



## Office of Hon Paula Bennett

MP for Upper Harbour

Minister for Climate Change Issues

Minister for Social Housing

Minister of State Services

Associate Minister of Finance

Associate Minister of Tourism

A O'Sullivan

[fyi-request-3785-23d81ffb@requests.fyi.org.nz](mailto:fyi-request-3785-23d81ffb@requests.fyi.org.nz)

Dear A O'Sullivan

Thank you for your email dated 18 March 2016 seeking information about the permanency of tenancies for state-owned rental housing.

Prior to the introduction of tenancy reviews in 2014, as part of this Government's social housing reforms, the provision of state housing was referred to by some as 'a state house for life'. However, I am aware that there was never any government mandated 'state house for life' policy in the past. Rather, it was always an expectation that state house tenants would move on to private rental or home ownership as their circumstances allowed. For example, over the years there have been several schemes that assisted state tenants to independence, including government assistance to tenants to purchase the state house in which they were living or to purchase another property.

The notion of a state house for life more reflects the historical situation that, prior to 2014, there was no formal process to review state tenancies. When an applicant was offered a state house and provided that they complied with the terms of the tenancy agreement (e.g. paid the rent and looked after the property) they could stay in the state house indefinitely. If their financial situation improved, they could stay in their state house, and their rent would be increased in line with their increase in income. The maximum rent payable in a state house is the market rent. Similarly, tenants who were required to pay the market rent could stay in the state house and pay market rent, rather than vacate it for more vulnerable households.

The current Government first introduced tenancy reviews in June 2014. Tenancy Reviews help ensure that we house people who most need housing in the right house for the duration of their need. Between June 2014 and 29 February 2016, 573 clients have moved out of social housing as a result of tenancy reviews, including:

- 445 voluntarily moving into the private rental market
- 66 purchasing their own home
- 49 for other reasons
- 13 tenants vacating after being found not eligible for social housing.

I know that very long-term state tenancies – those with a duration of over 30 years, do gain a lot of attention. These actually represent a very small proportion of all state tenancies. As at 30 June 2015, only three percent of all tenancies had a duration of over 30 years.

Once again, thank you for writing. I hope this information is helpful.

Yours sincerely

Hon Paula Bennett  
Minister for Social Housing