

Long Term Plan 2024-34 Activity Plan

Community Housing

- *Community Housing Asset Management*

Adopted 25 and 27 June 2024

Final Version

- The Long Term Plan 2024-2034, and all its associated documents, including amendments to the draft LTP were adopted by Council on the 27th of June 2024. Approved changes, as appropriate, have been reflected in this Activity Plan.
- Uploaded 26 June 2024

Approvals

Role	Position	Name	For Draft LTP	
			Signature	Date of sign-off
General Manager	General Manager Infrastructure, Planning & Regulatory Services	Jane Parfitt	Jane Parfitt	11 March 2024
Finance Business Partner	Finance Business Partner	Tony Richardson	Tony Richardson	11 March 2024
Activity Manager	Head of City Growth & Property	Bruce Rendall	Bruce Rendall	31 January 2024

Authors and advisors to this Activity Plan

Group	Business Unit	Position	Name
Infrastructure, Planning & Regulatory Services	Sustainable City Growth & Property	Community Housing Liaison Lead	Lisa Washington
Infrastructure, Planning & Regulatory Services	Sustainable City Growth & Property	Head of City Growth & Property	Bruce Rendall

Contents

1. WHAT THIS ACTIVITY DELIVERS	4
2. WHY WE DELIVER THIS ACTIVITY.....	6
2.1. COMMUNITY OUTCOMES: HOW THIS ACTIVITY CONTRIBUTES.....	6
2.2. STRATEGIC PRIORITIES - HOW THIS ACTIVITY SUPPORTS PROGRESS ON OUR PRIORITIES	7
2.3. CLIMATE RESILIENCE GOALS: HOW THIS ACTIVITY SUPPORTS CLIMATE RESILIENCE GOALS	8
3. HOW WE ARE PLANNING FOR FUTURE IMPACTS	9
3.1. ISSUES IMPACTING CURRENT AND FUTURE ACTIVITY DEMAND AND DELIVERABILITY	9
3.2. THE HIGH IMPACT ISSUES AND MITIGATIONS PLANNED	10
4. OUR LEVELS OF SERVICE	11
5. HOW ASSETS WILL BE MANAGED TO DELIVER THE SERVICES.....	12
6. CAPITAL EXPENDITURE AND KEY CAPITAL PROJECTS	13
7. FINANCIAL RESOURCES NEEDED	14
7.1. RESOURCES NEEDED.....	14
7.2. FUNDING CONSIDERATION AND OUTCOME	15
8. POSSIBLE SIGNIFICANT NEGATIVE IMPACTS ON WELLBEING.....	16
A. APPENDIX A: LEVELS OF SERVICE DETAIL	18
A.1. CONTINUOUS IMPROVEMENT REVIEW (S17A) – RECOMMENDATIONS FOR CHANGE	18
A.2. LEVELS OF SERVICE: PERFORMANCE MEASURES IN DETAIL	19
A.3. LEVELS OF SERVICE CHANGES FROM LONG-TERM PLAN 2021-31, AND WHY	21
B. APPENDIX B: POSSIBLE ISSUES IMPACTING THE ACTIVITY & THE MITIGATIONS PLANNED	22
B.1. CHANGING CUSTOMER NEEDS	22
B.3. TECHNOLOGICAL GROWTH (LOW IMPACT).....	23
B.4. RESILIENCE AND ENVIRONMENTAL CONSIDERATIONS	23
B.7. IDENTIFIED BUSINESS UNIT RISKS.....	24

1. What this activity delivers

Council has been providing affordable accommodation to low-income residents of Christchurch for almost 80 years, being a pioneer of community housing in New Zealand.

The first units were erected in 1939 – 16 pensioner units in Sydenham. While there are no legislative requirements for providing community housing, Council’s role in provision is justified as it enables community outcomes, is consistent with its strategic directions, and is supported by appropriate policy validation such as the Housing Policy 2017 and Community Housing Strategy 2021-2031.


Community Housing Asset Management

- Planning for the delivery of Council's community housing goals including monitoring the condition of assets, devising management strategies to achieve financially sustainable outcomes, and planning for the replacement of units at the end of their useful life
- Facilitate renewal and major maintenance projects, including legislatively required and/or policy mandated asset upgrades such as insulation installation or energy efficiency measures
- Lease management (note that tenancy and property management is undertaken by others, notably the Ōtautahi Community Housing Trust (ŌCHT))

Facilitate community sector and other housing initiatives

- Transfer of end of life housing complexes and surplus land to community providers for social and affordable housing outcomes
- financing options for growing community housing
- co-ordinating consenting advice and assistance to community housing providers

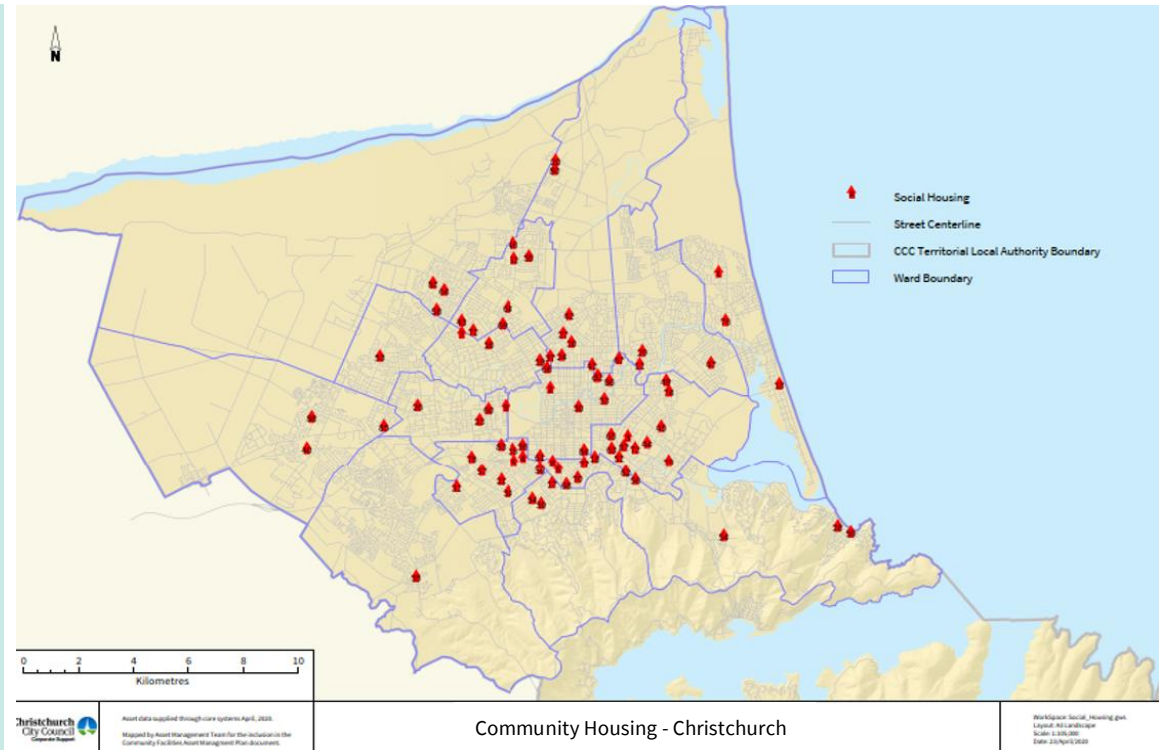
This activity includes the following services:

Services	Contributes to Community outcomes
 Community Housing Asset Management – Community Housing Asset Management, including managing leases with Community Housing Providers), facilitating community sector and other housing initiatives	<ul style="list-style-type: none">• A collaborative confident city• A thriving prosperous city



A snapshot of provision and use for 2023/24:

- ✓ 1,912 Community Housing units– includes units identified for redevelopment.
- ✓ Council helped facilitate the development of two new complexes.
- ✓ Facilitate planned programme of works including exterior paints, paths and driveways, renewals, interior upgrades, and tree maintenance.
- ✓ The Warm and Dry programme was completed in 2021, ahead of the legislated deadline of June 2023, ensuring all units met the Healthy Homes Guarantee Act 2017 and the Residential Tenancies (Healthy Homes Standards) Regulations 2019.



Where we came from





Christchurch was New Zealand’s first local authority to provide community housing, starting in the early 1920’s by providing homes for the elderly. Over time the portfolio grew and changed to what is now known as community housing.

Several factors combined to put pressure on the fund that provides operational and capital expenditure for community housing – a trend for lower than market rents, and ageing portfolio, buildings no longer be fit for purpose, earthquake damage and deferred maintenance.







Rather than impose large rent increases to make the portfolio sustainable, Council looked at alternative ways of managing community housing. This resulted in the creation of a Community Housing Provider that would lease units and lead tenancy management. This meant prospective tenants qualified for access to the Income Related Rent Subsidy for new tenancies, which Council tenants would otherwise not be eligible for. In October 2016 the Ōtautahi Community Housing Trust began leasing most of our housing portfolio under this arrangement. The Trust is responsible for tenancy management, rent setting and all unit maintenance.

2. Why we deliver this activity

2.1. Community Outcomes: How this activity contributes


Community Outcomes	Contribution*	Key contributions to achieving our community outcomes
 <p>A collaborative confident city Our residents have the opportunity to actively participate in community and city life, have a strong sense of belonging and identity, and feel safe</p>	★★	<ul style="list-style-type: none"> • Having access to secure housing is a major key to a sense of community as it enables people to take part in the community and access services and facilities • Our community housing is designed, built, and located to contribute to safe neighbourhoods and communities
 <p>A green, liveable city Our neighbourhoods and communities are accessible and well-connected, supporting our goals to reduce emissions, build climate resilience and protect and regenerate the environment, especially our biodiversity, water bodies and tree canopy</p>	★	<ul style="list-style-type: none"> • Our community housing is built and located to consider the impacts of climate change and the risk of natural hazards • Landscaping surrounding community housing is designed to support liveability, biodiversity, and canopy cover
 <p>A cultural powerhouse city Our diverse communities are supported to understand and protect their heritage, pursue their arts, cultural and sporting interests, and contribute to making our city a creative, cultural and events ‘powerhouse’</p>	★	<ul style="list-style-type: none"> • Community housing is located, designed, and operated to be inclusive for residents needing housing support
 <p>A thriving prosperous city Our city is a great place for people, business and investment where we can all grow our potential, where enterprises are innovative and smart, and where together we raise productivity and reduce emissions</p>	★★	<ul style="list-style-type: none"> • Community housing provides stable long-term benefits to both the people it houses and the surrounding community • Housing is a key area through which social and economic well-being is influenced. Adequate housing is strongly linked to economic performance
<p>*Level of contribution – what this means</p>		
★★★★	This activity is critical to the Council’s contribution to achieving this community outcome – we measure our impact with specific levels of service	
★★★	This activity strongly supports the Council’s contribution to achieving this community outcome – we measure our impact with specific levels of service for some elements	
★★	This activity supports the Council’s contribution to achieving this community outcome – we measure our impact with specific levels of service if practicable	
★	This activity may provide incidental support to achieving this community outcome – it's not cost-effective to measure our impact	

2.2. Strategic Priorities - How this activity supports progress on our priorities


Strategic Priorities		Contribution*	How our strategic priorities influence the way we work
	Be an inclusive and equitable city which puts people at the centre of developing our city and district, prioritising wellbeing, accessibility, and connection	★★	<ul style="list-style-type: none"> • Providing stable housing to those in need enables them to access essential citizenship activities such as enrolling to vote. Having a home is also a cornerstone of participation in the community as a person usually would need to be safe, secure, and healthy to do so • We encourage community housing developers to consider location and accessibility to community infrastructure (including transport, shopping, recreation, and where applicable schools and education)
	Champion Christchurch and collaborate to build our role as a leading New Zealand city	★★	<ul style="list-style-type: none"> • Our facilitation of public and affordable housing helps add to the attraction of Christchurch for all
	Build trust and confidence in the Council through meaningful partnerships and communication, listening to and working with residents	★★	<ul style="list-style-type: none"> • We collaborate with community / social services and housing providers in Christchurch to proactively understand and respond to housing and wellbeing related issues and opportunities.
	Reduce emissions as a Council and as a city, and invest in adaptation and resilience, leading a city-wide response to climate change while protecting our indigenous biodiversity, water bodies and tree canopy.	★	<ul style="list-style-type: none"> • The Ōtautahi Community Housing Trust are building healthy and energy efficient (Homestar certified) new homes. • The renovation of the community housing stock has improved energy efficiency. • Future location planning for community housing will consider flooding and sea level rise when determining suitability of sites for development and the height and type of foundation build. Maintenance plans would be put in place accordingly • Transport is a key component of housing provision with an expectation to provide car parking at all complexes. Number of carparks available is limited with the inclusion of bicycle parking and storage, and motorised scooter plug ports. When designing and building of complexes consideration is given to sites that are located near services and amenities reducing the necessity to have vehicles but to utilise public transport
	Manage ratepayers' money wisely, delivering quality core services to the whole community and addressing the issues that are important to our residents	★	<ul style="list-style-type: none"> • Community housing is delivered as a rates neutral service.
	Actively balance the needs of today's residents with the needs of future generations, with the aim of leaving no one behind	★	<ul style="list-style-type: none"> • Mixed tenure and typology ventures are being explored as opportunities arise. The energy efficiency and accessibility of a unit or complex also underpins this strategic direction. • Secure housing also provides a basis for potential participation in education and/or employment.
*Levels of contribution – what this means			
★★★★	This activity is critical to the Council's contribution to achieving this community outcome – we measure our impact with specific levels of service		
★★★	This activity strongly supports the Council's contribution to achieving this community outcome – we measure our impact with specific levels of service for some elements		
★★	This activity supports the Council's contribution to achieving this community outcome – we measure our impact with specific levels of service if practicable		
★	This activity may provide incidental support to achieving this community outcome – it's not cost-effective to measure our impact		

2.3. Climate Resilience Goals: How this activity supports climate resilience goals


Net zero emissions Christchurch

	<p>Key sources of greenhouse gas emissions from this activity includes:</p> <ul style="list-style-type: none"> • Electricity used to power our community housing units and for outdoor lighting • Fossil fuel used by resident and visitor vehicles • Resources used when building and maintaining buildings and infrastructure • Staff travel 	
	<p>Community Housing are taking the following actions to reduce greenhouse gas emissions:</p> <p>Operational/embedded greenhouse gas emissions</p> <ul style="list-style-type: none"> • We encourage the Ōtautahi Community Housing Trust to design, build and maintain buildings in ways that minimise greenhouse gas emissions (e.g., energy efficient design and modern methods of construction to minimise waste) • Minimising staff travel and using zero emission vehicles 	<p>Greenhouse gas emissions by users of Community Housing.</p> <ul style="list-style-type: none"> • No specific actions are being taken to reduce greenhouse gas emissions by tenants

We understand and are preparing for the ongoing impact of Climate change

	<p>Key climate risks for the Community Housing activity includes:</p> <ul style="list-style-type: none"> • Flood, sea-level rise, and rising ground water can affect access to some housing facilities and housing infrastructure. • Extreme heat can result in overheating for our vulnerable residents, increasing demand for summer cooling, external shade, and outdoor seating <p>Other impacts on assets and infrastructure (see the Asset Management Plan for more details)</p> <p>Options being considered to reduce the risks to the Community Housing activity and the community posed by those climate risks include:</p> <ul style="list-style-type: none"> • Renovating existing housing complexes, where possible, to be more resilient to identified natural hazards such as using swales, underfloor moisture barriers and elevating paths and driveways to help mitigate flooding and rising ground water levels. • Asking OCHT to prepare and plan for emergencies for all community housing complexes, but particularly those that are potentially at risk of natural hazards.
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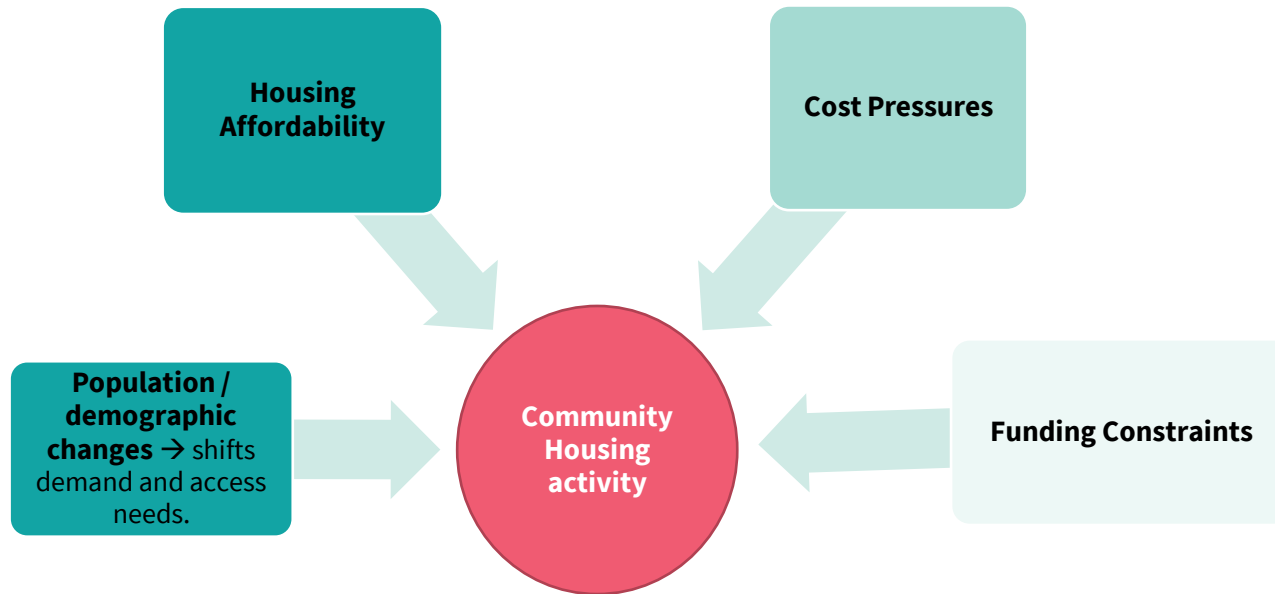
We are guardians of our natural environment and taonga

	<ul style="list-style-type: none"> • Under current funding settings no pilot project will be undertake in the next three years to increase understanding of emissions reduction options and building resilience to climate risks. <p>Please explain any levels of service changes in this LTP, or that may be required in the future as a result of climate change.</p> <ul style="list-style-type: none"> • This activity has no level of service changes that may be required because of climate change.
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3. How we are planning for future impacts

There are various factors influencing current and future demand for Council library facilities and the ability to deliver them. These are listed below.

3.1. Issues impacting current and future activity demand and deliverability



Key Deliverability issues are funding constraints and cost pressures

Under current funding policies, the Council is only able to generate revenue from rents. In the absence of other interventions, this revenue is insufficient to meet current and future costs associated with the portfolio. Current and projected revenue is insufficient to generate sufficient surpluses to allow for renewals, requiring the closure of complexes at the end of their economically useful life. There is also no funding source available for the Council to directly address future growth demands.

The Council is, however, able to work with others to redevelop closed complexes and meet growth demands. It does this through making land available to community housing providers and by providing financing assistance. Community housing providers are eligible for Government funding, which allows them to acquire land and to service loans. This can allow for the development of new housing, with tenants eligible for a subsidy and a return to Council to reinvest in other stock. Over time the impacts of this approach will be a smaller Christchurch City Council owned portfolio, and a growing number of community housing providers owned homes.

In recent years the approach has worked well, however, there are future uncertainty risks associated with Government funding that may impact on the applicability of this model. Council will monitor this situation and advocate for the allocation of funding for public and affordable housing to community housing providers in the Greater Christchurch area.

Insurance costs also present a risk to deliverability. Council is facing increased insurance costs, driven by both broader risk factors and those specific to its portfolio. To meet these costs, in the absence of alternative funding, Council needs to either reduce maintenance / renewal expenditure, or reduce the level of insurance cover.

Regulations presents a risk but there are no known demand drivers currently (the Council already meets healthy home standards). Potential regulatory changes, such as Warrants of Fitness for rentals do present a challenge - if these add significantly to costs, then Council will need to find alternative revenue streams.

Two key demand drivers are changing demographics and housing affordability

The population is getting older, there is greater number of single person households, and the number of people who have never owned a home is increasing. While Christchurch homes are relatively affordable compared to many other centres, house prices are exceeding income growth, making housing less affordable. Both of these factors are likely to maintain or increase demand levels for community housing for the foreseeable future.

3.2. The high impact issues and mitigations planned

The more prominent issues that in particular affect our Community Outcomes or Strategic Priorities are summarised on this page. For further details on issues, including the current status, future projections, likely impact and mitigations please see Appendix B.

The Council has limited options to mitigate the issues. It will consider, as part of wider sub regional plan, the following actions:

- Identify publicly owned sites appropriate for affordable housing development and determine what is required to acquire/consolidate these for development.
- Identify mechanisms to enable development of affordable housing on public land (e.g. retaining it in perpetuity but developing it for affordable housing through a leasehold model; Ensure sufficient capitalisation to buy back properties to enable them to remain affordable in perpetuity). This will require council to prioritise development of affordable housing above other potential uses that may furnish a higher return.
- Investigate collective inclusionary zoning across Greater Christchurch to increase the supply of social and affordable rental housing.
- Support nationwide advocacy to influence financial institutions (e.g. pension fund investment in build-to-rent housing in Greater Christchurch).

4. Our levels of service

Council's Levels of Service (LoS) measures enable us to monitor and report against our outcomes and service performance. See Appendix A: Levels of Service Details for more detail.

Services & Level of Service Statements, with Measures of Success and future year Targets

Level of Service statement (What we will provide)	Measures of success (What our community can expect)	Performance Targets/Outputs			
		2024/25	2025/26	2026/27	2027 - 34
Community Housing Asset Management					
Council contributes to the community housing supply in Christchurch with tenants of Council owned housing complexes well-housed	Council facilitates and/or funds community housing supply (18.0.1)	At least 2080 units	At least 2300 units	At least 2300 - 2650 units	
	Council maintains Community Housing as a rates-neutral service (18.0.7)	The Social Housing fund is solvent (i.e., >\$0 and able to meet all budgeted costs on an annual basis)			
	Tenant satisfaction with condition of unit (18.0.5.1)	≥70%			
	Tenants of Council owned housing complexes are well housed according to the Healthy Homes Guarantee Act 2017, and the Residential Tenancies (Healthy Homes Standards) Regulations 2019 (18.0.4.5)	100% Council owned units comply with regulations			

5. How assets will be managed to deliver the services

The Asset book value of for Community Housing is \$197,489,500.

Managing our assets

As at December 2023 Council is the owner of 87 community housing complexes, totalling 1912 units. (1866 OCHT, 22 other, 24 closed pending redevelopment).

Almost half of the housing stock was developed during the 1970s and a quarter during the 1960s. Complexes built in the 70s and before are due for their midlife refurbishments in the next few years. Almost 75% of the portfolio is built during this time, which means large capital expenditure requirements over the next 2 decades.

A few units are no longer operable or functionally obsolete in the portfolio. These units are at or well past mid- life and on assessment of their condition it was considered uneconomical to repair to the required standards due to long term deferred maintenance, asbestos, and legislative requirements.

A combination of factors has combined to create pressure on the housing fund that provides for operational and capital expenditure. These factors include:

- A trend for lower than market rents.
- An aging portfolio.
- Functional obsolescence.
- Deferred maintenance.

Looking forward

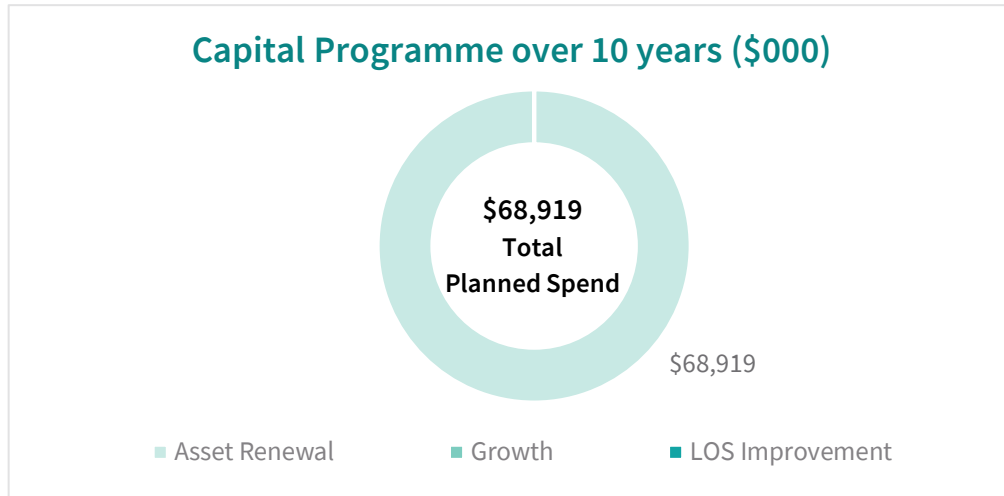
Community Housing Asset Management strategic directions include:

- For the first three years of the LTP the focus is on staying on top of essential maintenance and renewals, and reducing the backlog of deferred maintenance, following this if there is any spare funding it will be used accumulate funds for future renewals
- Undertaking legislatively required and / or policy mandated asset upgrades such as insulation installation or energy efficiency measures.
- Lease management (note that tenancy management is undertaken by others, notably the Ōtautahi Community Housing Trust).
- Transferring end of life complexes for the development of new community housing: The Council's policy is to facilitate the provision of community housing (which includes subsidised rentals (social or public housing), assisted rentals and assisted ownership (affordable housing)). Facilitation means that the Council works with others, particularly community housing providers, to deliver these housing outcomes. Community housing providers can access funds for the development of social housing that Council is not eligible for. This often, however, requires the community housing provider to own the property. The Council is willing to consider the sale if it results in new warm, dry, and affordable community housing. A benefit of this approach is that Council can use the return from the sale to reinvest in lifting the quality of other homes.

Please refer to the [Community Housing Asset Management Plan](#) for more information on these assets.

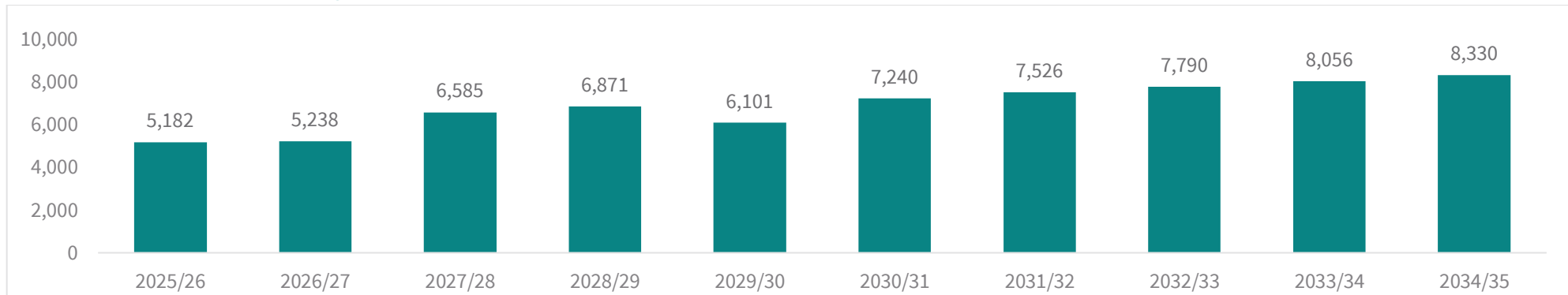
6. Capital expenditure and key capital projects

To ensure the continued ability to deliver on our activities and services, and contributing to our community outcomes and strategic priorities, projects have been planned and budgeted for the next 10 years.



- ### Planned significant projects and programmes include:
1. Refurbishment and Renewal (including OCHT budgets) over the next ten years.
 2. Replacement of street lighting and poles (FY 25 - Estimated \$250,000).

Total Planned Capital Programme summary



See [Community Housing Asset Management Plan](#) for more detail on the Planned Capital Programme.

7. Financial resources needed

7.1. Resources needed

Community Housing

000's	LTP 2024/25	LTP 2025/26	LTP 2026/27	LTP 2027/28	LTP 2028/29	LTP 2029/30	LTP 2030/31	LTP 2031/32	LTP 2032/33	LTP 2033/34
Activity Costs Before Overheads by Service										
Community Housing Asset Management	6,202	6,382	6,522	6,672	6,826	6,976	7,122	7,265	7,410	7,551
	6,202	6,382	6,522	6,672	6,826	6,976	7,122	7,265	7,410	7,551
Activity Costs by Cost Type										
Direct Operating Costs	238	245	251	256	262	268	273	279	284	290
Direct Maintenance Costs	5,964	6,137	6,272	6,416	6,564	6,708	6,849	6,986	7,126	7,261
Staff and Contract Personnel Costs										
Other Activity Costs										
Overheads, Indirect and Other Costs	6,066	6,513	6,781	6,980	7,184	7,303	7,446	7,658	7,776	7,942
Depreciation	6,170	6,479	6,742	7,015	7,268	7,530	7,454	7,718	8,008	7,649
Debt Servicing and Interest										
Total Activity Cost	18,438	19,374	20,046	20,668	21,278	21,810	22,022	22,641	23,194	23,142
Funded By:										
Fees and Charges	16,319	16,792	17,162	17,556	17,960	18,355	18,741	19,116	19,498	19,868
Grants and Subsidies										
Cost Recoveries										
Total Operational Revenue	16,319	16,792	17,162	17,556	17,960	18,355	18,741	19,116	19,498	19,868
Net Cost of Service	2,119	2,582	2,884	3,111	3,317	3,454	3,281	3,525	3,696	3,273
Funding Percentages										
Housing Fund	11%	13%	14%	15%	16%	16%	15%	16%	16%	14%
Fees and Charges	89%	87%	86%	85%	84%	84%	85%	84%	84%	86%
Grants and Subsidies	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Cost Recoveries	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Capital Expenditure										
Replace Existing Assets	5,182	5,238	6,585	6,871	6,101	7,240	7,526	7,790	8,056	8,330
Total Activity Capital	5,182	5,238	6,585	6,871	6,101	7,240	7,526	7,790	8,056	8,330

7.2. Funding consideration and outcome

Section 101 Local Government Act 2002 - Funding Consideration. The following tables are based on the financials from the previous page.

Council has traditionally had a rates neutral policy, and funds the Community Housing Activity predominately through fees and charges. This means that most funding comes from rent.

- **Operating expenditure** is largely funded from rental income. The benefits are received mostly in the same year the expenditure is incurred.
- **Capital expenditure** is largely funded from rental income and capital receipts.

This funding approach is based on applying the following main funding principles to determine the funding policy.

Funding principles considered for operating costs

Consideration for funding method	Result	Implication
User-Pays <i>the degree to which the Activity can be attributed to individuals or identifiable groups rather than the community as a whole</i>	High	Fund from fees & charges
Exacerbator-Pays <i>the degree to which the Activity is required as a result of the action (or inaction) of individuals or identifiable groups</i>	Low	Fund from fees & charges
Inter-Generational Equity <i>the degree to which benefits can be attributed to future periods</i>	Medium	Fund in the year costs are incurred
Separate Funding? <i>the degree to which the costs and benefits justify separate funding for the Activity</i>	High	Fund from fees & charges

Outcome: Funding for operating costs

Source	Proportion funded*	Funding Mechanisms
Individual / Group	High	Fees and charges (High)
Community	Low	Grants & Other (Low)

Funding of net capital expenditure

Net means after specific capital grants/subsidies/funding

Category of capex	How it is funded initially - Refer also to Financial Strategy	Proportion*
Renewal/replacement	<i>Mix of rental income and capital receipts-</i>	High
Service improvement	<i>Mix of rental income, capital receipts and debt - because the benefits of capital expenditure on service improvement are received in future periods. In future years, debt repayment is funded by rental income</i>	Minimal planned due to funding constraints
Growth	<i>Capital receipts, accumulated funds, debt, and grants</i>	None planned

Outcome: Initial funding for capital

Initial funding source	Proportion of capex funded*
Rates	n/a
Borrowing	n/a
Development Contributions	n/a
Grants and Other	High

* Low = this source provides 0%-25% of the funding for this Activity, Medium = this source provides 25%-75% of the funding for this Activity, High = this source provides 75%-100% of the funding for this Activity

More information on the Council's Finance and Funding Polices can be found in the [Financial Strategy](#) and the [Revenue and Financing Policy](#)

8. Possible significant negative impacts on wellbeing



This activity may have significant negative effects on social, economic, environmental, or cultural wellbeing of the local community, now or in the future.

Negative Effect	Mitigation
Social	
This activity does not expect any significant effects on social wellbeing of the local community, now or in the future	
Economic	
Neighbouring properties house values may be negatively affected (noting that there is no consensus in the research that there is a negative effect on property values)	Blind mixed tenure, where the housing type is not obvious; dispersed development strategy that incorporates a balanced mix of tenure and socio-economic groups
The provision of assisted housing can become a liability if the costs of providing the service are greater than the revenue received	Council has taken steps to address this through setting up, and leasing its portfolio to, the OCHT. The OCHT are eligible for central government funding. Models show that the central government funding will allow the ongoing financial viability of the portfolio, however, the benefits of this will take time to accumulate
Under investment in the maintenance of housing, caused by the costs of service being lower than then the level of revenue received, can result in negative health impacts	With recent delivery changes Council has been able to finance and deliver “warm and dry” upgrades
Environmental	
This activity does not expect any significant effects on environmental wellbeing of the local community, now or in the future	
Cultural	
This activity does not expect any significant effects on cultural wellbeing of the local community, now or in the future	

Appendices



A. Appendix A: Levels of Service detail

A.1. Continuous Improvement Review (S17A) – Recommendations for change

No Continuous Improvement Reviews (S17A) have been identified for this Activity.

A.2. Levels of Service: Performance measures in detail

Level of Service statement (What we will provide)	LOS	Measures of success (What our community can expect)	Performance Targets/Outputs				Method of Measurement	Community Outcome	Historic Performance Trends	Benchmarks	C/M
			2024/25	2025/26	2026/27	2027 - 34					
Community Housing Asset Management											
Council contributes to the community housing supply in Christchurch with tenants of Council owned housing complexes well-housed	18.0.1	Council facilitates and/or funds community housing supply	At least 2080 units	At least 2300 units	At least 2300 - 2650 units	Annual contribution total includes units owned by Council or its subsidiaries, Units transferred to OCHT, new units facilitated by Council	A collaborative confident city A thriving prosperous city	2022/23: 2,543 2021/22: 2,554 2020/21: 1,944 2019/20: 1,964 2018/19: 2,241		C	
	18.0.4.5	Tenants of Council owned housing complexes are well housed according to the Healthy Homes Guarantee Act 2017, and the Residential Tenancies (Healthy Homes Standards) Regulations 2019	100% Council owned units comply with regulations			Maintain compliance with the Healthy Homes Guarantee Act 2017, and the Residential Tenancies (Healthy Homes Standards) Regulations 2019	A collaborative confident city A green, liveable city	2022/23: 100% 2021/22: 100% (New LOS 2021)		C	
	18.0.5.1	Tenant satisfaction with condition of unit	>=70%			(N) Proportion of tenants satisfied or very satisfied with condition of unit, based on OCHT tenant satisfaction survey	A collaborative confident city	2022/23: 81% 2021/22: 82% 2020/21: 83% 2019/20: 61% 2018/19: 65%		C	
	18.0.7	Council maintains Community Housing as a rates-neutral service	The Social Housing fund is solvent (i.e., >\$0 and able to meet all budgeted costs on an annual basis)			The Social Housing fund is solvent (i.e., >\$0 and able to meet all budgeted costs on an annual basis)	The Social Housing fund is solvent (i.e., >\$0 and able to meet all budgeted costs on an annual basis) A principle of its Community Housing Strategy 2007 is that Council's community housing provision is self-funding. This is further reinforced in the goals, where provision is to be "rates neutral"	A thriving prosperous city	2022/23: \$991,000 2021/22: \$422,000 2020/21: \$2,852,802 2019/20: \$8.9m 2018/19: \$23.9m	Model November 2019 Yr1 – 19/20 - \$7.9m Yr2 – 20/21 - \$3.9m Yr3 – 21/22 \$3.9m Yr4 – 28 \$3.6m	C
Council contributes to the community housing supply in Christchurch	18.0.2.1	Council facilitates and/or funds community housing supply	Implement Year 3 of replacement plan	Implement Year 4 of replacement plan	Implement Year 5 of replacement plan	Implement Year 5 of replacement plan - All 366 units damaged in the 2010 and 2011 earthquakes have been replaced	All new units facilitated by Council towards the replacement of 366 earthquake damaged units will be counted	A collaborative confident city A thriving prosperous city	2022/23: Yr 1 of replacement plan implemented 2021/22: 352 (New LOS 2021)	M	
	18.0.5.3	Tenants of Council owned housing complexes are well housed	At least 87% of building interiors & exteriors have a condition of ≤4			At least 87% of building interiors & exteriors have a condition of ≤4 - At least 88% of building interiors & exteriors have a condition of ≤4	Proportion of building exteriors with a condition of ≤4 The scale is 1: Very High condition to 5: Very Low condition (representative sample of at least 25% of units)	A collaborative confident city	2022/23: 100% 2021/22: 100% 2020/21: 98% 2019/20: 87.65% 2018/19: 89%		M
	18.0.14.1	Council actively manages lease with Ōtautahi Community Housing Trust	Lease terms and conditions are managed – lease events are actioned and completed in a timely manner			Lease events are defined in the lease and Service Level Agreement. Monthly Management Meetings Held /	A thriving prosperous city	2022/23: lease events actioned and completed in a timely manner		M	

Level of Service statement (What we will provide)	LOS	Measures of success (What our community can expect)	Performance Targets/Outputs				Method of Measurement	Community Outcome	Historic Performance Trends	Benchmarks	C/M
			2024/25	2025/26	2026/27	2027 - 34					
							Monthly Management Meetings Planned Quarterly Governance Meetings Held / Quarterly Governance Meetings Planned		2021/22: Achieved (New LOS 2021)		

A.3. Levels of Service changes from Long-term Plan 2021-31, and why

Related Levels of Service (now known as Measures of Success and Targets) have been grouped together under Level of Service Statements. This provides a reduced suite of levels of service that are most critical and meaningful, rationalising the overall number to be presented in the LTP and included in future reporting to ELT, Council, and the community, while ensuring continued transparency of non-financial performance across services. Applying this process has resulted in no material changes to Measures of Success or Targets beyond those specifically set out below.

Deletions

Activity / Level of Service	Change from 2021-31 LTP	Reason/Rationale	Options for Consultation
18.0.4 (C) Council makes a contribution to the social housing supply in Christchurch - Council owned units are available for use Target: 1,798 units	Deletion of this community-facing LOS and target	Council no longer has direct control of the number of units available for use as the management of all maintenance sits with Ōtautahi Community Housing Trust.	No specific consultation required. Change also noted in the Statement of Service Provision.

New

This Activity has no new levels of service.

Amendments

Activity / Level of Service	Change from 2021-31 LTP	Reason/Rationale	Options for Consultation
18.0.1 (C) Council facilitates and/or funds community housing supply Target: 2024/25 At least 2080 units 2025/26 At least 2080 units 2026/27 At least 2300 units Year 10 2033/34 At least 2650 units	The target has changed from At least 2500 units in 2023/24 to 2024/25 At least 2080 units 2025/26 At least 2080 units 2026/27 At least 2300 units Year 10 2033/34 At least 2650 units	The changes to this Level of Service reflects ongoing financial pressure (particularly increasing insurance costs) reducing the ability for the Council to directly fund housing supply. It also reflects uncertainty around Government funding policy and the likely impacts on community housing providers.	No specific consultation required. Change also noted in the Statement of Service Provision.

B. Appendix B: Possible issues impacting the Activity & the mitigations planned

Information for future impacts was collated in preparation of the draft LTP 2024-34 to inform Councillor decisions and community consultation. This section was not updated for final LTP adoption.

B.1. Changing customer needs

Population / demographic changes (High impact)

Issue/driver	Present Position	→ Projection	Impact on services	Mitigating plans/actions
Population growth	402,400 in 2023	<ul style="list-style-type: none"> 430,600 in 2033 (source: figure.nz) 	<ul style="list-style-type: none"> Increased demand for social and affordable housing as population grows 	<ul style="list-style-type: none"> Advocate for more government funding Prioritise surplus land for public and affordable housing
Ageing population	64,100 65+ in 2023	<ul style="list-style-type: none"> 81,200 65+ in 2033 (source: figure.nz) 	<ul style="list-style-type: none"> Increased demand for assisted and affordable rentals 	<ul style="list-style-type: none"> Advocate for more government funding Prioritise surplus land for public and affordable housing
Family/household structure		<ul style="list-style-type: none"> More one person households 	<ul style="list-style-type: none"> Increased demand for assisted and affordable rentals 	<ul style="list-style-type: none"> Advocate for more government funding Prioritise surplus land for public and affordable housing
Shifts within city (e.g., growing communities, possible future managed retreat)				<ul style="list-style-type: none"> To encourage and facilitate better mixed housing and tenure outcomes, such as affordable rental and home ownership such as leasing, rent-to-buy, or shared equity.

B.3. Technological growth (Low impact)

This Activity has identified no possible technological growth issues impacting the Activity.

B.4. Resilience and environmental considerations

Climate change & adaptation (High impact)

Issue/driver	Present Position	→ Projection	Impact on services	Mitigating plans
Possible increased flooding and groundwater damage for units and complexes	To date this has not been a significant driver of either service disruption or cost	<ul style="list-style-type: none"> This is likely to increase particularly for those complexes in coastal areas 	<ul style="list-style-type: none"> Above floor level flooding will require the relocation of tenants and remedial action to repair units resulting in both service delivery and financial pressures. Even without above floor level flooding, wet sites are likely to lead to tenant dissatisfaction 	<ul style="list-style-type: none"> Mitigation plans are at an early stage of development but will involve a mixture of disposal of unsuitable sites at the end of their economically useful lives, rebuilding with higher finished floor levels and onsite defences to reduce overland flow
Increased temperatures may increase the demand for cooling	All units have heat pumps that include a cooling function. There may be resistance to using this by some tenants due to cost while others may be unaware of this functionality	<ul style="list-style-type: none"> Demand for cooling is likely to increase 	<ul style="list-style-type: none"> Units that are too hot in the summer months may lead to tenant satisfaction or even medical issues 	<ul style="list-style-type: none"> Council has undertaken significant investment in insulation upgrades and the installation of heat pumps Where funding allows it will also upgrade glazing and insulation to help manage temperature

B.6. Regulations & reform (Low impact)

This Activity has identified no possible regulation & reform issues impacting the Activity.

B.7. Identified Business Unit Risks

Business risks that could impact this activity have been considered. A summary of risks currently assessed as most relevant to the activity are listed below. Risks are recorded and periodically reported to the Executive Leadership Team and the Audit and Risk Management Committee.

Strategic priorities risk is associated with	Risk Description	Impact	Likelihood	Inherent Risk Rating	Controls / Mitigations	Residual Risk Rating
<ul style="list-style-type: none"> Manage ratepayers' money wisely, delivering quality core services to the whole community and addressing the issues that are important to our residents Actively balance the needs of today's residents with the needs of future generations, with the aim of leaving no one behind 	<p>Community housing activity funding</p> <p>There is a risk of:</p> <ul style="list-style-type: none"> There is a risk the Council Housing Fund goes into deficit and has insufficient resources to fund Council community housing requirements. Financial modelling indicated that the Housing Development Fund will be drawn down through until FY27 before starting to accumulate. 	Minor	Unlikely	Low	<ul style="list-style-type: none"> Financial management <ul style="list-style-type: none"> - Development of a financial model - Active monitoring of performance against the model - Adjustment of the model to reflect changing circumstances - Development of improved reporting tool - Adjustment of work programme to allow for more buffer Maintenance management <ul style="list-style-type: none"> - Restrict repairs and maintenance to essential items only - Review planned periodic maintenance. Undertake where this will lead to improved tenant satisfaction or reduce reactive spend. - Review discretionary maintenance requests and decline where this will not reduce future reactive spend or improve warmth, dryness, and energy efficiency of units. - Seek contributions from other parties for discretionary activities. Capital management <ul style="list-style-type: none"> - Prioritise legislative, safety and weather tightness renewals and 	Low

Strategic priorities risk is associated with	Risk Description	Impact	Likelihood	Inherent Risk Rating	Controls / Mitigations	Residual Risk Rating
					upgrades (e.g., warm, and dry, footpaths) - Identify alternate sources of funding and innovative financing mechanisms for new builds <ul style="list-style-type: none"> Asset management - develop mechanism to exit higher cost / less sustainable complexes 	
<ul style="list-style-type: none"> Manage ratepayers' money wisely, delivering quality core services to the whole community and addressing the issues that are important to our residents Actively balance the needs of today's residents with the needs of future generations, 	<p>Financial implications of lending to Community Housing Providers for new community houses</p> <p>There is a risk of:</p> <ul style="list-style-type: none"> The CHPs not being able to meet all Councils costs caused by costs greater than the expected, revenue being less than they expected, or Councils costs being greater than expected. This may result in rates funding being required to meet the shortfall or Council to exercise its rights under mortgages. 	Minor	Highly Unlikely	Low	<ul style="list-style-type: none"> Prior review of proposals to test assumptions and modelling. Review to be carried out by Councils asset management and financial staff, as well as an independent review. Include other hurdles such as target maximum average cost per dwelling. Feasibility to test appropriate sensitivities. On-going monitoring of operations including compliance with Government contract requirements, operational costs, rents (and level of arrears). As a precondition of entering into a loan agreement, CHPs must hold a long-term contract with the Government for the supply of the places. This should have the same term as the loan. The loan should be protected by appropriate documentation and security. 	Low

Strategic priorities risk is associated with	Risk Description	Impact	Likelihood	Inherent Risk Rating	Controls / Mitigations	Residual Risk Rating
with the aim of leaving no one behind						
	<p>Increased insurance premium and deductible There is a risk that:</p> <ul style="list-style-type: none"> If insurance premiums and deductibles become unaffordable as the insurance market hardens, then it will become untenable to insure our property community housing portfolio. Resulting in financial implications to the Council. 	Minor	Likely	Low	<ul style="list-style-type: none"> On-going monitoring of fire systems and controls. Fundamental fire safety principals for preventing fire events and managing their impact. 	Low