

The Shift Aotearoa conference 2021 | a project of Community Housing Aotearoa and partners

WORKSTREAM: HOUSING SYSTEM SETTINGS

Issues paper #1 | January 2021

What are we hoping to achieve through the conference, in relation to Housing System Settings? 'Housing System Settings': what do we mean? How will this approach help elevate, express or reinforce the Treaty of Waitangi? The market, a separate housing supply system, and the role of research

We are approaching our 2021 conference in a different way. We want the conference to generate agreement, confidence and momentum for the activities and advocacy of the sector from 2021 to 2023. [We realise networking, sharing research, and professional development opportunities are important: we will be offering separate opportunities for these to happen, as the primarily digital nature of our conference will limit available time].

Rather than surveying progress across the sector and the system, we want to develop a sector and system wide focus on a suite of agreed 'housing system settings' as critical targets to 2023.

This offers an opportunity to drill down further on fewer settings and policies, and importantly, to end the conference on the same page and with shared priorities and expectations for future work.

We are hoping to separate constitutional matters from *housing system settings*: considering each through different work streams ahead of and at the conference. By doing this we can hopefully leave some big picture issues like aspects of our political-economy - which have been running interference in the housing system - where they belong: in a constitutional context, and develop a tighter focus on housing system settings themselves.

Our system will never work if it continues to discriminate against Māori in regard to barriers to development, access to finance and urban land use settings. System settings holding those barriers in place must be addressed at their core.

What are we hoping to achieve through the conference, in relation to Housing System Settings?

An agreed suite of prioritized settings we will collectively advocate for from June 2021 to June 2023.

In a sense we think it is probably nearing time for housing to exit the limelight. We realise any form of equilibrium in the system is a long way away and that for the moment it needs to remain there, but while it remains in the limelight there continues to be vast amounts of confusion presented in the media and reinforced in the public mind about key issues, roles and responsibilities, and solutions.

We definitely want housing and the right to a decent home to no longer be reduced to media fodder or a political football. More importantly we want our housing system to be a mark of success rather than failure, characterized by the broad outcomes it supports, rather than crisis and controversy.

That's the potential transformation we are hoping to crystallise through conference 2021. We as a sector and along with partners and associates are experts in housing, the right to housing, development, and the regulatory settings underpinning these activities and processes. We need to harness that expertise by making strategic choices, by clarifying our claims and expectations for a better system, and helping set a better strategic direction for New Zealand and our housing system.

A national rights-based strategy and other human rights outcomes

Because we are committed to bringing to life the right to housing in Aotearoa we anticipate that this will emerge thematically at the conference and through pre-conference work. We consider that the community housing sector and others are with us in agreeing both the right and the strategy are important contributions to a great housing system.

We have been working on the development of a national rights based strategy for over a year now as part of the Shift Aotearoa, including in our work with the Human Rights Commission on guidelines on the right to a decent home, and in our VisionWeek and World Homelessness Day content.

Our aspiration is to release a draft strategy – subject to decision-making and engagement – during the June conference. So the question is no longer *do we need or want a national rights-based housing strategy...* but *what should it look like?* This process will also encourage and promote debate about the issue referred to above: are we aiming for a single national strategy, or separate mainstream and Māori strategies? Both options fit within a human rights perspective.

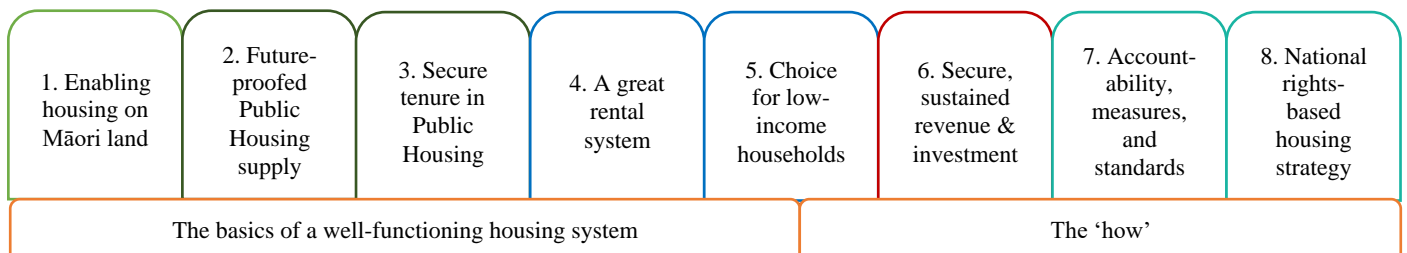
Whether this prompts government action on their own strategic planning, forms the core of something that is carried forward, or simply demonstrates our commitment to implementing the right to housing, the exercise is underway and the kaupapa has a developing support base.

The Commission’s guidelines also traverse a range of other human rights concerns of critical interest: the requirement for adequate monitoring and accountability, and the need for robust democratic input into policy making to name just two pointedly relevant human rights concerns.

‘Housing System Settings’: what do we mean?

We have been challenged to develop a practice that focuses on the housing system, and on system change. These terms require both caution and definition.

Firstly we have developed the following straightforward assertion of the housing system in the form of a *housing system vision*. This *vision* focuses on areas of the housing system where we are already invested, and – not as a matter of coincidence – where government’s core responsibilities under Te Tiriti o Waitangi and its role in social welfare as well as human rights, resides:



We have also developed five key system possibilities as a further level of detail:

<i>A systemic place for Te Tiriti o Waitangi</i>	<i>A systemic approach to reducing poverty through housing</i>
<i>The systemic integration of the human right to housing</i>	<i>A system defined to be within the scope of government’s role</i>
<i>An approach underpinned by strategic, intentional, long-term perspectives</i>	

These ‘possibilities’ are just that: possibilities. They represent characteristics of a housing system that we can have, or not... that can be committed to, or not. But they can also represent characteristics of our work, and our approach to change housing system settings.

What we mean by *Housing System Settings* is the full range of regulatory, systemic and policy parameters around and constraints on the housing system at large.

In advocacy it is often tempting to identify a specific housing related policy we want to see introduced or modified. We do this in good faith, and usually because we want to provide a concise statement of the solution we consider useful. While this offers a sense of clarity, it can over-simplify the original problem as one without systemic reach, or, more harmfully, make the suggestion appear to decision-makers to be a simple 'yes or no' proposition without deeper context.

We are committed to expressing the broader system context of any policy settings we identify as targets.

We are also committed to working in a way that recognizes the complexity of the web of regulatory settings which should very clearly be considered as 'Housing System Settings' and very much within our scope of interest and advocacy.

The Reserve Bank's LVR settings are a good example, as 2020 clearly showed. There can now be no doubt that the LVR settings are an extremely dynamic, impactful and systemic regulatory setting with a substantive impact on the housing system and housing outcomes.

These settings are not easily characterised as policy settings. Even navigating the complex location where these settings reside – with the Reserve Bank but within the complexity of the Reserve Bank's macro-prudential obligations and its tightly held relationship with government – renders anything narrower than a system wide analysis futile. The phrase Housing System Setting helps us keep an eye on practical policy settings, while also developing ways to consider and prioritise them within their broader context, and alongside bigger, broader system settings.

We need to include these types of 'settings' in our prioritisations. They are literally 'our business'.

Hopefully this is a useful illustration of the proposition to leap from thinking about policy, to housing system settings. A key difference in taking a systems approach is that it supports a view that is both largely depoliticized and generally avoids allocating blame. The question to address is no longer *what's wrong with the system [and who is responsible?]* ... but *what are the necessary steps to building a great system?*

We want to develop a short list of the critical system settings we a) want to keep - along with *why*, b) want to modify - along with *how*, and c) advocate to be introduced – along with a *why* and a *how* through the conference. The open approach will create a high level of transparency between the sector and government about what we want to see happen, when we think it should or could happen, and the mechanism.

For example, we believe a national rights-based housing strategy is required for the long-term wellbeing of our housing system. We are clear that such a strategy can be developed over the next two years, building on the Human Rights Commission's guidelines on the right to a decent home. We also recognize it will need legislative footing to have an impact. It follows that we need to work with government to develop those provisions and be clear that we would like to see this legislation passed in 2023.

So if that happened and it was possible to lock in a small suite of housing system settings through that legislation [along with other key features], what would they be?

How will this approach help elevate, express or reinforce the Treaty of Waitangi?

The position and role of Te Tiriti o Waitangi in housing policy and within the housing system has developed significantly since 2018, in particular since the establishment of the Ministry of Housing and Urban Development and their internal Māori capacity, and subsequently through that and other avenues.

The systems level view we are developing asserts a *systemic place for Te Tiriti*. The vision presented above envisages a coordinated approach which incorporates and reflects Te Tiriti o Waitangi, and

prioritises the expectations and aspirations of Māori, placing critical housing outcomes for Māori firmly at the heart of the housing system, however the system is defined.

We realise that many consider that Māori housing issues and outcomes should be surfaced in Māori specific ways and forms, enabling them to be addressed independently of ‘mainstream’ housing. Similarly, we realise many will see a role for a separate national Māori housing strategy – as either a reboot of He Whare Ahuru (2014) or a new work. These approaches themselves respond to basic principles of the Te Tiriti, and the separate rights of indigenous peoples and relating to indigenous self-determination also inform and are features of a human rights-based approach.

We are open for this discussion.

The market, a separate housing supply system, and the role of research

An approach to the market

The market is excluded not because it is not a concern, but because from a systems perspective the market is operating efficiently – as a transactional system. At the same time this vision does operate to directly highlight that ‘secure, sustained revenue & investment’ over decades will be required to have a great housing system. The systemic suggestion is that strong market growth should be harnessed to support wider system outcomes.

At the same time we are exploring ways to talk about the housing system and the housing market as different things, with different roles and attributes, and this is an early attempt to differentiate between them. We also realise that to some extent this narrative requires that we put aside concerns about the long term unaffordability inherent in today’s market. That is a confronting proposition. It recognises that the market will continue to inflate much faster than incomes, that this trend has been underway for a long time meaning the affordability gap is now really big, and that market intervention that intentionally cuts back market prices is highly unlikely to occur.

An alternative view is that we should be focused in prompting government to simply be realistic that today we have reached a point where market intervention to reduce inflation is already virtually pointless in the pursuit of home ownership for low income families – because the leap between income and price is already too great. This comes along with an associated realization that government and New Zealand can be prompted toward at the same time: that demand for housing that is not home ownership through the open market is only going to grow into the future, and we therefore need to start planning for that growth in demand and how to cover those costs, now.

This housing will need to be provided or funded in some way as part of the housing system identified in the vision above: the areas for where government has fundamental responsibilities.

Finally on the *market* and the closely associated narrative of *ownership*, it is noted that the human right to a decent home does not promote ownership over other tenure types. What it supports and stands for most stridently is *secure tenure*. In this sense, we too view the market as functional rather than the thing we want everyone to be part of, and *ownership* as only one of the ways families can enjoy great housing outcomes.

The point has been made in domestic research that in New Zealand the hunger for home ownership can be seen as a result of the fact that home ownership is the only way to truly enjoy secure tenure here: a critical and in some ways damning feature of our rental system is the extremely short average tenancy period. Rather than 10, 15, or 20 years, this figure has at times sat below 2 years, meaning renting families have been widely subjected to the stress, expense and disruption of moving with a regularity far beyond anything that could be called *security of tenure*.¹

¹ See Stats NZ (2020). Housing in Aotearoa: 2020. Retrieved from www.stats.govt.nz, p41: “Almost three-quarters of non-owners had moved within the previous 5 years, compared with just over a third of owners.”

Differentiating a ‘housing supply system’

The system vision presented here also proposes to some extent that the *housing supply system* likewise be treated as a separate system, based on the different concerns and mechanisms that exist in that system – often referred to as *the supply-side*.

The housing supply system can also be viewed as part of the mechanics that sit behind the elements of the vision. Certainly we think housing supply system issues need to be given specific treatment and attention, in a very different way to that in which we need to progress and promote social welfare oriented elements of housing - like the right to housing, for example.

Using research: understanding and implementing research findings

Our conference ‘theory of change’ is based on using the conference primarily as a decision making forum which gives rise to specific focused work programmes from 2021 to 2023. Through a series of open pre-conference engagements focused on Housing System Settings and informed by research and dialogue, we will develop a final paper or papers to present and discuss at the conference.

In regard to Housing System Settings this paper will propose a suite of settings to form the key subject matter of the 2021-2023 work programme and advocacy to government. Conference participants will then have time before the conference to read key material, and time during the conference to test and discuss the proposal.

Research is critical to this process. Research is consistently shining a light on issues and articulating the way forward, and it is important that our pre-conference meetings are informed by research and researchers, and the conference paper or papers are likewise based on the need to use robust evidence and implement research findings.

Finally on this topic, the Auckland University paper *Transformative Housing Policy for Aotearoa New Zealand*² offers a direct proposition for a new paradigm for housing policy based on:

- *Decolonising housing*
- *Democratising housing*
- *Decommodifying housing*
- *Decentering ownership*

This framework of ideas neatly packages a great deal of what is wrong with our system, and what needs to be done to rectify it. The breadth of attention, from history and culture to the issues with global finance is courageous and necessary. It offers a concise frame of reference for reading policy and other research, and while these paradigm-setters don’t speak to supply and development issues, which are critical in our discussion, they certainly set up a much needed range of drivers for change.

Our pre-conference work programme includes a series of engagement meetings on these matters. Please let us know if you would to be involved.

Pre-conference work programme | initial schedule of meetings

2021 work programme	Constitutional transformation*	Housing System Settings	Narrative Change	Development phase
Meeting agenda prepared 3 working days prior published via available channels				

² J. Paul, J. McArthur, J. King, & M. Harris [2020]: *Transformative Housing Policy for Aotearoa New Zealand*. Auckland University Public Policy Institute Policy Commons Blog.

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Meeting minutes circulated 3 days after specifying agreed next steps/tasks published via available channels				
Meetings are open and inclusive – there is no membership or limit on attendance: feedback will consistently be sought				
This schedule offers a framework: there can and will be other meetings, 'offline' and otherwise				
Existing networks and sector networks will be kept up to date and consistently invited to feedback and participate				
Standard timing	-	1PM – 3PM	10AM-Midday	
January	TBC	26 Jan	26 Jan	Convene conversation with those interested in each workstream Draft forward work/discussion milestones to June 2021
February	TBC	9 Feb	9 Feb	Agree vision for what could be achieved at conference, & to 2023 How? Develop ideas to get there
March	TBC	9 March	9 March	Agree vision for what could be achieved at conference, & to 2023 How? Develop ideas to get there
April	TBC	13 April	13 April	Conference presentations planned – key points agreed Issues paper or discussion papers agreed
April / May	Evolving work stream leadership engages with sector Wide net engagement on issues and discussion papers			
May	TBC	11 May	11 May	Feedback on issues and discussion papers circulated to inform presentations
May 12 - 31	Networking and engagement Conference presentations pre-recording			
Conference date:	9 June	10 June	11 June	Conference presentations focus on decision making and advocacy opportunities
Post conference initial review	TBC	29 June	29 June	Review conference proceedings and plan future work Establish forward meeting schedule
Conference 2021 outcomes include the development of a clear agreed future work programme				