation. As always, we would like to have any news about your activities, comments on practice, information on new reports, and if possible written summaries. **Deadline for the next SIAN is 20 September 1992.**

SIAN welcomes reports, news, reviews, and help with typing of written copy onto computer and creating artwork / illustrations etc.

Contributions on Macintosh or MS-Dos formatted disks are best, but not essential.

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Association for Social Assessment (Inc.)

ASA CORE GROUP

The ASA Core Group has met twice (on 9 April and 2 July) since the last SIAN. Working Groups and local "branches" are starting to sprout. Organisation of the October 1992 ASA Workshop and AGM is well under way.

The Resource Management Working Group has been very active, making a "hands on" contribution to the preparation of information sheets for a Guide to the Resource Management Act being prepared by the Ministry for the Environment.

Last year's ASA workshop at Tatum Park posed the question, "What are the implications of biculturalism for the way the ASA operates and promotes social assessment?" Bob Williams was given the task of coordinating the response and reporting back to this year's conference. In this SIAN, Bob reports on where this has taken us so far.

A Dunedin ASA group has formed and has had its first session. This is a busy time of year for those involved in social assessment or social policy issues, and social change continues apace. Auckland members are putting a lot of effort into the organisation of the October workshop, which holds a promise of balmy days, as we hug hot water bottles and wrap blankets around us at this turning point from the winter stage of the seasonal cycle.

James Newell

ASA 1992 (AUCKLAND) WORKSHOP & AGM

An Auckland group, convened by Core Group member David Haigh, has started planning for the 1992 ASA Workshop/AGM. The venue is Club Paradise, Palm Beach, Waiheke Island. The date for the Workshop is 30 October to 1 November. It will be preceded by a Social Research training day convened by Dr. Charles Crothers (Sociology Department, Auckland University) and Phil Harrington (Auckland College of Education).

The workshop programme will cover topics such as the social consequences of Government reform on the social services, local authorities, Iwi development and resource management.

For further information, refer enclosed newsletter or contact the conference organisers (PO Box 66 011, Beachhaven, Auckland 10)

BICULTURALISM AND THE ASSOCIATION FOR SOCIAL ASSESSMENT

Bob Williams

What are the implications of biculturalism for the way the ASA operates and promotes social assessment? The ASA posed the question of itself at its conference last year and Bob Williams was given the task of coordinating the response and reporting to this year's conference.

In their response to the challenge, Wellington based ASA members followed a format used by James Barnes in his work on bicultural issues in commercial and government organisations. First, the ASA constitution got the once over. This gave rise to discussions about personal responses to social assessment, the empowerment of indigenous peoples and recognition of the Treaty of Waitangi.

The next task was to look at the ASA itself and undertake an audit. That audit ranged over the following issues:-

- What bicultural direction does the ASA have in its planning and decision-making?
- What Maori organisations or interests currently overlap or have links with ASA?
- At what level in the ASA do the majority of issues with Maori interests occur?
- Who undertakes consultation on behalf of ASA?
- Are there standards and process for consultation with Maori in the ASA?
- How does the ASA judge the success of its interaction with Maori interests?
- Where are the major barriers to progress?
- Where are the opportunities for progress?

Finally the question was posed "Where does the ASA want to be in two years time?"

The answers to all these questions proved revealing, challenging, yet positive. Hopefully, they will be explored more extensively at the ASA Conference - which is when the next big question will be asked. If we know where we want to go, how will we get there?

ASA WORKING GROUP ON THE RESOURCE MANAGEMENT ACT

A working group on the Resource Management Act was formed at the ASA October AGM. The group offered to work with the Ministry for the Environment to advance the consideration of social affects within the context of the Assessment of Environmental Effects (AEE) as required under the Fourth Schedule of the RM Act.

Early this year MFE decided to compile a folder on the assessment of environmental effects as part of the series of Guides to the Resource Management Act. The Ministry advised that the folder would include a number of information sheets as well as a revised version of the MFE 1988 Draft Guide for Scoping and Public Review Methods in Environmental Impact Assessment.

The RMA working group was asked to assist in revising the information sheets to be included in the folder. The three information sheets are as follows:

- Information to Help Councils
- Information to Help Applicants
- Principles for the Assessment of Environmental Effects

Early on, the working group agreed that a question and answer format was the most user friendly format for this material. The

papers have been redrafted accordingly and the revised drafts have now been submitted to MFE. The working group are in the process of the last round of discussions to reach final agreement on content and style.

NEWS FROM DUNEDIN BRANCH

On Tuesday, 23rd June the Dunedin Branch of ASA held its inaugural meeting at the Dunedin City Council building. ASA has a number of members in local and regional government, and at the university, and it was felt that it was about time that they were invited together to network and discuss matters of interest to social assessment practitioners.

Despite the frosty weather and the counter attraction of Sir Geoffrey Palmer at the University, about a dozen hardy souls turned up to hear Bishop Penny Jamieson on the work of the people's Select committee on Poverty; Grace Ng, the Council's senior community adviser on draft Community policy for Dunedin; and Doug Craig, ASA joint secretary, on the history of social assessment as it relates to social policy-making in New Zealand.

The impact of the Government measures in the economic and social sphere at a local level was the focus of the discussion. Penny Jamieson was critical of the notion that there was a community consensus or a shared vision for development. She believed that the Government measures tended to divide people along lines of access to resources. With reduced government support, people have had to fall back on extended family networks and over stretched voluntary agencies to maintain basic living standards, let alone well-being. Doug Craig pointed out the lack of connection and mechanisms between those in front line social welfare agencies and policy-makers at regional and national levels. Those attending were challenged to try to make or enhance those connections.

Further meetings will be planned around topical issues and their relationship to social assessment practise.

Future Meeting Dates and Venues

Core Group Meeting : Thursday, 10 September, MAF, Wellington.
SIAN 29 : deadline for copy 20th September

Job Vacancy RESEARCHER / ANALYSTS Evaluation Unit DSW

The Evaluation Unit of the Social Policy Agency in Department of Social Welfare (DSW) is seeking researcher/analysts to work as part of a team carrying out evaluations of the Department's social programs and policies.

Applicants should ideally have relevant research experience and skills in research design, interviewing, statistical analysis and report writing, as well as an Honours degree or higher in the Social Sciences.

Knowledge of tikanga Maori and experience in research and networking in different cultural and community contexts are desirable.

Applicants need to be able to work within a Department which has policies of biculturalism, cultural sensitivity and equal employment opportunities. The positions are full time although consideration will be given to applicants wishing to work part time.

For further information and a job description contact Anne Donnell, DSW, Private Bag 21, Wellington, telephone (04) 472-7666.

About the Evaluation Unit

The Evaluation Unit carries out evaluations of selected key programs and new policies of the Department and provides advice on evaluation matters to senior managers. Projects are selected by the Chief Executive and General Managers according to the significance of the program, cost, evaluability, and the use and timeliness of the results.

Two projects are currently under way. One is an evaluation of Special Needs Grants and Special Benefit (Contact Alison Church). The other is an evaluation of the Domestic Purposes Benefit Income Test (Contact Marlene Levine) and explores options for facilitating the entry of sole parents into the paid workforce.

The Unit's seven staff and manager (Anne Donnell) are part of the Social Policy Information Service in the Social Policy Agency.

CONFERENCES AND WORKSHOPS COMING UP

SOCIAL POLICY CONFERENCE ASSOCIATION FOR SOCIAL SCIENCE RESEARCHERS & SOCIOLOGY ASSOCIATION OF AOTEAROA (NEW ZEALAND)

Theme : "Changing Responsibilities"
Venue : Student Union Building, Victoria University, Wellington, December 4-6, 1992.
Contact : Marg Gilling, Private Bag 21, Postal Centre, Wellington

Proposed Topic Areas and Coordinators:

The State as Market Cathy Wylie
Working Together: Research in the Community
Frances Acey and others
Intergenerational Responsibilities: Tracing the Changes
Anne Opie
The Treaty of Waitangi Thom Kenny and others
Monitoring of Government Policy and Social Trends
Sally Jackman
Finding Resources for Social Research- Judith Davey

INTERNATIONAL ASSOCIATION FOR IMPACT ASSESSMENT 1992.

Theme : "Industrial and Third World Environmental Assessment: The Urgent Transition to Sustainability"
Venue : Washington, D.C., USA at the World Bank Headquarters, August 19-22, 1992.
Contact: Maurice Voland, Executive Director, IAIA PO Box 70, Belhaven, NC 27810, USA,
Phone: 919 964 2338, Fax: 919 964 2340

BLACKBOARD

STATISTICS FOR SOCIAL POLICY RESEARCH REVIEW

Over the next two years, the Department of Statistics plans to upgrade and extend its programme of household surveys and associated statistical services with the aim of improving the scope, quality and availability of statistical information relevant to social policy research.

Developments will occur on several fronts:

- existing household surveys will be modified to provide a wider range of more relevant data and to ensure maximum integration across surveys;
- additional topics will be introduced to existing surveys and provision will be made to extend the range of new surveys that can be undertaken;
- a data analysis facility will be established in the Department of Statistics, providing researchers with direct access to survey datasets under controlled conditions with support from experienced statisticians.

The substance of this will be:

- redevelopment of the HEIS (Household Expenditure and Income Survey) into a multipurpose vehicle, by retaining core expenditure and income elements and introducing a core of programme participation items and a cycle of supplementary modules on income and wealth and the consumption, adequacy, and access to health, housing and education services;
- modification of the HLFS (Household Labourforce Survey) to provide better integration with other surveys, by including new core items and periodic supplements on labour and employment related topics;
- development of stand alone surveys, for topics not suitable for inclusion in the multipurpose vehicle by virtue of their subject matter or methodological requirements (e.g.. time use, disability).

[Editor - This information is drawn from a much longer article which included much discussion of some social statistics information needs, and weaknesses and inadequacies of the existing statistical system, as printed in ASSR News July/August 92. That article was based on Paul Brown's notes for his talk to ASSR on 1 July 1992. Paul is Senior Manager, Household Surveys and Social Statistics, Department of Statistics, PO Box 2922, Wellington]

NEW ZEALAND INSTITUTE FOR SOCIAL RESEARCH AND DEVELOPMENT (LTD.)

This new Crown Research Institute (CRI) has been formed in the wake of restructuring of DSIR, MAF and FRI. It is based on the DSIR's Social Science Unit. Its mission is:
"To enhance the societal and economic well-being of New Zealand through undertaking and applying research into the development of human resources."

It has developed five priority areas for research :

- Work and Management Skills
- Technology Adoption
- Responses to Change and Global Competition
- Societal Change
- Societal Trends and Analysis

The new Institute's Head Office is in Christchurch, with a small office in Wellington.

The Board of Directors is chaired by Dr. Alan Bollard. Peggy Koopman-Boyden is the Institute's Chief Executive. Peggy has been a Senior Lecturer in Sociology at Canterbury University for the past 22 years, but she has also acted as a policy advisor for numerous Government agencies in New Zealand and has held many public appointments, most notably Deputy Chairperson of the New Zealand Planning Council and Chairperson of the National Council on AIDS.

INTRODUCTION TO THE HEALTH REFORM INFORMATION ITEM

The last edition of SIAN carried two items about the Government's health re-organisation. Bruce Hucker saw the reorganisation as being driven by the ideology of "economic rationality". He concluded that in a small country like ours that ideology can lead to dissipation of resources, waste, undue fragmentation, and foster the spirit of competition over collaboration. The second item was a summary of the ASA's submission on aspects of the health reorganisation. It called on government to :

- define clearly the intended social outcomes of the reorganised health system;
- understand and accept that the factors which determine health are extremely complex and include personal well-being and poverty;
- accept that individuals and communities will take a greater share of responsibility for health if they are involved in decision making at all levels.

In the context of the discussion of health reform issues, the Health Reform Group outline below the main elements of the Government's reform programme.

REFORMING THE NEW ZEALAND HEALTH SYSTEM

Health Reforms Group

In July 1991, the Government announced that the agencies which spend taxpayers' money on health services for the public would be completely separated from those which actually provide the services.

Regional Health Authorities (RHAs), the agencies which will buy health care, will be required to ensure that all people in their geographical area have access to "core" health services and will be free to buy from public, private, community or voluntary health care providers. The core will be defined in time for the RHA's to undertake their first round of purchasing for the start date of the new system - July 1, 1993.

Funding for public health issues e.g. clean water and food services, will also be separated out and managed by a national body to be called the Public Health Commission. This separation recognises the different nature of public and personal health strategies.

Public health programmes are national, involve longer term planning and have a social focus. Separating funding means public health issues will not get lost in the more immediate demands for personal health services.

Since the announcement of those changes, considerable work has gone into developing policy and setting up structures for the future.

First, four separate units were set up to manage the process in each identified area.

On the purchaser side, the Health Reforms Directorate (HRD) has helped with the early stages of setting up the four RHAs and is making recommendations to the Government on purchasing policy issues such as quality and contract management.

On the provider side, the National Interim Provider Board (NIPB) is charged with managing the transition of publicly owned hospitals and their associated facilities and services into Crown Health Enterprises.

The purchaser/provider split is further reflected at a political level. The Minister of Health, Simon Upton retained responsibility for the HRD in his portfolio, while the NIPB became the responsibility of newly appointed Crown Health Enterprises minister Paul East.

Both the HRD and NIPB are temporary agencies based in the Department of the Prime Minister and Cabinet. They are expected to be phased out by July 1, 1993.

The other two units of the reformed health system are permanent and based in the Health Department. The National Advisory Committee on Core Health Services (NACCHS) will first identify the range of publicly funded health services now offered (the implicit core). Then after a round of consultation with health professionals and the public, NACCHS will make recommendations to the Government on the services to be funded for the first purchasing round.

Getting the purchaser side of the new system under way has been top priority in the reform process. In March 1992, NACCHS members were appointed to start defining what services are to be provided and RHA Establishment Boards were appointed to form the four RHAs which will do the purchasing.

By establishing RHAs first, the purchaser role can be clearly set out and public attention focused on the new agency that will decide what health services are funded in their area.

As RHAs are to receive government funding for all personal health care services - whether it has been in primary care, e.g. GP visits, or secondary e.g. hospital services - setting up RHAs first also encourages providers to think about how they might best organise themselves to bid for contracts under an integrated funding system.

By early 1993 it is anticipated that RHAs will have received information through the Government from NACCHS on the likely core health services to be purchased in 1993.

The RHAs will then start negotiating for contracts with providers to deliver those health services. Contracts will then be signed for the start date of the reformed New Zealand health system - July 1, 1993.

In a completely separate process, advisory committees have been appointed to recommend the form and number of CHE providers in the new system. It is expected that 20-25 CHEs will emerge from the public health facilities currently run by 14 area health boards.

For further information contact the Communications Unit of the Health Reforms Group, Ph 4-474 8207, Fax 4-472 0137, PO Box 55, Wellington.

NATIONAL ADVISORY COMMITTEE ON CORE HEALTH SERVICES (NACCHS)

This committee chaired by Sharon Crosbie has the task of advising the Minister of Health by the end of October 1992 on what the "core health services" should be so that they can be specified in the contracts between the Government and the Regional Health Authorities for the 1993/94 operating year.

PROPOSED LONG TERM PRIORITIES FOR PUBLIC GOOD SOCIAL SCIENCE

The main shift in emphasis recommended in the Public Discussion Paper on this subject prepared by MORST (Ministry of Research Science and Technology) is a move from the primary production group of outputs towards the secondary production group. For example, a shift in resources from primary production oriented research to those activities that add value onto those products.

The report recommended a major increase in funding for the

Social Science Outputs Class. The view was expressed that this output class has an underpinning effect on the whole economy, was considered to be badly underfunded at present, and its importance underestimated. Two scenarios were presented, a "no overall funding increase" scenario which would result in social science funding increasing from \$1.6m as at 1992/93 to \$4.4m in 1997/98, and a second "growth in science funding" scenario which would result in the level of social science research funding reaching \$6.5m by 1997/98.

The Science and technology Expert Panel (STEP) met on 30 June to consider the more than 300 submissions on the proposed "Long Term Public Good Science Research" priorities. The panel will meet in early August to finalise its recommendations to the Minister of Research, Science and Technology. A Cabinet paper based on the Panel's recommendations will be written and circulated to government departments for comment prior to being presented to Cabinet. The Committee's recommendations will be forwarded to Cabinet and formally published as the Government's Priority Statement. A review of the priority setting process will later be carried out by MORST (Ministry of Science, Research and Technology).

Current WORK

THEME : HOUSING

SOCIAL ASSESSMENT AND THE NEW HOUSING POLICY

Paul Lister (ASA Secretary)

The current National Government has undertaken a dramatic restructuring of state assistance to housing - establishing a rental enterprise to manage state rental housing, replacing both the old Housing Corporation income related rents and the DSW Accommodation Benefit with a new Accommodation Supplement, and setting up a new policy ministry, the Ministry of Housing. The two new agencies are up and running from July 1, and the Supplement will be introduced on July 1, 1993.

The key to these reforms in housing is the Accommodation Supplement, which will deliver the same amount of help to all those who are eligible for Government assistance in housing. This Government has decided to spread the existing amount of housing assistance evenly across the public and private sector - the HCNZ subsidy and the accommodation benefit will be amalgamated into the new Accommodation Supplement. For the rental sector all tenants, whether their landlord is Housing New

Zealand, a local authority, or in the private sector, will be eligible to apply for the Accommodation Supplement, and will receive Government assistance on the same terms.

In order to "level the playing field" and ensure that the landlords are also competing on the same terms, the old Housing Corporation has been restructured into a commercial enterprise, expected to deliver a market rate of return on assets, and therefore charge rents in line with private sector ones.

There has been a great deal of public comment over the changes in housing, much of it critical. Many of these criticisms are covered in the articles by Sally Jackman and Mike Barnes in this issue - the risks of increasing discrimination, lowering of physical housing standards, increased homelessness and overcrowding, rent increases and the subsequent transferring of income from the State to landlords, poorer provision of housing for the elderly and people with disabilities.

From the Government's point of view the new system will be fairer and more equitable, more flexible and more accessible, with clearer separation of all the various functions of the Housing Corporation reflected in the new organisations, avoiding past conflicts of interest. New Zealand has a Ministry of Housing for the first time, to provide Government with policy advice on the broad range of housing issues. The new rental enterprise will be a responsible landlord, dealing with tenants in a fair and professional manner, and will assist the Government in achieving social objectives in housing. Sections of the company's draft Statement of Corporate Intent relating to the Crown's social objectives and the Company's social responsibilities are reproduced below.

In the midst of all the media attention on the restructuring of the HCNZ and the setting up of Housing New Zealand, the Ministry of Housing has come into existence somewhat unheralded. It is a creation which members of a professional association concerned with the assessment and monitoring should be most interested in.

The Ministry of Housing will have a key role in monitoring the progress of the new reforms, and providing advice to the Minister of Housing, and through the Minister to Cabinet, on all issues in the housing sector.

The Ministry will be responsible for the statutory responsibilities of the Crown under the residential Tenancies Act through its Tenancy Services Division.

It will provide the Minister with information on housing markets, and assessments of the effects of various regulatory mechanisms on housing - such as the Resource Management Act, the race Relations Act, and building codes and regulations.

It will need to understand the housing needs and aspirations of New Zealanders, and key sub-groups of the population - Maori, Pacific Islanders, people with disabilities, those with emergency housing needs - and be able to assess whether these needs are being met adequately and advise the Minister accordingly.

It will also need to monitor the impacts of the reforms on the housing sector. This will involve, for example monitoring the impact and effectiveness of the Accommodation Supplement, trends in demand and supply in both the rental and ownership sectors of the housing market, community housing provision, the effectiveness with which the social objectives of the crown are being carried out.

The Government has shown some fortitude in progressing with the housing reforms in the face of considerable opposition. Key parts of the reforms have already been implemented - the establishment of Housing New Zealand and the Ministry. Key decisions on the detail of the Accommodation Supplement are expected in late August/early September. While many may consider that voicing opposition to the changes is still important, it is vital for the members of the ASA that we also look to the future and consider how to monitor the impacts of changes in housing, to promote discussion and analysis of the implications of the changes, to assess the causes of the changes and the need to develop concrete, and fiscally responsible, policy suggestions to solve problems should they develop.

If the ASA is to develop a reputation as a credible voice in the policy arena, and to promote the values and practice of high quality social assessment as a necessary policy tool, then high quality, objective analysis of the impacts of social reforms (such as those currently in train in housing) is needed. Once the analysis is done, it is also important to develop clear professional strategies to publicise the results of work done, and to introduce issues raised thereby into the public and policy arenas.

Excerpt from the Draft Statement of Corporate Intent : Housing New Zealand -

"... To assist the Crown in meeting its social objectives in relation to the provision of housing and related services, Housing New Zealand will:

- (a) Primarily allocate its vacant rental units to low income New Zealanders (defined by the Responsible Minister);
- (b) Give priority access in allocations to those in temporary accommodation or who are in accommodation detrimental to their health or well being. Such priority allocations shall be subject to normal prudent tenancy requirements and certification of the tenants status.
- (c) Give priority in the allocation of its tenancies to existing tenants wishing to transfer to cheaper/smaller accommodation better suited to their needs;
- (d) Provide information (in the form of application forms and pamphlets) to Housing New Zealand tenants (and the prospective tenants) on the nature of the additional housing assistance that may be available through DSW;
- (e) Protect the tenure and limit the rentals charged to defined categories of existing tenants in accordance with criteria determined by the responsible Minister;
- (f) Provide rental units for use by community/voluntary groups, in accordance with the agreed programme. The number and location of units required shall be agreed each year with DSW, along with a forecast timing of when they will be required. Housing New Zealand will charge market rentals for these units, and may allocate the properties to individual tenants (or dispose of them), if not required by community groups;
(Note: Housing New Zealand acknowledges that the longer term ownership of these "community houses" is still being considered by the Government, and agrees to sell such houses back to the Crown if required).
- (g) Provide other services on a contract basis as required by the Crown in terms of section 7 of the Housing Restructuring Act.

2. In addition, HCNZ will exhibit a sense of social responsibility by having regard to the community in which it operates."

REFORMING THE HOUSING CORPORATION IDEOLOGY BECOMES MUDDLING THROUGH?

Mike Reid

[This is an edited down version of an article submitted in April 1992 based on a longer report which attempts to identify the implications of the reforms on Christchurch. The fuller text is available from Mike Barnes who works for the Christchurch City Council - Editor]

In preparing this article, I would like to acknowledge the value of the Royal Commission of Social Policy's background papers on this issue.

Housing reform was one of the big three social policy reforms announced by the Government in the July '91 budget. In many ways it was an ideal target for the free marketeers encompassing as it did all that could be seen as bad in the Welfare state. From their perspective the Corporation model was one that removed choice, by placing people in accommodation not of their choosing, encouraged dependence and removed incentives for tenants to provide for themselves. It was also an attractive asset which could be sold and would certainly be more efficiently managed by the private sector. In fact the government's ownership of the Corporation was confirmation of the view which blamed "government failure" for the sour state of the NZ economy.

Prior to, and following the budget, the government trumpeted housing reform as necessary to provide housing assistance in a fair and efficient manner. Now, almost a year later, the government is admitting to second thoughts and acknowledging that the reforms may not meet the nation's housing needs.

Within NZ the state has played an important role in housing provision since the turn of the century, actively assisting individuals and families to purchase their own freehold properties, and providing rental accommodation to solve housing problems. The degree of Government support has led to a high level of home ownership within New Zealand, particularly amongst the non-Maori population, compared with other countries. During the 1970's and 1980's, the nature of government intervention gradually changed. As private financial institutions began to provide home mortgages the Housing Corporation increasingly became a lender to those groups who, because of their general lack of resources, could not get loans from other sources. The Corporation's share of the new home lending market has fallen from 23% in 1984 to 4% today. By the July 1991 Budget, the State's housing objectives had narrowed to:

- To target housing assistance to those most in need.
- To encourage those able to take care of their own housing needs to do so.

There were three fundamental changes to housing policy announced in the 1991 Budget.

- The introduction of an Accommodation Supplement, to be administered by the Department of Social Welfare. This supplement will be available in July 1993.

- The restructuring of the Housing Corporation into a State Owned Enterprise which will be accompanied by an increase in rents to market levels.
- The decision to offer the Corporation's rate prime mortgages for sale.

The new policies reflect the overall direction of Government social policy, which is:

- 1 Funding the consumer rather than the service.
- 2 Separating the role of funder and provider and, where ever possible, allowing the market to assess and fulfil needs with a minimum of interference.

The Government's strategy is based upon the premise that the major housing problem experienced by New Zealanders is one of 'affordability'. This analysis assumes that if all New Zealanders had sufficient capital or income, the private housing market would respond by adjusting prices and constructing dwellings, wherever need/ demand was expressed. The logical outcome of the analysis, and one which is consistent with the Government's overall commitment to maximise individual choice, is to treat housing as a commodity that is no different to the purchase of food, clothing, or an education. That is, to direct assistance to individuals through the income maintenance support mechanisms provided by the Department of Social Welfare.

The focus on the problem of affordability, which is fundamental to the reforms, appears to ignore the existence of other constraints on people's ability to gain quality housing.

The experience of other countries which have adopted the 'housing supplement' or 'coupon' approach to meeting their housing objectives is instructive. Research into overseas experience suggests that:

- Supplementary approaches are associated with discrimination, low participation, no increase in supply, inadequacy of allowance and no security of tenure.
- The use of untied assistance (i.e.. supplement given as cash or income generally) has meant that governments are not able to ensure that the housing needs of dependants are being met.
- Supplement approaches may alleviate poverty in the short term but fail to address the long term problem of affordable housing and encourage landlords to raise rents, thus transferring income from the state to those individuals and companies which derive income from rent.
- Housing supplements tend to push house prices at the lower end of the market upwards.

We cannot make the blanket assumption that these results will characterise the New Zealand housing environment. The new measures include a number of safeguards intended to prevent abuse of the system. While they may resolve some difficulties, as is often the case with new policies, they frequently create yet further problems requiring additional policy responses.

The Government has introduced the concept of FMR, (fair market rental) by which each locality will be assessed to determine a fair rent. The intention is clearly to reduce the capacity for

property owners to exploit the new environment by significantly raising rents. The Government has also committed itself to maintain the Residential Tenancies Act and provide staff to enforce it.

Government policy, by concentrating on the issue of affordability seems not to adequately address the problem of "supply". Research has indicated that housing supply cannot quickly adjust to changing demand. Time is required to buy land, seek approval and build. The risk aversion of builders and investors, as well as the comparative attraction of other investments must also be considered.

The need for long term planning in relation to housing supply and provision has not been adequately addressed by successive governments. The dis-establishment of the National Housing Commission by the Labour Government removed an important source of research, information and possibly co-ordination. Whether it can adequately be undertaken by the Housing Ministry will remain to be seen. Effective co-ordination should involve a consultative structure in which representatives of appropriate sectors, such as the building industry and local government, are present.

The changes to the Housing Corporation will also affect its role in the provision of comprehensive and integrated, housing developments. The Housing Corporation in readiness for its new status as a State Owned Enterprise, has moved from a 'pro-active' to a 'reactive' policy with regard to the construction of new units and the maintenance of existing ones.

This change in Corporation policies may have implications for the distribution and supply of low cost and rental housing. The Corporation had adopted a conscious policy of placing new developments within existing and established neighbourhoods which in turn contributed to improved community identity and integration. It had also followed a policy of extensive upgrading of its rental units, to enhance the surrounding environment and community. In the absence of any overall social objectives, the most likely scenario will be that low cost rental housing will become further concentrated in fewer areas, which may lead to increasing ghettoisation and stress on community services and facilities. Whether the adoption of "social objectives" will avoid this scenario will depend upon the comparative weight they receive, as opposed to the commercial objectives.

The new housing policy has implications for home ownership for those on low incomes. It has been a traditional role of the Housing Corporation to provide an avenue for low income New Zealanders to enter the home ownership market, not only because it provided discounted mortgages, but because it required little or no deposit. A number of families are in such difficult circumstances that there is no likelihood of them acquiring the 15% deposit necessary to qualify for housing finance through the private market. Because of their situation, many are classified as high-risk by prospective lenders, a situation confirmed by the Tenants Protection Association which reports that some former Corporation tenants are experiencing difficulty in acquiring mortgage finance.

Policies which leave housing finance to the sole prerogative of the market, despite the guarantee of an income supplement from the Department of Social Welfare, may put home ownership out of the reach of many low income families, and increase the need for additional rental housing. Home ownership even as it is presently distributed, already reflects the overall lack of equity between social classes and ethnic groups. Since 1966 Maori

home ownership has declined from 52% to 44% while that of non-Maori has increased from 69% to 75%. Rental accommodation accounted for 54% of Maori dwellings and only 21% of non-Maori. A test of new policies will be whether these figures continue to deteriorate or whether the trend reverses.

The Government's housing strategy is based on the assumption that individuals, given the resources and information, will be able to exercise their choice in a rational manner and select housing suitable to their circumstances. This ignores the existence of "bounded rationality", or the behaviour of people who may not make the appropriate decisions to maximise their welfare, despite the availability of information. In reality, a number of Housing Corporation tenants are not physically, mentally or emotionally, (because of illness, age or circumstances), able to make choices appropriate to their own, or their family's, well being. An original goal of the Housing Corporation was to ensure such people received adequate shelter and accommodation. It attempted to achieve this goal by not only providing state rental units which were of good quality, but also by the employment of Welfare Officers who maintained contact with tenants, identifying those deemed to be at risk and either resolving issues or alerting the appropriate social service providers. (A similar role is provided by local government Housing Welfare Officers.)

The Housing Corporation has also provided housing of 'last resort' to individuals and their families who, because of personal or other circumstances are considered to be bad risks by the private rental and financial sector. In some cases these are families who have suffered discrimination due to their ethnic origins. In other cases they are families who have proved themselves to be a financial liability to the private sector.

The adoption of an all embracing Housing Supplement introduces a degree of consistency in the provision of housing assistance which has, up until now been lacking. This consistency however, also underlies the major weakness of the reforms. The emphasis on a single policy instrument, i.e. a cash transfer, compromises the ability of the Government to meet its overall housing objectives. If a family makes an unwise housing choice or investment, how is the state able to ensure that they receive "adequate" shelter.

The reality is that a number of families lack sufficient skills and are in a state of ongoing crisis that prevents them effectively from participating in a market situation. These are the families which are likely to constitute a substantial risk to landlords and are therefore unattractive as tenants. If the state is to seek adequate housing for such families, and in particular their dependants, then some form of direct intervention is likely to be required. If the Government is now unable or unwilling to act in such a way, then the burden is inevitably going to fall on local government, or voluntary and church agencies.

No accurate information is available to allow us to assess the number of families or individuals who constitute this 'at risk' category. Overseas experience however, tends to confirm the failure of financial 'supplementary' strategies to cater for their circumstances, and if the same results are repeated here additional policy initiatives will be required. Should such initiatives not be forthcoming then either the nominal or actual responsibility may come to fall on local government and most certainly the voluntary and non-statutory sector.

The restructuring of the Housing Corporation into a State Owned Enterprise with commercial objectives will mean the demise of the welfare functions described above. Whether this will be true

of a "Claytons" SOE with social objectives tacked on is yet to be seen. Until recently nowhere in the package of housing reforms had the issue of 'bad risk' families been addressed.

The effectiveness of the recent housing reforms to maintain, let alone improve, the traditional level of housing assistance will depend upon the outcome of the current debate as to the relative weight which should be given to commercial and social objectives for the new Corporation. Certainly Mr Ferrier, by his resignation as chairman of the Corporation Board does not believe it is possible to marry social and commercial objectives. However it appears as though the Government is beginning to approach its housing and social policy reform from a more pragmatic perspective. The ability of the Corporation to satisfy its possibly conflicting agenda will also depend upon its structure and staffing. At the time of writing the final structure for the new corporation has not emerged, but if it closely resembles that which was inadvertently released in April, which required a reduction in staffing numbers from 1300 to 500, it is unlikely to do justice to whatever social objectives are adopted.

HOUSING POLICY

Sally Jackman
Information Officer
New Zealand Council of Social Services

Housing policy belongs in the centre of the social policy debate. Without security of safe, decent housing, family life is placed under serious threat. The New Zealand Council of Christian Social Services is the coordination and advocacy body for the social services agencies of the Baptist, Anglican, Catholic, Methodist, Presbyterian and Salvation Army churches. Our experience working with people and their housing needs leads us to believe that many of the profound changes to housing policy announced in the 1991 Budget should not go ahead. NZCCSS recommends that no further implementation steps be taken until the community is consulted with and an adequate monitoring program is in place.

The following possible outcomes of the current policy are identified.

- 1) A decline in the physical standard of the rental stock. As low income tenants are forced to find cheaper accommodation in a market is created for poor quality affordable rental stock.
- 2) Increasing discrimination in the rental housing market with the loss of the anti-discriminatory role and policies of the Housing Corporation.
- 3) Increased homelessness and overcrowding. People who are homeless, living in overcrowded situations, who have medical needs and who spend a high percentage of their income on housing currently receive priority treatment from HCNZ. If Housing New Zealand is required by way of its social objectives in the statement of corporate intent to house these people it will need more stock in areas with supply problems. The Accommodation Supplement itself is not substantial enough to attract new investment into the rental market. The clear international trend is that low cost housing is not a good investment relative to other investments. In the pursuit of

profit the housing company is unlikely to provide mortgage assistance to low income people which in turn increases the demand for rental stock.

- 4) Rent increases in the areas where supply is problematic and demand is high.
- 5) It seems clear that significant numbers of HCNZ tenants will be forced to move as a result of successive rent increases. The resulting damage to family and community life will have down stream costs, less obvious perhaps than the immediate debt problems associated with moving costs, for example transport and bonds.
- 6) The Board of Housing New Zealand will not be well placed to consider and enact social objectives if there is not enough people on the Board with social expertise. Social expertise involves experience of the complexities and interdependencies of the social fabric and social services and is an area of knowledge as legitimate and necessary as commercial understanding.
- 7) Caution and possible reluctance by local authorities and voluntary organisations to provide special needs housing. If low cost mortgage finance is in doubt community agencies will be less inclined to provide for de-institutionalised, elderly and vulnerable people. Local authorities that have traditionally planned to set aside land appropriate land for older people, that is, flat land close to facilities, will not do so if they are not provided with consistent support. While the rate of increases in the elderly population continues to grow the rate of increase in housing for older people may not. The financial cost of failing to house elderly people in their communities is the massively larger cost of rest home subsidies.

The Ministry of Housing will advise Government on the effectiveness of housing policy, the impact of other government social and economic policies, conditions in the housing market and national or regional economic and social conditions. To do this credible base line data will be needed, along with longitudinal studies following the movements of HCNZ tenants, and close links with community agencies able to pick up on the ground indicators. The waiting list for the Housing Corporation which ranks people according to degree of need has provided a picture of serious housing need across New Zealand. Now it appears that we will need to survey if we are to have any real ability to monitor and understand what is happening over time.

RESIDENTIAL SUBDIVISION AND ASSESSMENT OF EFFECTS

PART 1: POLICY ASSESSMENT

*by Tom Fookes
Ministry for the Environment*

This article builds on the "Guideline for Subdivision" published by the Ministry for the Environment in conjunction with N.Z. Institute of Surveyors (October 1991).

INTRODUCTION

As part of an issue of SIA Newsletter (SIAN) on Housing this article is the first of two on subdivision for residential development. The purpose of this series on residential subdivision is to take both policy development and subdivision consents under the Resource Management Act 1991 (RMA) and discuss them in relation to the assessment of effects. In this first article the focus is on policy assessment.

Subdivision is dealt with under Part X of the RMA. It includes cross-leasing.

Land subdivision is controlled mainly by territorial authorities (district and city councils) through the Resource Management Act. There are some situations provided for in the Act where a regional council can exercise control (e.g. controlling land for the purpose of soil conservation (s.30(1)(c)(i), RMA).

The Act provides for policy development and plan-making to be subject to forms of what is conventionally called environmental impact assessment (or EIA). In the case of policy and plan-making it is necessary to examine the environmental results expected.

These assessments occur in the context of a broad definition of "environment" (See box 1). The definition includes social as well as the biophysical assessment, given the references to "amenity values", and "the social, economic, aesthetic, and cultural conditions..." which affect ecosystems and natural and physical resources (s.2). They also have to take into account a broad definition of "effect" (see Box 1).

Standing alongside the relevant definitions is the Act's statement of Purpose and Principles (Part II). The net effect of this Part is to provide a formal framework against which policy statements and plans can be formulated.

POLICY DEFINED

It is possible to define "policy" either narrowly or broadly. Here it is being used broadly for the way a council expresses its intended environmental outcomes. This includes objectives, policies and rules for resource management in regional policy statements, regional plans and district plans.

BOX ONE : KEY DEFINITIONS

"Environment" includes -

- (a) Ecosystems and their constituent parts, including people and communities; and
- (b) All natural and physical resources; and
- (c) Amenity values; and
- (d) The social, economic, aesthetic, and cultural conditions which affect the matters stated in paragraphs (a) to (c) of this definition or which are affected by those matters.

"Sustainable management" means managing the use, development, and protection of natural and physical resources in a way, or at a rate, which enables people and communities to provide for their social, economic, and cultural well being and for their health and safety while -

- (a) Sustaining the potential of natural and physical resources (excluding minerals) to meet the reasonably foreseeable needs of future generations; and
- (b) Safeguarding the life-supporting capacity of air, water, soil, and ecosystems; and
- (c) Avoiding, remedying, or mitigating any adverse effects of activities on the environment.

"Amenity values" means those natural or physical qualities and characteristics of an area that contribute to people's appreciation of its pleasantness, aesthetic coherence, and cultural and recreational attributes:

"Effect" - (in this Act) unless the context otherwise requires, the term "effect" in relation to the use, development, or protection of natural and physical resources, or in relation to the environment, includes-

- (a) Any positive or adverse effect; and
- (b) Any temporary or permanent effect; and
- (c) Any past, present, or future effect; and
- (d) Any cumulative effect which arises over time or in combination with other effects - regardless of the scale, intensity, duration, or frequency of the effect, and also includes-
- (e) Any potential effect of high probability; and
- (f) Any potential effect of low probability which has a high potential impact.

ENVIRONMENTAL RESULTS

For policy statements and plans it is necessary to consider the "environmental results" anticipated from implementation of the policies and methods (e.g., S.75(1)(g), RMA). There is also a requirement to consider alternatives, and assess benefits and costs (s.32, RMA). Both of these requirements bring to the policy-making process a form of environmental assessment.

Section 32 imposes some discipline on policy makers. From the perspective of environmental assessment it also spells out a useful methodology (see box 2). Further, adopting this within the general framework for any assessment ensures that the analysis includes the requirements of s.32.

It is also important to note the effect of s.32. This is an important provision intended to challenge a council to consider fully policies and methods. It provides an opportunity to adopt methods other than regulations, such as the provision of information, services, or incentives, and the levying of charges. The latter includes using its rating powers (s.32(2)(a)(ii), RMA).

BOX TWO - METHODOLOGY CONTAINED WITHIN SECTION 32

Note: this is a simplified version. The reader should refer to the Act for the actual law drafting. Section 32 applies to objectives, policies, rules, or other methods, but in the methodology below reference is only made to policies for simplicity.

1. Consider to what extent (if any) the policy is necessary in achieving the purpose of the Act (i.e. the sustainable management of natural and physical resources).
2. Consider whether there are other means (under the RM Act or other legislation) which could be in addition or in place of the suggested policy (i.e. information, services, incentives, and charges including rates).
3. Examine reasons for and against adopting the suggested policy and the principal alternative means available, or of taking no action where the RM Act does not require otherwise.
4. Evaluate (in a way appropriate to the circumstances) of the likely benefits and costs of the principal alternative means. [For a rule or other method consider the extent to which it is likely to be effective in achieving the objective or policy and the likely implementation and compliance costs.]
5. Satisfy yourself that the policy (etc.) by itself or in combination with other methods:
 - (a) is necessary in achieving the purpose of the RM Act; and
 - (b) is the most appropriate means of exercising the applicable statutory function (e.g. the control of subdivision of land: s.31(c)), having regard to its efficiency and effectiveness relative to other means.

This adds up to the community, through its council, deciding what the acceptable environmental results of subdivision policies (etc.) should be, and how best to achieve these results. For this to happen it is critical for the council initially to prepare clear statements of intended policies and the effects of those policies as part of the process for preparing district (and regional) plans. The same applies, of course, to a regional council with its regional policy statement.

BOX THREE

In addition, if a "method" is a rule, then there is provision for the council making that rule to "have regard: to the actual or potential effect on the environment of the activities including, in particular, any adverse effect..." (s.76(3)). Similar provisions apply to regional policy statements, plans and regional rules.

SCOPE OF RESIDENTIAL SUBDIVISION POLICY

Within a district or city appropriate location is an important component of residential subdivision policy. While this needs to address the question, "Where's the best area for people to live?" It also needs to consider another; that is, "what's the effect of converting land to residential activities?"

The definition of sustainable management of natural and physi-

cal resources makes it clear that location policies need to address the potential of land and other resources, the life-supporting capacity of air, water, soil, and ecosystems, and possible action to avoid, remedy, or mitigate any adverse effect of subdivision on the environment.

There are also matters of national importance and other matters which should be addressed, including:

- * inappropriate subdivision of landscape features identified as "matters of national importance" (s.6);
- * Maori interests in land, water, sites, waahi tapu, and other taonga (s.6(e));
- * other matters specified in s.7 (e.g. kaitiakitanga, amenity values, heritage protection);

The policies should also take into account the principles of the Treaty of Waitangi (s.8).

Policies that relate residential subdivision to the above matters can only be assessed effectively if accompanied by clearly stated objectives. These objectives provide the context or points of reference for the assessment of environmental results.

Objectives are also needed for policies directed at subdivision design. These objectives and policies concern desired features of the prospective residential area, and the physical construction of the subdivision (see Box 3). Previously some councils required these to be examined in an explicit way when a subdivision application had been lodged under the Local Government Act (Kinnear 1992, p.234). Under the RMA it is now reasonable to expect this form of assessment to occur before the land is confirmed in the district plan as suitable for residential activity.

**BOX FOUR
FACTORS TO BE ASSESSED FOR
RESIDENTIAL SUBDIVISION POLICY IN A
DISTRICT PLAN**

The types of factors likely to be important at the policy stage, and whether they can be avoided, remedied, or mitigated, include:

- land potential and future generations
- relationship of Maori and their culture and traditions to the area
- land stability
- visual / landscape (amenity values)
- vegetation removal / habitat protection
- hydrology (stormwater run-off)
- access / traffic /roading
- cost of providing site services (water etc.)
- implications for community / social (schools, shopping, community facilities, recreation and reserves)
- cultural / historical / natural features
- construction

(Adapted from Kinnear 1992, p.235)

PERFORMANCE STANDARDS

As part of the assessment it should be possible to identify features or characteristics that should be managed through the specification of performance standards. An ability to comply with these

standards could mean the subdivision activity is given permitted activity status in the district plan. Similarly, if the assessment identifies a potential problem requiring attention at the consent stage the plan may cover that as a controlled or discretionary activity.

Sincere performance standards can be given effect through rules in a district plan, it stands to reason that they too should be subject to assessment. It is in this area that the s.32 methodology is particularly relevant. It enables subdivision design standards (eg road width) and building constraints (eg front and side yards) to be examined against the intended environmental outcome. In this process we could expect to see conventional standards being compared with new proposals (eg such as are being advanced by the NZ Housing Initiative).

ASSESSMENT FRAMEWORKS

Various frameworks for this type of assessment are possible. by way of illustration, the example below applies two definitions in the RM Act: "environment" and "sustainable management". Within such a matrix the assessment can focus on the issues which need to be addressed, differentiating between biophysical and social effects where necessary.

Example of Use of the Matrix (refer Box Five)

An example has been prepared to illustrate the use of the matrix. The generality of the objectives enables the policies to zero in on specific aspects to be managed.

First, column 1 reflects an intended outcome; that is:

"To sustain the potential of natural and physical resources (excluding minerals) to meet the reasonably foreseeable needs of future generations."

Second, for the intersection of column 1 to row 2 the corresponding objective can be expressed as:

"To ensure that activities are developed to levels where optimum use is made of public investment in infrastructure and other urban services."

There are several dimensions to achieving that objective. One of them focuses on intensity of development as it is influenced by lot size, with the policy stated as:

"The range of lot sizes will be between 820m² and 514m² with an average of 15 lots per hectare."

To achieve the stated outcome, the proposed objective, and policy could have biophysical and social implications, and the assessment should cover two areas:

- (a) the questions set out in s.32 (BOX 2): and
- (b) the requirement of s.75(1)(g), RMA, (for a district plan) to consider the environmental results anticipated from the implementation of the policy. This part of the assessment should consider the breadth of issues suggested by the definitions of "environment", "sustainable management" and "effects" (BOX 1), Some of these have been listed in BOX 4.

BOX FIVE MATRIX FOR FOCUSING ON ISSUES AFFECTING A SUBDIVISION			
	Sustaining potential of natural & physical resources s.5(2)(a)	Safeguarding life support s.5(2)(b)	Avoiding, remedying, mitigating adverse effects s.5(2)(c)
	Biophys / Soc	Biophys / Soc	Biophys / Soc
(a) Natural & human ecosystems			
(b) Natural & physical resources	<i>see example</i>		
(c) Amenity values			
(d) Social, economic, aesthetic, cultural conditions related to (a) & (b)			

CONCLUSION

The scope of policy assessment for residential subdivision and a framework within which it could be carried out has been outlined. In the space available this can only be a brief introduction and you are encouraged to take these ideas and develop them further.

REFERENCES CITED

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**RECENT
PUBLICATIONS OR
REPORTS**

PUBLIC CONSULTATION IN THE LOCAL AUTHORITY ANNUAL PLANNING PROCESS

Department of Internal Affairs

This report presents the results of a questionnaire survey completed by local authority staff on the public consultation process used by their authorities in the 1991/92 local authority planning round. The survey was carried out by the Department's Local Government Business Group and this report published in April 1992. The survey showed that the extent of public participation varied widely, but was on the whole quite low (of the order of one submission per 1,000 electors in most cases).

The report did not recommend any legislative changes as a result of the survey. It concluded that the consultation process is still in its infancy, and more time is needed to assess completely how consultation fits into the accountability and annual planning framework. The evidence from the survey was considered to indicate that, where public consultation has been approached positively by local authorities, it has provided an effective means of gathering public input into the annual plan.

The report is available for \$10 from the Department of Internal Affairs, PO Box 805, Wellington.