

Act Housing Policy

Goal

All New Zealanders should be able to live how and where they choose, and be able to aspire to home ownership if that is their preference.

Background

- Constraints on the supply of residential land mean that New Zealand cities now have some of the least affordable housing in the Anglo-American world. Housing is now unaffordable for many people who could have afforded a home of their own in the recent past. In particular, Maori and Pacific Islanders and other low income groups are being priced out of housing.
- Too many people are paying too much for their mortgage and are at risk of foreclosure if their circumstances change.
- Maori are priced out of making best use of their communal land by high compliance costs.
- Many Councils assume that they know best where people should live, work and play.
- Council planning rules reduce adaptability and regulations inhibit innovation – the slightest departure from the rules requires notification and high processing and compliance costs.
- Excessive land prices reduce standard of construction – one result is the leaky building syndrome.
- Land is released in such small packages that all builders are now cottage builders, with little opportunity to increase productivity.
- Most solutions proposed by Government make the situation worse because they require further interventions and subsidies and do not address the root problem.

Principles

Freedom - People should be free to live and work where they choose provided they do no harm to others or to the natural and physical environment.

People's Needs Come First - Transport should serve the economy and the people of the region.

Light Regulation of Land Supply - Regulation should be light handed so that people can choose between competing housing types, competing development designs, and competing locations.

Long-term Financing of Infrastructure - Development contributions directly impact on affordability and are highly regressive.

Limited Council Liability in Favour of Private Insurance and Guarantees - Councils' liability for construction failure and other problems with land and buildings is effectively unlimited, and this leads to 'gold plating' by excessive and costly regulation.

Minimise Compliance Costs - Too many Councils and their consultants now regard consent processing and fines for breaching planning rules as a revenue gathering exercise.

A commonsense approach to Affordable Housing would involve the following:

- Recognising that more government interventions and more bureaucrats will not provide better and more affordable housing.
- Increased competition in the provision of land and housing to reduce prices and improve quality.
- Increased competition between District and Regions to reduce compliance costs and improve affordability.
- Reduced obstacles to residential development.
- Encouraging the growth and development of insurance and guarantee schemes to protect home buyers from hazards and construction failures.

- Enabling flexible and innovation solutions for special groups with special needs e.g. Maori Land.

Policy

- Reform the RMA to
 - reduce compliance costs and promote certainty of outcome
 - enable urban areas to develop multi-nodal centres of employment so as to reduce travel times, commuter distances, and congestion.
 - enable people to buy rural lots on an “as is – where is” basis.
 - focus on adverse effects on the natural and physical environment rather than on letting central planners direct and control how people live their lives.
- Reform the Local Government Act to severely restrain the use of Development Contributions.
- Reform the RMA and LGA to prohibit councils from artificially restraining the supply of land and to remove all existing Metropolitan Urban Limits.
- Reform the Building Act 2004 in recognition of the limited term of liability of councils.
- Reform LGA and Transport legislation to make transport serve efficiency and mobility rather than be used as a tool for directing and controlling where people live and work.
- Reform the appropriate legislation to encourage long term financing of infrastructure including the use of private/public partnerships.

If you believe that every New Zealander deserves a choice of housing types and location and should be able to choose between affordable rental and ownership, then **give ACT your Party vote**, for a *homeowners' democratic New Zealand*.