



**Greater Christchurch
Partnership**

Te Tira Tū Tahī

One Group, Standing Together

Greater Christchurch Partnership Committee AGENDA

Notice of Meeting:

A meeting of the Greater Christchurch Partnership Committee will be held on:

Date: Friday 13 December 2024
Time: 8.30 am
Venue: Council Chamber, Environment Canterbury,
200 Tuam Street, Christchurch

6 December 2024

To view copies of Agendas and Minutes, visit:

<https://www.ccc.govt.nz/the-council/meetings-agendas-and-minutes/>

Committee Members

Greater Christchurch Partnership Independent Chair

Jim Palmer

Mana Whenua

Dr Te Maire Tau, Jane Huria and Gail Gordon

Christchurch City Council

Mayor Phil Mager, Councillors Victoria Henstock and Sara Templeton

Environment Canterbury

Chair Craig Pauling, Councillors Grant Edge and Vicky Southworth

Selwyn District Council

Mayor Sam Broughton, Councillors Nicole Reid and Lydia Gliddon

Waimakariri District Council

Mayor Dan Gordon, Deputy Mayor Neville Atkinson and Councillor Niki Mealings

Health

Dr Anna Stevenson

Waka Kotahi (New Zealand Transport Agency - Non-Voting Member)

James Caygill

Director, Greater Christchurch Partnership

Tracy Tierney

Ph 941 6993

Committee Adviser

David Corlett

ph 941 5421

1. TERMS OF REFERENCE NGĀ ĀRAHINA MAHINGA

1.1. The role of the Committee is to:

- i. Foster and facilitate a collaborative approach between the Partners to address strategic challenges and opportunities for Greater Christchurch.
- ii. Show clear, decisive and visible collaborative strategic leadership amongst the Partners, to wider stakeholders, agencies and central government and to communities across Greater Christchurch.
- iii. Enable Partners to better understand individual perspectives and identify shared objectives and areas of alignment.
- iv. Assist information sharing, efficient and effective working, and provide a stronger voice when advocating to others.
- v. Establish, and periodically review, an agreed strategic framework to support a collective approach to improving intergenerational wellbeing in Greater Christchurch through addressing strategic challenges and opportunities.
- vi. Oversee implementation of strategies and plans endorsed by the Committee and ratified at individual Partner governance meetings, including through the adoption and delivery of an annual joint work programme.
- vii. Ensure the Partnership proactively engages with other related partnerships, agencies and organisations critical to the achievement of its strategic functions.

1.2. The functions of the Committee are to:

- i. Establish, and periodically review, an agreed strategic framework to support a collective approach to improving intergenerational wellbeing in Greater Christchurch.
- ii. As required, develop new and review existing strategies and plans to enable Partners to work more collaboratively with each other and to provide greater clarity and certainty to stakeholders and the community. Existing strategies and plans endorsed by the Greater Christchurch Partnership Committee or endorsed by the UDSIC and inherited by this Committee are published on the Partnership's website.
- iii. Recommend to Partners for ratification at individual partner governance meetings any new or revised strategies and plans.
- iv. Adopt and monitor the delivery of an annual joint work programme to deliver on strategic goals and actions outlined in adopted strategies and plans.
- v. Undertake reporting on the delivery of adopted strategies and plans, including in relation to an agreed strategic outcomes framework.
- vi. Identify and manage risks associated with implementing adopted strategies and plans.
- vii. Establish and maintain effective dialogue and relationships (through meetings, forums and other communications) with other related partnerships, agencies and organisations to support the role of the Committee, including but not limited to:
 - a. Waka Toa Ora (Healthy Greater Christchurch)

- b. Canterbury Mayoral Forum
 - c. Tertiary institutions and educational partnerships
 - d. Strategic infrastructure providers
 - e. Government departments
- viii. Undertake wider engagement and consultation as necessary, including where appropriate seeking submissions and holding hearings, to assist the development of any strategies and plans.
- ix. Advocate to central government or their agencies or other bodies on issues of concern to the Partnership, including through the preparation of submissions (in liaison with the Canterbury Mayoral Forum as necessary).
- x. For the avoidance of doubt, the Committee's strategic transport functions include:
- a. Consider key strategic transport issues, national policies and public transport associated collaborative business cases.
 - b. Develop the Greater Christchurch component of the Regional Public Transport Plan and recommend to the Canterbury Regional Council for approval, when required.
 - c. Monitor the delivery of the strategic public transport work programme in Greater Christchurch.
- 1.3. In undertaking its role and performing its functions the Committee will consider seeking the advice of the Chief Executives Advisory Group.

2. QUORUM AND CONDUCT OF MEETINGS

- 1.1. The quorum at a meeting of the Committee consists of the majority of the voting members.
- 1.2. Other than as noted in this Agreement, the standing orders of the administering Council at the time, shall apply.
- 1.3. Voting shall be on the basis of the majority present at the meeting, with no alternates or proxies.
- 1.4. For the purpose of clause 6.2, the Independent Chairperson:
- i. has a deliberative vote; and
 - ii. in the case of equality of votes, does not have a casting vote (and therefore the act or question is defeated and the status quo is preserved).

3. MEETING FREQUENCY

- 3.1. Notification of meetings and the publication of agendas and reports shall be conducted in accordance with the requirements of Part 7 of the Local Government Official Information and Meetings Act 1987.
- 3.2. The Committee shall meet monthly, or as necessary and determined by the Independent Chair in liaison with the Committee.

3.3. The Committee welcomes external speakers by deputation however the right to speak at meetings must be in accordance with the adopted public deputation guidelines of the Committee.

4. DELEGATIONS

- 4.1. Establishing, and where necessary, amending, protocols and processes to support the effective functioning of the Committee, including but not limited to those relating to the resolution of conflicting views, communications and public deputations.
- 4.2. Preparing communication and engagement material and publishing reports relevant to the functions of the Committee.
- 4.3. Commissioning and publishing reports relevant to the functions of the Committee.
- 4.4. Undertaking engagement and consultation exercises in support of the terms of reference and functions of the Committee.
- 4.5. Selecting an Independent Chair and Deputy Chair in accordance with any process agreed by the Committee and the requirements of the LGA 2002.
- 4.6. Making submissions, as appropriate, on Government proposals and other initiatives relevant to the role of the Committee.
- 4.7. Appointing, where necessary, up to two additional non-voting observers to the Committee.

5. FINANCIAL DELEGATIONS

- 5.1. The Committee can make financial decisions within an agreed budget envelope and as long as the decision does not trigger any change to the statutory plans prepared under the LGA 2002, the RMA 1991, or the LTMA 2003.

AGENDA ITEMS HE RĀRANGI TAKE

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Karakia Whakakapi Closing Incantation

Standing Items

Karakia mō te Tīmatataka Opening Incantation

Tūtawa mai i runga	I summon from above
Tūtawa mai i raro	I summon from below
Tūtawa mai i roto	I summon from within
Tūtawa mai i waho	and the surrounding environment
Kia tau ai te mauri tū, te mauri ora ki te katoa	The universal vitality and energy to infuse and enrich all present
Haumi e, hui e, tāiki e	Unified, connected and blessed

1. Apologies Ngā Whakapāha

Apologies will be recorded at the meeting.

2. Declarations of Interest Ngā Whakapuaki Aronga

Members are reminded of the need to be vigilant and to stand aside from decision-making when a conflict arises between their role as an elected representative and any private or other external interest they might have.

3. Deputations by Appointment Ngā Huinga Whakaritenga

Deputations by appointment will be recorded in the meeting minutes.

4. Confirmation of Previous Minutes Te Whakaāe o te hui o mua

That the minutes of the Greater Christchurch Partnership Committee meeting held on [Friday, 9 August 2024](#) be confirmed (refer page 9).



Greater Christchurch Partnership

Te Tira Tū Tahī
One Group, Standing Together

Greater Christchurch Partnership Committee OPEN MINUTES

Date: Friday 9 August 2024
Time: 9 am
Venue: Council Chamber, Environment Canterbury,
200 Tuam Street, Christchurch

Present

Chairperson Jim Palmer , Independent Chairperson
Members Jane Huria , Mana Whenua
Gail Gordon - Mana Whenua
Councillor Sara Templeton , Christchurch City Council
Chair Peter Scott , Environment Canterbury
Councillor Grant Edge - Environment Canterbury
Councillor Vicky Southworth , Environment Canterbury
Mayor Sam Broughton , Selwyn District Council
Councillor Lydia Gliddon , Selwyn District Council
Councillor Nicole Reid - Selwyn District Council
Mayor Dan Gordon , Waimakariri District Council
Deputy Mayor Neville Atkinson , Waimakariri District Council
Councillor Niki Mealings , Waimakariri District Council
Dr Anna Stevenson , Health
(Non-Voting Member) James Caygill , Waka Kotahi (New Zealand Transport Agency)

Principal Advisor

Tracy Tierney
Programme Director Greater
Christchurch Partnership
Tel: 941 6993

David Corlett
Democratic Services Advisor
941 5421
david.corlett@ccc.govt.nz
www.ccc.govt.nz

Karakia mō te Tīmatataka Opening Incantation: Given by all

Tūtawa mai i runga	I summon from above
Tūtawa mai i raro	I summon from below
Tūtawa mai i roto	I summon from within
Tūtawa mai i waho	and the surrounding environment
Kia tau ai te mauri tū	The universal vitality and energy to infuse
te mauri ora ki te katoa	And enrich all present
Hāumi e, hui e, taiki e	Unified, connected and blessed

1. Apologies Ngā Whakapāha

Committee Resolved GCPC/2024/00004

That the apologies for absence from Dr Te Maire Tau, Jane Huria, Mayor Mauger, Mayor Broughton and Councillor Henstock, and the apology from Councillor Templeton for a possible early departure be accepted.

Mayor Dan Gordon/Chair Peter Scott

Carried

2. Declarations of Interest Ngā Whakapuaki Aronga

There were no declarations of interest recorded.

3. Deputations by Appointment Ngā Huinga Whakaritenga

There were no deputations by appointment.

4. Confirmation of Previous Minutes Te Whakaāe o te hui o mua

Committee Resolved GCPC/2024/00005

That the minutes of the Greater Christchurch Partnership Committee meeting held on Friday, 16 February 2024 be confirmed.

Deputy Mayor Neville Atkinson/Councillor Grant Edge

Carried

5. Greater Christchurch Partnership Work Programme

Staff Recommendations Ngā Tūtohu

That the Greater Christchurch Partnership Committee:

1. Ratifies the Greater Christchurch Partnership work programme and strategic priorities for 2024/2025 as outlined in Table 1 under 3.2.
2. Approve the change of meeting frequency to quarterly.
3. Notes the Greater Christchurch Partnership work programme update.

Committee Resolved GCPC/2024/00006

Part C

That the Greater Christchurch Partnership Committee:

1. Notes the Greater Christchurch Partnership work programme and strategic priorities for 2024/2025 as outlined in Table 1 under 3.2.
2. Approve the change of meeting frequency to quarterly.
3. Notes the Greater Christchurch Partnership work programme update.

Mayor Dan Gordon/Councillor Sara Templeton

Carried

**6. Development of the Greater Christchurch chapters for the Canterbury Regional Public Transport Plan
Staff Recommendations Ngā Tūtohu**

That the Greater Christchurch Partnership Committee:

1. **Endorse** the attached Draft Canterbury Regional Public Transport Plan 2025-2035 document to Environment Canterbury to enable the Draft Plan to be notified to the public and the special consultation process to begin.
2. **Reconfirm or nominate** a replacement member of the Greater Christchurch Partnership Committee to form part of the RPTP Hearings Panel as required.
 - a. The Waimakariri District Council representative will be either Mayor Dan Gordon or
 - b. The Selwyn District Council representative will be either Mayor Sam Broughton or
 - c. The Christchurch City Council representative will be either Councillor Sara Templeton or
 - d. The Environment Canterbury representative will be either Councillor Vicky Southworth or
3. **Adopts** the terms of Reference for the Greater Christchurch RPTP Panel noting any amendment to the panel members will be amended in the final version.

Committee Resolved GCPC/2024/00007

Part C

That the Greater Christchurch Partnership Committee:

1. **Endorse** the attached Draft Canterbury Regional Public Transport Plan 2025-2035 document to Environment Canterbury to enable the Draft Plan to be notified to the public and the special consultation process to begin.
2. **Reconfirm or nominate** a replacement member of the Greater Christchurch Partnership Committee to form part of the RPTP Hearings Panel as required.

- a. The Waimakariri District Council representative will be either Mayor Dan Gordon or Neville Atkinson.
 - b. The Selwyn District Council representative will be either Mayor Sam Broughton or Nicole Reid.
 - c. The Christchurch City Council representative will be either Councillor Sara Templeton or Mayor Mauger or Councillor Henstock.
 - d. The Environment Canterbury representative will be Councillor Grant Edge.
3. **Adopts** the terms of Reference for the Greater Christchurch RPTP Panel noting any amendment to the panel members will be amended in the final version.

Chair Peter Scott/Mayor Dan Gordon

Carried

• **Greater Christchurch Transport Update**
Committee Resolved GCPC/2024/00008

Officer recommendations accepted without change

Part C

That the Greater Christchurch Partnership Committee:

1. **Note** the Greater Christchurch Transport Work Programme update.
2. **Note** that the Transport Managers Group will provide a further Transport Work Programme update after the NLTP has been announced late August/early September.

Mayor Dan Gordon/Deputy Mayor Neville Atkinson

Carried

8. Joint Housing Action Plan Progress Update
Committee Comment

1. Deputy Mayor Atkinson and Councillor Mealings from Waimakariri District Council noted that they are on a panel reviewing their District Plan and asked that it be recorded that they did not express a view on this item.

Committee Resolved GCPC/2024/00009

Officer recommendations accepted without change

Part C

That the Greater Christchurch Partnership Committee:

1. **Receive** and note this report

Gail Gordon/Councillor Nicole Reid

Carried

Karakia – Whakakapi Closing Incantation: Given by all

Ka whakairia te tapu	Restrictions are moved aside
Kia watea ai te ara	So the pathway is clear
Kia tūruki whakataha ai	To return to everyday activities
Kia tūruki whakataha ai	
Hui e, tāiki e	Enriched, unified and blesses

Meeting concluded at 10.40am.

CONFIRMED THIS <Enter date as 1st, 2nd, 3rd etc> DAY OF <Enter MONTH YYYY>

**JIM PALMER
CHAIRPERSON**

Unconfirmed

5. Draft Greater Christchurch Transport Plan 2024 Update

Reference Te Tohutoro: 24/1722497

Responsible Officer(s) Te Pou Matua: Jesse Burgess, Chair of the Transport Managers Group

Accountable ELT Member Pouwhakarae: Tracy Tierney, Director Greater Christchurch Partnership

1. Purpose of Report Te Pūtake Pūrongo

- 1.1 The purpose of this report is to present the Greater Christchurch Partnership Committee (GCPC) with the draft Greater Christchurch Transport Plan – Plan on a Page and next steps.

2. Staff Recommendations Ngā Tūtohu

That the Greater Christchurch Partnership Committee:

1. **Receives** the update on the draft Greater Christchurch Transport Plan.

3. Background

- 3.1 In 2022, the Greater Christchurch Partnership and the Crown established an Urban Growth Partnership for Greater Christchurch. This partnership of central government, local government and mana whenua is focused on shared objectives related to affordable housing, emissions reduction, and creating liveable and resilient urban areas.
- 3.2 The Greater Christchurch Spatial Plan¹ (GCSP) was developed and extensively consulted on, resulting in the GCSP being endorsed by the Greater Christchurch Partnership Committee on Friday 16 February 2024. In March 2024, all Partner Councils also adopted the GCSP as their Future Development Strategy.
- 3.3 The GCSP recognises that improvements to the transport system are essential to support housing growth and strong economic performance, to achieve emissions reduction targets, and improve accessibility.
- 3.4 The GCSP highlights the transformational shift required to achieve long-term outcomes for Greater Christchurch. The transport shift is encompassed within Opportunity 6: *Prioritise sustainable and accessible transport choices to move people and goods in a way that significantly reduces greenhouse gas emissions and enables access to social, cultural and economic opportunities.*
- 3.5 The partnership developed a Joint Work Programme² which identifies the development of a Greater Christchurch Transport Plan as a key initiative, to plan and coordinate the development of an integrated transport system.
- 3.6 The purpose of the Greater Christchurch Transport Plan focuses on implementation and identifies the changes required to deliver the opportunity and directions of the Greater Christchurch Spatial Plan (GCSP).

¹ [Greater-Christchurch-Spatial-Plan-2024.pdf \(greaterchristchurch.org.nz\)](https://www.greaterchristchurch.org.nz/greater-christchurch-spatial-plan-2024.pdf)

² [Greater-Christchurch-Spatial-Plan-2024-Joint-Work-Programme.pdf \(greaterchristchurch.org.nz\)](https://www.greaterchristchurch.org.nz/greater-christchurch-spatial-plan-2024-joint-work-programme.pdf)

Attachments Ngā Tāpirihanga

No.	Title	Reference	Page
A  	Greater Christchurch Transport Plan 2024 - Plan on a Page	24/1722810	17
B  	Presentation on the Draft Greater Christchurch Transport Plan 2024	24/1722811	18

Greater Christchurch Transport Plan

Purpose: The Greater Christchurch Transport Plan identifies the transport system changes needed to implement the Greater Christchurch Spatial Plan. The transport plan focuses on strategy – the key things partnership members need to do together, and the commitments needed for success.

Opportunity 6 of the Greater Christchurch Spatial Plan: Prioritise sustainable and accessible transport choices to move people and goods in a way that significantly reduces greenhouse gas emissions and enables access to social, cultural and economic opportunities.

Principles:



Work in partnership, committed to achieving the spatial plan vision.



Seek sustainable funding and investment solutions to deliver transport infrastructure and services.

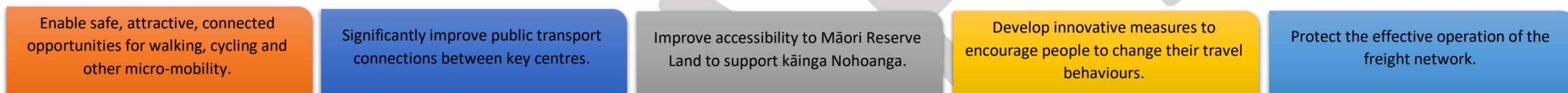


Prioritise the safety of our communities and transport users.

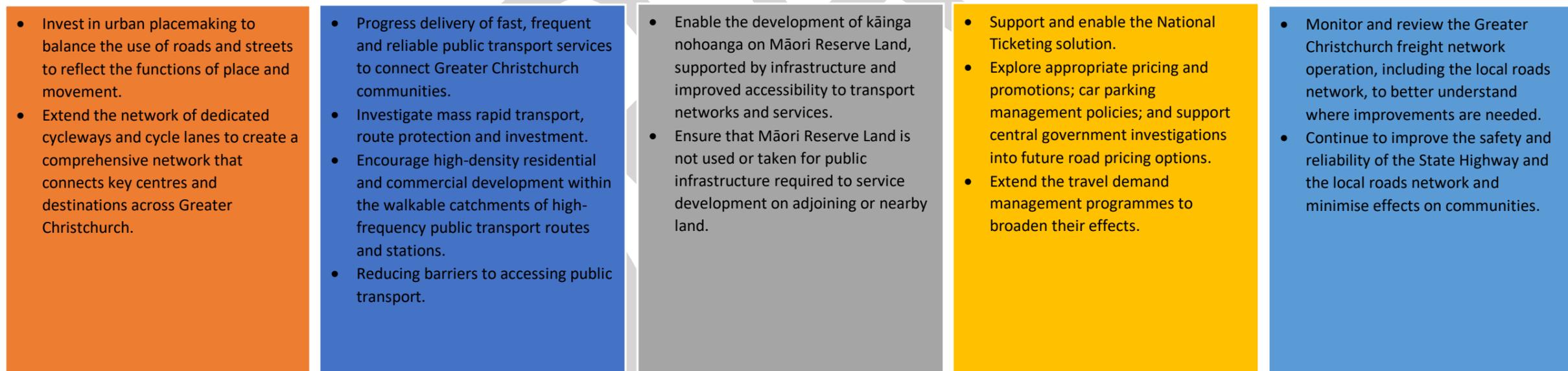


Deliver a fit for purpose road and transport network.

Directions of Opportunity 6: Transport directions toward achieving Greater Christchurch’s future transport vision in 2050.



Actions



It is important to note that there is no hierarchy given to the directions. This is a long term plan, aligned to the 30 year Greater Christchurch Spatial Plan. The order of implementation actions will be driven by the work programmes and funding priorities of partners including central government through the National Land Transport Programme and Local Government through Long Term and Annual Plans.



Draft Greater Christchurch Transport Plan

Greater Christchurch Partnership Committee
13 December 2024

Draft Greater Christchurch Transport Plan

Purpose:

The Greater Christchurch Transport Plan identifies the transport system changes needed to implement the Greater Christchurch Spatial Plan. The transport plan focuses on strategy – the key things partnership members need to do together, and the commitments needed for success.

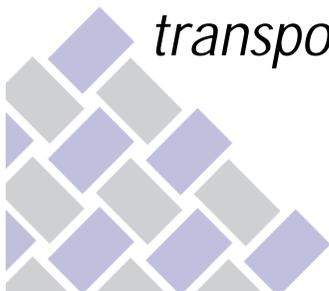


#6

Prioritise sustainable and accessible transport choices to move people and goods in a way that significantly reduces greenhouse gas emissions and enables access to social, cultural and economic opportunities

Context

- ❖ This is a long term plan, aligned to the 30 year Greater Christchurch Spatial Plan.
- ❖ It is important to note that there is no hierarchy given to the directions.
- ❖ The order of implementation actions will be driven by the work programmes and funding priorities of partners including central government through the National Land Transport Programme and Local Government through Long Term and Annual Plans.
- ❖ Many aspects of the plan align with the current GPS - *Funding and investment solutions, Prioritise safety, Deliver a fit for purpose road and transport network, Protect the effective operation of the freight network.*



Greater Christchurch Transport Plan

Purpose: The Greater Christchurch Transport Plan identifies the transport system changes needed to implement the Greater Christchurch Spatial Plan. The transport plan focuses on strategy – the key things partnership members need to do together, and the commitments needed for success.

Opportunity 6 of the Greater Christchurch Spatial Plan: Prioritise sustainable and accessible transport choices to move people and goods in a way that significantly reduces greenhouse gas emissions and enables access to social, cultural and economic opportunities.

Principles:



Work in partnership, committed to achieving the spatial plan vision.



Seek sustainable funding and investment solutions to deliver transport infrastructure and services.



Prioritise the safety of our communities and transport users.



Deliver a fit for purpose road and transport network.

Directions of Opportunity 6: Transport directions toward achieving Greater Christchurch's future transport vision in 2050

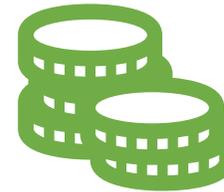
Enable safe, attractive, connected opportunities for walking, cycling and other micro-mobility.	Significantly improve public transport connections between key centres.	Improve accessibility to Māori Reserve Land to support kāinga Nohoanga.	Develop innovative measures to encourage people to change their travel behaviours.	Protect the effective operation of the freight network.
Actions <ul style="list-style-type: none"> Invest in urban placemaking to balance the use of roads and streets to reflect the functions of place and movement. Extend the network of dedicated cycleways and cycle lanes to create a comprehensive network that connects key centres and destinations across Greater Christchurch. 	<ul style="list-style-type: none"> Progress delivery of fast, frequent and reliable public transport services to connect Greater Christchurch communities. Investigate mass rapid transport, route protection and investment. Encourage high-density residential and commercial development within the walkable catchments of high-frequency public transport routes and stations. Reducing barriers to accessing public transport. 	<ul style="list-style-type: none"> Enable the development of kāinga nohoanga on Māori Reserve Land, supported by infrastructure and improved accessibility to transport networks and services. Ensure that Māori Reserve Land is not used or taken for public infrastructure required to service development on adjoining or nearby land. 	<ul style="list-style-type: none"> Support and enable the National Ticketing solution. Explore appropriate pricing and promotions; car parking management policies; and support central government investigations into future road pricing options. Extend the travel demand management programmes to broaden their effects. 	<ul style="list-style-type: none"> Monitor and review the Greater Christchurch freight network operation, including the local roads network, to better understand where improvements are needed. Continue to improve the safety and reliability of the State Highway and the local roads network and minimise effects on communities.

It is important to note that there is no hierarchy given to the directions. This is a long term plan, aligned to the 30 year Greater Christchurch Spatial Plan. The order of implementation actions will be driven by the work programmes and funding priorities of partners including central government through the National Land Transport Programme and Local Government through Long Term and Annual Plans.

Principles



Work in partnership, committed to achieving the spatial plan vision.



Seek sustainable funding and investment solutions to deliver transport infrastructure and services.



Prioritise the safety of our communities and transport users.



Deliver a fit for purpose road and transport network.



Greater Christchurch Partnership

Te Tira Tū Tahī
One Group, Standing Together

Direction 6.1

Enable safe, attractive, connected opportunities for walking, cycling and other micro-mobility.

- Invest in urban placemaking to balance the use of roads and streets to reflect the functions of place and movement.
- Extend the network of dedicated cycleways and cycle lanes to create a comprehensive network that connects key centres and destinations across Greater Christchurch.



Greater Christchurch
Partnership

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One Group, Standing Together

Direction 6.2

Significantly improve public transport connections between key centres.

- Progress delivery of fast, frequent and reliable public transport services to connect Greater Christchurch communities.
- Investigate mass rapid transport, route protection and investment.
- Encourage high-density residential and commercial development within the walkable catchments of high-frequency public transport routes and stations.
- Reducing barriers to accessing public transport.



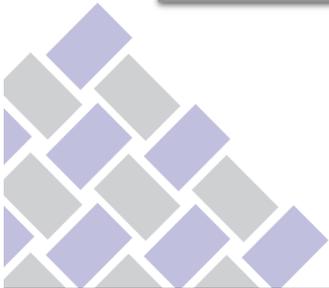
Greater Christchurch
Partnership

Te Tira Tū Tahī
One Group, Standing Together

Direction 6.3

Improve accessibility to Māori Reserve Land to support kāinga Nohoanga.

- Enable the development of kāinga nohoanga on Māori Reserve Land, supported by infrastructure and improved accessibility to transport networks and services.
- Ensure that Māori Reserve Land is not used or taken for public infrastructure required to service development on adjoining or nearby land.



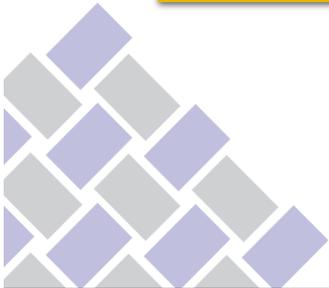
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Direction 6.4

Develop innovative measures to encourage people to change their travel behaviours.

- Support and enable the National Ticketing solution.
- Explore appropriate pricing and promotions; car parking management policies; and support central government investigations into future road pricing options.
- Extend the travel demand management programmes to broaden their effects.



Greater Christchurch
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Te Tira Tū Tahī
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Direction 6.5

Protect the effective operation of the freight network.

- Monitor and review the Greater Christchurch freight network operation, including the local roads network, to better understand where improvements are needed.
- Continue to improve the safety and reliability of the State Highway and the local roads network and minimise effects on communities.



Greater Christchurch
Partnership

Te Tira Tū Tahī
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Next Steps

- ❖ Full draft GCTP provided to the GCPC for review at the February 2025 meeting.
- ❖ Subject to the review by the GCPC in February 2025, the draft GCTP document will be finalised and provided to the May 2025 GCPC meeting for endorsement.
- ❖ Implementation will be coordinated through the Transport Managers Group and overseen by the Senior Officials Groups.
- ❖ Progress reporting to the committee would be aligned to the broader GCSP monitoring and reporting framework.



Greater Christchurch
Partnership

Te Tira Tū Tahī
One Group, Standing Together

Questions or Feedback?



6. Mass Rapid Transit (MRT) Project Update

Reference Te Tohutoro: 24/1722924

Responsible Officer(s) Te Pou Matua: Richard Osborne, Regional Manager System Design, NZTA

Accountable ELT Member Pouwhakarae: Tracy Tierney, Director Greater Christchurch Partnership

1. Purpose of Report Te Pūtake Pūrongo

- 1.1 The purpose of this report is to provide the Greater Christchurch Partnership Committee with an update on the Mass Rapid Transit (MRT) project and propose next steps.

2. Staff Recommendations Ngā Tūtohu

That the Greater Christchurch Partnership Committee:

1. **Receives** the update on the Mass Rapid Transit (MRT) project.

Attachments Ngā Tāpirihanga

No.	Title	Reference	Page
A  	MRT Presentation to The Greater Christchurch Partnership	24/2148063	32

A step-change for public transport in Greater Christchurch

Christchurch turn-up-and-go / mass rapid transit (MRT)

Mass Rapid Transit Project

Project summary
December 2024



The MRT proposal

What is MRT?

It is quicker, more frequent, more reliable and has higher capacity than the conventional public transport services. It operates on a permanent route (road or rail) that is separated from other traffic.



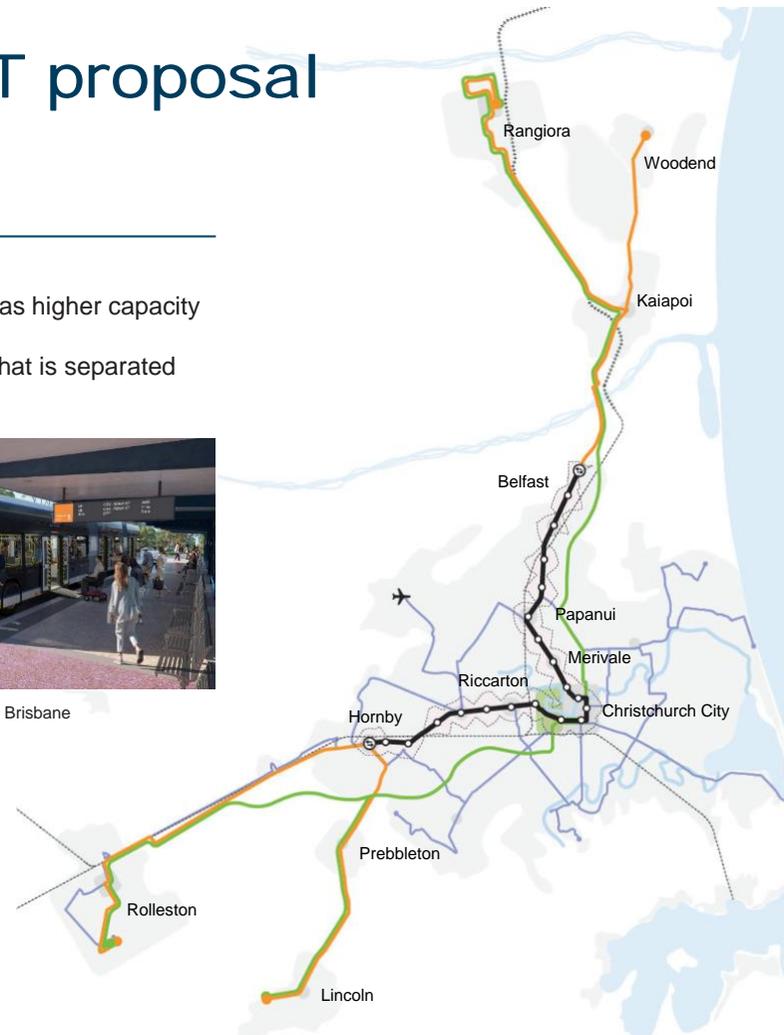
George Street Light Rail - Sydney



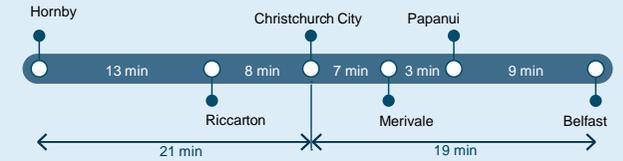
Brisbane Bus Metro - Brisbane

Legend

- Street running MRT
- Standard/ express bus service improvements
- Direct bus enhancements to the Districts
- Core bus network
- MRT station
- Station walkable catchment
- District interchange



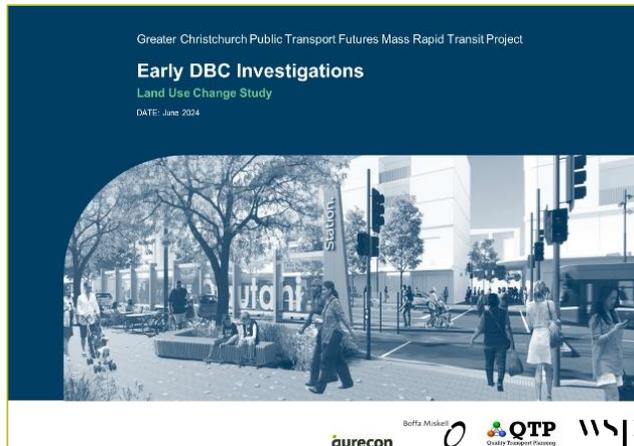
MRT journey times



Key project metrics

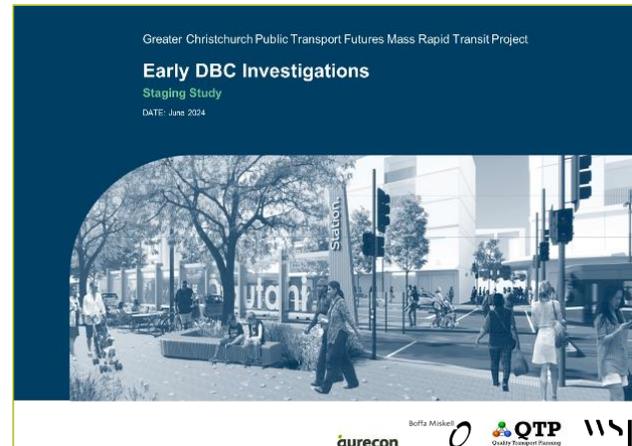
- Every 5 minutes in the morning and evening peak hours
Every 10 minutes the rest of the day
- 5.7 million trips per year
- 2,500 Light Rail
2,200 Bus Metro passenger capacity during peak hour
- 21 stations within Christchurch
- 22km corridor length within Christchurch
- Zero emission vehicles
- 75% of new homes located along the corridor
- 81% of new jobs located along the corridor
- Reduces by 4,000 tonnes per year

Further work has been done since completion of the IBC to explore the feasibility of staging the MRT proposal and also to better understand the risk associated with urban change



Land use change study considers three questions:

- how feasible is it for Greater Christchurch to intensify and grow as envisaged by MRT?
- what could / would impede the realisation of MRT development?
- what is necessary to realise the investment and to maximise the investment?



Staging study considers several questions:

- how and where to stage?
- what are the practical considerations and feasibility of staging?
- what are the investment requirements and economic efficiencies associated with staging?
- what are the triggers and mechanisms to direct a staged program over the longer term?



MRT can accommodate 22,000 new homes in the corridor compared to only 8,000 new homes under the no investment scenario
Over the next 30 years

Key learnings from the Land Use Change Study

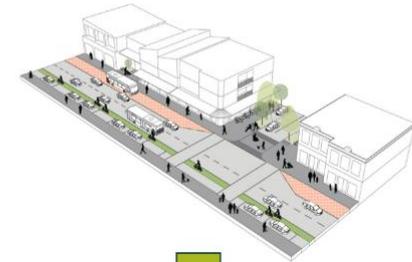
Demand side risk: Will both existing and new households will be attracted to the higher density housing typologies along the corridor?

Supply side risk: Land availability in the corridor, planning and policy settings and station area quality in terms of social and physical environments; development and construction sector capacity and capability; and alignment of development settings with MRT staging.

To reduce the uncertainties of realising the Urban Future, a **Land Use intervention Plan** has been prepared which sets out what is required to get the urban environment ready for MRT.

These focus on collaboration and partnerships across agencies, enabling the Urban Future in planning system, implementing and encouraging tactical urban interventions and preparing Station Development Frameworks.

Existing environment

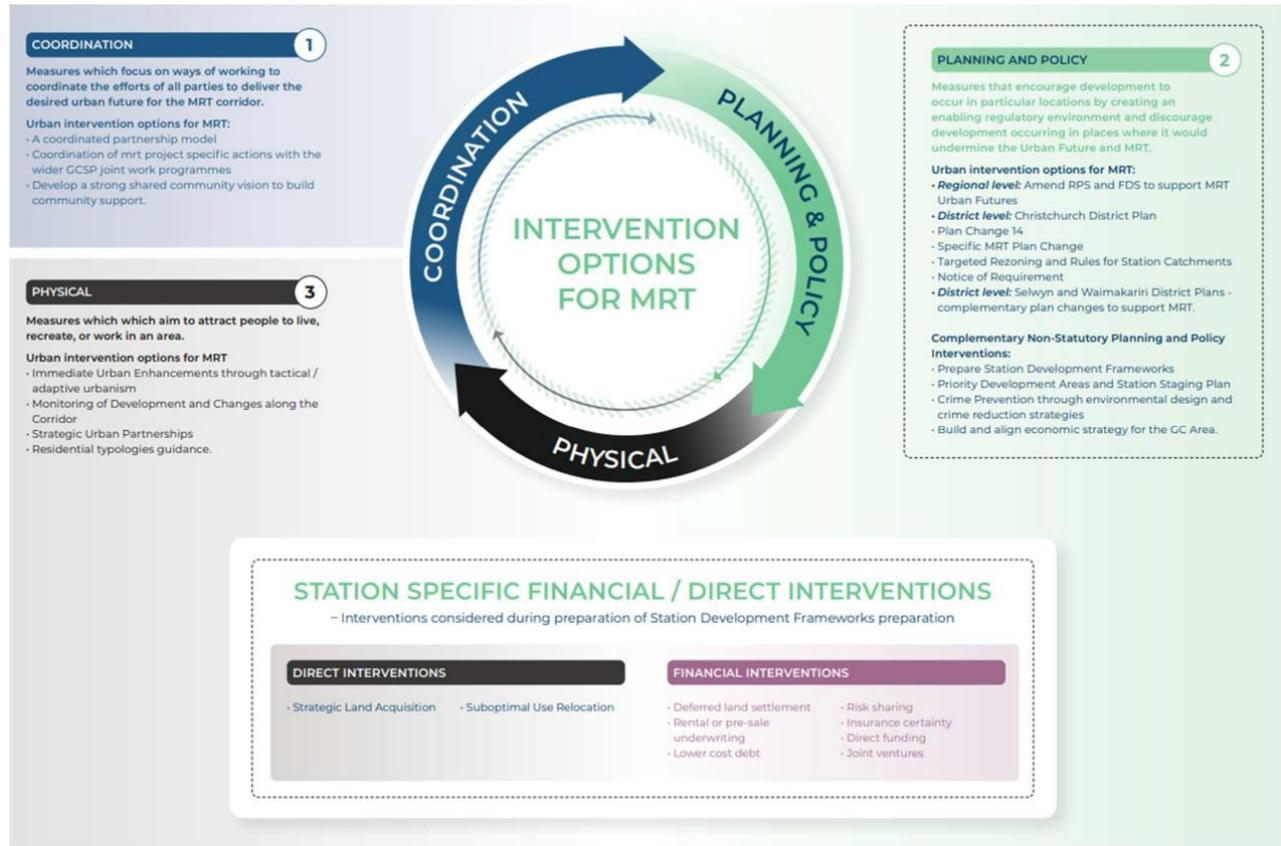


Urban future



Land use intervention options

Co-ordination interventions target all areas of uncertainty and land use change factors by ensuring partners, stakeholders and the wider community work collaboratively towards shared goals at a corridor and station level to maximise opportunities generated by the transport investment.

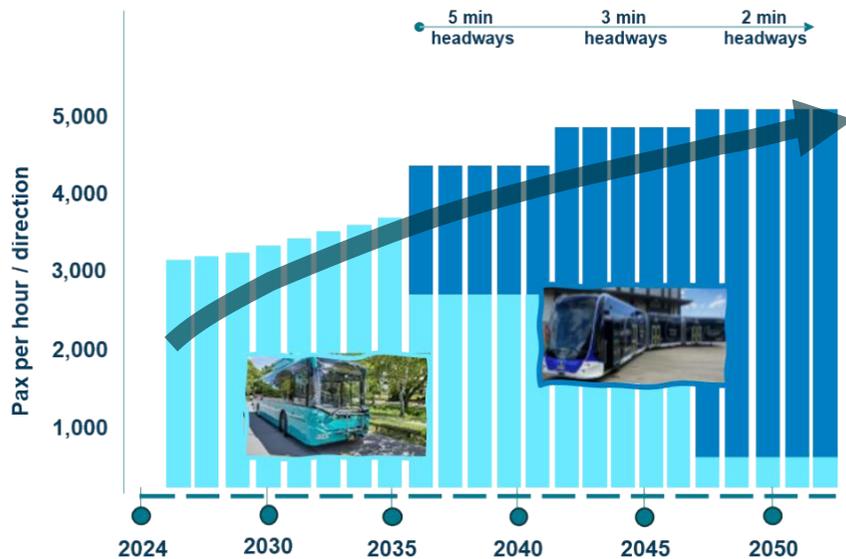


During the preparation of **Station Development Frameworks**, direct and financial interventions should be considered to support land use change to unlock urban opportunities including:

- Strategic land acquisition** - that would enhance urban outcomes.
- Deferred land settlement** – e.g. on surplus land within the protected footprint.
- Rental or presale underwriting** - to reduce risk to the private sector.
- Lower cost debt** - provide access to lower cost debt for those providing forms of desirable development.
- Risk sharing** - introduction of profit-sharing arrangements with the public sector, reducing the need for private capital and incentivising development.
- Insurance certainty** - changes to policy/insurance for apartment buildings being considered by Treasury.
- Direct funding** - public funding to bring down the end price point of developments and attract investment (e.g. cost subsidies).
- Joint ventures** - public sector contribution of land as equity into a joint venture.



MRT can be progressively rolled out to respond to growth



Forecast growth in patronage



Ongoing investment in the current metro bus network is needed to accommodate demand until the mid 2030's – whereafter MRT would be required.

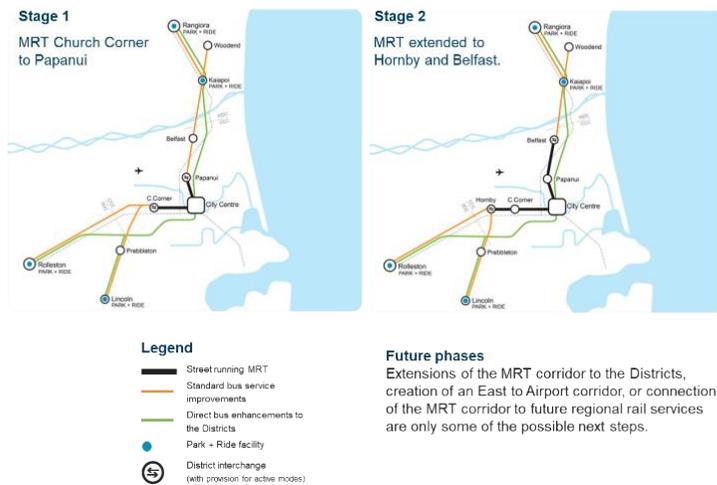


The need for MRT will be driven by the rate and magnitude of redevelopment along the corridors earmarked for MRT.



The performance and ability of the metro bus system to remain reliable, maintain competitive journey times and meet the demand will trigger the need for a step change in public transport provision – the MRT system.

Staging will focus on the city centre as the key anchor in the first stage.



The first stage will focus on the inner sections of the city, by upgrading Papanui and Riccarton Road to full MRT priority. Future stages will expand this to Hornby and Belfast.



The key benefit of this option is capturing early land use intensification at the KAC's.



Staging the MRT system lowers the initial investment to between \$1.5 - \$2.2 billion, depending on the mode (the full scheme requires an investment range of between \$3.0 - \$4.0 billion).



The BCR ranges for this staged approach would be 1.3 - 1.5 (transport benefits only, 1.6 - 1.8 including some wider economic benefits).



Economic efficiency of the scheme (BCR >1) is not reliant on land use outcomes which would depart from the status quo growth projections.

Next Steps

- ❖ Partners continue building up patronage on the existing public transport system, by progressing the agreed PT Futures programme.
- ❖ Progressing an investment case to investigate protecting the route via a district plan designation.
- ❖ NZTA is in discussions with CCC about handing over the project.



Greater Christchurch
Partnership

Te Tira Tū Tahī
One Group, Standing Together

7. Secretariat and work programme update

Reference Te Tohutoro: 24/1706381

Responsible Officer(s) Te Pou Matua: Tracy Tierney, Director Greater Christchurch Partnership

Accountable ELT Member Pouwhakarae: Tracy Tierney, Director Greater Christchurch Partnership

1. Purpose of Report Te Pūtake Pūrongo

- 1.1 The purpose of this report is to provide the Greater Christchurch Partnership Committee (GCPC) with a secretariat update on activities that support the partnership work programme.

2. Staff Recommendations Ngā Tūtohu

That the Greater Christchurch Partnership Committee:

1. **Receives and notes** the Greater Christchurch Partnership secretariat and work programme update.
2. **Endorses** investigating further opportunities with the collective Urban Growth Partnerships to work together on common issues and to advocate collectively where it would be advantageous to do so.
3. **Notes** savings of 10% on the operational budget for the 2025/26 financial year.

3. Secretariats Updates

Greater Christchurch Spatial Plan Implementation Plan

- 3.1 The Greater Christchurch Spatial Plan Implementation Plan is being prepared as a requirement to support the Greater Christchurch Partnership Future Development Strategy (FDS) as per clause 3.18 of the National Policy Statement on Urban Development (NPS-UD) and the wider spatial plan.

3.18 FDS implementation plan

- 1 *Every tier 1 and tier 2 local authority must prepare and implement an implementation plan for its FDS.*
 - 2 *If a tier 1 or tier 2 local authority consists of more than one local authority, the implementation plan must be prepared as a single document by all the local authorities that jointly prepared the FDS.*
 - 3 *Every implementation plan, or part of an implementation plan, must be updated annually.*
- 3.2 As part of the development of the Greater Christchurch Spatial Plan (GCSP), a Joint Work Programme was included comprising key actions and initiatives to deliver on the opportunities and key moves identified in the Plan. The Joint Work Programme is a high-level summary intended to inform action required to implement the directions of the Spatial Plan and guide future investment decisions made by partners.
 - 3.3 The implementation plan sets out in greater detail what the Partners will do to implement the Joint Work Programme.
 - 3.4 It does not form part of the FDS, does not carry any statutory weight and is not consulted on.

- 3.5 The Implementation Plan will be overseen by the Senior Officials Groups and progress made on the work programme will be reported annually to the Greater Christchurch Partnership Committee.

Canterbury Regional Policy Statement (CRPS)

- 3.6 On 27 November Environment Canterbury considered a report on the Amendments that have been made to the Resource Management Act 1991 (RMA) with the introduction of the Resource Management (Freshwater and Other Matters) Amendment Act 2024 and the potential impact on the notification of the Canterbury Regional Policy Statement (CRPS).
- 3.7 The decision was to pause development of the Canterbury Regional Policy Statement until January 2026.
- 3.8 Partner staff will now consider what the implications of this decision are in terms of the Greater Christchurch Spatial Plan and report back in due course.

Fast Track Bill Projects

- 3.9 The government released the list of 149 Fast Track Projects on 6 October 2024. The projects chosen by Cabinet will be listed in Schedule 2 of the Bill once the Bill is reported back from the Environment Committee in mid-October. Once the Bill is passed, they will be able to apply to the Environmental Protection Authority to have an expert panel assess the project and apply relevant conditions.
- 3.10 Partnership staff are considering the potential implications of projects included within the Greater Christchurch area in the context of the spatial plan and other legislative change being considered to support urban development. Staff will provide advice once there is greater clarity.

Regional Deals

- 3.11 On 21 November 2024, the Minister for Local Government and Minister for Infrastructure announced that all regions are invited to submit proposals for Regional Deals between central and local government. By 18 December 2024, regions will need to confirm their intent to participate, with light-touch proposals due by 28 February 2025.
- 3.12 The GCP Mayors/Chair have advised that at this stage any work required on regional deals will be led by the Canterbury Mayoral Forum.

Blue-Green Network opportunities

- 3.13 The secretariat has been approached by the Canterbury Climate Working Group which has recently completed the Canterbury Climate Partnership Plan (CCPP) developed by the Canterbury Mayoral Forum (CMF). One of the actions within the CCPP is to develop a blue-green network plan for Canterbury and accompanying guidance to support locally led implementation. The secretariat will continue to engage with the group as they scope and develop this work further to ensure GCP alignment and opportunities are considered in relation to a similar focus that is part of the Greater Christchurch Spatial Plan. The Senior Officials Group support exploring the opportunity to align the scope of works noting that advancing the Blue-Green Network Strategy is not a current Partnership priority.

Public Engagement

- 3.14 UDINZ invited a representative of the Greater Christchurch Partnership to speak at their Regional Anniversary Breakfast event on Wednesday 13 November. Tracy Tierney shared the process of developing the spatial plan and the collaborative approach of the partnership, as well as outlining the strategic long-term priorities for the sub-region. UDINZ members are a cross-section of people involved in building New Zealand communities, from developers to

contractors, designers, planners, architects and engineers, through to materials suppliers, research agencies, financiers, real estate agencies, lawyers, accountants, councils and central Government.

2025 Meeting Schedule

- 3.15 The 2025 Greater Christchurch Partnership governance schedule has been confirmed and appointments sent out from the secretariat.
- 3.16 The Senior Officials Group as the Partnerships Project Steering Group remain on a monthly meeting cycle, while the Chief Executive Advisory Group and GCPC meetings are quarterly.
- 3.17 Environment Canterbury will continue to host the GCPC meetings in their Council Chambers. Due to technology upgrades, it is now possible to livestream meetings. We anticipate livestreaming public sections of future GCPC meetings from the first meeting in 2025.
- 3.18 Recording and livestreaming of GCPC meetings aligns with local government efforts to improve transparency and accessibility.

Urban Growth Partnership Collaboration

- 3.19 Urban Growth Partnerships (UGP) representatives met in Wellington on 20 November along with invited senior crown officials and other subject matter experts. The Programme Director/Leads meet quarterly (usually online) to discuss matters of mutual interest and to proactively share resources and knowledge. Key matters discussed were:
 - Affordable housing initiatives
 - Infrastructure Priorities Programme
 - Proposed RMA changes and their impact on Future Development Strategies/Spatial Plans
 - Impact of Fast Track applications / out of sequence development processes
 - Progress with implementation plans / annual reporting
- 3.20 On this occasion the UGP Chairs also chose to meet as a forum to discuss potential opportunities for UGPs to do more work together where it makes sense and will add value. Given the collective UGPs represent approximately 80% of the population of New Zealand Aotearoa there may be value in targeted joint initiatives and advocacy. The Chairs agreed to seek the support of their respective committees to further investigate opportunities to share expertise, work together on common issues and to advocate collectively where it would be advantageous to do so.

Budget Update

- 3.21 The secretariat operational costs are under budget year to date. The annual Programme Delivery budget of \$150k and Engagement & Consultation budget of \$80K have not to date been invoiced to Councils and won't be unless approved project plans are in place that require this funding. The 2025/26 budget has been reviewed and further savings of \$85,100 identified through reductions in consultants, salaries and other operational costs which represents a 10% reduction on the approved Long Term Plan budget.

4. Work Programme Update

- 4.1 A summary of the GCP work programme is attached [Attachment A]. It provides a brief update on the progress and status of projects progressed year to date.

- 4.2 Of particular note is the Kāinga Nohoanga strategy. Whitiara Centre Limited, who hold the contract to prepare the strategy on behalf of mana whenua, have provided a written update. [Attachment B]. As a high-level summary, good progress has been made despite challenges and it is anticipated the strategy will be drafted in early 2025.
- 4.3 There has been a change to timeframes for the adoption of the Regional Public Transport Plan (RPTP) 2025–2035. Hearings were held between 18 and 25 November 2024 at Environment Canterbury (ECan). A total of 65 submitters were originally scheduled to be heard.
- 4.4 Deliberations, initially planned for 9 December, have been deferred to allow Environment Canterbury Public Transport staff additional time to prepare the full Officer’s Report on the submissions. The new date for deliberations is 20 March 2025. The adoption of the RPTP is now scheduled for June 2025.

Attachments Ngā Tāpirihanga

No.	Title	Reference	Page
A 	Greater Christchurch Partnership Work Programme Update	24/2112013	45
B 	Kāinga Nohoanga Strategy Update	24/2207022	46

Greater Christchurch Partnership Work Programme Update

Project status summary as at 27 November 2024

Priority	Project / Initiative	Project lead	Timeframe	Key milestones
High	Joint Housing Action Plan - To deliver a collaborative, effective and achievable Housing Action Plan that increases the provision of housing that matches demand of a type, at locations and prices that people can afford in Greater Christchurch.	John Bartels	December 2024	December 2024: Phase 1 to be completed - Complete Early/Mid 2025: Determine scope of Phase 2 actions of JHAP To be determined: Implement Phase 2 of JHAP – timing & funding dependent on actions agreed by partners
High	Kāinga Nohoanga Strategy - The development of self-governing Kāinga Nohoanga on Māori Reserve land enabling and providing for Kāinga Nohoanga within urban areas .	Mana Whenua	TBC	Kāinga Nohoanga Strategy Developed - Underway Support by partners for the implementation of the strategy
High	Greater Christchurch 2050 - Set a vision and strategic plan for Greater Christchurch to achieve intergenerational wellbeing	Secretariat	TBC	Early 2025: Committee endorsement of GC2050 framework - Revised framework to be considered by the committee early 2025
High	Priority Development Areas (PDA) and Priority Regeneration Areas (PRA) - To enable aligned and coordinated action across multiple agencies to inform and prioritise investment to achieve change and growth that will not be delivered by the market on its own.	John Bartels	TBC	June 2024: Key potential projects identified for each PDA December 2024: Project programme and leadership agreed
Medium	PT Futures - Implementation of the endorsed investment programme for improving the public transport network	Sonia Pollard, Jacob Bradbury, Sarah Thorne, Chad Barker	TBC	October 2023: GCP briefing on the PT Future Acceleration - Completed October 23 onwards: Technical work for both infrastructure and PT service improvements for core routes is progressed and are considered for inclusion in draft 2024-27 LTP's - Completed Early 2024: PT Futures improvements to be included in Council LTPs and NLTP funding bids, PT Futures Infrastructure detailed business case for CCC finalised, Route 7 Single Stage Business Case submitted to Waka Kotahi. Complete Mid 2024: LTP's are approved. Complete September 2024: Funding approved through NLTP (in principal funding for service improvements as detailed business case required). The consideration and potential approval of Route 7 funding confirmed through NLTP.
Medium	Mass Rapid Transit – Detailed Business Case	Haroun Turay (Transport Planner), Stephen Carruthers (Project Manager)	Pre-DBC investigations to end of 23/24	March 2024: Land use and staging investigations drafted - Complete Early 2024: MRT to be included in NZTA's SHIP, Ecan's RLTP, and CCC's LTP for DBC funding in the 24-27 NLTP - Complete Mid - late 2024: Approvals of RLTP, LTP, NLTP – Complete Mid - late 2024: Finalisation and sharing of land use and staging investigations - Complete Late 2024: MRT Hand over, route protection and next step planning - Underway
Medium	Regional Public Transport Plan - Set out the objectives and policies for delivering public transport and describes the services provided in the future to meet the needs of new and existing customers and the policies which those services will operate by	Len Fleete	March 2025	December - July 2024: Draft Greater Christchurch chapters to Partners for feedback to develop a final draft for consultation - Complete September 2024: RPTP will be released for public engagement and consultation - Complete March 2025: RPTP Hearing and deliberations - Underway May 2025: GCP Hearing Panel report to GCPC for endorsement of recommendations June 2025: ECan presented with RPTP for approval
Medium	Greater Christchurch Transport Plan - Set the strategic case and transport interventions required to give effect to the strategic direction for transport in the Spatial Plan and other transport objectives	Jesse Burgess	Early/Mid 2025	March 2024: Rescope of the Greater Christchurch Transport Plan. Complete May - October 2024: Develop the draft Greater Christchurch Transport Plan - Underway February 2025 - Present draft Greater Christchurch Transport Plan to GCPC for review May 2025: Finalise the draft Greater Christchurch Transport Plan and present to GCPC for endorsement
Medium	Greater Christchurch Spatial Plan Monitoring and Reporting Framework - a framework that meets the reporting requirements of the NPS UD and the commitments made in the GCSP itself, enabling well-informed, timely decision-making for Governors.	GCP Secretariat	December 2024	July 2024: Reporting timeframes established for GCSP and NPSUD - Underway December 2024: Delayed. First monitoring report due March 2025.
Projects to give effect to implementation of the Greater Christchurch Spatial Plan				
Other	Blue-Green Network Opportunities - To develop an integrated blue-green network strategy reflecting the blue-green network principles and environmental directions. This strategy will also include investigating options to establish a Green Belt Action Plan.			
Other	Economic Development Opportunities - To ensure there is a comprehensive approach to economic development that integrates and coordinates existing strategies and plans to realise the Spatial Plan's aspirations for economic prosperity			
Other	Spatial Plan Implementation – statutory tools - To assess, propose and implement the suite of statutory tools that will give effect to the Spatial Plan and enable delivery of the joint work programme.			
Other	Spatial Plan Implementation non-statutory tools - To assess, propose and implement the suite of non-statutory tools that will give effect to the Spatial Plan and enable delivery of the joint work programme.			
Watching Brief: New Government Policy Direction, Local Water Done Well and RMA legislation changes, Regional Deals				

WHITIORA - KĀINGA NOHOANGA STRATEGY UPDATE

Background

Te Ngāi Tūāhuriri Rūnanga is a partner of the Greater Christchurch Partnership (GCP) and the Whakawhanake Kāinga Komiti (WKK). Through this partnership, it was agreed that GCP would resource a mana whenua led and developed strategy that focused on the priorities of Te Ngāi Tūāhuriri Rūnanga in relation to kāinga nohoanga. The strategy generally looks to achieve prosperous development of kāinga nohoanga/papakāinga within the Greater Christchurch area, via provision of direction to partners on how to support and enable.

Progress to date

Most of the background research and engagement has been completed, finishing the strategy document has been made a priority, with the collation of the final product underway and aiming for an early 2025 presentation of the final draft. The workstream has been extended out and this has been in part due to a lack of capacity, but also the broad scope required much work in refinement and scope.

Differing expectations as to the level of detail required was often an impediment for progression at many stages. The level of detail required, and possible plan changes led to some aspects becoming more focused than was required. This was reflected in some of the research undertaken, which while useful in some respects was perhaps too granular.

Additionally, the project timeframe straddled the 2023 Census. An extended timeframe would allow for consideration of the most update datasets, including housing and other indicators. Within the project timeframe there has been a lot of uncertainty in the regulatory and local government spheres. This meant some research and avenues for inquest for discussion were left redundant or at best not currently applicable.

With that in mind, there has been several potential iterations of approach. However, with the body of work completed to date reviewed by the newly installed team, up to date data inbound, and the workstream opened to more work hours an early 2025 presentation of the final draft should be achievable.

Identified barriers

- Capacity
- Kāinga Nohoanga is a very broad term that required definition
- Specific and detailed planning considerations – i.e. infrastructure, uncertain regulatory environment
- Section 32 and plan change report feasibility (carryover from original scope)
- Lack of viable example

8. Joint Housing Action Plan – Phase 1 Findings and Options

Reference Te Tohutoro: 24/1689449

Responsible Officer(s) Te Pou Matua: John Bartels, Strategic Projects Lead

Accountable ELT Member Pouwhakarae: Tracy Tierney, Director Greater Christchurch Partnership

1. Purpose of Report Te Pūtake Pūrongo

- 1.1 The purpose of this report is to summarise the findings of the work on Phase 1 actions of the partnership's Joint Housing Action Plan (JHAP) as the basis for a workshop to understand which options the Greater Christchurch Partnership Committee (GCPC) is interested in progressing to support the delivery of affordable housing.
- 1.2 Feedback from this workshop (and from partner workshops) will inform a future report with proposed actions for implementation as Phase 2 of the JHAP.

2. Relationship to Partnership Objectives Ngā Whāinga Matua ki te hononga

- 2.1 The development and implementation of the Joint Housing Action Plan was committed to as part of the Greater Christchurch Spatial Plan and is a work programme priority for the partnership.

3. Staff Recommendations Ngā Tūtohu

That the Greater Christchurch Partnership Committee:

1. **Receives** and notes this report.

4. Background Te Horopaki

- 4.1 Since 2018 the GCPC has called for a housing action plan to tackle rising housing unaffordability in Greater Christchurch.
- 4.2 The JHAP was delivered and endorsed in December 2023 and subsequently adopted in early 2024 by all four partner Councils.
- 4.3 A Housing Working Group comprising representatives from the four Councils, Crown partners, mana whenua and the Ōtautahi Community Housing Trust was established to progress implementation of Phase 1.
- 4.4 The project team initially led by Lucy Baragwanath then John Bartels, have undertaken a thorough process including significant research, stakeholder and industry meetings and high-level economic evaluation of the effectiveness of levers available to Councils to increase the delivery of affordable housing. The Senior Officials Group are the steering group for this project and have received regular updates.
- 4.5 Tracy Tierney has worked with Maree McNeilly of the Canterbury Mayoral Forum (CMF) to help finalise the scope for the Canterbury Regional Housing Strategy. This was to ensure the work on the JHAP is leveraged from rather than duplicated and the works streams are complimentary. All work completed for the JHAP will be shared with the CMF.
- 4.6 The GCP Housing Champions (Mayor Phil Mauger, Councillor Grant Edge, Jane Huria – Mana Whenua, and Councillor Sophie McInnes) met on 11 October and individually with Deputy

Mayor Neville Atkinson on 30 October to receive an update and provide initial feedback on the information being shared with the committee. The feedback provided by Housing Champions has been reflected in the workshop materials.

- 4.7 All eight Phase 1 actions have been progressed. The completion of these actions provides the basis for the GCPC to explore options to inform the development of Phase 2 actions of implementing the JHAP.

5. Context

- 5.1 On 4 July 2024 the Minister for Housing announced the Government's Going for Housing Growth programme. Its intent is to make system changes to address the underlying causes of the housing supply shortage. The announcement included details of the first of three pillars:
- Freeing up land for urban development, including removing unnecessary planning barriers (Requirements expected to be in effect from mid-2025)
 - Improving infrastructure funding and financing to support urban growth
 - Providing incentives for communities and councils to support growth.
- 5.2 Together, these three pillars have an objective of improving housing affordability by significantly increasing the supply of developable land for housing, both inside and at the edge of our urban areas.
- 5.3 The implementation of this policy change is to further encourage greenfield development.
- 5.4 As noted in the August 2024 report by the GCP Secretariat, land supply constraints are less relevant in Greater Christchurch. Indeed, the Minister's approach reflects learnings from Greater Christchurch's response to the earthquakes in releasing land for development.
- 5.5 The Ministry of Housing and Urban Development together with the Ministry for the Environment are working on options for financial and other incentives for Councils that enable the supply of new housing. There is also work being progressed to address the funding and financing options for Community Housing Providers and not for profit housing providers. The applicability of these to the Greater Christchurch context will be carefully considered once details are available.
- 5.6 Further Ministerial decisions and announcements on pillars two and three, will be made over the remainder of 2024 and 2025.

6. Issues and Options

- 6.1 The housing problem in Greater Christchurch remains with four significant gaps in the market:
- Emergency/transitional housing (in May 2024 there are 336 adults and 357 children in Greater Christchurch in emergency housing).
 - Social housing (in September 2024 there were 2144 households on the Ministry for Social Development (MSD) waiting list in Christchurch City, 93 in Waimakariri and 63 in Selwyn).
 - Affordable housing – rentals and progressive home ownership (in September 2024 there were 27,228 people in Christchurch City Council (CCC), 3,537 in Waimakariri District Council (WDC) and 2,625 in Selwyn District Council (SDC) receiving the Accommodation Supplement).
 - Typologies that match the changing demographic demand: the supply-side predominance of 3–4-bedroom homes contribute to the under-utilisation of housing; while in

Christchurch, smaller houses are being built but at a price well above the affordability threshold for low- and modest-income households.

- 6.2 Since the endorsement of the JHAP by the GCPC and partner Council's the affordable housing problem has worsened with average rents increasing nine percent across Greater Christchurch and the disparity between average household incomes and average house prices increasing. This is further detailed in Table 1 below.

Table 1: Average Weekly Rent Changes across Greater Christchurch partner councils June-2023 to 2024

Sourced from ChristchurchNZ Dashboard, MHUD, MSD	Ratio of average House Price to annual household income (June 2024) – ChristchurchNZ Dashboard	Lower quartile weekly rent September 2024 (Sept 2023) - MHUD	Average weekly rent September 2024 (Sept 2023 - MHUD
Christchurch	6.5	\$460 (\$420)	\$507 (\$479)
Selwyn	6.5	\$530 (\$540)	\$597 (\$584)
Waimakariri	6.4	\$533 (\$513)	\$557 (\$535)

- 6.3 The Housing Working Group, comprising members from all partner organisations and Ōtautahi Community Housing Trust (OCHT), have been actively involved in providing information, sharing insights and providing review on potential actions to increase affordable housing.
- 6.4 The workshop presentation for this Committee meeting is included as Attachment i to this report. The presentation acts as a summary of the full combined Phase 1 findings, which have been detailed as Attachment ii. This includes an economic report testing different options for Actions 3, 4 and 5 of the JHAP as Attachment iii.
- 6.5 Actions 3, 4 and 5 involved the investigation of a carefully targeted ‘carrot and stick’ package comprising inclusionary zoning alongside incentives (density bonuses, height bonuses, financial offsets, development contribution rebates) to encourage more development of cheaper (but still good quality) housing and a greater variety of choice in Greater Christchurch.
- 6.6 A summary of the Housing Action Plan Phase 1 actions and the status of the work completed as part of each action is outlined in Table 2.

Table 2: Phase 1 Actions - Summary of Progress

Phase 1 Actions - Summary of Progress		
#	Action description	Status
1	Identify publicly owned sites appropriate for affordable housing development and determine what is required to enable development.	Completed. Potential Partner Council sites mapped. Work is ongoing with Crown partners.
2	Identify mechanisms to enable development of affordable housing on public land.	Completed. The various development models and tenure types across the housing continuum have been identified and detailed.

3	Investigate collective inclusionary zoning across all three TAs to increase the supply of social and affordable rental housing.	Completed. Refer to Formative Economic Report, on policy options testing for IZ, included as Attachment II.
4	Investigate incentives to encourage development of affordable housing.	Completed. Refer to Formative Economic Report, included as Attachment II.
5	Investigate expanding development contribution rebates to all councils, and including social, affordable rental and progressive home ownership.	Completed. Refer to Formative Economic Report, included as Attachment II.
6	Support wider advocacy to influence financial institutions to invest in affordable housing solutions	Completed. Supporting nationwide advocacy by the GCP is ongoing. Advocacy plan and key messages will be refined to reflect the target audience.
7	Investigate expanding the Ōtautahi Community Housing Trust model.	Completed. OCHT are progressing a private members bill to broaden OCHT's remit.
8	Develop a monitoring and implementation framework to track progress.	Completed. Monitoring framework for the JHAP will be incorporated within the framework for the GC Spatial Plan.

6.7 From the Phase 1 investigations it was found that the most effective levers available to partners to positively impact affordable housing are:

6.7.1 Use of property holding of partners;

6.7.2 Fundings and Financing for affordable housing development, such as through very low or no interest loans;

6.7.3 Policy changes that support Community Housing Providers and Community Housing Trusts (CHPs/CHTs) and generate more affordable housing; and

6.7.4 Partnering and advocacy to influence external settings and levers out of control of the GCPC e.g. Institutional investment in housing, Government legislation.

6.8 There are a range of roles across a continuum partners could consider adopting for each lever to influence affordable housing.

6.9 Detailed work on the assessment of resourcing and financial costs was not in scope for Phase 1. This work would be completed as part of Phase 2, based on the levers of greatest interest to partners.

7. Next steps

7.1 The proposed next steps from this report are:

- 7.1.1 Consider feedback from the Greater Christchurch Partnership Committee and subsequent partner workshops – Early 2025.
- 7.1.2 Return to the Greater Christchurch Partnership Committee with a report on the proposed Phase 2 actions of the JHAP for endorsement and recommending partners adopt the Phase 2 actions – Mid 2025.

Attachments Ngā Tāpirihanga

No.	Title	Reference	Page
A  	Committee Workshop Slidepack	24/2126877	52
B  	Joint Housing Action Plan - Findings of Phase 1 Investigations	24/1723151	84
C  	Indicative Economic Assessment Report – Policy Options Testing of JHAP Actions 3,4 and 5	24/1725422	112



Joint Housing Action Plan

Levers for enabling affordable housing



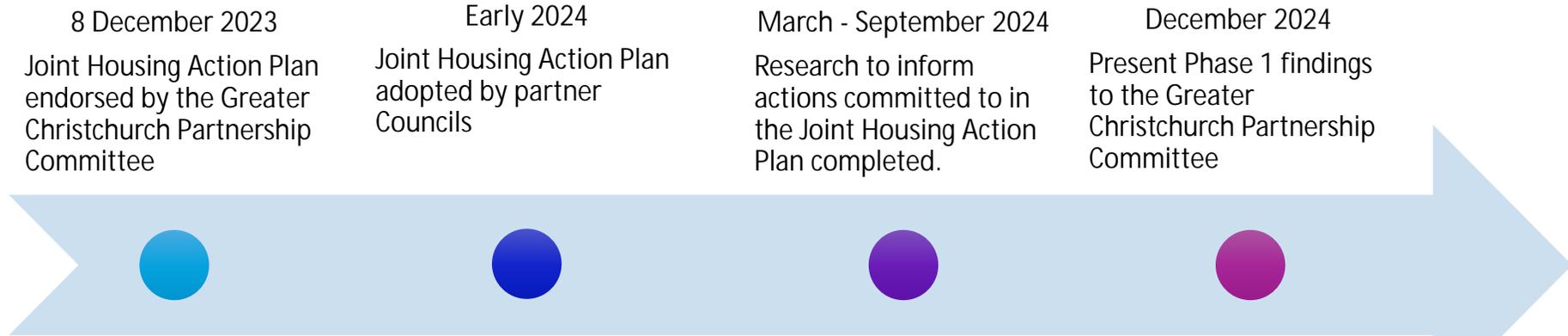
Proposed Workshop Purpose

- ❖ Provide recap and overview of work to-date
- ❖ Share key learnings
- ❖ Explore the range of options available to inform development of Phase 2 - Implementation

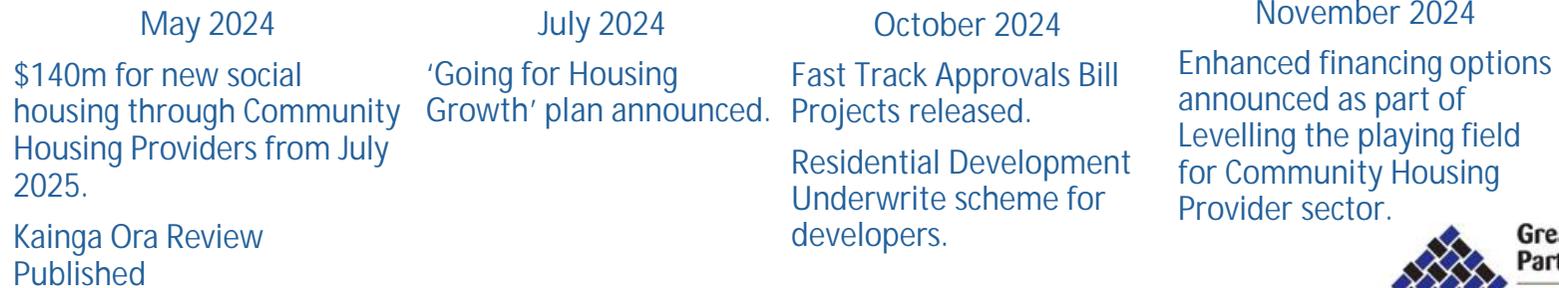


We are working in a rapidly changing context

Greater Christchurch Partnership Progress



Government context



Housing in the context of the Greater Christchurch Spatial Plan



1: Protect, restore and enhance historic heritage and sites and areas of significance to Māori, and provide for people's physical and spiritual connection to these places



2: Reduce and manage risks so that people and communities are resilient to the impact of natural hazards and climate change



3: Protect, restore and enhance the natural environment, with particular focus on te ao Māori, the enhancement of biodiversity, the connectivity between natural areas and accessibility for people



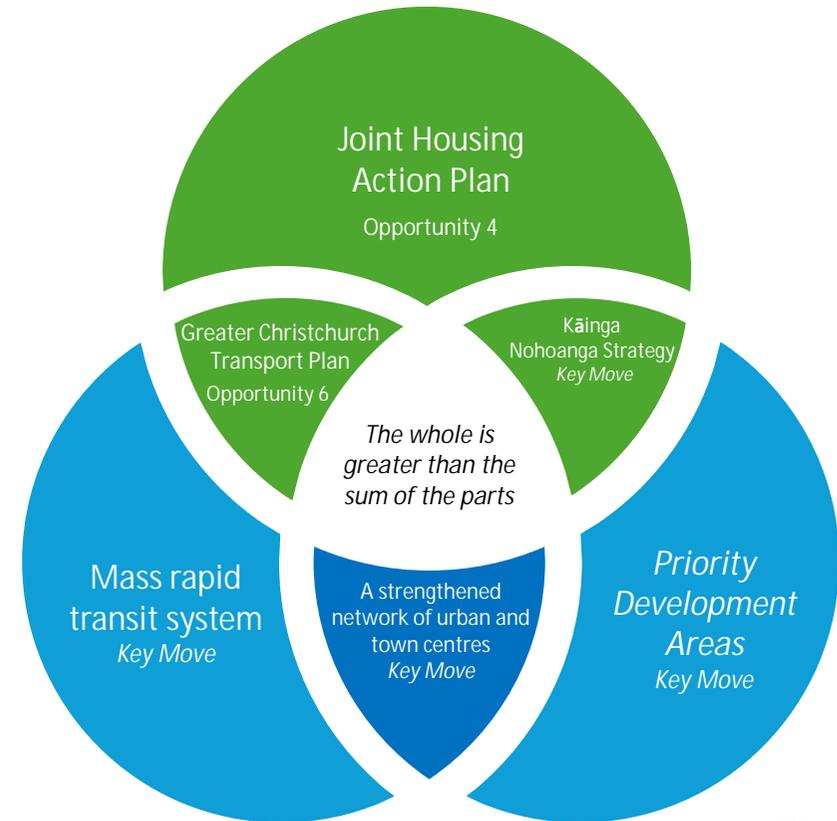
4: Enable diverse, quality and affordable housing in locations that support thriving neighbourhoods that provide for people's day-to-day needs



5: Provide space for businesses and the economy to prosper in a low carbon future



6: Prioritise sustainable and accessible transport choices to move people and goods in a way that significantly reduces greenhouse gas emissions and enables access to social, cultural and economic opportunities

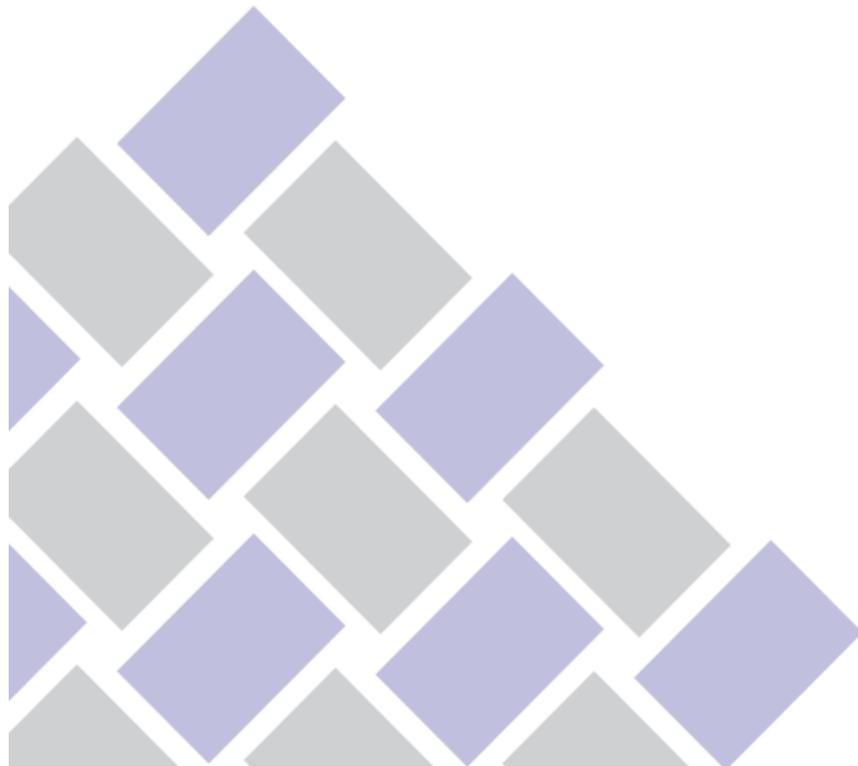




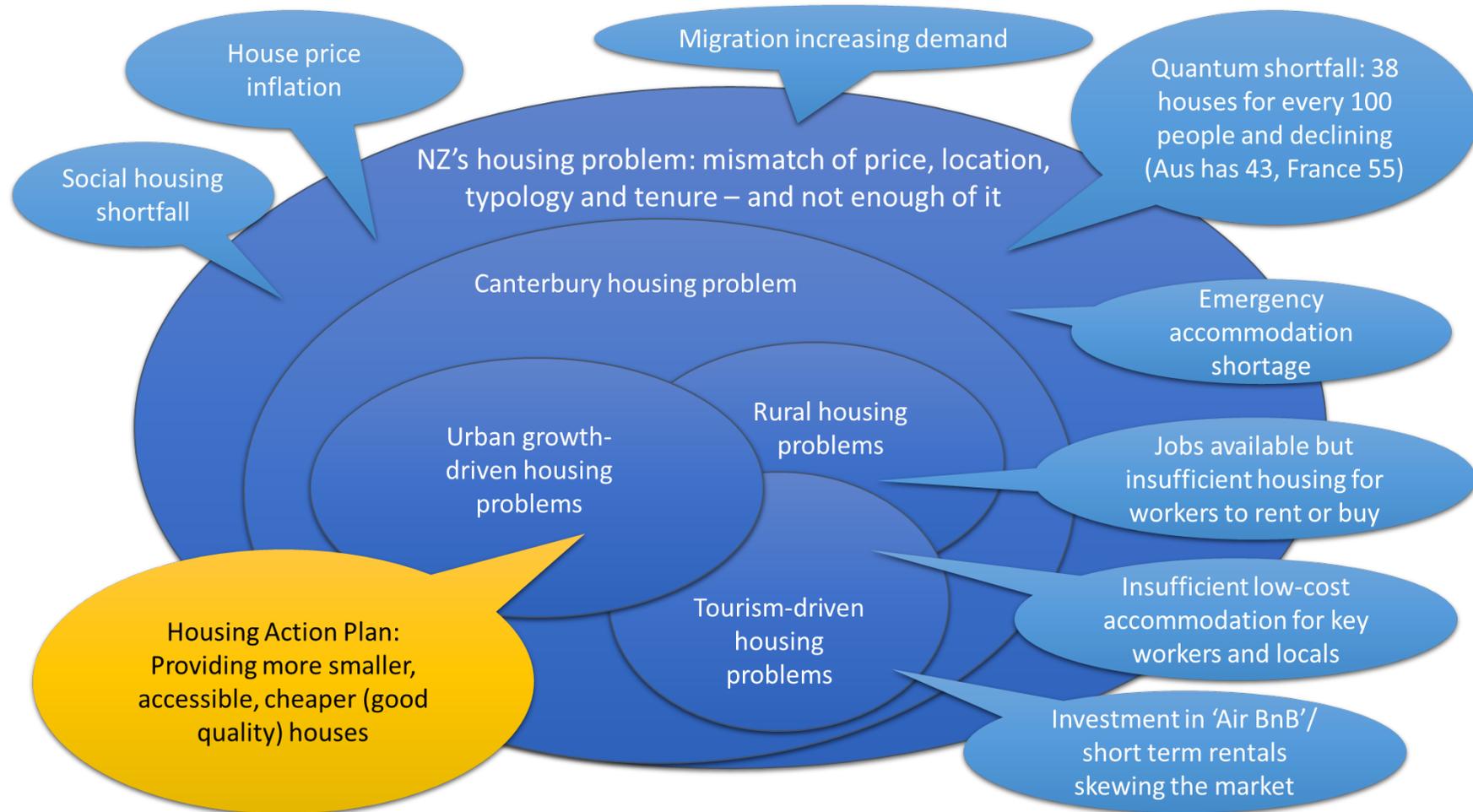
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Part 1 – Scene setting



The problem



The indicators

6.5x

Ratio of average house price to annual household income
(June 2024) - Greater Christchurch

\$597 (\$584)

Selwyn - Average weekly rent Sept 2024 (Sept 2023)

+9% ↑

Greater Christchurch - Median rentals changes June 2024
compared to June 2023

33,390

Number of Greater Christchurch residents receiving
Accommodation Supplement in September 2024

\$533 (\$513)

Waimakariri - Lower quartile weekly rent Sept 2024 (Sept 2023) – Ministry of Housing and Urban Development

2,300

of people on Public Housing Register in September 2024
(CC, SDC and WDC combined).
This is after 785 public homes provided Jun 2023-July 2024
Community Housing Providers -197; Kainga Ora- 588)



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Recent headlines...

Public housing: Can companies do the job of charities?

THE PRESS

Trust embarks on second biggest development yet

THE PRESS

Chch home values up 40%

Real Estate · Business
12 Sep 2024 +2 more Liz McDonald

Thursday, 5 September 2024
Christchurch bucks trend as property values fall across NZ

THE PRESS

House prices defying the downturn in some areas

THE PRESS

'Hundreds living rough after leaving emergency housing'

Residential Real Estate · Real Estate · Business
31 Aug 2024 Lauren Crimp of RNZ

THE PRESS

Homelessness, then a phone call came ...

Family
14 Sep 2024 +1 more Maddy Croad

High cost of living hits incomes, with more households falling into 'in-work' poverty

Our housing focus



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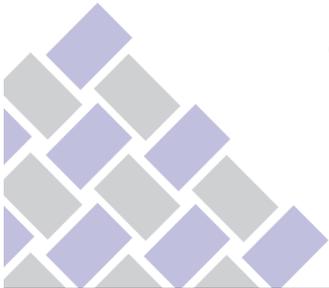
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Attachment A Item 8

Carey St Case Study



40 homes
Paenga Kupenga - 10 Affordable Rentals
Ōtautahi Community Housing Trust
- 14 Affordable Rentals
- 11 Social Rentals
- 5 Progressive Home Ownership





Glue Place
Sandilands
Elm Grove



Questions



Does the Committee have any questions on the context or background to the Joint Housing Action Plan?





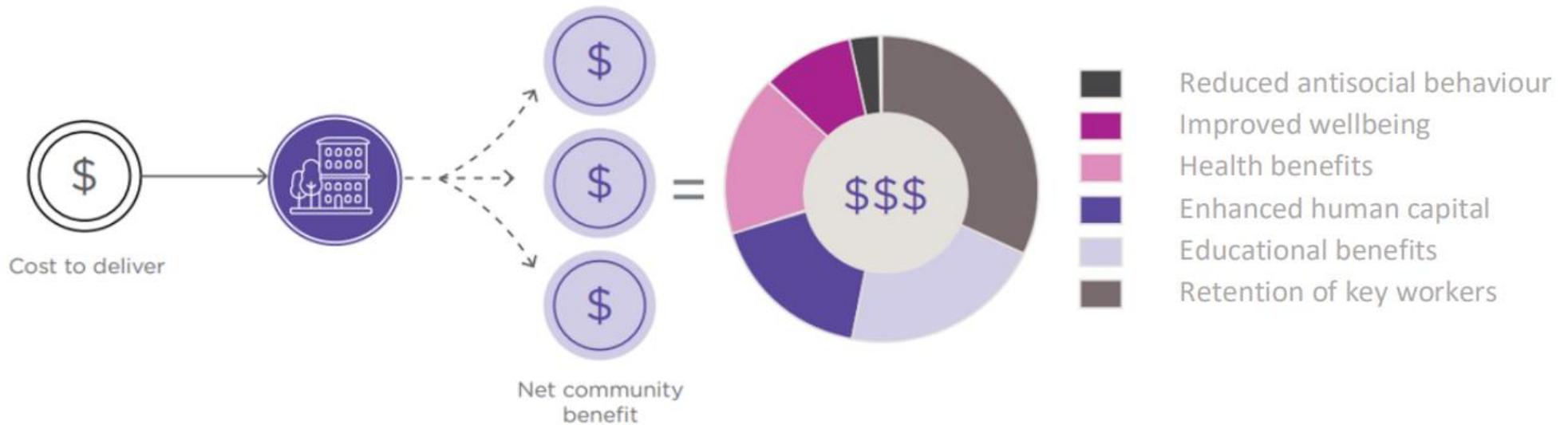
Part 2 – Key takeaways from phase 1 Investigations



Takeaway #1

Housing is essential infrastructure

Every \$1 spent on affordable housing provides \$3 of community benefit



Source: Melbourne housing strategy, SGS Economics and Planning, 2019

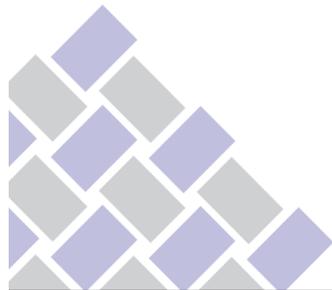


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Takeaway #2

Partnering with housing not-for profits is the best option for increasing affordable housing



KĀINGA MAHA

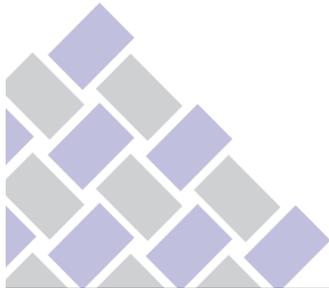
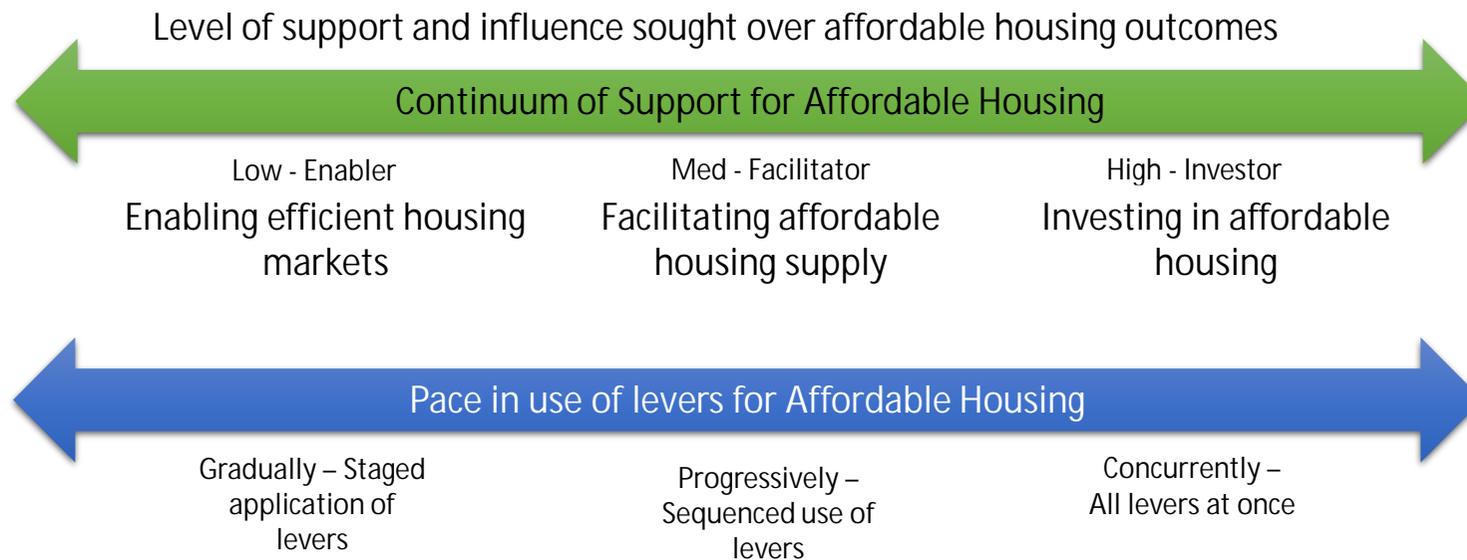


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Takeaway #3

Partners have flexibility in choice of options, support and pace



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Takeaway #4

GCP Partners can influence affordable housing



Leveraging Partners Land

Make best use of partners strategic property holdings



Influencing

Work together to make more affordable housing happen and Government to make it easier to do



Pro-Housing Policies

Pursue policy changes that foster affordable housing and local Community Housing Trusts/ Providers



Access to Finance

Providing access to finance for new affordable housing by local Community Housing Providers

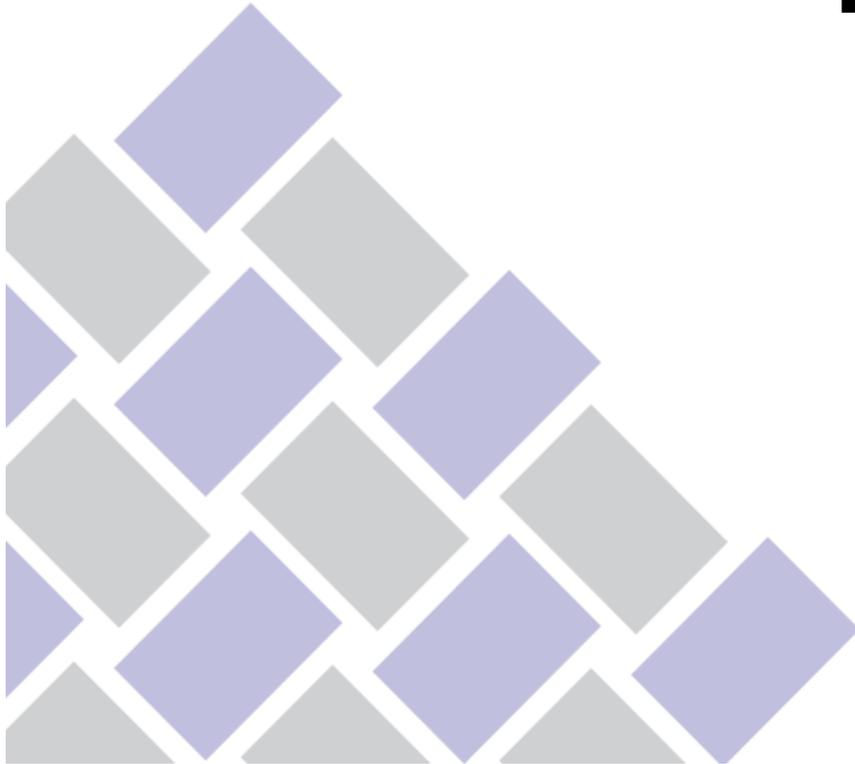


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Part 3 – Deep Dive on key findings and discussion



Options for how Partners could best apply the levers

Leveraging Partners Land

- Long-term 'peppercorn' leases by Territorial Authorities and Crown to CHPs
- Discounted land sales to Community Housing Trust/Providers

Examples:

- ❖ CCC – Carey St, Ōtautahi
- ❖ Christchurch NZ – New Brighton, Kāinga Maha
- ❖ CCC – Sandilands

Influencing

- Engage with the Government on RMA Reforms – Enable Inclusionary Zoning; Allow density bonuses.
- Foreign Institutional Investment – Support Overseas Investment Act amendments.
- Multiplier effect - Seek match funding by Government on a revenue basis (Council Partners 10%; Govt 90%).
- Monitoring for opportunities

Examples:

- ❖ Community Housing Aotearoa – Inclusionary Zoning enabled in RMA
- ❖ Property Council New Zealand – Overseas Investment Act Amendments

Pro-Housing Policies

- Inclusionary Zoning – Monetary and/or Property
- Density/ Height bonuses
- Increasing priority to Community Housing Trust/Providers in surplus properties and discounted land sales
- Planning concessions – discounts on charges and fees
- Development Contributions Remission
- Council Rates Rebates to Community Housing Trust/Providers

Examples:

- ❖ Queenstown Lake District Council – 2% \$ value, 5% of property
- ❖ CCC Development Contribution Remissions Policy

Access to Finance

- Low/ no interest loans to Community Housing Trust/Providers
- Match funding contribution on a project basis.

Examples:

- ❖ Use of Local Government Funding Agency
- ❖ Community Housing Funding Agency and supporting the Community Housing Investment Fund.

Financial support - Actions 3, 4 and 5

ACTION 3

Investigate the introduction of inclusionary zoning by all three Councils to collectively increase the supply of social and affordable rental housing.

ACTION 4

Investigate and test incentives to develop affordable housing (e.g. density bonuses, value capture, rates concessions for Community Housing Providers, planning concessions).

ACTION 5

Investigate expanding Christchurch City Councils development contribution rebates for social housing to all councils. Investigate extending this to include social, affordable rental and progressive home ownership.



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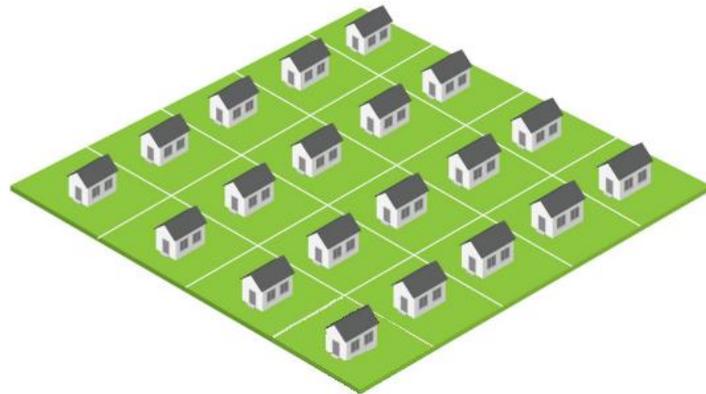
How does Inclusionary Zoning work?

Monetary Contributions Example:

- High – all development charged 2%

Inclusionary zoning example

An example of inclusionary zoning could be a greenfields development of 20 sections



\$ 321,700 contribution
 $2\% \times (20 \text{ sections} \times \$804\text{k as average house and land value})$

Land Contributions Example:

- High – all development charged 5%

Inclusionary zoning example

An example of inclusionary zoning could be a greenfields development of 20 sections contributing one section to Council and the Community Housing Trust as affordable housing.

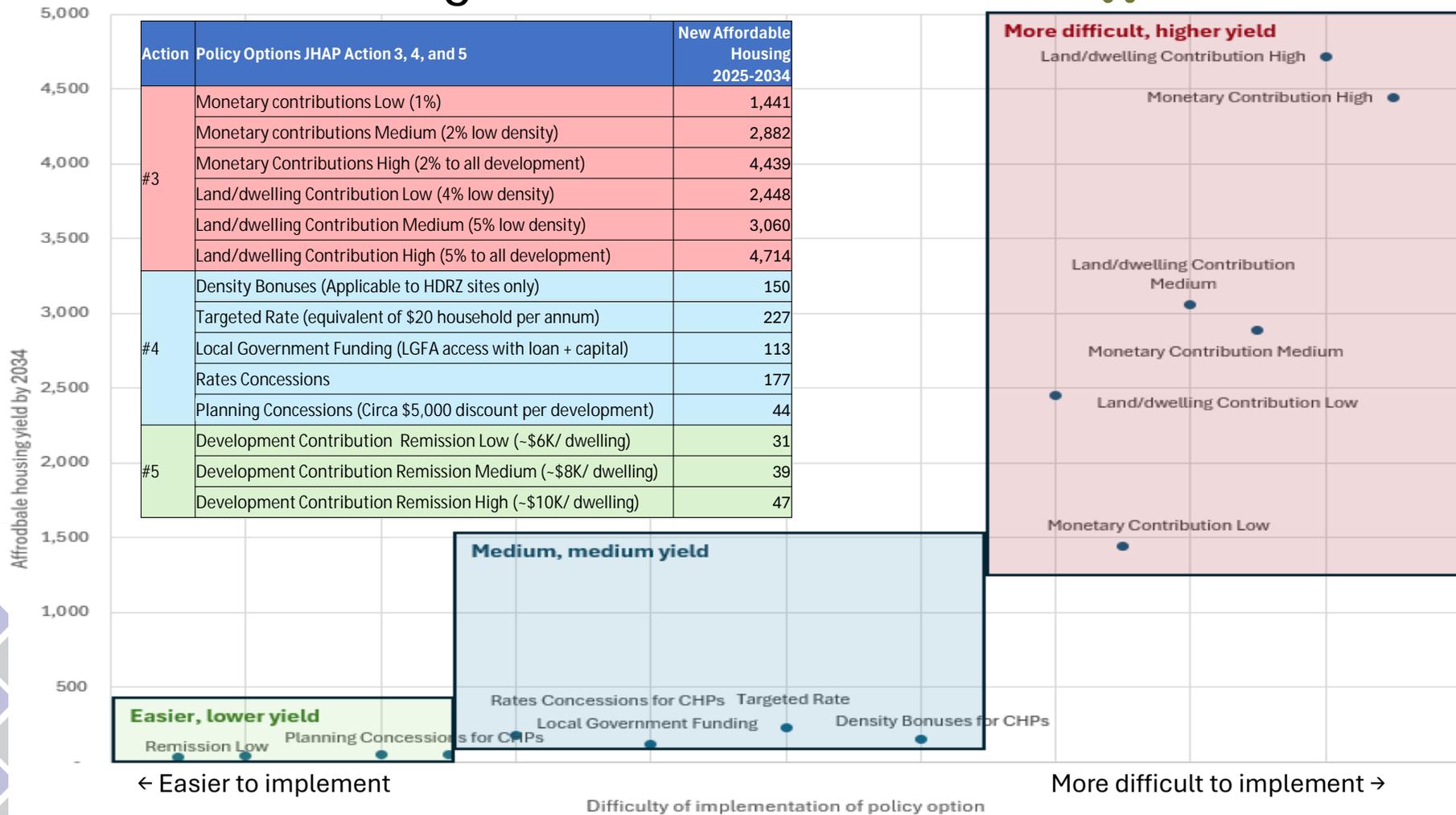


Retained affordable housing section through inclusionary zoning

1x land section = \$341,000
Average value



Affordable housing outcomes



Attachment A Item 8



Discussion

Key questions for consideration:



- ❖ *Action 3 Inclusionary Zoning: What support is there by Partners in progressing the investigation into Inclusionary Zoning further?*
- ❖ *Action 4 Incentives: What incentives are most attractive to Partners?*
- ❖ *Action 5 DC Rebates: What level of interest is there from Partners in implementing a consistent housing policy for development contributions rebates to Community Housing Providers, Community Housing Trusts and Mana Whenua for affordable housing developments in Greater Christchurch?*



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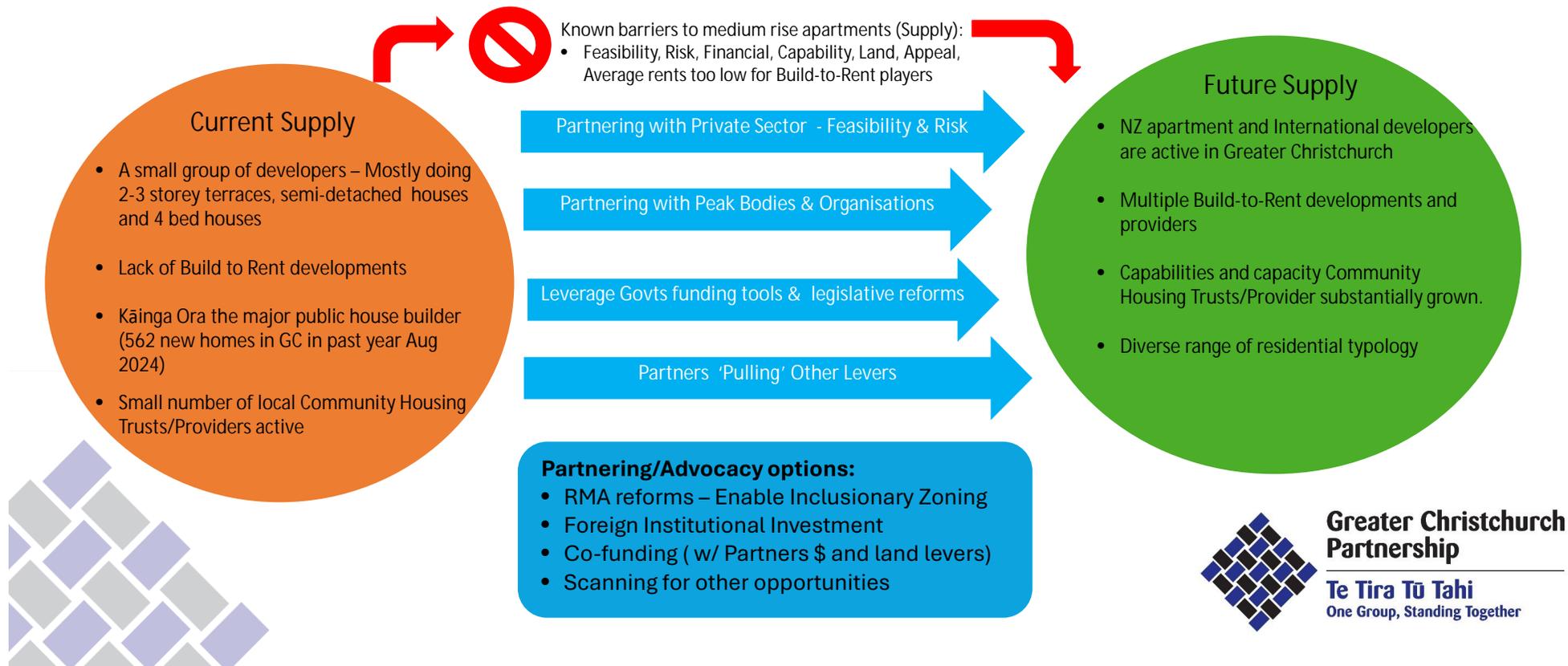
Partnering and Influencing – Action 6

ACTION 6
Support wider advocacy to influence financial institutions to invest in affordable housing solutions e.g. pension fund investment in build-to-rent housing in Greater Christchurch.



Action 6 – Advocacy for investment in GC

What avenues are there for Partners through advocacy and partnering to increase the quantity and diversity of affordable housing options in well serviced areas?



Discussion



Key questions for consideration:

- ❖ *What would the committee like to actively advocate for?*



In-direct support - Actions 1, 2 and 7

ACTION 1

Identify publicly-owned sites (Crown and Council) appropriate for affordable housing development across all three council districts; and determine what is required to acquire/consolidate these for development.

ACTION 2

Identify mechanisms to enable development of affordable housing on public land.

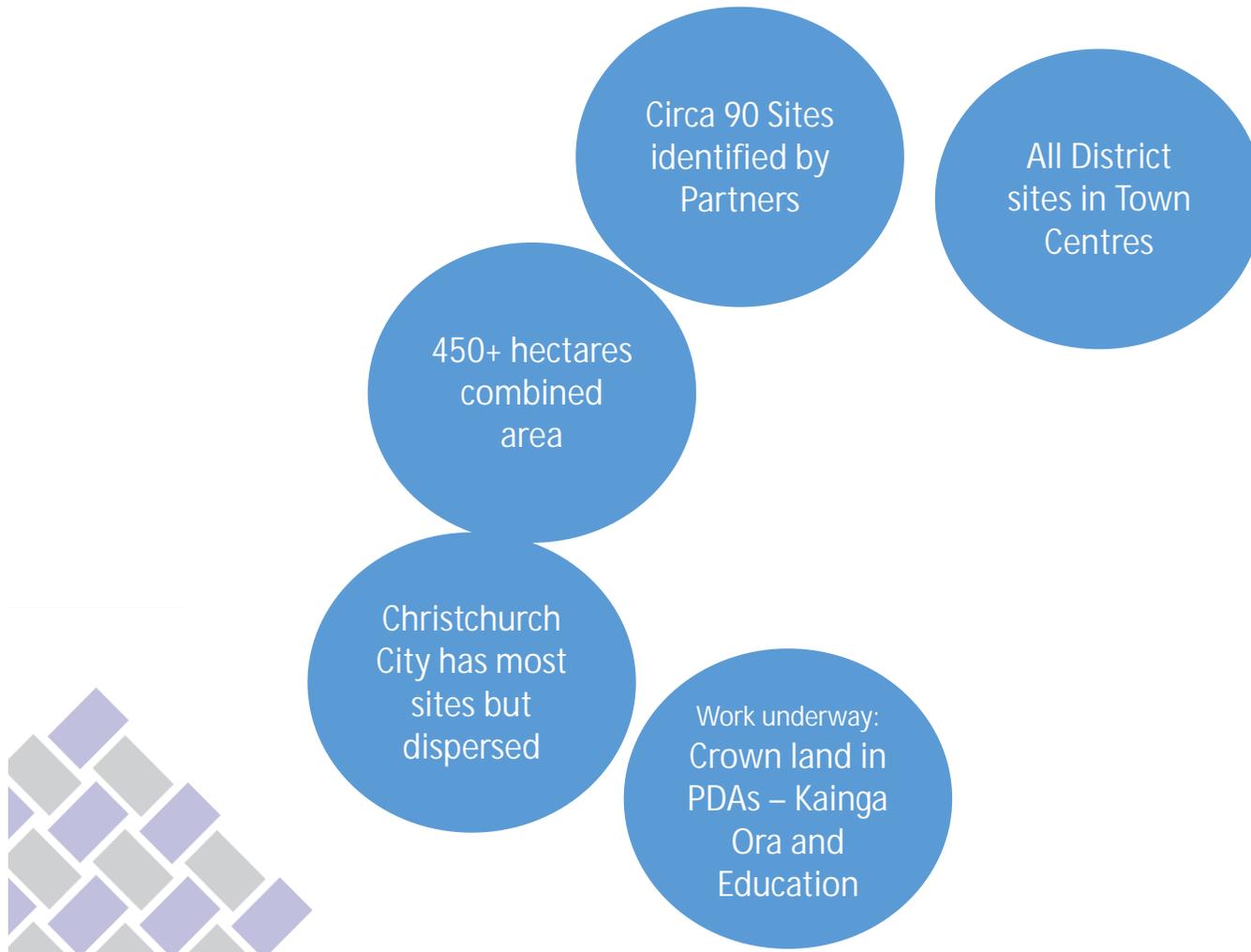
ACTION 7

Investigate expanding or mirroring the Ōtautahi Community Housing Trust model (providing charities and charitable community housing providers access to finance and land)



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Mapping of sites for potential affordable housing

- ❖ No Partners prioritise Affordable Housing in surplus property decision making
- ❖ Opportunity to include:
 - i) Give priority in policies;
 - ii) Offer \$ discount in policy;
 - iii) Consult early-on



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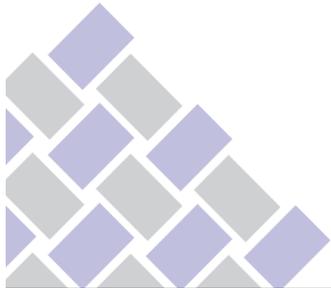
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Discussion

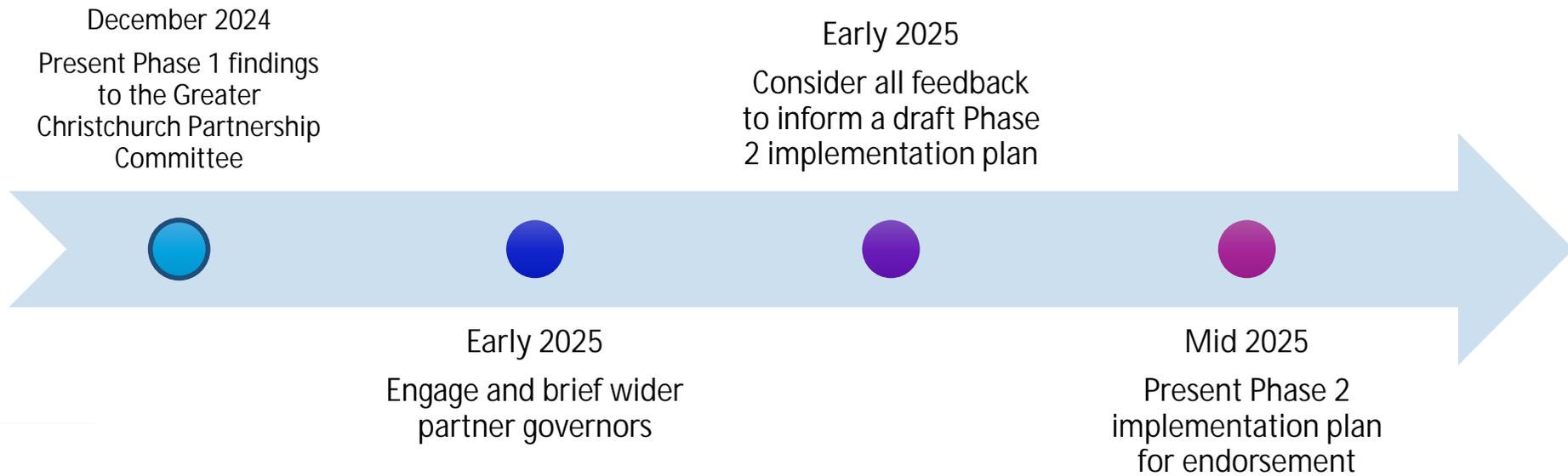
Key questions for consideration:



- ❖ *What appetite is there for offering sites to the Community Housing Providers/Community Housing Trusts and mana whenua for affordable housing retained in perpetuity at below market rates or long term 'peppercorn' leases?*



Where to from here?



Key messages



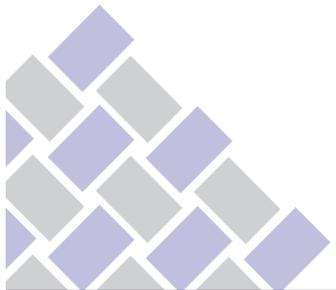
A Growing Problem –The affordable housing ‘gap’ is growing and Partners cannot rely on their planning regulation tools to positively influence it.



Partnering magnifies influence -
By working with the housing not-for-profit sector Partners can magnify their levers: 1) funding; 2) leverage land holdings; 3) establishing pro-affordable housing policy settings; 4) Influencing and advocacy.



Exploring options together - This workshop is the first step in engaging with Partners to explore options to inform development of Phase 2 implementation of the Joint Housing Action Plan.



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**Joint Housing Action Plan
Phase 1 Investigations –
Findings Report**

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Purpose

The Joint Housing Action Plan for Greater Christchurch (JHAP), endorsed by the Greater Christchurch Partnership Committee (Committee) in December 2023 and adopted by Partner Council in early 2024. Phase one of the Greater Christchurch Joint Housing Action Plan (JHAP) comprises eight actions. This report consolidates the findings of Phase one investigations of the JHAP.

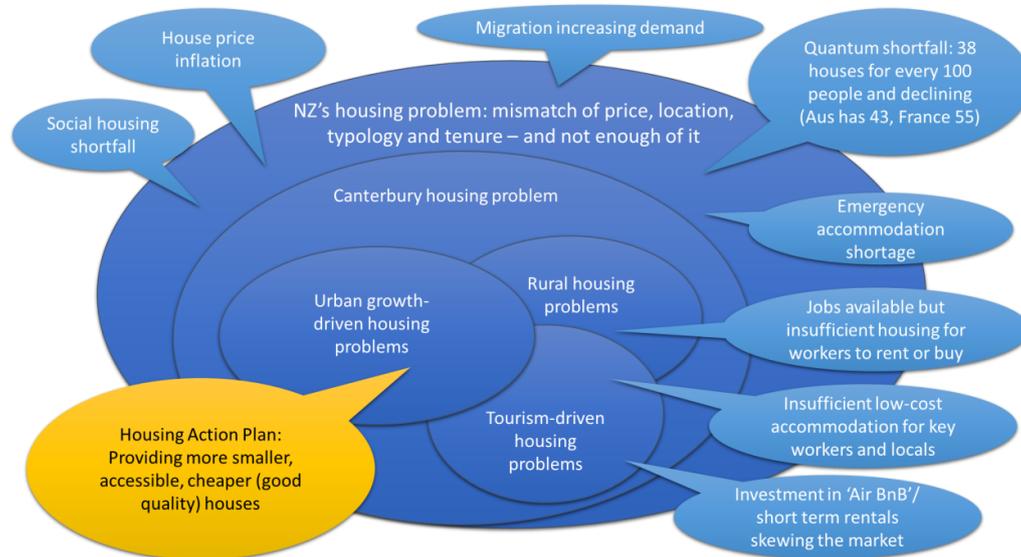
The purpose of this work was to investigate the full range of options partners could choose to implement to support affordable housing in response to the housing problem in Greater Christchurch. It then forms the foundation for the Greater Christchurch Partnership Committee exploring the range of options to inform development of phase two actions.

There are a range of housing terms used in this document. A useful glossary of the key terms has been compiled by The Urban Advisory: [TUA \(theurbanadvisory.com\)](http://theurbanadvisory.com).

Executive Summary

The Joint Housing Action Plan for Greater Christchurch (JHAP), endorsed by the Greater Christchurch Partnership Committee (Committee) in December 2023 and adopted by Partner Council in early 2024. This report consolidates the findings of investigations completed as part of phase one of JHAP. It is intended to lay the foundation for the Greater Christchurch Partnership Committee exploring the range of options to inform development of Phase two actions.

An overview of the New Zealand housing problem and the drivers of the initial development of the JHAP with the Greater Christchurch Partnership Committee is included in the below diagram:



The housing problem in Greater Christchurch remains with four significant gaps in the market:

- ❖ Emergency/transitional housing (in May 2024 there are 336 adults and 357 children in Greater Christchurch in emergency housing).
- ❖ Social housing (in July 2024 there were 2117 households on the MSD waiting list in Christchurch City, 96 in Waimakariri and 62 in Selwyn).

- ❖ Affordable housing – rentals and progressive home ownership (in July 2024 there were 26,958 people in Christchurch City Council (CCC), 2,556 in Selwyn District Council (SDC) and 3,534 in Waimakariri District Council (WDC) receiving the Accommodation Supplement).
- ❖ Typologies that match the changing demographic demand: the supply-side predominance of 3–4-bedroom homes contribute to the under-utilisation of housing; while in Christchurch, smaller houses are being built but at a price well above the affordability threshold for low- and modest-income households.

Since the adoption of the JHAP by Partner Councils in early 2024, the context has shifted for housing. The Minister of Housing, Hon Chris Bishop in 2023 announced ‘Going for Housing Growth’ would entail *“a comprehensive reform programme that targets the underlying causes of the housing shortage”* with the goal *“to flood urban housing markets for Tier 1 and 2 Councils with land for development. Abundant zoned and serviced land within and at the edge of our cities for housing will moderate land prices and increase competition among landowners to stop land banking. As the scale of development opportunities increase, developers will have the confidence to build up their capacity”* (ibid).

Land supply constraints are less relevant in Greater Christchurch as greenfield growth is largely plan-enabled. The key change is that the planning controls available to GCP Partners have limited ability to direct growth to preferred locations nor strongly influence the type of development provided.

The Ministry of Housing and Urban Development together with the Ministry for the Environment are working on options for financial and other incentives for Councils that enable the supply of new housing. There is also work being progressed to address the funding and financing options for Community Housing Providers and not for profit housing providers. The applicability of these to the Greater Christchurch context will be carefully considered once details are available.

The key headlines from phase one are that affordable housing is essential infrastructure, with a Benefit Cost Ratio of \$3:1; GCP partners have levers available to respond to the problem through increasing the provision of affordable housing and more diverse housing types; The third and final takeaway is that there is flexibility in the: 1) package of levers and options that Partners can opt-into to use, 2) level of support to affordable housing which Partners can provide and 3) the timing of implementing levers.

This is supported in more detail by the table below with the summary of findings for each of the eight actions that make up phase one of the Joint Housing Action Plan.

#	Action	High level findings
1	Mapping of surplus properties	<ul style="list-style-type: none"> ❖ Up to 90 Council Partner properties have been identified and could be further assessed for suitability as affordable housing sites. ❖ Processes already exist for identifying surplus sites and consulting CHTs/ CHPs on interest ❖ Identification of potential Crown land sites is underway and will be shared early next year ❖ Potential for land disposal policies to be strengthened to give greater priority to affordable housing, including offer to CHPs/CHTs with discounts desirable. <p>Questions for Further Consideration:</p> <ul style="list-style-type: none"> ❖ <i>What appetite is there for offering properties to the CHPs/Charitable Trusts and mana whenua for affordable housing at below market rates or long term 'peppercorn' leases?</i>
2	Development Types	<ul style="list-style-type: none"> ❖ There are several development types across the housing continuum, with many examples in Greater Christchurch. ❖ To address key gaps in the 'markets' housing provision, there is a role for the GCP Partners. ❖ Key focus is on the affordable housing section (middle) of the housing continuum, particularly assisted rentals and assisted ownership. <p>Questions for Further Consideration:</p> <ul style="list-style-type: none"> ❖ <i>Does the Committee support focussing its collective efforts to assist in increasing provision of assisted ownership and assisted rentals (middle) section of the housing spectrum?</i>
3	Inclusionary Zoning	<ul style="list-style-type: none"> ❖ A considerable amount of funds for affordable housing could be generated through this mechanism. ❖ The inclusionary zoning policy options could produce both positive and negative outcomes. ❖ Partner Councils would need to commission more research to develop a robust evidence base to justify the implementation of an inclusionary zoning policy and demonstrate the net positive outcomes of this policy. This would be the start of a 2+ year long process. <p><i>Refer to Formative Economic Assessment Report for further information</i></p> <p>Questions for Further Consideration:</p> <ul style="list-style-type: none"> ❖ <i>What support is there by Partners in progressing the investigation into Inclusionary Zoning?</i> ❖ <i>If further investigated, does the Committee have any preferences in terms of the mix (Property/ Cash) of the contribution or percentage contribution rate?</i>
4	Incentives	<ul style="list-style-type: none"> ❖ Density Bonus, targeted rates, local government funding and rates concession policies are likely to have the best outcomes where the potential benefits are likely to outweigh the costs. ❖ These options are likely to have a low to moderate contribution to increased affordable housing. ❖ These options are comparatively straightforward to implement so could be preferred and investigated further in Phase 2. <p><i>Refer to Formative Economic Assessment Report for further information.</i></p>

#	Action	High level findings
		<p>Questions for Further Consideration:</p> <ul style="list-style-type: none"> ❖ <i>What incentives are most attractive to Partners?</i> ❖ <i>Which incentives are least appealing?</i>
5	DC Rebates	<ul style="list-style-type: none"> ❖ The planning concessions and development contributions remissions are likely to have minimal implications in terms of the wider impacts. ❖ It is anticipated that the net outcomes would most likely be positive. ❖ These options could be investigated further in Phase 2 of the JHAP. <p><i>Refer to Formative Economic Assessment Report for further information</i></p> <p>Questions for Further Consideration:</p> <ul style="list-style-type: none"> ❖ <i>What level of interest is there from Partners in implementing a consistent policy for 100% development contributions rebate to CHPs, Charitable Housing Trusts and Mana Whenua for affordable housing developments across Greater Christchurch?</i>
6	Advocacy for Investment	<ul style="list-style-type: none"> ❖ Current property developers prefer 3 storey walk-ups as feasibility, risks and uncertain market appeal are barriers to pursuing medium-rise and higher density developments. ❖ Rents not high enough to make Build-to-Rents viable in Greater Christchurch at present. ❖ Demand is hampered by the lack of an apartment ‘culture’ and competing with convenient travel times across the region. ❖ Initial priorities for advocacy: RMA changes to enable Inclusionary Zoning in RMA Reforms; Co-Funding with Govt aligned to revenue (Councils 10%, Govt 90%); Supporting Foreign Institutional investors through OIA amendments already in train; Assess advocacy by others for affordable housing benefits. <p>Questions for Further Consideration:</p> <ul style="list-style-type: none"> ❖ <i>What would the committee like to actively advocate for?</i> ❖ <i>Who would they choose to partner with on these issues/opportunities?</i>
7	OCHT area of operation	<ul style="list-style-type: none"> ❖ OCHT has proven track record of success. There is interest in it having an expanded role beyond Christchurch City. ❖ Discussions between OCHT and CCC are ongoing in securing amendments to OCHT’s Trust Deed. ❖ Partners will need to negotiate with OCHT on service provision to ensure ongoing revenue streams. <p>Questions for Further Consideration:</p> <p><i>What opportunities do Partners wish OCHT to consider in developing increased affordable housing in their area?</i></p>
8	Monitoring and reporting	<ul style="list-style-type: none"> ❖ Aligned to GCSP monitoring and mandatory reporting under the NPS-UD to mitigate duplication. <p>Questions for Further Consideration:</p> <ul style="list-style-type: none"> ❖ <i>Are there any other measure or indicators the Committee would like tracked and reported on?</i>

Action 1 - Mapping

Identify publicly owned sites (Crown and Council) appropriate for affordable housing development across all three council districts; and determine what is required to acquire/consolidate these for development.

Further information to support this action and its intent:

The Councils and Government have land that may be suitable for development. This action involves identifying land in appropriate locations that is surplus to requirements or has potential to intensify and in locations suitable for housing.

Task and/or Problem Statement:

The task is to build a Greater Christchurch wide picture of sites in public ownership that could be potentially considered for affordable housing development. The value of doing this collectively is to identify sites that align with other Partnership priorities within the Joint Work Programme or are adjacent to Council boundaries, where collective action may be possible.

Approach:

This involved the preparation of a consolidated GIS database or list of potential properties, to coordinate the identification of these sites, which could provide affordable housing opportunities to partner with Community Housing Providers (CHPs)/ Charitable Housing Trusts, mana whenua or the Crown.

The list will need to be updated as properties are sold and surplus land identified periodically, but the intention is for it to form as a 'Living List', which can be built upon over time by Partner organisations. Key attributes documented for each property include size, vacant or otherwise, zoning and any known constraints or considerations related to that property.

Findings:

A collaborative process of identifying properties, consolidating details of key attributes for each of these and then mapping in GIS has been completed by the local government partners. The addresses of the sites identified as having potential for affordable housing have not been included to enable the Partner Council's to carry out, without prejudice or disadvantage, commercial activities and negotiations. The mapping process is underway for Crown Land, with a focus on properties within the Priority Development Areas identified in the Greater Christchurch Spatial Plan. Initial findings are that Crown Land is predominantly held by Kainga Ora and Ministry of Education and that there is limited Crown Land that is surplus and not required for its intended purpose and listed for Crown property disposal (<https://www.linz.govt.nz/guidance/crown-property/crown-property-disposals>).

Refer to the map of potential sites within council ownership at the sub-regional level below. As an overview, there are currently up to 90 sites, identified across Greater-Christchurch, totalling between 450 and 500,000m² in combined area, which could be further considered for its suitability for affordable housing.

The sites identified are primarily residentially zoned, whilst properties in Selwyn are generally centred around Rolleston township and similarly Waimakariri sites are centred in and around the Rangiora township. It is noted both are Priority Development Areas identified in the Greater Christchurch Spatial Plan. Surplus sites within Christchurch City are more numerous and more dispersed in their distribution across the Council area.

Sites sizes range from 13 to 100,000m². Looking at this there are 18% of properties less than 600m², 24% between 601 to 1000m² and 58% of sites are 1001m² and larger.

Although a number of the sites have encumbrances or constraints, at this initial stage of investigations a comprehensive assessment has yet to be undertaken. For example, one of the sites in Rolleston is under the airport noise contour – the Regional Policy Statement and District Plan don't currently provide for new residential development under the contour in this location. This means there is future work to be completed to determine whether the sites are "appropriate for affordable housing" and "what is required to acquire / consolidate these for development". This could be done for those sites where CHPs, Mana Whenua, Crown express an interest in, in order to be targeted.

The property portfolios for each respective Council are always changing with transactions, negotiations and related processes always underway, making the sites and attributes outlined above open to change.

Because of the changing composition of each Council's property portfolio, influencing the policies that govern the identification and disposal of surplus sites, through including affordable housing as a strategic objective and greater weighting in decision making, was identified as a key lever Partners could employ as part of a coordinated package to increase affordable housing. Each Council has similar policies for identifying and disposing of land deemed to be surplus and varied processes/procedures in how this is done, inclusive of public and targeted consultation. An example of a process currently in operation that could be adapted for use across the Greater Christchurch area has been outlined in the flowchart below.

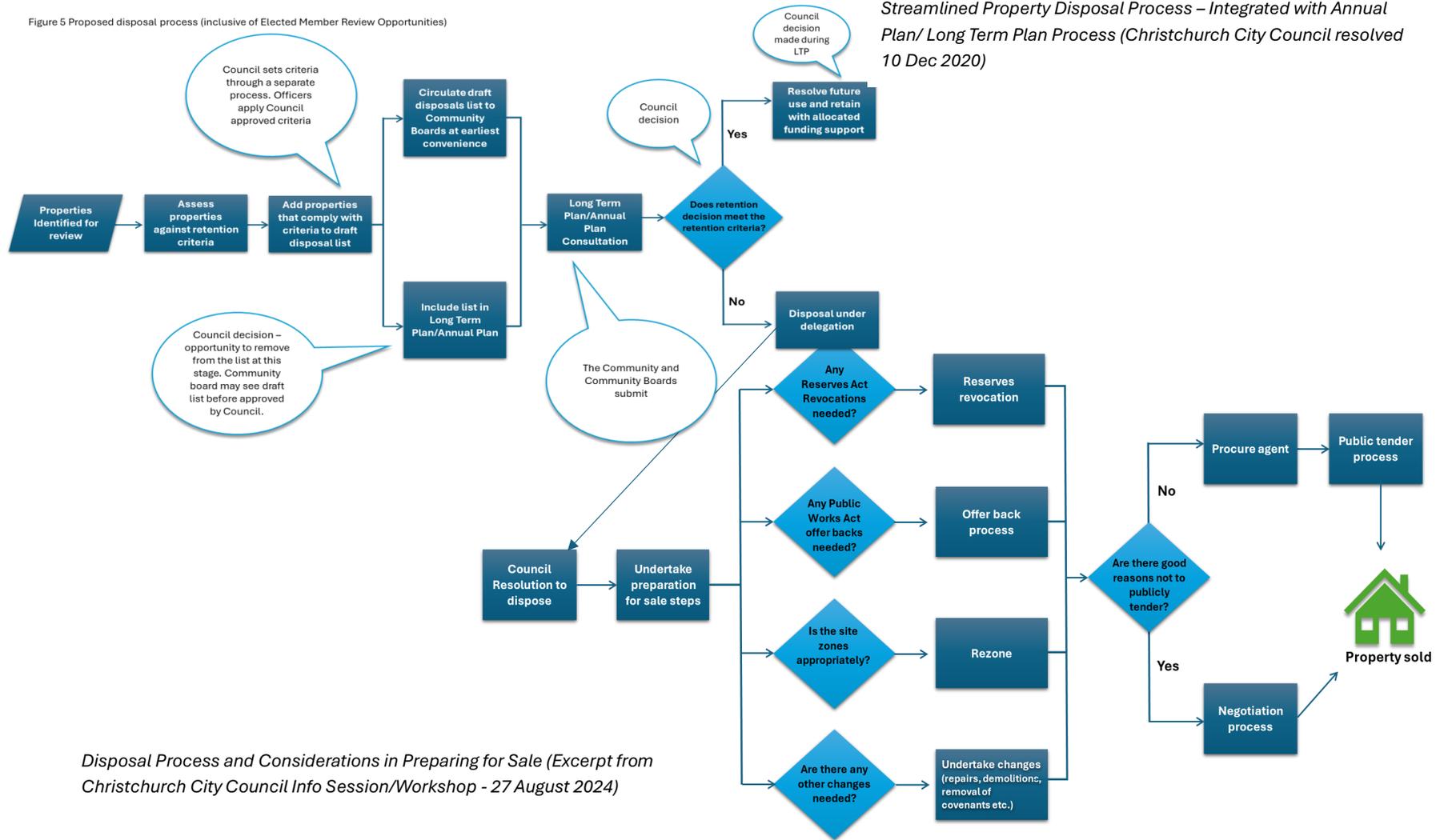
The ability for Councils to systematically identify and offer sites to CHPs, mana whenua and Charitable Housing Trusts can offer additional opportunities for potential purchasing/leasing of suitable sites for affordable housing. Within each council's available resources, consideration could be given to preparing sites (e.g. reserves revocation, potentially rezone, remove encumbrances) and passing on this value to these entities or by provide these entities with a discount on the market price for selected sites. This could be done at a portfolio level with formal council approvals required at key parts of the process to preserve each council's respective oversight and control.

Questions for Further Consideration:

- ❖ *Is there support for Council policies and processes to be aligned when disposing of surplus sites to prioritise affordable housing provision?*
- ❖ *What appetite is there for offering sites to the CHPs/Charitable Trusts and mana whenua for affordable housing at below market rates or long term 'peppercorn' leases?*

Flowchart depicting surplus site identification, consultation and sale process

Figure 5 Proposed disposal process (inclusive of Elected Member Review Opportunities)



Map of Potential sites for affordable housing (subject to further assessment)



Action 2 - Development Types

Identify mechanisms to enable development of affordable housing on public land. One example is retaining it in perpetuity but developing it for affordable housing through a leasehold model. (Requires councils/Crown to prioritise development of affordable housing above other potential uses that may furnish a higher return, as well as sufficient capitalisation to buy back properties to enable them to remain affordable in perpetuity.)

Further information to support this action and its intent:

The Queenstown Lakes Community Trust enables the development of underused Council land which is leased to affordable housing providers, generating rates revenue, and then bought back once the leaseholder moves on. Other mechanisms: using the borrowing capacity of councils to underwrite development finance for CHPs and charities; deferred settlement in the disposal of council land; long term leases; sales at subsidised values.

Task and/or Problem Statement:

Action 2 identifies the various housing development models available to use as mechanisms by which housing can be made available.

Approach:

Research has been undertaken to develop a diagram to visually summarise the various options across the housing continuum, which is then expanded in further detail in a tabular format, with New Zealand examples provided.

Findings:

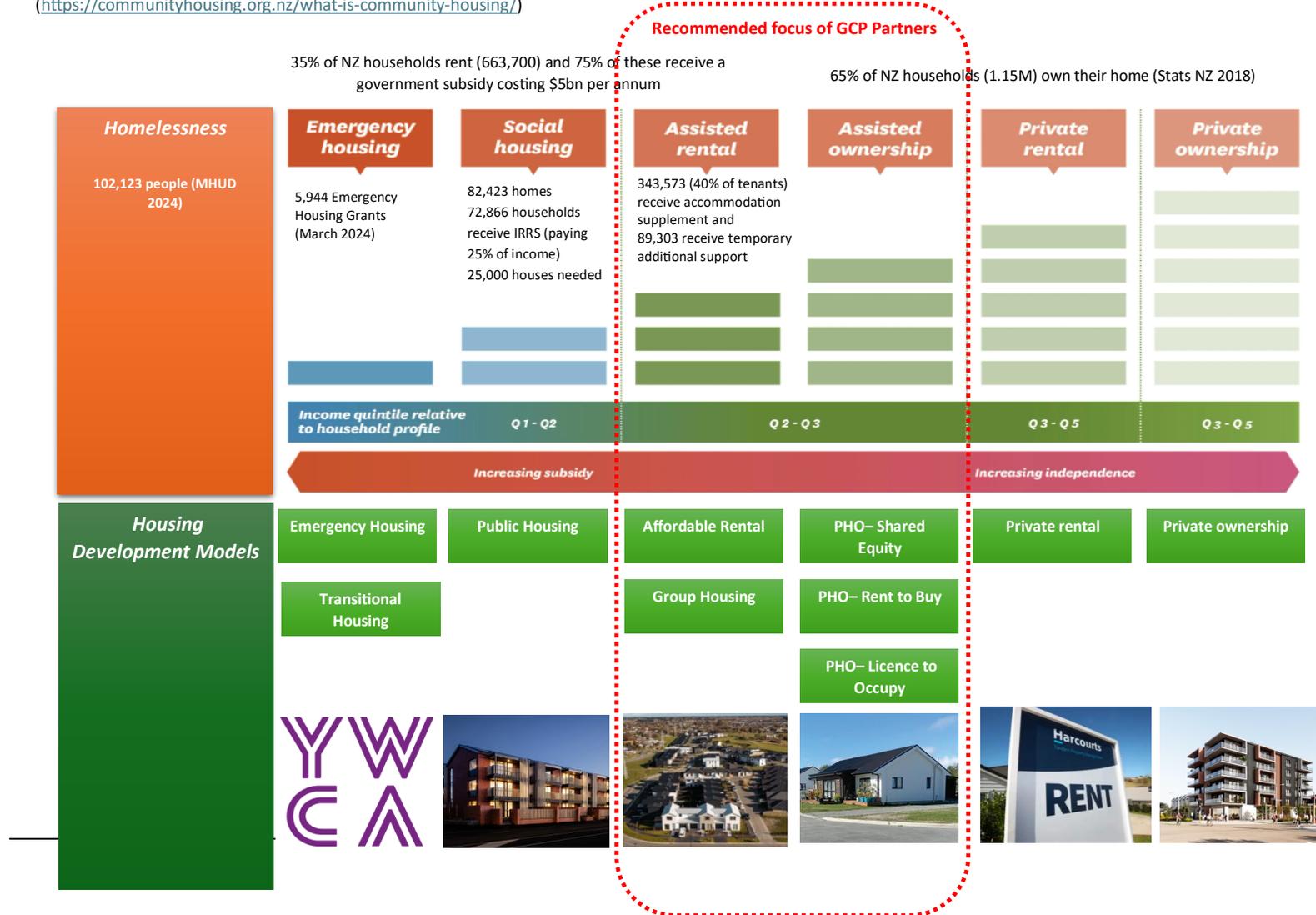
This section outlines various development options and tenure types that may be possible. Some require more financial commitment than others. These can be broadly summarised in the diagram below and detailed in the table that follows. Linkages have been made with the other pertinent Phase one action/s to make these connections more explicit.

Questions for Further Consideration:

- ❖ *Does the Committee support focussing its collective efforts to assist in increasing provision of assisted ownership and assisted rentals (middle) section of the housing spectrum?*

Joint Housing Action Plan – Action 2 - Identify mechanisms to enable development of affordable housing on public land¹

Figure 1: Visual Summary of Housing Development Models (Tenure Types) across the Housing Continuum - Adaption of The Aotearoa New Zealand Housing Continuum (<https://communityhousing.org.nz/what-is-community-housing/>)



Housing continuum	Housing Type	Description	Likely tenure/s	Asset owner/s	Example providers	Example developments	How Partners or other specified organisations could be involved
Emergency Housing	Emergency Housing	Temporary accommodation for individuals and families who have an urgent need for accommodation because they have nowhere else to stay or are unable to remain in their usual place of residence. Eligibility and placements are determined by the Ministry of Social Development.	Freehold	Housing provider	Kāinga Ora Methodist Mission City Mission	Emergency and transitional housing for women and children. This property is owned by CCC and leased to the YWCA. YWCA Christchurch	Policies to prioritise affordable housing in Council land disposal (Refer to Action 1). Revisiting the definition of ‘highest and best use’, demonstrating to elected members the ROI from investment in affordable housing (PWC 2023, Melbourne model) to offset costs (Refer to Action 1). Partnership with central government, CHPs and CHTs and mana whenua for leasehold developments on public land (Action 1 and Action 4). Notification to mana whenua and CHPs regarding proposed disposal of residentially suitable land for affordable housing (Refer to Action 1). Regulatory compliance fee discounts for CHPs/ CHTs (Refer to Actions 4). Case management and compliance advice for CHPs/ CHTs and other developers of affordable housing (Refer to Actions 4). Rates rebates and other incentives to providers of affordable housing (Refer to Actions 4 and 5).
	Transitional Housing	Transitional housing is temporary accommodation and support for individuals or families who are in urgent need of housing. It provides warm, dry, short-term housing for people and families who have an urgent need for a place to stay. It is intended that families and individuals stay in transitional housing for an average of around 12 weeks. Families and individuals may also receive a further 12 weeks support once they’ve found a more permanent place to live.	Freehold	Housing provider	Kāinga Ora Women’s Refuge YWCA Women’s Shelter Christchurch Methodist Mission Emerge Comcare	YWCA Christchurch Transitional Housing	
Social Housing	Public Housing	Public housing is subsidised rental housing receiving the Income Related Rent Subsidy administered by the Ministry	Freehold	Housing provider	Kāinga Ora CHPs	Kāinga Ora - Riccarton Road housing complex	MHUD: CHPs require certainty Subsidies Grants

Housing continuum	Housing Type	Description	Likely tenure/s	Asset owner/s	Example providers	Example developments	How Partners or other specified organisations could be involved
		of Social Development with the tenancies managed by Kāinga Ora or registered Community Housing Providers. In this category tenants will pay approximately 25% of their income on rent (Income Related Rent or IRR) and the Government tops up the rent to 100% of a market rent (Income Related Rent Subsidy or IRRS). The subsidy is paid by the Ministry of Housing and Urban Development (MHUD).					Access to land Access to funding Advice on accessing support to unlock affordable housing
Assisted Rental	Affordable Rental	Affordable rentals are provided by community housing organisations for the express purpose to make homes more accessible to individuals and whanāu on low incomes. This requires subsidy from government or councils. Affordable rents are commonly set at less than 80% of market rent in an area. E.g. the new affordable rent stream launched by MHUD in 2023 set the rent at 80% of market rent in an area.	Freehold	Housing provider	Comcare Trust Emerge Aotearoa Ltd Vision West OCHT	Emerge Aotearoa, Karamū Emerge Aotearoa - Kāramu Community Housing Development	

Housing continuum	Housing Type	Description	Likely tenure/s	Asset owner/s	Example providers	Example developments	How Partners or other specified organisations could be involved
Assisted Rental	Residential Group Housing	Residential Group Housing provides co-housing options for individuals and whānau with unique needs who are assisted with wrap-around services.	Freehold	Housing provider	Kāinga Ora	Abbeyfield – Supported Housing Community Group Housing: Supported Housing :: Kāinga Ora – Homes and Communities (kaingaora.govt.nz)	
Assisted Ownership	Progressive Home Ownership – Shared Equity	Shared equity is a form of PHO where an occupier and community housing organisation jointly purchase a property. An occupier will commonly purchase 60-80% of a property with a community housing organisation owning the remaining shares. An occupier can apply for a mortgage to fund the purchase of their shares and progressively purchase the remaining shares from the organisation in lump sums at the new property value.	Freehold Unit title	Housing provider & owner-occupier	Housing Trusts Habit for Humanity Ministry for Housing and Urban Development have a list of active providers: Progressive Home Ownership Fund - Te Tūāpapa Kura Kāinga - Ministry of Housing and Urban Development (hud.govt.nz)	Wayne Francis Charitable Trust, Halswell: Housing – WFCT	
	Progressive Home Ownership - Rent to Buy	Rent-to-Buy programmes allow tenants to rent a home at equal- or below- market rent for a specified period while they build the financial	Freehold Unit title	Housing provider/tenant & proposed owner	Refer to link above	Habitat for Humanity, Hoon Hay Christchurch completes two Progressive Home Ownership (PHO)	

Housing continuum	Housing Type	Description	Likely tenure/s	Asset owner/s	Example providers	Example developments	How Partners or other specified organisations could be involved
		capacity to purchase the home either outright or in a shared equity model with a community housing provider or other form of landlord.				homes • Habitat for Humanity	
	Progressive Home Ownership - Licence to Occupy	<p>Licence to Occupy programmes offers residents the enjoyment of the property without taking any formal ownership of it. The licence sale price is the cost to construct the house. Licence to Occupy models are commonly used on papakāinga or communally held land and retirement villages where tenants may purchase a property or the right to occupy a property but not own it or the land which the property exists on.</p> <p>In the QLCHT and OCHT programmes the licence gives the tenant a right to occupy the home for up to 100 years. The tenant takes out a mortgage over this lease which is deemed security for the bank due to the length of the lease.</p> <p>The resident pays a ground rent annually. When the tenant leaves the property is</p>	Freehold Unit title Leasehold Licence to Occupy	Housing provider	<p>Refer to link above</p> <p>The Queenstown Lakes Leasehold model OCHT, Secure Home programme offers</p>	<p>Ngāi Tūākuriri, Papakāinga, Tuahiwi: https://metronews.co.nz/article/tuahiwi-housing-build</p> <p>POCHT, Carey Street, Christchurch: Secure Home — Ōtautahi Community Housing Trust (ocht.org.nz)</p> <p>QLCHT, Tewa Banks, Arrowtown: Tewa Banks - Queenstown Lakes Community Housing Trust (qlcht.org.nz)</p> <p>Retirement villages</p>	

Housing continuum	Housing Type	Description	Likely tenure/s	Asset owner/s	Example providers	Example developments	How Partners or other specified organisations could be involved
		<p>purchased again by the Trust and the resident receives their purchase price plus CPI for every year they were an occupant of the property rather than the property selling on the open market.</p> <p>It is calculated that if an occupier is in the home for 5-10 years, they will then have enough of the mortgage paid down in addition to receiving the purchase price plus CPI to purchase a house in the private residential market.</p>					
Private Rental	Private rental	Housing provided by private developers and landlords for rent at market rentals.	Freehold Cross-lease Unit title	Private developer then private landlord	Real Estate Agents	Canterbury Homes and Real Estate for Rent - realestate.co.nz	
Private Ownership	Private ownership	Housing provided by private developers for purchase at market prices.	Freehold Cross-lease Unit title	Private developer then private owner	Williams Corporation NZ Wolfbrook Property Group Brooksfield Living Fletcher Living	Williams Corporation, Manchester Square: Development Williams Corporation New Zealand Fletcher Living, Canterbury: New Residential Developments in Auckland & Canterbury » Fletcher Living	

Action 3 - Inclusionary Zoning

Investigate the introduction of inclusionary zoning by all three Councils to collectively increase the supply of social and affordable rental housing.

Further information to support this action and its intent:

Inclusionary planning is a way of securing or leveraging affordable housing through the planning and urban development process. Developers make a percentage-based contribution towards supplying affordable housing as part of their developments. A minimum percentage could be introduced across the region, higher percentages in greenfield or urban renewal projects. This can be phased and increased over time. It can be applied to residential, commercial and some industrial land and easily transferred to any affordable housing organisation. Dwellings designated inclusionary should be indistinguishable from market housing. Queenstown and Waikato have identified this as the most effective mechanism to increase the supply of affordable housing.

Task and/or Problem Statement:

In Greater Christchurch there are four significant gaps in the market:

- ❖ Emergency/transitional housing (in May 2024 there are 336 adults and 357 children in Greater Christchurch in emergency housing).
- ❖ Social housing (in July 2024 there were 2117 households on the MSD waiting list in Christchurch City, 96 in Waimakariri and 62 in Selwyn).
- ❖ Affordable housing – rentals and progressive home ownership (in July 2024 there were 26,958 people in CCC, 2,556 in SDC and 3,534 in WDC receiving the Accommodation Supplement)
- ❖ Typologies that match the changing demographic demand: the supply-side predominance of 3-4 bedroom homes contributes the under-utilisation of housing; while in Christchurch, smaller houses are being built but at a price well above the affordability threshold for low- and modest-income households.
- ❖ This is compounded by the unregulated market for short-term rentals.

Actions 3, 4 and 5 involve the investigation of a carefully targeted 'carrot and stick' package comprising inclusionary zoning alongside incentives (density bonuses, height bonuses, financial offsets, development contribution rebates, targeted rates) to encourage more development of cheaper (but still good quality) housing and variety of choice in Greater Christchurch. This would also contribute to realising the aspirations of the Spatial Plan.

The task is for an indicative assessment to investigate and test mechanisms to provide and incentives to develop affordable housing throughout the feasibility 'equation' to see the extent of impact of each intervention (or collection of interventions). Further detailed work would be required on policy options of most interest to the partnership as part of Phase 2 implementation.

Approach:

The indicative assessment for Phase 1 investigations involved testing the likely impact of Inclusionary zoning to increase the supply of affordable housing at different levels of contributions–

- ❖ Financial contributions - Low, Medium, and High contributions
- ❖ Providing land/ dwellings - Low, Medium, and High contributions.

The August 2024 recommendations of the Independent Hearing Panel (IHP) on Queenstown Lakes District Council's (QLDC) Inclusionary Zoning Variation formed part of the literature review for the indicative assessment. Although QLDC has chosen to withdraw the Inclusionary Zoning Variation the IHP and its report made some key findings of relevance to progressing Inclusionary Zoning in New Zealand. The IHP report confirmed that the Inclusionary Zoning: 1) Was lawful; 2) Was consistent and

within the scope of the Resource Management Act 1991 (RMA); and 3) Would implement the National Policy Statement on Urban Development. The IHP ultimately recommended the Variation not proceed as its efficiency compared to alternatives, principally targeted rates (section 32 test) did not satisfy the IHP.

Refer to attached report: Indicative Economic Assessment, Greater Christchurch Joint Housing Action Plan for further detail on the approach taken to testing these policy options. For Inclusionary Zoning to be successful it would be preferable for all Councils to adopt the same policy position to avoid 'flight' of developers between territorial authorities.

Findings:

Refer to attached report: Indicative Economic Assessment, Greater Christchurch Joint Housing Action Plan for further detail on the findings of the initial assessment of these policy options.

The process which the QLDC has followed on its Inclusionary Zoning Variation demonstrates the significant amount of research, analysis and evidence required as the foundation for a plan change proposal. The plan change process under the RMA that needs to be followed:

- ❖ Issue identification and pre-consultation
- ❖ Plan change and section 32 RMA report assessing costs and benefits produced (NOTE: QLDC's experience highlights the importance of preparing a comprehensive and robust s32 report involving input from a wide range of experts)
- ❖ Plan change and section 32 approved by Council for public notification
- ❖ Public notification for submissions (minimum of 20 working days)
- ❖ Public notification of summary of submissions for further submissions (10 working days to submit). Further submissions are limited as to who may make a further submission.
- ❖ Hearings
- ❖ Public notification of decisions
- ❖ Appeals (30 working days to lodge)
- ❖ Environment Court process if any appeals
- ❖ Plan change is operative

This process can take two years, subject to the timing and duration of any appeals. The duration, complexity and legislative requirements mean that it would require significant pooled resources (budget and staff time) by all Council Partners.

Questions for Further Consideration:

- ❖ *What support is there by Partners in progressing the investigation into Inclusionary Zoning?*
- ❖ *If further investigated, does the Committee have any preferences in terms of the mix (Property/ Cash) of the contribution or percentage contribution rate?*

NOTE: *There is an advocacy opportunity for the Greater Christchurch Partnership to partner with the Community Housing Association (CHA) and others on advocating to Government on introducing Inclusionary Zoning (Refer to Action 6 for further details)*

Action 4 - Incentives

Investigate and test incentives to develop affordable housing (e.g. density bonuses, value capture, rates concessions for CHPs, planning concessions).

Further information to support this action and its intent:

Various financial and planning incentives can be used to encourage more affordable housing and a greater range of typologies:

- ❖ 'Density bonuses' permit higher densities in return for an affordable housing contribution, though quality should not be sacrificed and density bonuses might be deployed in conjunction with mixed tenure.
- ❖ Set affordable housing targets.
- ❖ Protect existing low-cost housing stock.
- ❖ 'Value capture' a portion of increased value that occurs when land is rezoned to higher value uses or when infrastructure is provided, then direct this value towards affordable housing. Urban renewal projects and rezoning provide opportunities for value capture¹⁸
- ❖ Develop land use policies that encourage diverse housing forms.
- ❖ Offer rates concessions to community housing organisations.
- ❖ By-laws for Air B n Bs in affordable areas.
- ❖ Planning concessions to enable affordable housing
- ❖ Rating vacant land and potentially buildings at the level of what it could be developed to, as a disincentive to land-bank

Task and/or Problem Statement:

Refer to Action 3 – Inclusionary Zoning

Approach:

The indicative assessment for Phase 1 investigations involved testing the likely impact of a range of incentives identified through a literature review to develop affordable housing:

- ❖ Maintaining the status quo;
- ❖ Density bonuses;
- ❖ Targeted rates;
- ❖ Local government support for Community Housing Providers;
- ❖ Rates concessions for Community Housing Providers; and
- ❖ Planning concessions for Community Housing Providers.

Refer to attached report: Indicative Economic Assessment, Greater Christchurch Joint Housing Action Plan for further detail on the approach taken to testing these policy options.

Findings:

Refer to attached report: Indicative Economic Assessment, Greater Christchurch Joint Housing Action Plan for further detail on the findings of the indicative assessment of these policy options.

Questions for Further Consideration:

- ❖ *What incentives are most attractive to Partners?*
- ❖ *Which incentives are least appealing?*

Action 5 – Development Contributions Rebates

Investigate expanding CCC's development contribution rebates for social housing to all councils. Investigate extending this to include social, affordable rental and progressive home ownership.

Further information to support this action and its intent:

Christchurch City Council's Development Contributions Rebate policy provides for the rebate of DCs for certain types of development including social housing and kāinga nohoanga. With respect to the former, it aims to support the development of new social housing by qualifying community trust organisations, and rebates 100% of DCs for qualifying developments. Developers are required to register a covenant on the title of the development to qualify for the rebate, which restricts the use of a home for social housing purposes only.

Task and/or Problem Statement:

Refer to Action 3 – Inclusionary Zoning

Approach:

The indicative assessment for Phase 1 investigations involved testing the likely impact of Development Contribution rebates at different extents of operation and levels of development contribution monetary values (revenue foregone) to develop affordable housing:

- ❖ Low – Continue CCC rebate; Introduce DC rebate to SDC and WDC (Valued at 20% below average DC)
- ❖ Medium – Full DC rebate across CCC, SDC and WDC, with covenant on title (Valued at Average DC)
- ❖ High – As per medium (Valued at 20% above average DC)

Refer to attached report: Indicative Economic Assessment, Greater Christchurch Joint Housing Action Plan for further detail on the approach taken to testing these policy options.

Findings:

Refer to attached report: Indicative Economic Assessment, Greater Christchurch Joint Housing Action Plan for further detail on the findings of the indicative assessment of these policy options.

Questions for Further Consideration:

- ❖ *What level of interest is there from Partners in implementing a consistent policy for 100% development contributions rebate to CHPs, Charitable Housing Trusts and Mana Whenua for affordable housing developments across Greater Christchurch?*

Action 6 - Advocacy for Investment

Support wider advocacy to influence financial institutions to invest in affordable housing solutions e.g. pension fund investment in build-to-rent housing in Greater Christchurch.

Further information to support this action and its intent:

Kiwisaver provider Simplicity has created a housing fund to invest in build-to-rent housing in Auckland. It has done this in cooperation with major home builder NZ Living. The intent is to build high quality apartments and townhouses for long term rent across New Zealand, providing people with another housing option. They are attempting to contribute build-to-rent high density housing at scale: Intention to build 10,000 quality homes for long-term rent across NZ. Their model includes:

- ❖ Developer and Builder margins (they are the developer and builder and a nonprofit organisation)
- ❖ Financing margin (they don't have to borrow money to build)
- ❖ Selling costs (rent directly, with no real estate agency fees)
- ❖ Property management margin (manage the properties directly, at cost).

Task and/or Problem Statement:

Affordable housing (focussed on affordable ownership and affordable rentals) needs to be developed at a scale (density), which ensures cost effectiveness (warm and dry dwellings, constructed at a price as low as possible and minimising ongoing maintenance costs) and preferably in locations that are well serviced by existing infrastructure, services and accessible to opportunities.

In other countries, institutional investors are able to 'buy-in' to affordable housing provision through a bond purchasing structure or in contributing equity into predominantly private market focussed Build-to-Rent companies. These methods of investment are usually done at levels that require property developments of medium-rise or greater.

Brownfield sites in Greater Christchurch provide the greatest opportunity for medium-rise residential developments with varied tenures, which could tap into this external investment potential. However, there is a lack of examples of medium-rise, affordable apartment buildings within the Greater Christchurch area. Housing growth is plan enabled across the Greater Christchurch sub-region making continued greenfield developments at low density and low-medium density developments on Brownfield sites most straightforward to continue delivering.

The task is to understand the current market, identify key barriers to supply of medium-rise apartments as well as the demand for apartments and identify key players in the apartment development and Build to Rent space within New Zealand which could be attracted to Greater Christchurch with the lowering of key barriers.

Research and engagement with stakeholders have been used to identify any legislative or regulatory barriers that are preventing external institutional investors from considering investing in housing funds in New Zealand and Greater Christchurch, and contributing to market conditions that are conducive to delivering increase affordable housing in the Greater Christchurch area.

Approach:

Consolidation of previous reports, surveys and research findings to provide an environment scan. Supplemented by conducting interviews of active stakeholders in the areas of investment attraction, Build-to-Rent and advocacy and drawing insights for consideration by Partners to prioritise for implementation as part of Phase 2 of the JHAP.

Findings:

The findings below, including initial advocacy and partnering priorities have been summarised in a diagram included at the end of this section of the report.

There are several established developers within Greater Christchurch. Typical development includes terrace style housing that is either attached or semi-detached and between two and three storeys with a one car garage. There have been limited apartment developments in Greater Christchurch since the earthquakes.

Scanning New Zealand more broadly there is noticeably more apartment developments in Wellington and Auckland. Based on work completed for the Auckland Light Rail business case the key players in the New Zealand apartment development market (for medium-rise developments) are:

- ❖ Ockham Residential
- ❖ Conrad Property Group
- ❖ Urban Collective
- ❖ Templeton Group
- ❖ GN Construction
- ❖ Willis Bond & Co
- ❖ Love & Co
- ❖ Lily Nelson
- ❖ Lamont & Co
- ❖ McConnell Property

International companies that are also active in Auckland include Hengyi, Shundi, MRCB and 94 Feet. None of these local nor international companies are active in the Greater Christchurch residential market.

Research and analysis undertaken by a variety of organisations indicates the principal barriers to medium-rise development on the supply side for developers include:

- ❖ feasibility - less profitable for various reasons
- ❖ risk - need for more due diligence and greater risks (links to market preference)
- ❖ financial - harder to get finance and high levels of pre-sales require
- ❖ capability - housing developer capabilities and business model
- ❖ Land – availability and costs

These same barriers apply to developing apartments for affordable housing either as standalone apartment buildings or as part of a mixed tenure development within Greater Christchurch. It has been identified that in some Australian cities, density or height bonuses are offered for apartment building developments for providing affordable housing units above a minimum threshold. This has the potential for improving the feasibility of med-rise apartment developments in Greater Christchurch. However, the current legislative focus of the Resource Management Act on impact mitigation prevents this from being currently possible.

Similarly, there is significant evidence of inclusionary zoning working as an effective lever in providing a supply stream of affordable housing dwellings and financial contributions to assist in addressing failures of the housing market in providing for people on lower levels of income and for dwelling sizes suited to their needs. Having growth contribute to the cost of growth in terms of the gaps in the housing market it creates for affordable housing, would be consistent with the impact mitigation focus of the Resource Management Act. Its unlikely to completely solve the housing problem in Greater Christchurch but has the potential to provide a supply stream to CHPs for increasing affordable housing numbers outside of Government grants and other existing sources of funding.

Looking at the demand for apartments in the market housing segment of the housing continuum, it has been noted by Jones Lang Lasalle in its 2018 research for the Property Council of New Zealand (PCNZ) that there is not a 'culture' of apartment living (1,2 or 3 bedrooms) in Greater Christchurch in part because of the ease of travel by private vehicle between the key centres of Greater Christchurch means the need to live close to the city or other key hubs and centres hasn't been as strong compared to other New Zealand cities where traffic congestion is more pronounced. Consequently, the market for apartments is seen as 'narrower' (characterised as under 30-year-olds (double income no kids) and 55+ year olds (downsizers and empty nesters)) than for other housing types targeting such as the terrace and townhouses widely offered across the region. Beyond this the other key barriers relate to buyer sentiment and market preferences:

- ❖ tenure – prefer freehold and avoiding body corporates and insurance
- ❖ lifestyle – preference for some private open space and garaging
- ❖ price – apartments compete with standalone houses or townhouse in main centres and city fringe
- ❖ resale – terraces and townhouses are viewed as easier to sell (broader appeal)

There is work underway by ChristchurchNZ in devising narratives around apartment living for sharing through media platforms to address some of the perceptions and barriers to people considering apartment living. Shifting this perception is likely to require a handful of demonstration projects on the supply side alongside strong promotional and marketing campaigns. This also applies to affordable apartment housing.

In the New Zealand Build to Rent (BtR) market there are number of key players:

- ❖ Cedar Pacific – Build to Rent; Student accommodation ([Cedar Pacific \(cedpac.com\)](http://cedpac.com))
- ❖ Kiwi Property – Build to Rent ([Residential » Kiwi Property](#))
- ❖ New Ground Living – Build to Rent ([New Ground Living | Renting the way it should be](#))
- ❖ Resident Properties – Build to Rent ([Resident Properties – Places For People](#))
- ❖ Simplicity Living – Build to Rent ([Simplicity Living](#))

These BtR companies are active primarily in Auckland and the North Island. It is noted that Build to Rent is currently focussed in the market rental section of the housing continuum, with no examples of affordable rentals in New Zealand.

Initial discussions have indicated that BtR in Greater Christchurch is not yet feasible based on similar barriers to the delivery of medium-rise apartments as well as average weekly rents for two-bedroom townhouses and terraces being considered too low to address the barriers in building 50+ unit BtR buildings. This feasibility could improve with changes to tax deductibility for some aspects of these developments and/or operations. Other mechanisms to incentive BtR development include partnering with iwi and other landowners to secure long-term leases for BtR to develop and operate, as well as consideration of student or nurses accommodation.

The PCNZ have been advocating for regulatory changes for a number of years in order to make international institutional investment in BtR companies and developments more attractive. Its worth noted that BtR schemes are unlikely to provide affordable rental housing upfront. There are potential benefits to affordable housing by leveraging some of the PCNZ advocacy work. Its progress warrants ongoing monitoring to identify these potential opportunities early and raising through the Committee.

There is an amendment to the Overseas Investment Act currently being considered by the Select Committee. This amendment is intended to provide greater confidence in the ability of overseas institutional investors to purchase existing BtR developments as well as the on-selling of these schemes. This has some potential in encouraging greater overall institutional investors from overseas to invest in New Zealand and for this to potentially cascade indirectly through affordable housing bond schemes to support low-cost loans to CHPs in providing greater affordable housing, particularly affordable rentals. This is advocacy that the Partnership could choose to support in order to stimulate medium-rise development in well located and served Brownfield sites across the Greater Christchurch region.

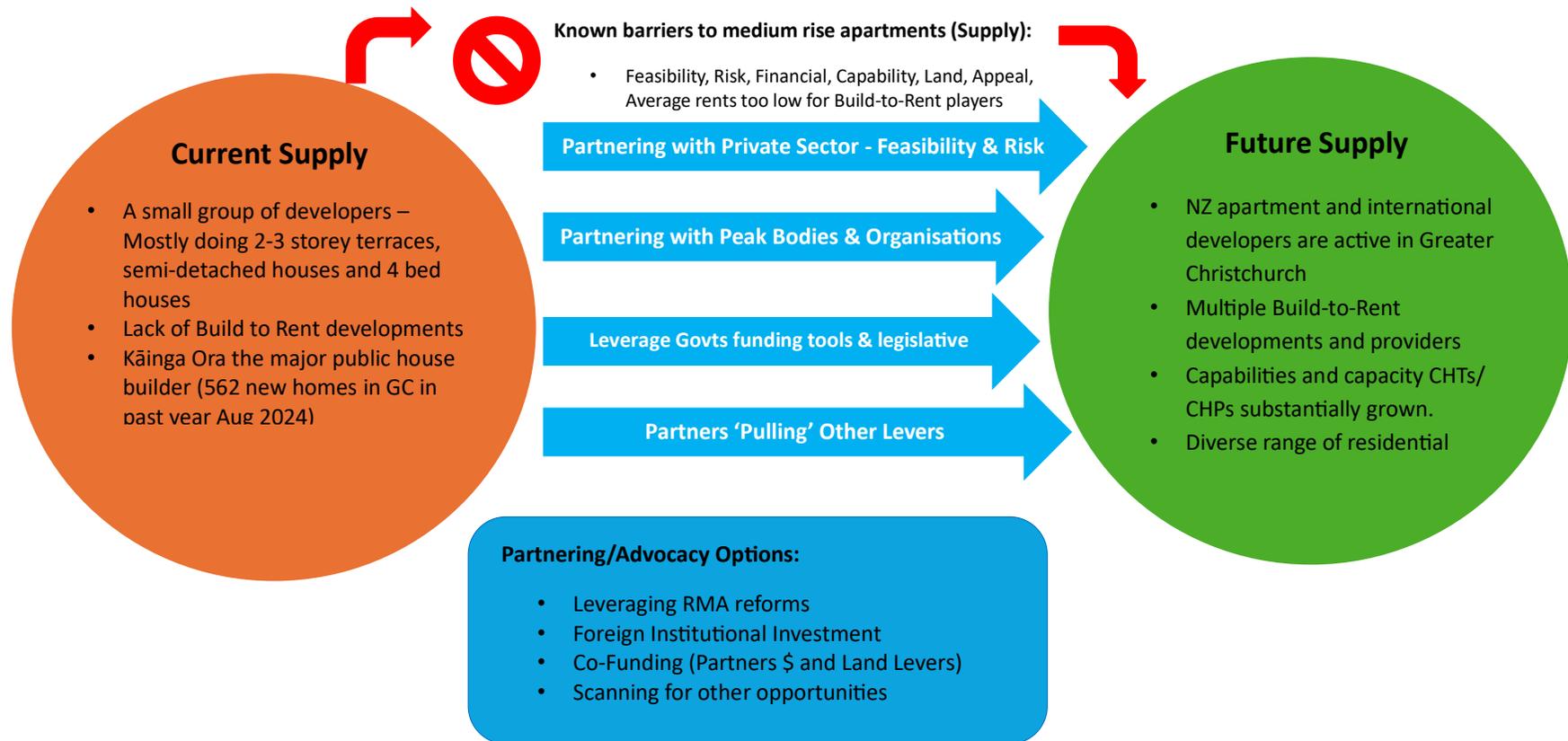
The peak body for CHPs in New Zealand, Community Housing Aotearoa has been advocating for Government action to enable inclusionary zoning as part of a wider response to addressing housing affordability across the country, particularly those households in the bottom half of incomes. Recently announced aspects of the Going for Growth Programme and its forthcoming pillars, including the intent to reform and amend the Resource Management Act present unique and time-sensitive opportunities for Partners to influence Government decisions on this legislation and affordable housing.

These changes are unlikely to be made without ongoing, targeted and coordinated advocacy by Partners, ideally with a range of other partner organisations. Key advocacy priorities and roles for Partners have been identified for consideration by the Committee to elicit feedback and inform further exploration of strategy and discussion.

A visual summary of this work, including partnering and advocacy options, is included on the page below.

Questions for Further Consideration:

- ❖ *What would the committee like to actively advocate for?*
- ❖ *Who would they choose to partner with on these issues/opportunities?*



Action 7 – Expanding the Ōtautahi Community Housing Trust Model

Investigate expanding or mirroring the Ōtautahi Community Housing Trust model (providing charities and charitable community housing providers access to finance and land).

Further information to support this action and its intent:
n/a

Task and/or Problem Statement:

The Ōtautahi Community Housing Trust (ŌCHT) was established in 2016 to manage Christchurch City Council's (Council's) social housing portfolio. ŌCHT performance has been successful since it was created. This success has led to interest from other local authorities in its model. For ŌCHT, the benefits of doing this include using ŌCHT's skills and expertise to help deliver services, additional revenue streams, and the retention of skilled staff. However, ŌCHT is currently restricted from operating elsewhere due to the current Purpose as set out in its Trust Deed.

Approach:

The ŌCHT has explored this option with support from the Greater Christchurch Partnership and Council. Central government is also interested in progressing this action. A two-step process has been followed. After taking legal advice ŌCHT and Council were advised that a Private Bill would be the most appropriate way forward to give ŌCHT operational flexibility.

Findings:

A Private Bill will enable the amendment of the Trust Deed for ŌCHT. Once introduced to the House of Representatives it is estimated to take between six to 12 months for it to successfully be passed into law. Discussions are ongoing.

For ŌCHT to expand its services into Selwyn and Waimakariri it is anticipated that it will incur greater costs. This will require negotiations with ŌCHT to ensure that providing services in the districts provides an additional revenue stream.

Questions for Further Consideration:

- ❖ *What opportunities do Partners wish ŌCHT to consider in developing increased affordable housing in their area?*

Action 8 – Monitoring and reporting framework

Develop a monitoring and evaluation framework to track progress.

Further information to support this action and its intent:

n/a

Task and/or Problem Statement:

Determine the best method of monitoring the outcomes of the Joint Housing Action Plan (JHAP) and mandatory NPS-UD indicators over time. This has been a gap identified in the implementation of previous Spatial Plans. In addition to monitoring at the indicator level, regularly tracking the progress of implementing the Phase 2 actions and the evaluating the impact of these actions is to be undertaken. This should be meaningful, use available data sources, avoid duplication of effort and integrate with reporting for the Greater Christchurch Spatial Plan, as a legislative and Government policy requirement.

Approach:

The approach involves:

- 1) Developing a monitoring framework for the GCSP that will:
 - ❖ Track progress against key actions / initiatives e.g. Joint Housing Action Plan set out in the joint work programme (JWP) for the GCSP and implementation plan;
 - ❖ Meet the monitoring requirements for Tier 1 local authorities under the NPS-UD;
 - ❖ Identify additional key indicators to measure progress towards implementing the overarching directions and key moves in the Spatial Plan (where not already addressed through the JWP or NPS-UD requirements).
- 2) Creation of a dashboard of key indicators hosted on GCP website – housing indicators updated quarterly drawing on existing sources initially (e.g. MHUD sources, Quarterly Economic Dashboard - ChristchurchNZ.com);
- 3) Providing regular reporting to meet obligations including an annual report to GCPC / GCP partners, with bi-annual updates on joint work programme and implementation plan.

Findings:

The framework and dashboard are under development. A priority of this work is to establish monitoring and reporting for residential urban development that meets NPS-UD requirements for Greater Christchurch. The NPS-UD indicators include:

- ❖ demand, supply, price and rents of dwellings
- ❖ housing affordability
- ❖ realised housing capacity in brownfield and greenfield areas
- ❖ available data on business land.

Questions for Further Consideration:

- ❖ *Are there any other measures or indicators the committee would like tracked and reported on?*

Greater Christchurch Housing Action Plan Indicative Economic Assessment

Prepared for Greater Christchurch Partnership

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 **Formative**

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1 Introduction

The Greater Christchurch urban (GCU) area has experienced high growth in the past decade, with population and economic growth significantly exceeding projections. Over this period, while there has been a growing number of new dwellings being built, the sale prices (and rents to a lesser extent) have increased rapidly, which has resulted in worsening housing affordability for the community.¹

In early 2024 the Greater Christchurch Partnership (GCP) councils endorsed the Greater Christchurch Spatial Plan (GCSP), which aims to enable sufficient development capacity to accommodate future growth within the GCU area as required by the National Policy Statement on Urban Development (NPS-UD).²

The GCP concurrently committed to tackling rising housing affordability through the endorsement and subsequent adoption by the partnership councils of the Joint Housing Action Plan (JHAP).³ This commitment recognises that the adverse social and economic outcomes of insufficient, inappropriate, inadequate and unaffordable housing are apparent in GCU area and that this problem can only be tackled collectively. Intervention in the market is needed, if a different and better outcome is to be achieved. The GCP is investigating policy levers and resources that could be used to improve the provision of affordable housing in the GCU area.

The GCP has commissioned Formative Limited to conduct indicative research on the potential policy options, with a focus on the social and economic outcomes that could be expected to result from the use of those mechanisms. This report presents findings that relate to Phase 1 of the JHAP which is an indicative investigation of potential policy options that could be applied to encourage the development of more affordable housing.⁴

GCP intends to use the outputs from this assessment and other research⁵ to investigate the costs and benefits associated with each of the policy options to establish a preferred approach, to be progressed to Phase 2 for detailed assessment.

Finally, this research has been conducted during a time of significant policy changes that are still to be confirmed which could impact affordability outcomes in GCU (i.e. central government Going for

¹ Corelogic (2024) Housing Affordability Report, Quarter 2.

² Greater Christchurch Partnership (2023) Greater Christchurch Spatial Plan.

³ Greater Christchurch Partnership (2023) Joint Housing Action Plan.

⁴ Greater Christchurch Partnership (2023) Joint Housing Action Plan – Phase 1: Actions 3, 4 and 5 investigations.

⁵ Greater Christchurch Partnership (2023) Joint Housing Action Plan – Phase 1: Actions 1, 2 and 6, 7, 8 investigations.

Housing Growth Programme⁶, other changes to the national planning framework⁷, changes in Kāinga Ora's role⁸, and City Deals⁹).

1.1 Background

The affordability of dwellings has become a widespread issue in the western world, with most large metropolitan cities in Europe, North America, Australia, and New Zealand experiencing rapid rises in the costs of dwellings relative to growth in household incomes over the last decade.¹⁰

Christchurch has not been immune to this international trend, with dwellings becoming less affordable over the last decade. However, the change in affordability that has been observed in Christchurch has not been as severe as the other metropolitan cities in New Zealand (Auckland, Wellington, Hamilton, Tauranga) or Australia (Sydney, Melbourne, Brisbane, Perth, Brisbane, Adelaide, Canberra).¹¹

The 'housing crisis' has resulted in consecutive governments implementing a range of policy changes which have been intended to alleviate the issue. This includes policies that influence both demand and supply to:

- ❖ direct intervention to provide new supply (Special Housing Areas, Kiwibuild, Kāinga Ora, Covid19 Fast track, etc).
- ❖ encourage private and non-government developers to provide more supply (infrastructure funding, income related rent subsidy, capacity service agreements etc.).
- ❖ order enquiries into banking, building sector, migration, and housing affordability (Reserve Bank, Commerce Commission, Productivity Commission).
- ❖ require councils to monitor and change local plans to provide more capacity for development activity (two National Policy Statements, Enabling Housing Supply Act, Going for Housing Growth, Resource Management Act reform, etc.).
- ❖ encourage demand for affordable dwellings (Kiwisaver drawings, allow interest deductibility for new build rentals, etc.).
- ❖ discourage demand for dwellings (restrict foreign investors, ringfencing losses on rentals, bright line capital gains rule, loan to value ratio, debt to income ratio, etc.).

⁶ New Zealand Government (2024) Going for Housing Growth stage one unveiled, press release 4 July.

⁷ New Zealand Government (2023) NBA and SPA successfully repealed, press release 20 December.

⁸ New Zealand Government (2024) Minister responds to review of Kāinga Ora, press release 20 May.

⁹ New Zealand Government (2024) Regional Deals framework announced, press release 22 August.

¹⁰ Centre for Demographic and Policy (2024) Demographia International Housing Affordability

¹¹ Corelogic (2024) Housing Affordability: The income Kiwi families need to conformably buy a new house in Australia vs NZ.

There are also a range of other policies that influence demand and supply for dwellings, such as migration, monetary policy, building codes, etc. Non-market providers of housing including non-government Community Housing Providers (CHPs) also have an important role in meeting the needs of the most vulnerable households in the community.

The volume of policy changes that have been implemented over the last decade which relate to dwelling demand and supply shows how significant the ‘housing crisis’ issue is for the government and local communities. It also shows that there are many facets to the issue and that it will not be solved by any single policy in isolation.¹²

The GCP and the partner councils have limited policy levers, which means that the implementation of a Spatial Plan, in and of itself, cannot be expected to solve the ‘housing crisis’ but can contribute to alleviating the problem by ensuring there is no shortage of opportunities for development of dwellings to meet housing needs which would continue to maintain downward pressure on the market. However, it is unlikely that the market will provide sufficient affordable housing under the policy framework¹³ and that further intervention would be required to meet the needs of the community.¹⁴

1.2 Scope

The GCP process for the JHAP is to first undertake an investigation with indicative assessment (Phase 1), followed by detailed research once a package of policies are chosen (Phase 2 and beyond). The results from Phase 1 will be presented to GCP Partnership Committee, which will consider the options and decide which policy options should be progressed to Phase 2.

This report forms part of Phase 1, and the focus of this report is to provide an investigation of the range of policy options and the affordability outcomes associated with the implementation of these options. This research is an indicative assessment, which is designed to allow an assessment of a wider range of options without needing to undertake detailed assessments.

Formative has been tasked with investigating the following three actions in the JHAP:

- 3 Investigate the introduction of inclusionary zoning by all three Councils to collectively increase the supply of social and affordable rental housing.
- 4 Investigate and test incentives to develop affordable housing (e.g. density bonuses, local government funding for CHPs, rates concessions for CHPs, planning concessions for CHPs).

¹² OECD (2019) Improving well-being through better housing policy in New Zealand.

¹³ Independent Commissioners (2024) Plan Change 14 Recommendations Report – Part 1, paragraph [146].

¹⁴ Community Housing Aotearoa (2020) Greater Christchurch Partnership Social and Affordable Housing Action Plan Report.

- 5 Investigate expanding Christchurch City Council's (CCC) development contribution rebates for social housing to all councils. Investigate extending this to include social, affordable rental and progressive home ownership.

For this Phase 1 report the following key tasks have been undertaken:

- ❖ A review of the research collated to date by the partnership, other domestic and international research to establish the range of policy options available for use by the Councils, and their potential impacts.
- ❖ Define the policy options that encompass the range of alternatives that could be implemented by the GCP.
- ❖ Assess the affordable housing implication of each policy option to provide an indication of the potential benefits associated with implementation of each option.
- ❖ Assess the wider implications of the policy options including housing market impacts (i.e. competition, sale prices, feasibility, affordability), social impacts and other impacts.
- ❖ Compare the policy options to establish recommendations on the relative merits of the options.

1.3 Structure

This report is structured into six subsequent sections, as follows:

- ❖ Section 2 discusses the findings of the review of affordability research.
- ❖ Section 3 defines the policy options that are assessed in the remainder of the report.
- ❖ Section 4 quantifies, where possible, the affordable housing outcomes associated with the different policy options.
- ❖ Section 5 qualitatively discusses the wider impacts associated with each policy option.
- ❖ Section 6 provides the findings of the research, which provides an indicative assessment of the net outcome, for the community as a whole.

2 Housing affordability review

The first step in this study was to undertake research on the key aspects of the housing market in relation to housing affordability policy. The existing research is important as it provides a baseline from which the aspects of housing affordability can be analysed and forms the basis from which the potential policy options are defined to address the problem.

This section of the report draws on existing research that has been completed by the GCP councils and other researchers, to establish a practical and theoretical understanding of the aspects of the housing market that are important for dwelling affordability. In this section the concepts of the housing continuum and housing needs are firstly covered, within the context of the GCU area, and the three actions that are the focus of this report are then discussed: inclusionary zoning, incentives to develop affordable housing, and development contribution rebates.

2.1 Housing continuum and housing needs

Households live in a range of different types of dwelling arrangements, which include both market and non-market alternatives. There is also a range of tenure types, including emergency housing, transitional housing, public/social housing, affordable rentals, assisted home ownership, assisted home ownership, market rental, and market home ownership. For this report the term ‘affordable housing’ is used to encompass supported, public, social, affordable rentals, and assisted home ownership but excludes market rentals or market home ownership.

Figure 2.1: Housing continuum – emergency, public/social, assisted, and market¹⁵



Each housing option along the continuum requires different levels of resources, with most households being able to afford market options, while some households need to be assisted, and a small number need direct support. The public and social housing providers target their provision of dwellings to lower income households which need direct support.

¹⁵ Kāinga Ora (2021) Our Housing Programmes.

This means that any assessment of affordability needs to also include the full continuum of housing options, as public and social houses are a critical component of the housing options that will be available to lower income households, whom have the most pressing housing needs. A focus purely on market provided dwellings, either for sale or rent, would not provide an accurate picture of the situation.

Based on the most recent available data it is possible to estimate the housing continuum for the GCU area in 2024:

- ❖ **Emergency:** there were 511 transitional¹⁶ and 186 contracted emergency housing units¹⁷. This means that 0.3% of households were accommodated in emergency housing, and a further 1,746 applicants or 0.8% of all households that were on waiting lists to enter this housing.
- ❖ **Public/Social Housing:** there were 10,363 public and social houses owned or leased by Kāinga Ora¹⁸ and registered CHPs (Ōtautahi Community Housing Trust (ŌCHT) is the largest provider)¹⁹. This means that 4.7% of households were accommodated in public or social housing.
- ❖ **Assisted Rental:** there were 32,790 recipients of an accommodation supplement.²⁰ This means that around half the households that rent a house received assistance via the accommodation supplement. In total 15% of all households were accommodated in assisted rentals.²¹
- ❖ **Assisted Ownership:** there is no publicly available data on the number of households that receive support to ownership in the GCU area. However, based on the small number of assisted living schemes it is likely that a small share of households that own their house receive assistance from the government.²² It is estimated that less than 1% of households have made use of assisted ownership.

¹⁶ Ministry of Housing and Urban Development (2024) Public Housing in 30 June 2024 Christchurch, Selwyn and Waimakariri.

¹⁷ Ministry of Social Development (2024) Emergency Housing Monthly Report, June.

¹⁸ Ministry of Housing and Urban Development (2024) Public Housing in 30 June 2024 Christchurch, Selwyn and Waimakariri.

¹⁹ ŌCHT also leases dwellings owned by CCC which are not captured within the Ministry of Housing and Urban Development data. Data has been sourced from ŌCHT to provide a full understanding of social housing provided by CHPs.

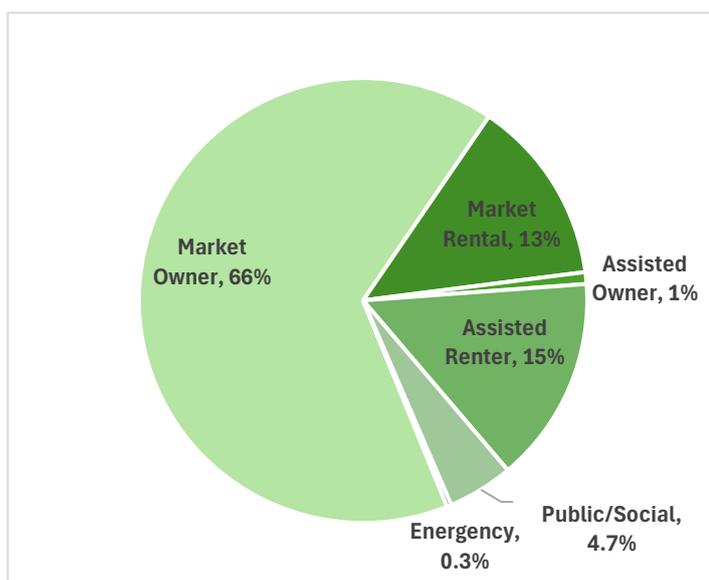
²⁰ Ministry of Social Development (2024) MSD Support Monthly Report, June.

²¹ Those in Kāinga Ora housing or who are tenants of registered CHP are not eligible for Accommodation Supplement, but can instead receive the Income Related Rent Subsidy.

²² The First Home Grant was discontinued in May 2024, however over the last year 1,852 grants were paid in GCU area. Also, there is a small number of progressive home ownership schemes in GCU area, Habitat for Humanity, Ōtautahi Community Housing Trust, and Te Rūnanga o Ngāi Tahu with 27 dwellings contracted.

- ❖ **Market Rentals:** after accounting for public/social and assisted rentals it is expected that around 13% of households were accommodated in market rentals²³.
- ❖ **Market Housing Ownership:** it is estimated that owner occupiers account for 66% of households²⁴. There is limited assisted home ownership in GCU area, with most of the home ownership being market and a small number supported, which means that around 66% of households are likely to live in a market house that they own (with or without a mortgage).

Figure 2.2: Distribution of housing continuum 2024 – emergency, social, assisted, and market



The latest data indicates that more than 80% of households in the GCU area are living within a market based dwelling (either owning or renting), while 20% live in non-market houses (emergency, public/social or assisted). However, some of the households that live in market rentals will be paying a large share of their income towards rent and therefore may be financially stressed.

The most recent housing needs assessment conducted for the GCP suggests that around 40,000 households in the GCU area have unmet housing needs in 2024.²⁵ This includes households in emergency, public/social, and renters living with financial stress²⁶, or around 18% of households which is broadly consistent with the data shown in Figure 2.2. However, this need will potentially increase in the future if the difference between income growth and housing costs continue to diverge as they

²³ Livingston and Associates Ltd (2021) Housing Demand and Need in Greater Christchurch.

²⁴ Livingston and Associates Ltd (2021) Housing Demand and Need in Greater Christchurch.

²⁵ Livingston and Associates Ltd (2021) Housing Demand and Need in Greater Christchurch.

²⁶ Renter housing stress is defined as those households that are paying more than 30% of their gross household income in rent.

have in the past. The GCP housing needs assessment suggests that housing need may increase to 45,600 households or almost 19% by 2034. This housing need could be reassessed once the Census 2023 data becomes available in 2025.

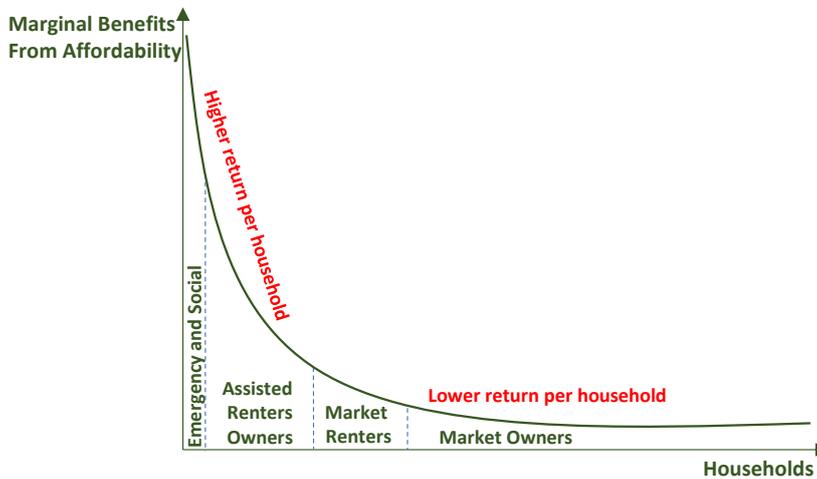
Also of importance is that the marginal benefits associated with improved affordability will tend to be greater for households that have lower incomes and who are generally on the left side of the housing continuum (Figure 2.3). While there is no publicly available research for Christchurch on the relative merits of interventions along the continuum there has been instances where government departments have used Treasury CBAX tool²⁷ to estimate outcomes from emergency housing investment²⁸, urban regeneration developments²⁹, and affordable housing policy options³⁰. This research suggests that at the national level the societal benefits³¹ associated with intervention could be double the investment costs associated with providing more public or social housing. Importantly, the non-market outcomes that accrue from investment in public and social housing are likely to be sizeable compared to the financial investment.³²

This outcome is similar to international economic research, as an example in Australia it was estimated that the societal benefits associated with providing more emergency housing for homeless can be three times the investment³³, and the societal benefits associated with the provision of public and social housing can be double the investment³⁴.

While all households could benefit from changes in affordability there is a greater need and hence higher return from focussing direct interventions towards the households on the left of the continuum (either emergency, public, or social housing). As many lower income households live within non-market dwellings it is expected that changes in affordability outcomes for these households will be driven by policy decisions made around this part of the continuum. Specifically, if the government or council intervene in the market to build more non-market housing or provide greater assistance, then affordability outcomes for lower income households could be greatly improved (i.e. a high return per household influenced).

²⁷ The Treasury (2023) Guide for departments and agencies using Treasury’s CBAX tool for cost benefit analysis.
²⁸ Ministry of Housing and Urban Development (2022) Supporting the reset and redesign of the emergency housing system.
²⁹ Te Aranga Alliance (2020) Eastern Porirua Community Regeneration Single Stage Business Case. Kāinga Ora (2021) Mt Roskill and Oranga Precincts.
³⁰ Ministry of Social Development (2016) Expanding Housing First – IRRS.
³¹ Health benefits, education, employment, transport, community cohesion, safety, etc.
³² Kotata Insight (2020) Valuing Wellbeing Outcomes Cost-wellbeing analysis of housing outcomes in the New Zealand General Social Survey.
³³ SGS Economics and Planning (2017) The case for investing in last resort housing.
³⁴ SGS Economics and Planning (2022) Give me Shelter: The long-term costs of underproviding public, social and affordable housing.

Figure 2.3: Marginal benefits from affordability by housing continuum



Conversely, attempts to influence the market outcomes in the continuum, in terms of market sale price or rents, are likely to mostly impact households on medium or high incomes, who for the most part have less of an affordability issue than lower income households (i.e. a low return per household influenced). Moreover, while the GCP councils have recently adopted enabling planning frameworks which could encourage more market-based housing, this is unlikely to assist in the supply of affordable housing for the neediest low income households.

The JHAP actions 3, 4, and 5 are focused on encouraging more affordable housing via non-market providers (CHPs), which is where the most need exists and the highest return (societal benefits) from intervention are likely to exist. However, there will be a point at which the net impacts of providing more affordable housing may not be positive, meaning that GCP councils need to be careful to balance the provision of affordable housing to ensure that the marginal costs of an additional affordable house provided do not exceed the marginal benefits that accrue from that provision. This issue can be examined in the Phase 2 to research to ensure that the policy options are defined to maximise the net outcome for the community.

2.2 Action 3: Inclusionary zoning

The purpose of the JHAP’s Action 3 is to investigate the introduction of inclusionary zoning by all three councils to collectively increase the supply of social and affordable rental housing.

The term “*inclusionary*” is used to convey that the policy is aimed at countering the practical outcomes in the urban area, whereby zoning rules result in the exclusion of low-cost housing from the market. Broadly, planning requirements on build quality, build size, setbacks, height limits, carparking, outdoor

living space, infrastructure contribution, etc can result in the minimum quality housing in a zone to be costly for the market to construct, and hence unaffordable to lower income households.

This outcome can effectively exclude the less affluent part of the community from the housing market. Moreover, the households that can afford to live in the community can benefit from the exclusionary aspect of the planning rules as they enjoy an environment that has greater amenities (both physical aspects and intrinsic character) than would otherwise be the case if the planning requirements were relaxed.

Therefore, in some jurisdictions a requirement to provide affordable housing is included when consenting developments or alternatively a funding contribution is charged to allow the government to provide affordable housing.

Generally inclusionary zoning applies to a share of new construction which is in turn a small fraction of the existing housing stock. Therefore, the burden of the policy tends to accrue to developers and new households that purchase new housing, although in theory many of those new households are nearer the right-hand side of the continuum, and able to afford to pay some contribution to assist in the provision of affordable housing.

In the New Zealand context, the use of inclusionary zoning has been rare. The most well-known use of this policy option has been in Queenstown Lakes District, which has applied an inclusionary zoning policy since 2003.³⁵

Until recently, Queenstown Lakes District Council (QLDC) had an inclusionary zoning policy that applied to new greenfield developments. QLDC negotiated with developers on a case-by-case basis to establish an agreed contribution and historically established a voluntary contribution rate of 5% of lots transferred to the Council. Then under the Housing Accord and Special Housing Areas Act 2013 the inclusionary zoning policy was applied for Special Housing Areas which were required to provide 5% of their housing yield as affordable homes. Finally, in 2018 the contributions were increased to 10% and extended to allow developers to provide cash, lots or lots and house packages.

The application of the inclusionary zoning policy was mainly to land that was up-zoned from rural to urban land use. In these cases, there was a significant increase in the value of the land which benefited the developer, and the inclusionary zoning policy only had a modest impact on financial returns.³⁶

In 2022 QLDC proposed a new policy (Inclusionary Housing Variation) which was intended to formalise the existing policy to make it compulsory. The new policy would have applied to most residential

³⁵ Queenstown Lakes District Council (2023) Inclusionary Housing Plan Change, press release February.

³⁶ Sense Partners (2022) The economic case for Inclusionary Zoning in QLDC.

developments (including brownfield³⁷). Broadly, the policy would mean that developers would be required to provide 5% of the subdivided lots of land (or funds equivalent to sale price) or 2% of the dwelling sale price. That Variation was withdrawn by Council on 22 August 2024 because Independent Hearing Panel was not satisfied that the policy was the most efficient and effective way of achieving its objectives. This means that there is no longer any council in New Zealand with inclusionary zoning policy.

The rationale behind inclusionary zoning is to allow the collection of funds to enable intervention in the market to provide affordable housing because this type of housing is effectively excluded from the urban environment as a result of the interaction between planning rules and market development feasibility. This issue is generally most prominent in greenfield areas where development is focussed on providing larger lots sizes and bigger dwellings which tend to be unaffordable for low income households. However, this outcome can also occur in brownfield areas, especially in the older suburbs that have additional protections which may discourage development (heritage, character, height, etc) and thus effectively exclude the development of affordable housing.

The application of inclusionary zoning can result in an increase in the cost of building housing as developers are required to pay an additional fee in the development process. This cost may be passed on to the households and hence have an impact on the affordability of new housing for the wider community (i.e. those who are on the right side of the continuum, who rent or own dwellings in the market). Also, in some instances developments will no longer be commercially viable as the developers may not be able to pass on the full costs of the inclusionary zoning.

The implications in terms of price increases or reduction in dwelling development will depend on the competition in the market and demands of the households that can afford dwellings produced by the market. First, economic literature shows that the demand for housing is general inelastic with respect to price, which means that a change in price results in a smaller change in quantity demanded.³⁸

Second, in terms of competition and supply, economic literature shows that housing supply is elastic, which means that a change in price results in a larger change in quantity supplied.³⁹ Broadly, across most of the main urban areas in New Zealand there has been a considerable increase in prices and the market has responded by increasing development activity. The most recent research shows that housing shortages have eased considerably and in Canterbury there is an estimated housing surplus.⁴⁰

³⁷ If subdivision of less than 20 lots then 5% of lot sales price or 2% of sales value of additional dwellings. If greater than 20 lots then 5% of serviced lots to transferred.

³⁸ Motu Economic and Public Policy Research (2019) Housing markets and migration – Evidence from New Zealand.

³⁹ Motu Economic and Public Policy Research (2019) Housing markets and migration – Evidence from New Zealand.

⁴⁰ NZIER (2023) Assessing housing shortages in New Zealand.

It is likely that the housing market in GCU area will be relatively competitive, which means that most of the increase in costs caused by an inclusionary zoning policy would be passed on via increases in sale prices and there would be limited reduction in development activity.

In GCU area it is likely that demand for housing is inelastic and housing supply is elastic, which means most of the impact of the inclusionary zoning policy will be on sales prices in the market and less reduction in market development activity.

Also, to some extent the potential reduction in market development activity may also be offset by the affordable housing provision enabled by the inclusionary zoning policy. This outcome is commonly referred to as the crowding out effect, whereby government policy (i.e. tax and then investment in affordable housing) could drive down market activity. This aspect of the inclusionary policy would need to be considered to ensure that the provision of affordable housing is commensurate to the level of housing need.

However, it is likely that house prices within the market will increase to some extent and that market development continues. Broadly, middle and high income households which purchase market housing would face higher prices for their housing but for the most part they will still be able to afford the dwellings that are being developed. Currently, the development market is not providing new affordable housing so the net impacts of the policy on the affordability for low income families could potentially be positive, assuming that inclusionary zoning funding allows the CHPs to provide more affordable housing.

Inclusionary zoning has been adopted in many urban areas in Australia, United Kingdom and America with contributions ranging from 10% to 30% of development.⁴¹ However, it may be that the share of contributions collected in these urban areas reflect the larger role of local government and/or limited role of federal government in providing affordable housing for the community.

This compares to New Zealand, where the majority of the provision of affordable housing has been managed by central government (Kāinga Ora) and non-government (CHPs), with a comparably small role for local council.⁴² If inclusionary zoning policy with a contribution of 10-30% of development was adopted in GCU area then it would result in a large shift in the management of affordable housing. If this level of contribution was adopted, then GCP councils would collect sufficient funds to potentially allow CHPs to build thousands of affordable houses each year which would represent a large share of total development activity and result in the CHPs having a much larger role in the provision of housing. This level of intervention has not been assessed in this report, and given the scale it would likely need to be considered in the context of the national policy.

⁴¹ Australian Housing and Urban Research Institute (2018) Planning mechanisms to deliver affordable homes.

⁴² Albeit, that CCC has had a significant role which is unusual in the New Zealand context.

2.3 Action 4: Incentives to develop affordable housing

The purpose of Action 4 of the JHAP is to investigate and test incentives to develop affordable housing. The examples that have been investigated in this research are density bonuses, targeted rates, local government support for CHPs, rates concessions for CHPs, and planning concessions for CHPs.

2.3.1 Density bonuses for CHPs

In some jurisdictions a development bonus has been used to create incentives to encourage private developers to include public good outcomes in their developments (including affordable housing). As an example, if the developer includes a certain share of dwellings that are affordable then they may be allowed to build more densely or to a greater height, than is allowed within the zone. This type of incentive is relatively rare in New Zealand.

Within the GCU area there is limited potential for this type of incentive to be applied because the planning framework already provides for density that is much greater than what exists or is likely to be developed in the coming decades within most of the urban area. Importantly, under the current legislation all residential zones within the Urban Environment are required to have Medium Density Residential Standard (MDRS) as a minimum⁴³ and there are also intensification requirements within the NPS-UD for Commercial Centres and higher density within a walking distance of the larger centres/rapid transport⁴⁴.

Firstly, the MDRS standard allows three dwellings up to three levels on residential sites, which means a density of up to 50-60 dwelling per hectare of land could theoretically be achieved (Figure 2.4). The MDRS had immediate legal effect and applies to most of the residential land (greenfield and brownfield) in Selwyn⁴⁵, is soon to be adopted in Waimakariri⁴⁶ and is recommended to apply to much of the urban area of Christchurch⁴⁷.

⁴³ Enabling Housing Supply Act 2021.

⁴⁴ National Policy Statement on Urban Development 2022, Policy 3.

⁴⁵ Partially Operative Selwyn District Plan 2023: Rolleston, Prebbleton and Lincoln.

⁴⁶ Variation 1 Waimakariri District Plan 2024: Rangiora, Kaiapoi, and Woodend/Pegasus.

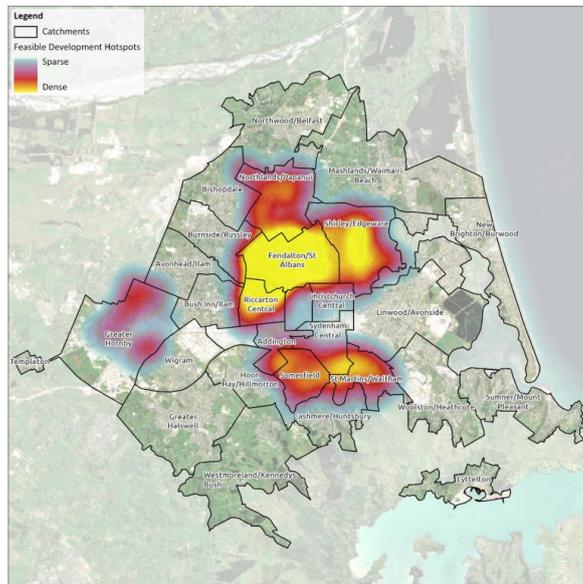
⁴⁷ Plan Change 14 Commissioner Decision 2024: includes recommendations on MDRS.

Figure 2.4: Example MDRS Density – 1-31 Wyndham Mews, Rolleston



For most of the residential land within the GCU area the market is currently achieving densities much lower than permitted by the MDRS. Moreover, the modelling of feasibility conducted for NPS-UD suggests that MDRS densities are not likely to be achieved by the market in the coming decades within most of the GCU area (see Figure 2.5).⁴⁸ Therefore, it is likely that a density bonus within most of the residential zoned areas of the GCU would not have a material impact on developer decisions and hence have limited potential to incentivise the provision of affordable housing.

Figure 2.5: Heat map of medium density residential feasible capacity



⁴⁸ Formative (2023) Selwyn Capacity for Growth Model 2022.
Formative (2023) Waimakariri Capacity for Growth Model 2022.
The Property Group (2022) New Medium Density Residential Standards (MDRS) Assessment of Housing Enabled.

CCC has completed a planning process (Plan Change 14) to implement the intensification requirements of the NPS-UD, which required the council to increase height limits in the commercial zones and to provide High Density Residential (HDR) up to 6 levels within walking distance of the CBD, Metropolitan Centres and rapid transit stops. Plan Change 14 decision was released 30 July 2024 and some aspects of the decision will be considered by Council on the 4 September 2024.⁴⁹

The increases in density enabled by Plan Change 14 are also large and for the most part the market is unlikely to achieve the densities or heights enabled within the commercial or HDR zoned areas. However, the feasibility assessment undertaken for PC14 indicates that residential apartments become more feasible as development height increases.⁵⁰ Also that apartments that are affordable are not being delivered in Christchurch and there is a shortfall of affordable housing in the Central City.⁵¹ In the modelling, residential apartment development in the CBD of 10 levels was estimated to have a small positive profit margin (2.4%), but that affordable apartments were not profitable (loss of -6%). In the CBD fringe the residential apartments with 10 levels have a larger profit margin (12%) and affordable apartments become profitable (4%). In the Outer commercial and HDR zone areas neither the market or affordable apartments generate a positive profit. Broadly, the assessment indicates that there is a positive relationship between residential apartment height and profit margin.

ŌCHT has investigated the development of residential apartments to provide affordable housing.⁵² However, these projects were not feasible because of the costs of lifts, services, and other construction costs which meant that it would have been too costly relative to the rents received from affordable housing. They consider that feasibility of affordable housing may occur at heights above 6 levels.

To illustrate this point, Figure 2.6 shows the commercial feasibility estimates from the PC14 research for the three areas (City Central, City Fringe and Outer), for market and affordable housing (solid lines in the graphs). A linear extrapolation of the profit margins is shown for levels above those tested, i.e. 12-16 levels. The figure shows that the development of market apartments could become commercially viable (i.e. attain a sufficiently positive profit margin) if development height is increased. Also that affordable apartment development also become viable (i.e. a positive profit margin for CHP).

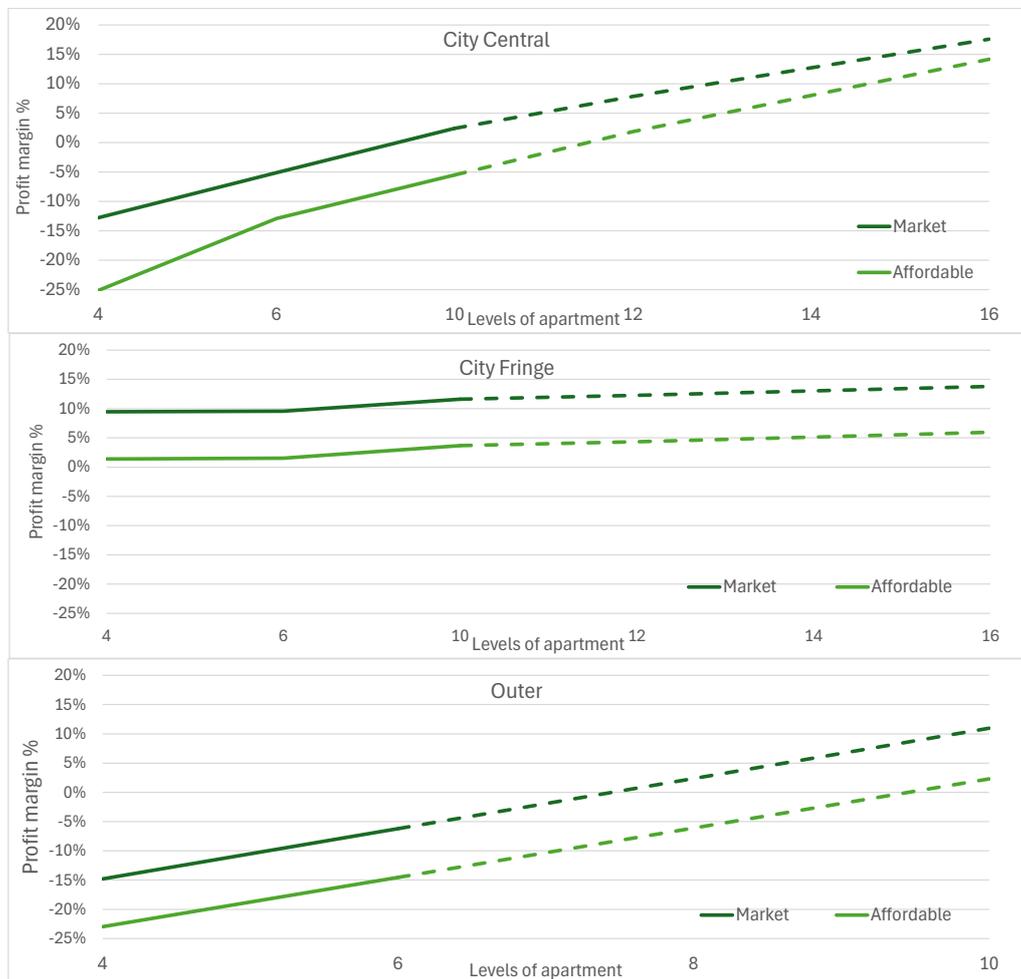
⁴⁹ Christchurch City Council (2024) Council to request more time for Plan Change 14 decisions, press release 21 August.

⁵⁰ The Property Group (2022) High Density Residential Feasibility Assessment.

⁵¹ Christchurch City Council (2021) Central City Residential Programme (Project 8011): Supporting alternative housing approaches and projects.

⁵² Ōtautahi Community Housing Trust (2024) Interview, data and information.

Figure 2.6: Residential apartment feasibility – City Central, City Fringe, and Outer (Market and Affordable)



While it is beyond the scope of this research to assess feasibility, there is potentially a point at which the height of apartment developments could be increased to incentivise the development of both market and affordable apartments in the commercial zones and HDR zone. Currently under the planning framework it is likely that most apartment developments within the commercial zones and HDR zone will tend to be premium/market and not affordable to most of the community. As an example, CCC staff have recommended in the past that investigations be undertaken with developers to establish the optimal framework that could encourage affordable developments within central city⁵³, and these ongoing investigations could be extended to other HDR areas in Christchurch.

⁵³ Christchurch City Council (2020) Christchurch Momentum Committee - Central City Residential Programme. Supply and demand for homes in the Central City; incentives and other mechanisms.

Nevertheless, there could be an opportunity to encourage the development of affordable apartments by enabling more height within some of the commercial zones and HDR zone via providing a height bonus - that allows developers to increase height over the District Plan maximum, if the development includes affordable housing.

Also, there is potential for additional development intensity to be encouraged along existing public transport corridors or near future Mass Rapid Transit stops.⁵⁴ In these locations there may be opportunities for the GCP to encourage more affordable development via density bonuses which could be investigated further.

2.3.2 Targeted Rates

Local governments are allowed to charge rates to cover the costs of the provision of services for the community. Rates are collected from the entire community, which means that funding for the provision of affordable housing could be collected using a low rate per household.

The Local Government (Rating) Act 2002 allows councils to collect rates from the community as a general rate (s13), uniform general rate (s15), or a targeted rate for a specific purpose (s16). The first two rates option are used by councils to fund general activities and represent most of the activities undertaken by councils. The targeted rate option tends to be more specific and tied to a particular activity or geographic location.

For example, CCC has a targeted rate of \$6.52 per separate dwelling to cover the rebuild of the Cathedral. This funding was calculated to cover the costs to CCC which are directly associated with the Cathedral rebuild, and which is ringfenced for this purpose. This ensures that the funding is used only for the intended activity and also meets the identified need.

While the GCP councils could use general rates or uniform rates to provide funding for more affordable housing, this would run the risk that not enough funding is collected to meet the needs or alternatively that funds collected for affordable housing is diverted to other activities.

The use of a targeted rate that is specifically calculated and tied to affordable housing provision would mean that the councils would have to provide a funding impact statement on the issue (s16(1)). This would encourage debate about the role of the councils in the provision of affordable housing. Currently no other council in New Zealand has adopted a targeted rate for affordable housing.

⁵⁴ QTP, Boffa Miskell, Aurecon, WSP (2024) Christchurch Mass Rapid Transit Early DBC Investigations.

2.3.3 Council support for CHPs

Another available policy option would be for the GCP councils to increase their support of the CHPs. This could be either via providing additional funding, land, or access to loan facilities, which could result in more affordable housing being supplied within GCU area.

As an example, CCC was the first local authority in Aotearoa New Zealand to provide social housing and has been providing affordable accommodation to low-income residents of Ōtautahi Christchurch for over 80 years.⁵⁵ In 2016 CCC established ŌCHT as a charitable trust which manages the Council's social housing portfolio.⁵⁶ Crucially, ŌCHT (as a CHP), unlike the Council, is able to access the Government's Income-Related Rent Subsidy (IRRS) which allowed ŌCHT to receive income equivalent to market rents.⁵⁷

CCC Housing Accord commitments required it to capitalise the Trust with \$50m of assets (land and buildings). The Council resolved that the \$50m would comprise \$5m of gift and \$45m as an interest free loan only to be repaid to Council in the event of the Trust winding up.

Also the Trust has a \$55m development loan agreement with CCC.⁵⁸ The interest on the loan is set by reference to the council Local Government Funding Agency debt costs, which is considerably lower than either the interest rates offered by commercial banks or other financiers.⁵⁹ This allows the trust to borrow at a much lower interest rate than the market rate, which means that it can develop housing which is more affordable.

Selwyn District Council (SDC) and Waimakariri District Council (WDC) have not directly supported CHPs via funding, land, or access to loan facilities. Historically, Selwyn and Waimakariri have had very high levels of private home ownership and limited supply of social housing. The GCP research clearly identified that despite a relatively high home ownership rate, the number of households facing 'housing stress' has been increasing in recent years and is likely to continue to steadily increase over time.⁶⁰ The research also highlighted unmet housing needs which were likely to create significant hardship if left unaddressed.

WDC adopted a Housing for the Elderly Policy in 2016, and the Council currently owns and operates 112 elderly housing units.⁶¹ In 2023 the Council released a draft housing policy for consultation and is

⁵⁵ Christchurch City Council (2021) Community Housing Strategy.

⁵⁶ Ōtautahi Community Housing Trust (2024) Consolidated Financial Statement.

⁵⁷ The Ministry of Housing and Urban Development (HUD) pays an Income-Related Rent Subsidy (IRRS) to registered housing providers to cover the balance between the tenant's rental payment and the market rent for the property. However, IRRS is under review and new applications for new funding have been capped.

⁵⁸ Ōtautahi Community Housing Trust (2024) Consolidated Financial Statement.

⁵⁹ Local Government Funding Agency (2024) Tender Results History Data.

⁶⁰ Livingston and Associates Ltd (2021) Housing Demand and Need in Greater Christchurch.

⁶¹ Waimakariri District Council (2016) Housing for the Elderly Policy.

proposing to take on a bigger role in providing affordable housing,⁶² and providing support to CHPs is an opportunity which is being considered.⁶³

SDC owns and manages a small number of rental houses in various parts of the district including a small Elderly Persons Housing facility in Darfield, with a total of 15 units.⁶⁴ The ownership and management of SDC's rental housing portfolio was historically founded on the inheritance of a number of dwellings provided for previous Council activities where services were undertaken on an "in house basis" and these are typically located adjacent to or on former Council depot sites. It is not a core role of SDC to provide community housing and the Council has elected not to directly intervene to provide community housing.⁶⁵

SDC has the Selwyn District Charitable Trust which holds and distributes funds to support and encourage Selwyn District Council's provision of public services and amenities for the benefit of the public. However, the trust has distributed all of its funds and appears to have no housing role.⁶⁶

The provision of affordable housing could be further encouraged by the GCP councils by providing additional equity (either funding or land) or additional access to cheaper finance via the Local Government Funding Agency to CHPs. The support that ŌCHT receives could be extended to other existing CHPs (e.g. Ngai Tahu - Nōhaka Rau, Habitat for Humanity, Christchurch Methodist Mission) or alternatively new providers could be developed by SDC and WDC to meet the needs in these areas.

2.3.4 Rates remission for CHPs

CHPs pay annual rates on their properties according to the standard rates policy. This cost erodes their overall pool of equity and impacts the amount of borrowing that they can sustain, both of which reduces their ability to invest in more housing.

Most councils provide rates remissions to properties owned and used by not-for-profit community or sports organisations that, in the Council's opinion, provide a significant public good by their use of the land. As an example, CCC provides remission on rates to community-based organisations to support the benefit they provide to the wellbeing of the community. The extent of remission is at the discretion of the Council and may be phased in over several years.

⁶² Waimakariri District Council (2023) Draft Housing Policy – for consultation.

⁶³ Waimakariri District Council (2024) Property Management team interview.

⁶⁴ Selwyn District Council (2024) Rental Housing.

⁶⁵ Selwyn District Council (2018) Social Housing Policy Plan.

⁶⁶ Selwyn District Charitable Trust (2021) Statement of Intent 2021-24.

Currently, the average rates that CHPs are paying is likely to be over \$2,000 per dwelling and could be over \$4m per annum in aggregate, based on the number of social houses held by the CHPs within the GCU area.

2.3.5 Planning concessions for CHPs

Planning concessions could be used to incentivise the development of more affordable housing. This could either be a reduction in direct application costs associated with consenting or trade-offs relating to reduced design or development requirements. Both of those options could reduce the costs associated with development and enable the delivery of more affordable housing by CHPs.

As an example, CCC already has a policy that provides a discount to social and community housing providers for resource consent fees.⁶⁷ Currently there is a 25% discount available for not-for-profit community organisations and social/community housing providers because of the public good they provide. Fees can be discounted up to a maximum of \$5,000 for social and community housing providers and \$2,500 for other organisations. Applicants pay the normal deposit when the application is lodged, and the discount is applied when processing has been completed and the final fees are calculated. However, there has been limited uptake of this discount with 6 applications since 2020.⁶⁸

Potentially, other fees could also be discounted or changed to further incentivise development of affordable dwellings by CHPs. As an example, under the Building Act 2004 the Building Consent fees are set according to the estimated value of building works.⁶⁹ Generally, councils have fee schedules that are relatively uniform, with the building consent fee being broadly similar across the value range of buildings. The building consent fee set in CCC is \$1,750 for dwellings with a build cost under \$300,000, \$1,900 for dwellings between \$300,000 to \$500,000, and \$2,500 for works over \$500,000.⁷⁰ The difference between the lowest and highest fee is \$750 which means that the CHPs that build lower cost dwellings will tend to pay a similar cost for building consents as market or premium developers. The flat structure of the schedule of fees means that building consent fee will represent a larger share of the total build cost for affordable houses (around 1% or more) as compared to market or premium houses (less than 0.5%).

There are also fixed inspection fees which do not vary according to the nature or value of the building works. These fees will represent a higher share of build costs for CHPs than the market or premium developers.

⁶⁷ Christchurch City Council (2024) Resource Management Fee Schedule 2024-25.

⁶⁸ Christchurch City Council (2024) Resource Management social and community housing discount data.

⁶⁹ Building Act 2004 s53(2)(a).

⁷⁰ Christchurch City Council (2024) Building Consent Fee Schedule 2024-25.

2.4 Action 5: Development contribution rebates for CHPs

The purpose of Action 5 is to explore CCC's approach to development contribution rebates for social housing and papakāinga. Councils in New Zealand can collect funds from developers to recover the costs of infrastructure which is built to enable new development, either as a Development Contribution or a Financial Contribution.

CCC has had a Development Contribution Rebate Policy in place since 2015, and the current policy was adopted by the Council in December 2019. The Policy enables the Council to establish development contribution rebate schemes to encourage development that helps the Council to achieve strategic objectives that have community-wide benefit. The Council currently has two rebate schemes available, Social housing development and Papakāinga/Kāinga Nohoanga development.⁷¹

The current rebate scheme has a limit of \$2.5m over the period January 2023 to June 2027, and as of May 2024 it has been applied to 20 developments and a total of 122 dwellings.⁷² Over the period that the scheme has operated there has been 194 new social houses built by CHPs.⁷³ This suggests that around two-thirds of new social houses received a development contribution rebate. The scheme provides 100% rebate and to date the average rebate has been around \$8,000 per dwelling.

However, the Social Housing Rebate Scheme policy requires a covenant to be placed on the specific property at the CHPs' cost. The covenant reduces the value of the land and impacts the CHP borrowing capacity because of this. In some cases, the property value lost because of the covenant has outweighed the benefit of the rebates and deterred greater application/use of the rebate scheme in its current structure.⁷⁴

Other councils in New Zealand also provide reductions in development contributions. As an example, Western Bay of Plenty Council (WBOPC) provides full discount to CHPs or papakāinga developments.⁷⁵ The WBOPC district plan also allows for discount of the contribution for all developments if the density achieved is higher than the average lot size within the zone (20%) or a special assessment is provided (50%).⁷⁶ The WBOPC policy extends to include some market developments and could incentivise the development of more affordable housing.

⁷¹ There had been three other schemes under the policy, which have now been closed, Central City Residential Rebate Scheme, Central City Non-residential Rebate Scheme, and Small Stand-alone Residential Unit Rebate Scheme.

⁷² Christchurch City Council (2024) Development Contribution Rebate Policy.

⁷³ Ministry of Housing and Urban Development (2024) Public Housing in 30 June 2024 Christchurch.

⁷⁴ Ōtautahi Community Housing Trust (2024) Interview, data and information.

⁷⁵ Western Bay of Plenty Council (2024) Proposed schedule of financial contributions 2024/25.

⁷⁶ Western Bay of Plenty Council (2024) District Plan – s11.5.2.

3 Housing affordability policy options

The third step in this research was to establish a range of policy options that could be adopted by the GCP to influence the provision of affordable dwellings. This section draws information from GCP and literature reviewed to define fourteen policy options. This is a fundamental step in the economic assessment, as a core step of policy assessment is to define the counterfactual and alternative options that will be used in the remainder of the assessment.

The scope of this research was to define and test fourteen policy options as follows:

- ❖ Six inclusionary zoning options for Action 3 of the JHAP.
- ❖ Five incentives options to encourage affordable housing for Action 4 of the JHAP.
- ❖ Three development contribution rebates options for Action 5 of the JHAP.

It is important to note that national policy settings can have significant influence on affordability and the housing market in the GCU area. The ‘housing crisis’ has resulted in consecutive governments implementing a range of national policy changes which have been intended to alleviate the issue. This report assumes that these settings do not change in the future. It is acknowledged that it is highly likely that national policy settings will continue to change and that this will influence affordability outcomes in the GCU area. However, it is beyond the scope of this study to second guess the future national policy settings or the potential implications of these.

3.1 Counterfactual – Baseline

The counterfactual is used as the baseline from which alternative options are tested, i.e. relative to the counterfactual does the option produce a better outcome (greater benefits than costs)? The correct definition of the potential options, including counterfactual and alternative options, is vital as it directly impacts the range of costs and benefits examined, and the resulting quantum.

Generally, the counterfactual is defined as a ‘do nothing’, ‘baseline’, ‘do minimum’, or ‘status quo’ scenario, whereas the alternative options allow for intervention or change. While this step may seem relatively uncontroversial, the definition of the options is not always straightforward. For this report it is assumed that the level of provision of housing affordability continues as is currently achieved in the GCU area. This means that affordability outcomes continue to deteriorate within the wider market, as estimated within the previous GCP housing needs research.⁷⁷

However, the CHPs and Kāinga Ora are assumed to continue to build new public and social houses at the rate observed since 2020, which means that CHPs build 180 new social houses per annum and

⁷⁷ Livingston and Associates Ltd (2021) Housing Demand and Need in Greater Christchurch.

Kāinga Ora builds 240 new public houses per annum.⁷⁸ The baseline will be dependent on government policy, both in terms of the role of Kāinga Ora and funding for CHPs, which is likely to change in the future. As a result, the number of households accommodated in this part of the housing continuum could increase to over 13,100 by 2034, which is an increase from 4.3% of all households in 2024 to 5.5% of all households by 2034.

3.2 Action 3 policy options: Inclusionary zoning

For Action 3 the policy options are defined to investigate a range of inclusionary zoning that could be applied within GCU area. The options differ in terms of either having direct provision of land/dwellings or alternatively a monetary contribution, also they differ in terms of which type of development is subject to the policy, i.e. all development or a subset of development. The contribution rates have been set based on the policy options in other jurisdictions, and to give a sense to the possible range of contributions.

For this research the following six options are proposed and assessed:

- ❖ **Monetary Contribution Low:** for this policy option it is assumed that for new standalone dwellings there is a monetary contribution charge that is equal to 1% of dwelling sales value. This option broadly represents a policy that is focused on low density development, either greenfield or infill, while not applying to intensification, and applies a low charge rate so is the lowest level of inclusionary zoning that may be applied.
- ❖ **Monetary Contribution Medium:** the medium policy option is based on the inclusionary zoning policy which was applied in Queenstown. For this policy option it is assumed that for new standalone dwellings there is a monetary contribution charge that is equal to 2% of a dwelling's sales value. This policy option is similar to the Low in terms of not applying to intensification development, however applying the same rate that was applied in Queenstown's inclusionary zoning policy.
- ❖ **Monetary Contribution High:** the high policy option is based on the inclusionary zoning policy which was recently proposed in Queenstown. For this policy option it is assumed that for all new dwellings (i.e. standalone and attached) there is a monetary contribution charge that is equal to 2% of dwelling sales value. This policy option is similar to the new policy proposed (and rejected) in Queenstown and can be viewed as the highest level of inclusionary zoning that may be applied.
- ❖ **Land/dwelling Contribution Low:** for this policy option it is assumed that developers of standalone dwelling are required to contribute 4% of land. This policy is similar to the Monetary Contribution Low, but the rate is collected at the point of subdivision or use of land rather than according to final dwelling value.

⁷⁸ Ministry of Housing and Urban Development (2024) Social and Public Housing 2017-2024 June Year End.

- ❖ **Land/dwelling Contribution Medium:** for this policy option it is assumed that developers of standalone dwellings are required to contribute 5% of land, which is broadly consistent with the inclusionary zoning policy which was applied in Queenstown. This policy is similar to the Monetary Contribution Medium, but the rate is collected at the point of subdivision or use of land rather than according to final dwelling value.
- ❖ **Land/dwelling Contribution High:** the high policy option is based on the inclusionary zoning policy which was recently proposed in Queenstown. For this policy option it is assumed that all developers (i.e. standalone and attached) are required to contribute 5% of land. This policy is similar to the Monetary Contribution High, but the rate is collected at the point of subdivision or use of land rather than according to final dwelling value.

While it is beyond the scope of this report to assess housing needs, the inclusionary zoning rate should be set at a level that would collect sufficient funds to meet the identified needs of the community.⁷⁹ This need could be estimated by comparing the affordability of housing (calculated mortgage repayments or rents) as compared to the household incomes to establish how many affordable dwellings are required.⁸⁰ However, the most recent data on household incomes is from census 2018, with new data from the census 2023 is not available until late 2024, which means that estimation of needs using current data may not reflect the actual needs. If an inclusionary zoning policy option is progressed to Phase 2 of the JHAP then it would be sensible to commission an update of the housing needs assessment which would then be used as the basis for setting the rate that could be adopted.

Additionally, for the CHPs and developers the nature of contribution policy may produce different outcomes. As an example, it may be easier or more effective for developers to pay monetary contribution as this would mean that their development can occur as “normal”. Conversely, if a developer has to provide land or dwellings then this could impact the model of their development. For CHPs, the monetary contribution may allow more flexibility in terms of allowing the providers to choose how and where the funds are used. If an inclusionary policy is progressed to Phase 2 then it would be sensible for GCP partners to canvas the views of developers and CHPs to establish the difference between the contribution methods, or whether a combination of the contribution methods could produce a better and more flexible outcome.

3.3 Action 4 policy options: Incentives

For Action 4 the policy options are defined to investigate a range of potential incentives that could be used to encourage the development of affordable houses by CHPs. The incentive policy options include density bonuses, targeted rates, local government support, rates concessions, and planning concessions.

⁷⁹ Australian Housing and Urban Research Institute (2018) Planning mechanisms to deliver affordable homes.

⁸⁰ Greater Christchurch Partnership (2024) Affordability in Greater Christchurch – Step One Draft.

For this research the following five options are proposed and assessed:

- ❖ **Incentives Density Bonus:** for this policy option it is assumed that affordable housing developments in the HDR zone and commercial zones of Christchurch could receive an allowance to build beyond the heights in the district plan. This bonus development density could result in affordable apartments becoming feasible within the inner parts of Christchurch. For this assessment it is assumed that apartment developments that contain affordable housing can increase above the permitted heights in commercial or HDR zone within Christchurch to appoint at which affordable housing represent one in ten of apartments developed in GCU area.
- ❖ **Incentives Targeted Rate:** for this policy option it is assumed that CCC, SDC, and WDC ratepayers are charged a targeted rate of \$20 per annum to be used for the development of affordable housing in the GCU area. This would amount to around 0.05% increase in average rates bill or less than 40c per household per week.
- ❖ **Incentives Local Government Funding:** for this policy option it is assumed that each of the GCP councils provide additional loan facilities to CHPs via Local Government Funding Agency, and sufficient implied capital to support the use of the loan facility to ensure development of affordable housing. For this option the GCP councils would provide an additional loan facility of \$28m and an implied contribution of around \$23m of additional capital (via land, buildings, or cash).
- ❖ **Incentives Rates Concession:** for this policy option it is assumed that the CHPs receive a concession from CCC, SDC, and WDC which means that they are not required to pay rates for their existing or new affordable housing. This would be equivalent to over \$4m of rebates every year and would grow as more dwellings are built by CHPs and the existing dwellings stock of CHPs change in value.
- ❖ **Incentives Planning Concessions:** for this policy option it is assumed that the CHPs receive a concession from CCC, SDC, and WDC which means that they are not required to pay for planning fees (resource consent, building consents, inspection, etc.). This is assumed to be a value of \$5,000 per new dwelling built, which would be equivalent to less than \$1m of concessions every year (above what is already provided within the existing concessions policy in CCC).

3.4 Action 5 policy options: Development contribution rebates

For Action 5 the policy options are defined to provide an understanding of the range of potential outcomes that could be achieved via a policy that provides a rebate on development contributions to CHPs for new affordable housing built. These policies will reduce the direct costs to CHPs associated with building affordable housing.

For this research the following three options are proposed and assessed:

- ❖ **Development Contribution Policy Low:** this policy option would retain the current rebate policy in Christchurch, and also apply a rebate to all new affordable housing in Selwyn and Waimakariri. For the Low policy options the rebate is assumed to be 20% below the average, to account for the differences in the development contributions across the catchments in the GCU area (i.e. some locations have lower development contributions).
- ❖ **Development Contribution Policy Medium:** this option would expand CCC's development contribution rebates policy for affordable housing to all councils, which would mean a full rebate of development contributions if the CHP registers a covenant on the new dwellings that they will be retained as affordable rentals. For the Medium policy options the rebate is assumed to be equal to the average received by CHPs in Christchurch.
- ❖ **Development Contribution Rebate High:** this option would be the same as the previous option but would provide a rebate to all affordable housing. For the High policy options the rebate is assumed to be 20% above the average, to account for the differences in the development contributions across the catchments in the GCU area (i.e. some locations have higher development contributions).

These policy options assume that the rebated applies to all development undertaken by CHPs, regardless of the type or location. Potentially the GCP councils could frame the policy to encourage CHPs to develop in certain locations (i.e. redevelopment) or type (i.e. higher density). This level of refinement has not applied in the existing CCC policy, and has not been investigated in this report.

4 Affordable housing outcomes

The focus of this assessment is to provide an understanding of the affordable housing outcomes associated with policy options that the GCP councils could implement. The core step of the research was to quantify the affordable housing outcomes, using a static assessment method that calculates the number of dwellings that could be delivered, and the households that could be accommodated.

As noted above, there are many demand and supply aspects, and policy settings which significantly impact the housing market and affordability outcomes and for many of these the GCP councils have no influence. The following assessment is static and does not attempt to estimate the potential implications of changes in these other important aspects of the housing market. The model simply quantifies a 'what if' scenario of the future, whereby GCP councils are able to implement the stated policy, and does not assess the impacts of changes to these other aspects of the housing market.

To be specific the assessment holds everything else equal, which allows us to isolate the impacts of the policy options. However, it is important to note that changes are likely to occur (i.e. interest rates, migration, etc) which can be expected to significantly impact the provision of affordable housing and affordability in the wider market. These impacts are not modelled in this report and would require separate research.

4.1 Affordable housing provision

Most of the policy options defined in this research result in the CHPs being given discounts or additional funding, both of which will mean that the CHPs will be able to provide more affordable housing than is shown in the baseline counterfactual.

As noted in section 3.1, based on the past data from HUD that the CHPs have been developing around 180 new social houses per annum. This provision of housing is assumed to continue in the baseline and is assumed to be unaffected by the policy options. However the baseline will be dependent on government policy, and funding for CHPs, which could change in the future.

For the assessment of the other policy options, the following parameters are used to quantify the additional affordable housing that could be developed. These parameters were drawn from information, data, and meetings with ŌCHT.⁸¹ Based on the ŌCHT development model the following is assumed for the additional affordable housing that could be developed as a result of the policy options:

- ❖ **Build Costs:** are assumed to be the same as average build costs provided by ŌCHT.

⁸¹ Ōtautahi Community Housing Trust (2024) Interview, data and information.

- ❖ **Land Value:** are assumed to be the same as average land value of ŌCHT existing stock.
- ❖ **Loan (and Equity):** a loan to value ratio of 50-65%, which means an assumed equity of at least \$200,000 is required per dwelling.
- ❖ **Capacity Service Agreement:** new social houses are built under contract to central government.⁸² These agreements set out commercial terms on which the central government agrees to fund and procure affordable housing for eligible tenants.⁸³
- ❖ **Retained Affordable:** the new social houses are rented to households at 25% of their net income or retained via a Progressive Home Ownership scheme⁸⁴.
- ❖ **Finance Costs:** the loans are provided via Local Government Funding Agency, which has interest rates that are much lower than what a normal developer can access. Most recently the interest rates achieved in the tenders ranged from 4.24-4.67%.⁸⁵

These parameters are applied to establish how many additional affordable houses could be delivered for each of the policy options.

4.2 Affordable housing outcomes

For this assessment the affordable housing outcomes have been estimated for the next ten years (2025-2034). Figure 4.1 shows the baseline number of households and housing needs projected in GCP which are drawn from the GCP Housing needs assessment⁸⁶ and the assumed numbers of public and affordable housing under the counterfactual – i.e. baseline. The role of public and social housing increases and reaches 32% of projected housing needs by 2034. The share of projected housing needs accommodated in social housing provided by the CHPs increases from 8% in 2025 to 10% in 2034.

⁸² Ministry of Social Development (2018) Template New Supply Development Funding and Capacity Services Agreement.

⁸³ The Capacity Service Agreements are replacing standard IRRS. The agreements only apply to new dwellings, are long term (25 years) encumbrance, and guarantee the CHP a market rent (i.e. IRRS) plus a top up payment to cover the total costs of the development.

⁸⁴ The household has a loan to purchase the building and also pays a ground rent for the land. There is a right to occupy for 100 year and ŌCHT has a first right to buy the building back at cost plus inflation (CPI).

⁸⁵ Local Government Funding Agency (2024) Tender Results History Data.

⁸⁶ Livingston and Associates Ltd (2021) Housing Demand and Need in Greater Christchurch.

Figure 4.1: Households in GCP and social housing (baseline)

Households	2025	2028	2031	2034
Waimakariri	29,000	30,800	32,600	34,340
Chirstchurch	163,840	168,140	172,400	176,120
Selwyn	28,522	30,940	33,400	35,980
Total GCP	221,362	229,880	238,400	246,440
Housing Need (Emergency, Social, Assisted)	40,313	42,420	44,079	45,738
Social Housing				
Kāinga Ora	7,719	8,439	9,159	9,879
Community Housing Providers	3,068	3,608	4,148	4,688
Total GCP	10,787	12,047	13,307	14,567
Share of housing need meet by social	27%	28%	30%	32%

The following assessment is conducted in 2024 dollar terms, which economists refer to as real terms. There are no adjustments for inflation that could occur in the future. It is acknowledged that there could be differences between the inflation for land value, build costs, dwelling sales prices, and incomes. However, the relative difference between the changes in inflation for each value is unlikely to be sufficiently different in the coming decade to warrant modelling in this indicative assessment.

As an example, there is likely to be general inflation in construction costs which means that it will become more expensive for CHPs to provide housing. However, general inflation will also result in increases in funds collected (or remitted) via the policy options which would offset the inflation in the cost elements. Therefore, outcomes may not be materially different whether or not inflation is included within the assessment.

Finally, it is important to note that the following calculation of affordable housing provided under each scenario is additional to the provision shown in the baseline (Figure 4.1).

4.2.1 Action 3 policy options: Inclusionary zoning

The inclusionary zoning policies as proposed and defined in this report could result in the collection of a large fund of money each year. This money would be provided to CHPs who will be able to build hundreds of additional affordable houses each year. Indicatively, as defined, the inclusionary zoning policy options could result in the collection of \$30m to \$100m per annum. This funding could potentially enable CHPs to build an additional 140-470 dwellings each year.

The following steps and assumptions were applied to estimate the funds collected and the number of affordable houses that could be built:

- ❖ **Estimate Annual New Builds:** the inclusionary zoning policy options only apply to new builds, either new standalone or all dwellings which are built. Over the last 10 years there

was an average of 3,700 new standalone and 5,700 total dwellings consented each year.⁸⁷ For this indicative assessment it is assumed that this rate of development applies in the coming 10 years.

- ❖ **Estimate New Build and Land Value:** the funds collected in each policy option will be calculated as a share of dwelling or land value. In the last 12 months the average new build dwellings in GCP sold for \$804,000 and the average lot sold for \$342,000.⁸⁸ For this indicative assessment the average dwellings sale price and lot sale price are combined with the estimated annual new builds to establish the total New Build and Land Value.
- ❖ **Estimate Funds Collected:** the fee rate under each policy option is then multiplied by the appropriate Estimate New Build and Land Value to establish the total funds collected.
- ❖ **Additional Affordable Housing:** the CHPs are assumed to need equity of just over \$200,000 per house and that they finance the remainder of the build cost using a loan. Therefore, the number of additional affordable houses that the CHPs can provide is estimated by dividing the estimated funds collected by the amount of equity required.

This calculation is conducted each year and Figure 4.2 provides the running total of the final estimate of total new affordable housing that could be provided within ten years if the inclusionary zoning was applied as proposed and defined in the six policy options which have been defined to provide an understanding of the potential range of options. The results show that:

- ❖ **Monetary Contribution Low:** by 2034 the CHPs build an additional 1,441 dwellings and in total 13.4% of projected housings needs could be accommodated in affordable housing.
- ❖ **Monetary Contribution Medium:** by 2034 the CHPs build an additional 2,882 dwellings and in total 16.6% of projected housings needs could be accommodated in affordable housing.
- ❖ **Monetary Contribution High:** by 2034 the CHPs build an additional 4,439 dwellings and in total 20.0% of projected housings needs could be accommodated in affordable housing.
- ❖ **Land/dwelling Contribution Low:** by 2034 the CHPs build an additional 2,448 dwellings and in total 15.6% of projected housings needs could be accommodated in affordable housing.
- ❖ **Land/dwelling Contribution Medium:** by 2034 the CHPs build an additional 3,060 dwellings and in total 16.9% of projected housings needs could be accommodated in affordable housing.
- ❖ **Land/dwelling Contribution High:** by 2034 the CHPs build an additional 4,714 dwellings in GCU area and in total 20.6% of projected housings needs could be accommodated in affordable housing.

⁸⁷ Statistics New Zealand (2024) New Dwelling Building Consents.

⁸⁸ Corelogic (2024) Sales Prices – New Dwellings and Residential Lots, extracted 3rd September.

Figure 4.2: Action 3 policy options: inclusionary zoning – new affordable housing 2025-2034

Monetary Contribution	2025	2028	2031	2034
Low 1% of Standalone	144	576	1,009	1,441
Medium 2% of Standalone	288	1,153	2,017	2,882
High 2% of All Dwellings	444	1,776	3,108	4,439
Land/dwelling Contribution				
Low 4% of Land Value of Standalone	245	979	1,714	2,448
Medium 5% of Land Value of Standalone	306	1,224	2,142	3,060
High 6% of Land Value of All Dwellings	471	1,886	3,300	4,714

Under all six inclusionary zoning policy options the increase in affordable housing provided by CHPs would be substantial compared to the existing role of the CHPs in GCU area. If this level of provision was to occur, then the CHPs would have a scale that is comparable to that of Kāinga Ora. It may be questionable whether a CHP or group of CHPs would have sufficient capacity to achieve the level of development suggested under these policy options.

4.2.2 Action 4 policy options: Incentives

The incentives policies as defined in this report could result in either funding for CHPs or incentivising the development of more affordable housing. This money would mean that CHPs will be able to build dozens of additional affordable houses each year. Indicatively, as defined, the incentives policy options could enable CHPs to build an additional 4-30 dwellings each year.

Each of the incentive policies operate differently, so the assessment of the affordable housing outcomes is conducted using different methods and as such are described separately.

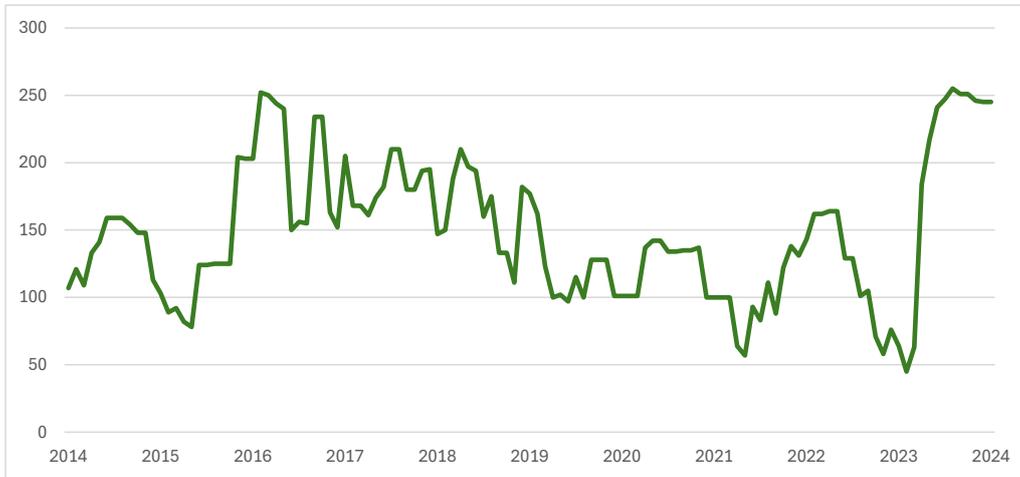
Incentives density bonuses for CHPs

The first incentive policy option, Density Bonuses, will influence the development of apartments within Christchurch and could increase the development of this type of dwelling. Therefore, a useful guide for understanding the potential influence of the density bonuses policy option is the past development of apartments in the GCU area.

Over the last 10 years there was an average of 150 new apartments consented each year.⁸⁹ Over the last 12 months the number of apartments consented increased to 250, however development activity is lumpy with a small number of larger developments causing peaks in activity. Therefore, it is likely that the activity from the past 10 years provides a better gauge on activity than the development observed in the past year.

⁸⁹ Statistics New Zealand (2024) New Dwelling Building Consents.

Figure 4.3: Greater Christchurch – apartment dwelling consents 2014-2024



Indicatively, if the Density Bonuses policy option was defined to increase the development of apartments by 10% and then this would mean an additional 150 affordable houses over the 10 year period.

Incentives targeted rate

The affordable housing outcomes for the second incentive policy option, Targeted Rate, was estimated by multiplying the projected number of households in the GCU area in each year (Figure 4.1) by the targeted rate of \$20 per household which gives a total fund of \$4.5-5m per annum over the ten year period. Based on the projected number of households in each territorial area (Figure 4.1), it is estimated that annually approximately \$0.7m would be collected from Waimakariri, \$0.7m from Selwyn and \$3.5m from Christchurch.

These funds are provided to CHPs, which are assumed to use all the funds to build affordable housing. Therefore, the number of affordable houses that the CHPs can provide is estimated by dividing the estimated funds collected by the assumed equity needed per dwelling.

This means that CHPs could build an additional 22 affordable houses per annum or just under 230 affordable houses over the coming 10 years.

Incentives local government funding

The affordable housing outcomes for the third incentive policy option, Local Government Funding for CHPs, was established by assuming that each of the GCP councils provide additional loan facilities from Local Government Funding Agency. It is assumed that the GCP councils also provide sufficient additional capital to enable the CHPs to use the additional loans to build more affordable housing.

The 2024 level of funding support was multiplied by the projected number of households in each future year (Figure 4.1). Based on the size of the community, this means that the GCP councils would need to provide an additional loan facility from the Local Government Funding Agency of \$28m in order to maintain the same support as currently exists in CCC. Also, this implies that the CHPs would need to be provided with additional capital of \$23m in order to be able to use the loan facility to build more affordable housing.

Again, these funds are provided to CHPs, which are assumed to use all the funds to build affordable housing. Therefore, the number of affordable houses that the CHPs can provide is estimated by dividing the estimated funds collected by the assumed equity needed per dwelling.

This means that CHPs could build an additional 113 affordable houses over the coming 10 years.

Incentives rates concessions for CHPs

The affordable housing outcomes for the fourth incentive policy option, Rates Concessions for CHPs, was estimated by multiplying the projected number of dwellings held by CHPs in each year (Figure 4.1) by the average rate of \$2,000 per dwelling which gives a total fund of \$2.2m in 2025 which increases to \$5.1m by 2034.⁹⁰

Based on the existing housing provided by CHPs in each territorial area and assuming that new houses provided by CHPs are developed in GCP pro rata according to housing needs in each territorial area, it is estimated that annual concessions could reach approximately \$0.4m for Waimakariri, \$0.2m for Selwyn and \$4.5m for Christchurch by 2034.

These funds remain with the CHPs and are assumed to be used by the CHP to fund new affordable housing. Therefore, the number of affordable houses that the CHPs can provide is estimated by dividing the estimated funds collected by the assumed equity needed per dwelling.

This means that CHPs could build an additional 18 affordable houses per annum or just over 177 affordable houses over the coming 10 years.

Incentives planning concessions for CHPs

The affordable housing outcomes for the fifth incentive policy option, Planning Concessions for CHPs, was estimated by multiplying the projected number of new dwellings built by CHPs in each year (which is calculated using the total in Figure 4.1) by the average concession of \$5,000 per dwelling which gives

⁹⁰ ŌCHT leases some houses from CCC. For these houses CCC pays the rates, therefore any concession on these properties would have no impact on the ability of ŌCHT to provide more housing.

a total fund of \$0.9m per annum. These funds remain with the CHPs and are assumed to be used by the CHPs to fund new affordable housing.

Based on the assumption that new houses provided by CHPs are developed in GCP pro rata according to housing needs in each territorial area, it is estimated that annual concessions could reach approximately \$0.1m for Waimakariri, \$0.05m for Selwyn and \$0.8m for Christchurch by 2034.

Again, these funds remain with the CHPs and are assumed to be used by the CHP to fund new affordable housing. Therefore, the number of affordable houses that the CHPs can provide is estimated by dividing the estimated funds collected by the assumed equity needed per dwelling.

This means that CHPs could build an additional 4 affordable houses per annum or 44 affordable houses over the next 10 years.

The calculations described above are conducted each year and **Error! Reference source not found.** provides the running total of the final estimate of total new affordable housing that could be provided within ten years if each of the incentives was applied as proposed and defined in the five policy options. The results show that:

- ❖ **Incentives Density Bonuses for CHPs:** by 2034 the CHPs could build an additional 150 dwellings and in total 10.6% of projected housings needs could be accommodated in affordable housing.
- ❖ **Incentives Targeted Rate:** by 2034 the CHPs could build an additional 227 dwellings and in total 10.7% of projected housings needs could be accommodated in affordable housing.
- ❖ **Incentives Local Government Funding:** by 2034 the CHPs could build an additional 113 dwellings and in total 10.5% of projected housings needs could be accommodated in affordable housing.
- ❖ **Incentives Rates Concessions for CHPs:** by 2034 the CHPs could build an additional 177 dwellings and in total 10.6% of projected housings needs could be accommodated in affordable housing.
- ❖ **Incentives Planning Concessions for CHPs:** by 2034 the CHPs could build an additional 44 dwellings and in total 10.3% of projected housings needs could be accommodated in affordable housing.

Figure 4.4: Action 4 policy options: incentives – new affordable housing 2025-2034

Incentives	2025	2028	2031	2034
Density Bonuses	15	60	105	150
Targeted Rate	21	87	156	227
Local Government Funding	79	91	102	113
Rates concessions for CHPs	10	51	107	177
Planning concessions	4	17	31	44

Under all of the five incentives policy options the increase in housing provided by CHPs is significant compared to the existing role of the CHPs in the GCU area. The targeted rates and rates concessions policy options would likely result in the largest increase in affordable housing provision. However, the density bonus and local government funding policy options would also potentially enable the development of hundreds of new affordable houses. Several of the incentives could be adopted together as a package, which in combination could result in more affordable housing than if each policy option was adopted in isolation, although the number of additional dwellings would not necessarily be the same as the sum of the individual options.

4.2.3 Action 5 policy options: Development contribution rebates

The Development Contribution policies as defined in this report would result in a reduction in costs for each dwelling constructed by CHPs. This reduction in costs would allow CHPs to be able to use this rebate to invest in more affordable housing. Indicatively, as defined, the development contribution remission policy options could result in a saving of \$0.6m to \$1m per annum. This potentially would enable CHPs to build an additional 3-5 dwellings each year.

The following steps and assumptions were applied to estimate the rebates paid and the number of affordable houses that could be built:

- ❖ **Estimate Annual CHPs:** currently the CHPs are paid rebates on around 80 dwellings per annum. If the rebates were extended to all CHPs developments, then the rebate could increase to cover an additional 100 dwellings per annum.
- ❖ **Estimate Rebates Paid:** the rebate under each policy option is then multiplied by the number of dwellings to establish the total refunds paid. For the medium policy option it is assumed that the rebate is the same as the average paid from the CCC scheme (\$8,000 per dwelling). For the Low and High policy options the rebate is assumed to be 20% above and below the average.⁹¹
- ❖ **Additional Affordable Housing:** the number of additional affordable dwellings that the CHPs can provide is estimated by dividing the estimated funds retained by the assumed amount of equity needed (\$200,000 per dwelling).

This calculation is conducted each year and Figure 4.5 provides the running total of the final estimate of total new affordable housing that could be provided within ten years if the Development Contribution rebates was applied as defined in the three policy options. The results show that:

⁹¹ Development contribution policies charge different rates depending on the catchment in which the dwelling is built. The Low at \$6,400 and High at \$9,700 provides an understanding of the potential lower and upper limit on the potential value of the remission, which will vary depending on where affordable housing developments occur within the GCU area and how the associated development contribution policies charge fees within the area spatially.

- ❖ **Development Contribution Remission Low:** by 2034 the CHPs could build an additional 31 dwellings and in total 10.3% of projected housings needs could be accommodated in affordable housing.
- ❖ **Development Contribution Remission Medium:** by 2034 the CHPs could build an additional 39 dwellings and in total 10.3% of projected housings needs could be accommodated in affordable housing.
- ❖ **Development Contribution Remission High:** by 2034 the CHPs could build an additional 47 dwellings and in total 10.4% of projected housings needs could be accommodated in affordable housing.

Figure 4.5: Action 5 policy options: development contribution rebates – new affordable housing 2025-2034

Development Contribution Rebates	2025	2027	2029	2031	2034
Low	3	9	15	22	31
Medium	4	12	20	27	39
High	5	14	23	33	47

Under the three Development Contribution rebates policy options the increase in housing provided by CHPs is relatively small compared to the existing role of the CHPs. However, this incentive could provide a positive increase in the supply of affordable housing and may become large if this policy option was paired with one or more of the other policy options.

5 Wider impacts of housing affordability policy

This section provides a qualitative discussion of the wider role and implications of the different Housing Affordability Policy Options, including social impacts, and changes to the housing market, and economic outcomes relating to:

- ❖ urban form,
- ❖ transport,
- ❖ infrastructure, and
- ❖ efficiency.

Importantly, the following qualitative discussion is provided as a guide or indication to the scale of the wider impacts, as the scope of this research did not include a full social and economic impact assessment. In all cases the discussion should not be viewed as a complete assessment, on which further research would be needed in Phase 2 of the JHAP to substantiate the points made in this assessment.

As noted above in section 2, previous economic assessments of housing policy suggests that the societal benefits from providing more affordable housing can be two or three times the costs of the investment. However, there will be a point at which the net impacts of providing more affordable housing may not be positive, meaning that GCP councils need to be careful to balance the provision of affordable housing to ensure that the marginal costs of an additional affordable house provided do not exceed the marginal benefits that accrue from the provision.

5.1 Social implications

Social and public housing plays a crucial role in promoting equity, health and safety, social mobility, cohesiveness, and connectivity within the community.

Affordable housing promotes equity by providing affordable housing options to low-income households. It ensures that groups in the community, regardless of their financial situation, have access to housing. This helps to reduce the socioeconomic divide, allowing people from different backgrounds to live in the same community, which can foster inclusivity, a sense of shared experience and access to shared community infrastructure.

Also, access to stable and affordable housing has a direct impact on community outcomes. Social and public housing reduces the stress and anxiety associated with housing insecurity, leading to better

mental and physical health outcomes for residents. Developments that are well-managed and integrated into the broader community help reduce homelessness and provide safer living environments.

Furthermore, social and public housing can be a stepping stone for economic mobility by providing a stable foundation from which residents can pursue education, job training, and employment opportunities. When individuals and families have affordable housing, they can allocate more resources toward improving their economic situation, such as investing in education or saving for the future. There is also more money available for recreational activities, including building social connections or participating in sports which can lead to good health wellbeing outcomes.

Affordable housing plays a crucial role in fostering cohesiveness and connectivity within communities. By providing affordable housing options, affordable housing initiatives can bring together people from diverse backgrounds and socioeconomic statuses. This diversity often leads to stronger community bonds, as residents interact more frequently, share common spaces, and collaborate on various neighbourhood activities.

In terms of social implications, the direct positive outcomes that could accrue from each of the Housing Affordability policy options have been discussed in section 4 and are not repeated. However, it is important to note that the policy options will all increase the supply of affordable housing relative to the baseline and can be viewed as being positive as it will contribute to the social outcomes discussed above.

Broadly, it is likely that the social outcomes from most of the policy options will be highly positive. This includes the inclusionary zoning which will result in substantial number of affordable houses and many of the incentives policies (density bonus, targeted rates, local government funding and rates concessions) which will provide significant numbers of affordable housing. While the planning concession and development contribution rebates policies provide a smaller number of affordable housing and hence a smaller social benefits outcome.

5.2 Housing implications

The NPS-UD is an important part of the planning framework in which the Housing Affordability policy options would be considered. In terms of housing implications, the NPS-UD requires councils to:

- ❖ Make planning decisions that improve housing affordability by supporting competitive land and development markets.⁹²
- ❖ Provide at least sufficient development capacity to meet expected demand for housing.⁹³

⁹² NPS-UD, Objective 2.

⁹³ NPS-UD, Policy 2.

❖ Enable a variety of homes that meet needs⁹⁴

First, in terms of affordability implications the direct positive outcomes that could accrue from each of the Housing Affordability policy options have been discussed in section 4 Affordable housing outcomes and are not repeated. However, it is important to note that the policy options will all increase the supply of affordable housing relative to the baseline and can be viewed as making positive contributions.

Additionally, there may also be indirect impacts on housing affordability via changes in the overall market. For most of the Housing Affordability policy options there will not be indirect effects on the provision of affordable housing by the market (i.e. local government funding, rates concessions, planning concession and development contribution rebates). While these policies will reduce the costs associated with building affordable houses, these houses are not sold or rented in the market, which means that there is unlikely to be any material impact on housing affordability, beyond the direct benefits discussed in section 4.

Also, the targeted rates policy is unlikely to materially impact the affordability outcomes in the market. While it may be argued that increasing rates would impact the overall affordability of ownership (or potentially rents), the targeted rate is unlikely to be material compared to the total housing costs faced by households. As defined in this report the rate increase would be less than a dollar a week, which would be much less than 0.1% of housing costs and would not be material in terms of affordability outcomes.

The density bonus policy option could contribute to the development of more affordable housing beyond what was measured in section 4. The additional development opportunity enabled by this policy option could result in developers being able to provide cheaper housing options.

Conversely, the inclusionary zoning policy options could impact the affordability of housing provided in the market. As defined in this assessment these policy options would result in an additional cost of \$8,000 (Low) to \$17,000 (High) per dwelling being charged from developers, which is equivalent to 1-2.1% of the cost of an average dwelling.

However, it is likely that there will be a limit as to how much developers of new houses can increase the sale price to offset the additional costs associated with the inclusionary zoning policies. This could result in a reduction in development activity by the market, as some developments that were marginally commercially feasible would become infeasible with the additional cost of inclusionary zoning.

⁹⁴ NPS-UD, Policy 1.

As discussed in Section 2, developers would be able to pass some of this price on to households which would mean market housing would be less affordable. If developers are not able to pass on the full cost in the form of increased sale prices then there could also be a reduction in dwellings provided. However, it is important to note that economic literature suggests that generally the elasticity of demand for housing is low. This means that demand for houses does not reduce greatly when prices change which suggests that developers will be able to pass most of the costs on to households and that the number of dwellings supplied will not be materially impacted by the inclusionary zoning policy. Therefore, these policy options could be mostly expected to result in some negative impacts on affordability of market housing in the GCU area. This would likely be less than 1-2% (depending on the policy option applied), and represents a one-off shift.

The policy options suggested in this report are unlikely to materially impact the operation of the competitive markets. While all of the policies provide an advantage to CHPs, these providers do not act within the market. Therefore, the advantage gained by the CHPs is unlikely to affect the operation of the competitive markets. The policies are more or less uniform in terms of their application within the market, and are unlikely to increase or reduce competition.

Second, the NPS-UD requires that councils provide sufficient capacity to meet the expected demands. The policy options suggested in this report are unlikely to impact the scale of capacity enabled within the GCU area. As discussed in Section 2 each of the GCP councils have been required to change their planning frameworks to allow MDRS and intensification, both of which have resulted in a large amount of plan enabled and commercially feasible capacity within the GCU area.

Most of the affordable housing policy options tested in this report will not materially impact the scale of the capacity within the GCU area or whether there is sufficient capacity to meet the expected demand (i.e. local government funding, rates concessions, planning concession and development contribution rebates).

The density bonus policy option could contribute to providing more development capacity. However, the increase proposed must be considered in comparison to what is already enabled and while this policy would be positive in terms of providing more capacity it would not change the overall situation in terms of sufficiency. Specifically, the addition of more capacity within CCC commercial or HDR zones will not change the sufficiency outcome that already exists in these areas.

Conversely, the inclusionary zoning policy options could impact housing supply and the sufficiency of that capacity to meet expected demand. The additional inclusionary zoning costs associated with development could result in some developments becoming commercially infeasible. However, as noted above it is likely that developers will be able to pass much of this cost on to households and the impacts on feasibility may be offset. Nevertheless, for some of the policy options certain types of dwellings could be targeted (i.e. standalone in the Low-Medium policy options) which could impact

the provision of these dwellings and potentially whether there is sufficient capacity to meet expected demand within submarkets. Also, there may be a difference between contribution mechanisms of the inclusionary zoning policy. Specifically, the monetary contribution policy options could allow more flexibility for the CHPs. Conversely, the land/dwelling contribution policy options could constrain development of affordable housing into certain locations. If an inclusionary policy is progressed to Phase 2 then it would be sensible for GCP partners to canvas the views of developers and CHPs to establish the difference between the contribution methods, or whether a combination of the contribution methods could produce a better and more flexible outcome.

Finally, the policy options will all support the provision of a wider variety of housing within the GCU area. Most importantly, under all the policy options the CHPs will provide more affordable housing which is likely to increase the range of dwellings provided to the community. Also, for the Density Bonus policy there could be new types of dwellings provided which do not currently exist in the GCU area, i.e. affordable apartments.

5.3 Urban form implications

An important aspect of the NPS-UD is that planning policy should contribute to a well-functioning urban environment that enables all people and communities to provide for their social, economic, and cultural wellbeing, and for their health and safety, now and into the future.⁹⁵ Each of the Housing Affordability policy options will contribute to the well-functioning Urban Environment in the GCU area in different ways.

For many of the policy options tested in this assessment it is likely that the impacts on urban form and the well-functioning urban environment will be relatively small, but positive. The development contribution rebates, targeted rates, rates concessions, and planning concession policy options apply evenly across the GCU and therefore are unlikely to cause significant changes in the urban form of the GCU area. However, these policy options will contribute to providing a wider range of housing because the CHPs will be able to develop more affordable housing than would have occurred under the baseline. Therefore, these policies would be likely to contribute to the wellbeing of the community and the well-functioning urban environment.

The Density Bonus policy could encourage the development of new types of dwellings (apartments that are affordable) and these dwellings would be located within the inner parts of the GCU area which would likely contribute to a well-functioning urban environment. Therefore, it is likely that this policy could improve the urban form outcomes relative to the baseline or the other policy options.

⁹⁵ NPS-UD, Objective 1.

Also, four of the inclusionary zoning policies apply to standalone dwellings which could have implications in terms of urban form and the types of dwellings provided in the GCU area (Monetary Contribution Low, Monetary Contribution Medium, Land/dwelling Contribution Low, and Land/dwelling Contribution Medium). Under these inclusionary zoning policies there will be additional costs associated with new standalone dwellings, which for the most part tend to be built in locations in the outer parts of the GCU area. Under these policy options there could be a shift of demand towards the inner parts of the GCU area and also more higher density dwellings. Therefore, these policies could improve the urban form outcomes relative to the baseline or the other policy options. However, this potential shift is expected to be comparatively small, as the expected impacts on the housing market (at less than 1-2% of house price) for these policy options is not expected to be significant.

Finally, two of the inclusionary zoning policies apply to all dwellings (Monetary Contribution High, and Land/dwelling Contribution High). These policies may discourage development in the inner parts of the urban area and higher density dwelling types. Therefore, these policies could negatively impact the urban form outcomes relative to the baseline or the other policy options.

5.4 Transport implications

For most of the Housing Affordability policy options it is not possible to establish whether there will be a different outcome in terms of transport. For most of the policies tested the implications will be, more or less, uniform across the GCU area and therefore are unlikely to have a discernible effect on transport outcomes. The development contribution rebates, targeted rates, rates concessions, and planning concession policy options apply evenly across the GCU and therefore are unlikely to impact transport outcomes.

However, for all of these policies it is assumed that CHPs will receive extra funding and hence be able to develop more affordable housing. The transport outcomes from these policies could be positive (or negative) depending on where the additional housing is provided within the GCU. It is not possible to assess the transport outcomes associated with these development decisions.

The Density Bonus policy is inherently spatial, and is expected to incentivise additional development within the Commercial and HDR zones within the GCU. These areas are proximate to major transport infrastructure, both road and public transport, and there is a range of services and retail in these locations. This means that new households that are accommodated in these areas should be able to travel efficiently and access many of their needs locally, which may contribute to mitigating transport costs and emissions. Accordingly, it is likely that encouraging affordable housing supply in these locations will result in better transport outcomes and associated economic benefits.

The Density Bonus policy is likely to result in a reduction in travel (kilometres, time, costs) and other transport related costs (congestion, vehicle emissions, CO₂) as compared to development elsewhere, although confirmation of this would require analysis through traffic modelling. These positive transport effects will have economic implications in terms of the efficiency of the economy and costs borne by households.

Also, four of the inclusionary zoning policies apply to standalone dwellings which could have implications in terms of where households choose to live and where dwellings are developed by the market (Monetary Contribution Low, Monetary Contribution Medium, Land/dwelling Contribution Low, and Land/dwelling Contribution Medium). Broadly, under these inclusionary zoning policies there will be additional costs associated with new standalone dwellings, which for the most part tend to be built in locations that have lower density and less access to the transport network (both roading and public transport). Under these policy options there could be a shift of demand towards higher density dwellings which on average tend to be located in the inner parts of the urban area and hence better served by the transport network. However, this potential shift is expected to be comparatively small, as the expected impacts on the housing market for these policy options is not expected to be significant.

Finally, two of the inclusionary zoning policies apply to all dwellings (Monetary Contribution High, and Land/dwelling Contribution High). These policies may discourage development in the inner parts of the urban area. These areas have the best access to the transport network (both roading and public transport), and hence if development is discouraged in these areas, then there could be a negative impact on transport efficiency.

5.5 Infrastructure implications

While it is beyond the scope of this report to assess the relative infrastructure costs associated with the different policy options, it is likely that there will be economic benefits from the fact that some policy options will encourage development of housing in locations that have existing infrastructure or where households can be provided infrastructure more efficiently. Those lower costs would improve the productivity of the economy by reducing the quantity of resources needed to accommodate new growth.

It is considered likely that the Density Bonus Policy may result in more development within the commercial zones and HDR zones, both of which will have existing infrastructure which would mean that this policy option would likely generate positive economic benefits in terms of accommodating growth for a lower overall cost.

Also, the inclusionary zoning policy options that apply to standalone dwellings (i.e. Monetary Contribution Low, Monetary Contribution Medium, Land/dwelling Contribution Low, and

Land/dwelling Contribution Medium) could also cause some growth to shift from greenfield areas to the existing parts of the urban environment towards higher density, as households attempt to avoid the higher cost of new standalone dwellings. The costs of providing infrastructure to new households within the existing urban environment tends to be lower, and therefore if there is a preference shift as a result of these policies then this could result in lower overall costs. However, this potential shift is expected to be comparatively small, as the expected impacts on the housing market for these policy options is not expected to be significant.

Conversely, the inclusionary zoning policy options that apply to all dwellings (i.e. Monetary Contribution High, and Land/dwelling Contribution High) could result in less demand for higher density dwellings in the existing parts of the urban environment. The costs of providing infrastructure to new households within the existing urban environment tends to be lower, and therefore a shift away from this type of development could result in higher overall costs. However, this potential shift is expected to be comparatively small, as the expected impacts on the housing market for these policy options is not expected to be significant.

For the other nine policy options it is considered that there may be small differences in infrastructure costs, however those are unlikely to be material.

Again, confirmation of the scale of these benefits would need to be quantified by other experts, however in some instances they are expected to be positive in economics terms, by causing lower costs to be borne by council and the community.

5.6 Efficiency implications

The collection of funds can result in losses of efficiency within the economy (i.e. a deadweight loss). In some cases, a policy will result in new administrative costs to collect the funds, while in others there is already a system in place therefore there will be minimal additional costs.

For most of the policy options there is already a system in place, which means that the collection or remittance of funds is not likely to result in additional administration costs and hence would be relatively efficient. The targeted rates and rates remission fall within the existing rating system, and therefore these policies are likely to result in little additional administration costs to implement. Likewise, the remittance of development contributions and planning concessions mostly exist in the current system, with some additional costs associated with extending these policies to Selwyn and Waimakariri. Therefore, these options are considered to be relatively efficient methods for achieving the affordable housing outcomes.

The inclusionary zoning policy options would require new systems to implement and would be relatively less efficient compared to the other options. There would also be considerable costs associated with progressing these policy options through the RMA framework. However, these

options would collect a large fund, and on a cost per dollar collected basis may be relatively efficient. It is beyond the scope of this report to assess the potential scale of the administration or implementation costs.

The implementation of the local government funding policy option may or may not be relatively easy to establish. CCC has completed this process in the past, which suggests that it is a practical option. However, there may be a range of legal and planning issues, which could influence the efficiency of this policy option.

Finally, the introduction of a density bonus for CHPs would require a council plan change which has associated costs, and this policy then would need to be administered by council officers. However, these costs are likely to be relatively small and hence this policy option may be relatively efficient.

5.7 Wider implications

Figure 5.1 summarises the discussion above. To provide a better understanding of the discussion above a traffic light classification system has been adopted to describe the wider implications for each of the policy options. The red light means a negative outcome compared to the baseline and green means a positive outcome compared to the baseline. The amber light means limited difference in terms of outcomes compared to the baseline.

Based on the qualitative assessment of the wider implications it is considered that:

- ❖ The two High inclusionary zoning options may not perform well in terms of the wider impacts, with many negative outcomes (red lights).
- ❖ The four low and medium inclusionary zoning options mostly show a mix of positive and negative outcomes (green and red lights). Also, these policies would provide a substantial positive increase in affordable housing.
- ❖ The Density Bonus for CHP has mostly positive or neutral outcomes, which suggests that this policy option would likely be beneficial according to the qualitative assessment. Also, these policies would provide a significantly positive increase in affordable housing.
- ❖ The targeted rates, local government funding and rates concession policies, mostly show neutral outcomes and some positive outcomes. These policies would provide a significantly positive increase in affordable housing.
- ❖ The planning concessions and development contributions remissions policies have limited impacts, and hence may have limited value in terms of implementation, with many neutral outcomes (yellow lights). However, these policies do provide some positive affordable housing which are valuable, even though they are small.

Figure 5.1: Wider implications traffic light system

Wider Implications Traffic Light Assessment Housing Affordability Policy Options	Affordable Housing (Social)	Housing Market	Urban Form	Transport	Infrastructure	Efficiency
Monetary Contribution Low	●	●	●	●	●	●
Monetary Contribution Medium	●	●	●	●	●	●
Monetary Contribution High	●	●	●	●	●	●
Land/dwelling Contribution Low	●	●	●	●	●	●
Land/dwelling Contribution Medium	●	●	●	●	●	●
Land/dwelling Contribution High	●	●	●	●	●	●
Incentives Density Bonuses for CHPs	●	●	●	●	●	●
Incentives Targeted Rate	●	●	●	●	●	●
Incentives Local Government Funding	●	●	●	●	●	●
Incentives Rates Concessions for CHPs	●	●	●	●	●	●
Incentives Planning Concessions for CHPs	●	●	●	●	●	●
Development Contribution Remission Low	●	●	●	●	●	●
Development Contribution Remission Medium	●	●	●	●	●	●
Development Contribution Remission High	●	●	●	●	●	●

In conclusion the qualitative assessment indicates that Density Bonus, targeted rates, local government funding and rates concession policies are likely to have the best outcomes where the potential benefits are likely to outweigh the costs. These policy options can be viewed as low hanging fruit, which would be implementable in the short term. Therefore, these options could be preferred and should be investigated further in Phase 2 of the JHAP.

The planning concessions and development contributions remissions are likely to have minimal implications in terms of the wider impacts. However, it is expected that the net outcomes would most likely be positive. These options could be investigated further in Phase 2 of the JHAP.

The inclusionary zoning policy options would produce both positive and negative outcomes. Further investigation and detailed assessment would be required to establish whether the positive outcomes would outweigh the negative outcomes for the inclusionary zoning policy options. It is acknowledged that these policies would result in a considerable amount of funds being collected from the community and that GCP councils would need to commission more research to develop a robust evidence base to justify the implementation of these options.

6 Conclusion

The main outcome of this research is the high-level definition of fourteen housing policy options and an indicative assessment of the affordable housing outcomes associated with the options.

In summary the assessment shows that there are a number of ways that additional affordable housing could be supported in the GCU area. Figure 6.1 shows a summary of the affordable housing outcomes that could be achieved for each of the fourteen policy options that were tested. The table shows the new affordable dwellings that could be developed as a result of each policy option between 2025-2034, the total affordable dwelling stock at 2034 which includes the baseline affordable dwellings, and the share of households accommodated at 2034 under each policy option.

Implementation of inclusionary zoning (Action 3) would have the largest potential in terms of providing thousands of additional affordable houses, and there are a number of incentives (Action 4) that could be implemented that would also result in substantial numbers of affordable housing being provided for the community. The extension of Christchurch City Councils development contribution policy could also encourage a small number of additional affordable houses to be developed.

Figure 6.1: Summary of policy options actions 3, 4, and 5 – new affordable housing 2025-2034

JHAP Action	Policy Option	New Affordable 2025-2034	Total Affordable 2034	Share of Housing Need in Affordable
Action 3 Inclusionary Zoning	Monetary Contribution Low	1,441	6,129	13.4%
	Monetary Contribution Medium	2,882	7,570	16.6%
	Monetary Contribution High	4,439	9,127	20.0%
	Land/dwelling Contribution Low	2,448	7,136	15.6%
	Land/dwelling Contribution Medium	3,060	7,748	16.9%
	Land/dwelling Contribution High	4,714	9,402	20.6%
Action 4 Incentives	Density Bonuses for CHPs	150	4,838	10.6%
	Targeted Rate	227	4,915	10.7%
	Local Government Funding	113	4,801	10.5%
	Rates Concessions for CHPs	177	4,865	10.6%
	Planning Concessions for CHPs	44	4,732	10.3%
Action 5 Development Contribution	Remission Low	31	4,719	10.3%
	Remission Medium	39	4,727	10.3%
	Remission High	47	4,735	10.4%

Potentially several of the policy options could be adopted as a package, which in combination could result in more affordable housing than if each policy option was adopted in isolation. It may be that decision makers combine several of the policy options in this report and the other Actions in the JHAP to produce a set of scenarios, as an example Low - Growth Pays for Growth, Medium - Affordable Housing is Essential Infrastructure, High - GCPC as NZ Affordable Housing Leaders, etc.

This report has also considered the wider impacts of the housing policy options, which includes social impacts, housing market implications, and other implications (urban form, transport, infrastructure, efficiency). This qualitative assessment suggests that some of the policy options may be preferred over others.

In conclusion the qualitative assessment indicates that:

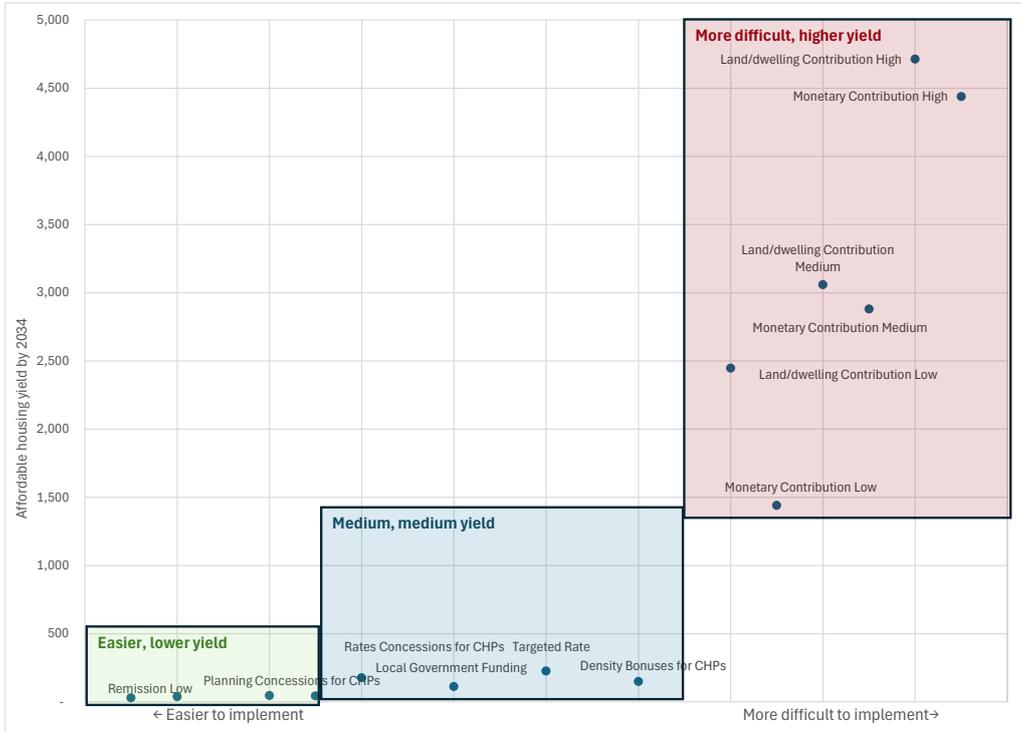
- ❖ Density Bonus, targeted rates, local government funding and rates concession policies are likely to have the best outcomes where the potential benefits are likely to outweigh the costs. Therefore, these options could be preferred and investigated further in Phase 2 of the JHAP.
- ❖ The planning concessions and development contributions remissions are likely to have minimal implications in terms of the wider impacts. However, it is expected that the net outcomes would most likely be positive. These options could be investigated further in Phase 2 of the JHAP.
- ❖ The inclusionary zoning policy options would produce both positive and negative outcomes. Further investigation and detailed assessment would be required to establish whether the positive outcomes would outweigh the negative outcomes for the inclusionary zoning policy options. However, it is acknowledged that these policies would result in a considerable amount of funds being collected from the community and that GCP councils would need to commission more research to develop a robust evidence base to justify the implementation of an inclusionary zoning policy.

When contemplating the policy options, it would also be sensible to consider the likelihood of successful implementation. While some of the policy options may produce a small number of additional affordable housing, they may also be comparatively easy to implement (i.e. planning concessions and development contributions). Conversely others policy options may result in a large number of affordable housing being provided, but they could be hard to implement (i.e. inclusionary zoning or target rates).

This comparison of affordable housing yield versus probability of success would be a useful method for understanding the potential options in this report and the other actions from the JHAP. The figure below shows a stylised comparison of policy options.⁹⁶

⁹⁶ SGS Economics and Planning (2019) City of Melbourne Housing Needs Analysis.

Figure 6.2: Affordable housing yield versus probability of successful implementation



9. Greater Christchurch Partnership Review

Reference Te Tohutoro: 24/2100099

Responsible Officer(s) Te Pou Matua: Chief Executive Advisory Group

Accountable ELT Member Pouwhakarae: Tracy Tierney, Director Greater Christchurch Partnership

1. Purpose of Report Te Pūtake Pūrongo

- 1.1 The purpose of this report is to consider a review of the form, function and focus of the Greater Christchurch Partnership to ensure it remains fit for purpose going forward.
- 1.2 The Whakawhanake Kāinga Komiti (WKK) is effectively in abeyance pending Crown advice on the future direction of Urban Growth Partnerships. Any variation to the WKK would need to be agreed with the relevant Ministers.

2. Relationship to Partnership Objectives Ngā Whāinga Matua ki te hononga

- 2.1 The Partnership is a joint committee formed to take a collaborative approach to address strategic challenges and opportunities for Greater Christchurch. The review would provide an opportunity for partners to reflect on the effectiveness of committee in meeting their collective objectives now and in the future.

3. Officer Recommendations Ngā Tūtohu

That the Greater Christchurch Partnership Committee:

1. **Agrees** to undertake a review of the form, function and focus of the Greater Christchurch Partnership to ensure it remains fit for purpose going forward.
2. **Appoints** to Chair the Greater Christchurch Partnership Committee in the interim until the review is concluded and the committee has considered the recommendations. Noting this is a temporary variation of the Memorandum of Agreement.
3. **Delegates** to the Chief Executives Advisory Group preparation of appropriate Terms of Reference for the review of the form, function and focus of the Greater Christchurch Partnership and the appointment of a suitable, independent reviewer to conduct the review and inform recommendations to the Committee. The expectation is that the report will be received by the committee in the first half of 2025.
4. **Acknowledges** Jim Palmer for his contributions to the Greater Christchurch Partnership.

4. Context/Background Te Horopaki

Temporary variation to the Memorandum of Agreement – Appointment of a committee member as interim Chair

- 4.1 The Greater Christchurch Partnership Committee Memorandum of Agreement 2021 (Attachment B) sets out the membership of the Committee, including an Independent Chair (clause 5.1). The Independent Chair is appointed by the Committee and will continue in the role unless otherwise resolved by the Committee or upon a resignation being received (clause 6.1).

- 4.2 The role of Independent Chair as outlined in the position's Terms of Reference is one of leadership, facilitation, mediation, negotiation, and advocacy with an emphasis on achieving consensus decision-making in carrying out the roles and functions of the Partnership.
- 4.3 The Partnership has elected to have an independent chair since its formal establishment in 2007. The current chair Jim Palmer was formally appointed to the position in April 2021 for a three-year term which expired on 31 March 2024.
- 4.4 With the agreement of the Chair, the contract was varied to a month-to-month basis from that date until 31 December 2024 when he will stand down from the role.
- 4.5 The Mayors/Chair have advised CEAG that given the maturity of the partnership it is timely to take the opportunity to review the partnership and consider the need for an independent chair going forward. The suggestion has been made that Mayors/Chair could rotate chairing of the GCPC on a periodic basis.
- 4.6 This would require a variation to the Memorandum of Agreement (MOA) noting that a recommendation to vary the MOA must be ratified at the governance meetings of all the individual voting member Partners.
- 4.7 It is suggested that a Mayor, Chair or mana whenua governor be appointed as an interim chair, noting this is a temporary variation of the MOA, until a review is concluded. The Committee could call for nominations from voting members. 16.3 of the MOA records that voting shall be on the basis of the majority present at the meeting, with no alternates or proxies.

Review of the form, function and focus of the Greater Christchurch Partnership

- 4.8 The Mayors/Chair have suggested that a review be undertaken of the form, function and focus of the Greater Christchurch Partnership as it is timely to consider if they are fit for purpose and meeting the needs and expectations of partners.
- 4.9 There have been previous discussions on the effectiveness and efficiency of GCP by CEAG earlier in the year and by the Committee at its GCP Priorities Workshop on 19 April 2024.
- 4.10 At the workshop the committee considered if there were further ways that the Partnership could work together more efficiently and effectively and identified the following for further discussion:
 - a) *“Why the GCP” – distilling our purpose. Partnership and relationships are vital, but what is the right configuration?*
 - a. *What is GCP's value-add?*
 - i. *Topics - where should we steer clear?*
 - ii. *Current model would work better with higher trust to avoid over reporting.*
 - b. *Too many meetings – what can we do to streamline?*
 - i. *Delegate to the appropriate level (e.g. transport example above, but also PDAs – identify who needs to be involved and who doesn't).*
 - ii. *Good communication is critical.*
 - iii. *Let the lead agencies responsible for delivery do so without undue approvals or report-backs.*
 - iv. *Ensure effective monitoring & reporting is in place to track progress against plans and work programmes.*

- c. *Relationship of GCP to wider Canterbury – what is the division of labour with the Canterbury Mayoral Forum.*
- d. *Do we need one voice for Canterbury?*
- e. *How to engage with government collectively and effectively – are we structured correctly?*
- f. *How to collectively engage better with non-GCP councils to overcome perceived division.*

- 4.11 Further consideration as to the evolution of the GCP has not progressed until now predominately due to waiting for clarity on central government direction on the future of Regional Deals and wider policy directions, to assess the impact and opportunities for GCP going forward.
- 4.12 Other Urban Growth Partnerships have undertaken similar review/health checks in recent times and valued the reflections and recommendations that followed.
- 4.13 The Partnership has effectively been in place for 20 years. There have been significant changes over that period that will continue into the future, so it is timely and healthy to review the Partnership to see if it is set up to succeed to meet the outcomes that Partners are seeking.

5. Issues and Options

Temporary variation to the Memorandum of Agreement – Appointment of a committee member as interim Chair

- 5.1 The current Chair is standing down from the role as of 31 December 2024. The Mayors/Chair advised that it is timely to consider the ongoing need for an independent Chair.
- 5.2 If once a review is completed and a decision is made to discontinue the requirement to have an independent Chair the MOA can be varied accordingly. Any Committee recommendations to vary the MOA would need to be ratified at a governance meeting of each voting member.
- 5.3 It is suggested that an Interim Chair be appointed until a review is concluded, and the committee have considered the findings.

Review of the form, function and focus of the Greater Christchurch Partnership

- 5.4 Given the direction provided by the Mayors/Chair, previous feedback provided on the GCP, the strategic priorities of the partnership and the current Government's policy directions, it is timely to review the GCP to determine if it remains fit for purpose and meet partners needs and expectations.
- 5.5 Based on the direction given by the Mayors/Chair and feedback from the Committee, CEAG could prepare the draft terms of reference for the review and engage a suitable, independent reviewer to inform a report back to the committee early in 2025.
- 5.6 The cost of this is not known until the Terms of Reference are confirmed and proposals sought from suitable reviewers. This is unbudgeted expenditure. Funds will need to be redirected from the secretariat operational and/or the programme delivery budgets.

Attachments Ngā Tāpirihanga

No.	Title	Reference	Page
A  	The Greater Christchurch Partnership Committee Memorandum of Agreement 2021	24/2100103	169

GREATER CHRISTCHURCH PARTNERSHIP COMMITTEE – MEMORANDUM OF AGREEMENT 2021



Memorandum of Agreement

Greater Christchurch Partnership Committee

This Memorandum of Agreement is consistent with the requirements for joint committees as outlined in the Local Government Act (Clause 30A of Schedule 7), as amended by the Local Government Act 2002 Amendment Act 2014.

This Memorandum of Agreement includes, as part of the Agreement, the following appendices:

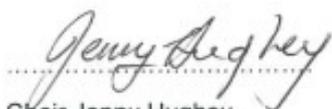
- the Committee protocol for the resolution of conflicting views
- the Public Deputations guidelines for the Committee
- the Communications Protocol (and associated Regeneration Protocol) for the Committee

Dated:	Endorsed by the Greater Christchurch Partnership Committee on 10 September 2021 and subsequently ratified at the governance meetings of voting partners and signed by their representatives
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GREATER CHRISTCHURCH PARTNERSHIP COMMITTEE – MEMORANDUM OF AGREEMENT 2021

**Greater Christchurch Partnership Committee
Memorandum of Agreement (2021)**

(Executed by the representatives at a meeting of the Greater Christchurch Partnership Committee
10 December 2021)



Chair Jenny Hughey
Signed on behalf of
Canterbury Regional Council



Mayor Dan Gordon
Signed on behalf of
Waimakariri District Council



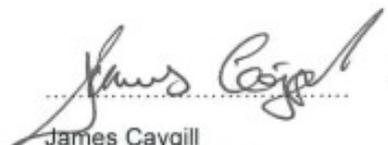
Mayor Lianne Dalziel
Signed on behalf of
Christchurch City Council



Gail Gordon
Signed on behalf of
Te Rūnanga o Ngāi Tahu



Mayor Sam Broughton
Signed on behalf of
Selwyn District Council



James Caygill
Signed on behalf of
Waka Kotahi New Zealand Transport Agency



Sir John Hansen
Signed on behalf of
Canterbury District Health Board

GREATER CHRISTCHURCH PARTNERSHIP COMMITTEE – MEMORANDUM OF AGREEMENT 2021

1. PURPOSE OF THE AGREEMENT

- 1.1. To outline the voluntary and collaborative approach agreed between the Partners to address strategic challenges and opportunities for Greater Christchurch.
- 1.2. To comply with the requirements for joint committees as outlined in Clause 30A of Schedule 7 of the Local Government Act 2002.

2. CONTEXT

- 2.1. The value proposition for collaboration across Greater Christchurch is strong:
 - many of the challenges and opportunities facing communities, iwi, and Councils in Greater Christchurch transcend the political boundaries and/or functions of the Partners.
 - ensuring Ngāi Tahu values and priorities, such as kāinga nohoanga / papakāinga, are reflected and incorporated into strategic planning and decision-making to further recognise and support agreements with the Crown and enriches the bi-cultural heritage within our communities.
 - improving the economic, social, cultural and environmental wellbeing of communities requires the application of statutory functions held by a number of local and central public agencies
 - communities have a clear expectation that public agencies must work together efficiently and effectively to deliver agreed community outcomes
- 2.2. Working in partnership can:
 - demonstrate visible and collaborative leadership
 - build trust and stronger organisational and personal relationships
 - build better understanding of Partners' perspectives and identify shared objectives and areas of alignment
 - result in an agreed framework in which to progress individual initiatives and provide confidence and certainty to stakeholders and the community
 - assist information sharing, efficient and effective working, and provide a stronger voice when advocating to others
 - establish a greater level of preparedness in responding to unforeseen events.
- 2.3. While Greater Christchurch is the primary geographic focus area of the Committee, the Committee will give consideration to the role of Greater Christchurch having regard to the takiwā of the respective Papatipu Rūnanga and Ngāi Tahu whānui, along with Canterbury, South Island and national contexts.
- 2.4. The Partners recognise that Ngāi Tahu holds rangatiratanga as guaranteed under Te Tiriti and as expressed in the Ngāi Tahu Claims Settlement Act 1998 throughout its takiwā.

GREATER CHRISTCHURCH PARTNERSHIP COMMITTEE – MEMORANDUM OF AGREEMENT 2021

3. BACKGROUND

- 3.1. The Greater Christchurch Partnership Committee is a further evolution of the Greater Christchurch Urban Development Strategy Implementation Committee (UDSIC). The latter was formally established in 2007 with the adoption of the Greater Christchurch Urban Development Strategy (UDS) to oversee implementation the Strategy.
- 3.2. Subsequently the UDSIC also provided a forum to advance earthquake recovery matters and resilience planning. In so doing the UDSIC expanded and strengthened its representation to include Te Rūnanga o Ngāi Tahu, the Canterbury District Health Board (CDHB) and the Greater Christchurch Group of the Department of the Prime Minister and Cabinet.
- 3.3. The Partnership subsequently developed and adopted a number of strategies, including the UDS Update (2016) and the Resilient Greater Christchurch Plan (2016), Our Space 2018-2048 (2019) as the future development strategy for Greater Christchurch, and Greater Christchurch Mode Shift Plan (2020).
- 3.4. In 2020, the Greater Christchurch 2050 project was established to set a vision and plan for Greater Christchurch to achieve intergenerational wellbeing that also responds to climate change and moving towards a zero carbon economy
- 3.5. In 2021, the Greater Christchurch Partnership Committee and the Crown agreed to form a Greater Christchurch Urban Growth Partnership Committee to work together to advance shared urban growth objectives relating to housing, infrastructure and land use within the context of the Urban Growth Agenda.
- 3.6. The Greater Christchurch Partnership Committee operates alongside the Greater Christchurch Urban Growth Partnership Committee to advance its wider strategic objectives in the context of intergenerational wellbeing where a collaborative approach amongst local partners is beneficial for current and future communities.
- 3.7. The intention is for the Memorandum of Agreements of the Greater Christchurch Partnership Committee and Greater Christchurch Urban Growth Partnership Committee to include common elements to support the integration and efficient operations of these Committees. The areas which include common elements are:
 - Committee membership - common membership of the Greater Christchurch Partnership Committee members;
 - Independent Chairperson and deputy chairperson;
 - Quorum and conduct of meetings;
 - Delegations;
 - Financial delegations;
 - Limitations of powers;
 - Committee support;
 - Operating principles; and
 - Variations.
- 3.8. The areas of difference between the Greater Christchurch Partnership Committee and Greater Christchurch Urban Growth Partnership Committee Memorandum of Agreements are:

GREATER CHRISTCHURCH PARTNERSHIP COMMITTEE – MEMORANDUM OF AGREEMENT 2021

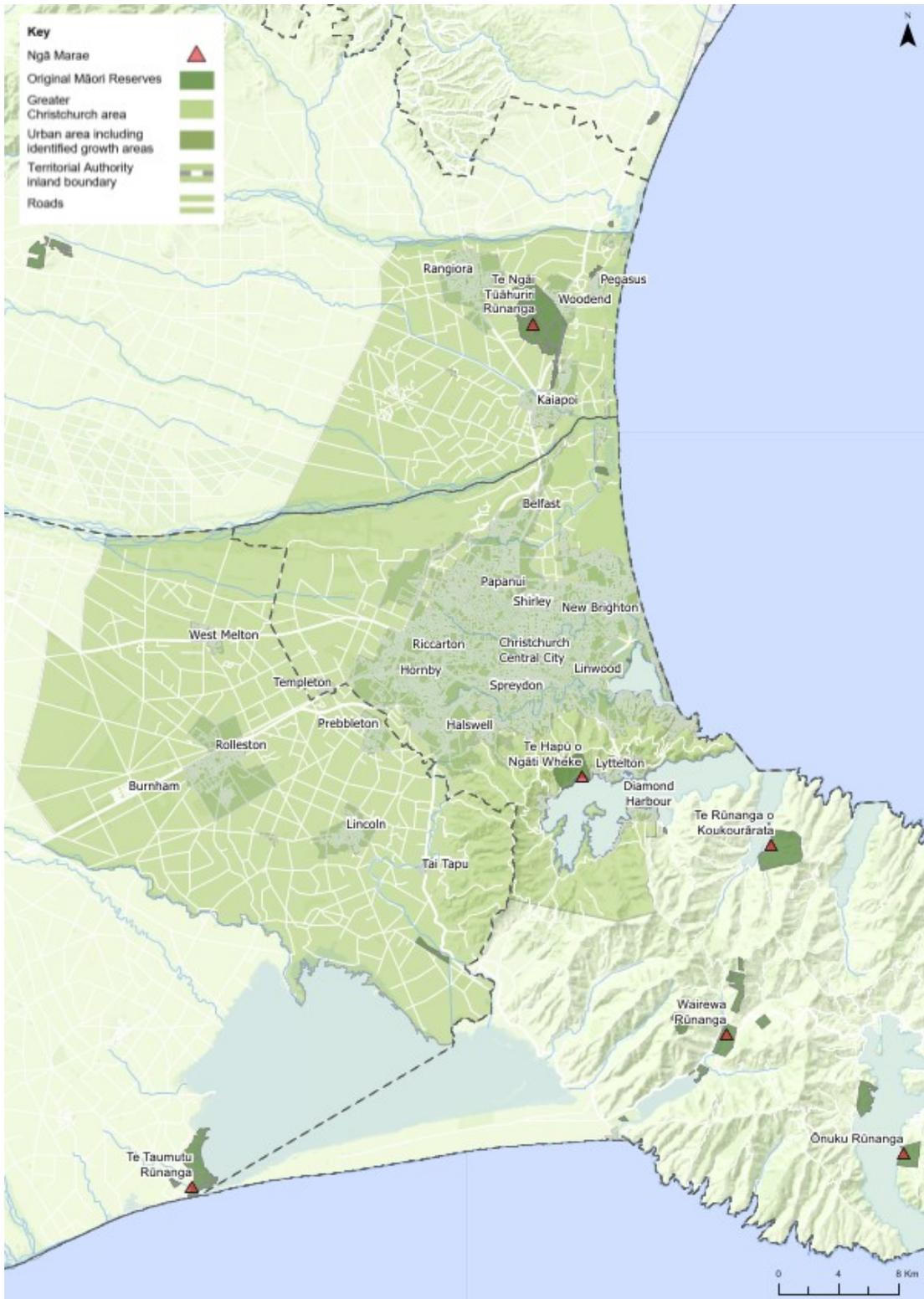
- Terms of Reference;
- Meeting frequency; and
- Funding.

4. INTERPRETATION

- i. **Agreement** means this Memorandum of Agreement with its Schedules, including any variations entered into from time to time.
- ii. **Committee** means the Greater Christchurch Partnership Committee.
- iii. **Chief Executives Advisory Group** is an advisory group of the Chief Executives of the Partners. This means the Chief Executives of the Greater Christchurch Partnership Committee Partners, and for Urban Growth Partnership Committee matters, the addition of representatives from the Ministry of Housing and Urban Development and the Department of Internal Affairs.
- iv. **Greater Christchurch** means the area covering the eastern parts of Waimakariri and Selwyn Districts Councils and the metropolitan area of Christchurch City Council, including the Lyttelton Harbour Basin. It includes the towns of Rangiora, Kaiapoi and Woodend/Pegasus to the north and Rolleston, Lincoln and West Melton to the south-west and is shown on the map attached overleaf as Figure 1.
- v. **Greater Christchurch Partnership (or Partnership)** means the voluntary arrangements established to support collaboration amongst the Partners, including the Committee, the Chief Executives Advisory Group and staff advisory, coordination and implementation groups.
- vi. **Partners** means together Canterbury Regional Council, Christchurch City Council, Selwyn District Council, Waimakariri District Council, Te Rūnanga o Ngāi Tahu, Canterbury District Health Board, and Waka Kotahi New Zealand Transport Agency.
- vii. **Papatipu Rūnanga of Ngāi Tahu Whānui and their respective Takiwā** means as set out in Schedule 1.
- viii. **Senior Managers Group** is a group of Senior Managers of the Partners. This means Senior Managers of the Greater Christchurch Partnership Committee Partners, and for Urban Growth Partnership Committee matters, the addition of Senior Officials from the Ministry of Housing and Urban Development and Kāinga Ora Homes and Communities whom collectively form the Senior Officials Group.
- ix. **Strategic framework** means the agreed overarching Strategy of the Partnership, supported by any other partnership strategies, plans and programmes necessary to support a collective approach to improving intergenerational wellbeing in Greater Christchurch through addressing strategic challenges and opportunities.
- x. **Regional Council** means Canterbury Regional Council (operating as Environment Canterbury).
- xi. **Territorial Authorities** means Christchurch City Council, Selwyn District Council and Waimakariri District Council.
- xii. **LGA 2002** means the Local Government Act 2002.
- xiii. **RMA 1991** means the Resource Management Act 1991.
- xiv. **LTMA 2003** means the Land Transport Management Act 2003.

GREATER CHRISTCHURCH PARTNERSHIP COMMITTEE – MEMORANDUM OF AGREEMENT 2021

Figure 1: Map of area referred to as Greater Christchurch



GREATER CHRISTCHURCH PARTNERSHIP COMMITTEE – MEMORANDUM OF AGREEMENT 2021

5. COMMITTEE MEMBERSHIP

- 5.1. The Committee will have a membership of eighteen, comprising seventeen voting members and one non-voting member, made up as follows:
 - i. An Independent Chairperson;
 - ii. The Chair and two council members from Canterbury Regional Council;
 - iii. The Mayor and two council members from Christchurch City Council;
 - iv. The Mayor and two council members from Selwyn District Council;
 - v. The Mayor and two council members from Waimakariri District Council;
 - vi. Three representatives appointed by Te Rūnanga o Ngāi Tahu
 - vii. The Board Chairperson or a board member of Canterbury District Health Board;
 - viii. The Director, Regional Relationships of Waka Kotahi New Zealand Transport Agency, with speaking rights but in a non-voting capacity.
- 5.2. The Partners will each appoint their representatives to the Committee.
- 5.3. The Partners may replace their unspecified representatives from time to time by providing written notice to the Committee confirming the amended appointment.
- 5.4. The Committee may agree to appoint up to two additional non-voting observers from time to time and for a specified period of time where such appointments will contribute to and support the work of the committee.
- 5.5. There is no provision for alternates. Other Partner representatives are welcome to attend and may seek speaking rights.
- 5.6. The Committee will not be discharged at the point of each election period (in line with Clause 30(7) of Schedule 7 of the LGA 2002).

6. INDEPENDENT CHAIRPERSON AND DEPUTY CHAIRPERSON

- 6.1. The Independent Chairperson will be appointed by the Committee and will continue in the role unless otherwise resolved by the Committee or upon a resignation being received.
- 6.2. The Independent Chair will chair the Greater Christchurch Partnership Committee, the Urban Growth Partnership Committee, and the Chief Executives Advisory Group.
- 6.3. Remuneration and contractual arrangements for the Independent Chair will be agreed by the Chief Executives Advisory Group.
- 6.4. A Deputy Chairperson will be appointed by the Committee at the commencement of each triennium, and who shall be a voting member of the Committee. The Deputy Chairperson will continue in the role for the duration of the triennium unless otherwise resolved by the Committee or upon a resignation being received.
- 6.5. There will be no remuneration for the Deputy Chairperson.

7. QUORUM AND CONDUCT OF MEETINGS

- 7.1. The quorum at a meeting of the Committee consists of the majority of the voting members.

GREATER CHRISTCHURCH PARTNERSHIP COMMITTEE – MEMORANDUM OF AGREEMENT 2021

- 7.2. Other than as noted in this Agreement, the standing orders of the administering Council at the time, shall apply.
 - 7.3. Voting shall be on the basis of the majority present at the meeting, with no alternates or proxies.
 - 7.4. For the purpose of clause 6.2, the Independent Chairperson:
 - i. has a deliberative vote; and
 - ii. in the case of equality of votes, does not have a casting vote (and therefore the act or question is defeated and the status quo is preserved).
8. MEETING FREQUENCY
- 8.1. Notification of meetings and the publication of agendas and reports shall be conducted in accordance with the requirements of Part 7 of the Local Government Official Information and Meetings Act 1987.
 - 8.2. The Committee shall meet monthly, or as necessary and determined by the Independent Chair in liaison with the Committee.
 - 8.3. The Committee welcomes external speakers by deputation however the right to speak at meetings must be in accordance with the adopted public deputation guidelines of the Committee.
9. TERMS OF REFERENCE
- 9.1. The role of the Committee is to:
 - i. Foster and facilitate a collaborative approach between the Partners to address strategic challenges and opportunities for Greater Christchurch.
 - ii. Show clear, decisive and visible collaborative strategic leadership amongst the Partners, to wider stakeholders, agencies and central government and to communities across Greater Christchurch.
 - iii. Enable Partners to better understand individual perspectives and identify shared objectives and areas of alignment.
 - iv. Assist information sharing, efficient and effective working, and provide a stronger voice when advocating to others.
 - v. Establish, and periodically review, an agreed strategic framework to support a collective approach to improving intergenerational wellbeing in Greater Christchurch through addressing strategic challenges and opportunities.
 - vi. Oversee implementation of strategies and plans endorsed by the Committee and ratified at individual Partner governance meetings, including through the adoption and delivery of an annual joint work programme.
 - vii. Ensure the Partnership proactively engages with other related partnerships, agencies and organisations critical to the achievement of its strategic functions.
 - 9.2. The functions of the Committee are to:
 - i. Establish, and periodically review, an agreed strategic framework to support a collective approach to improving intergenerational wellbeing in Greater Christchurch.

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- ii. As required, develop new and review existing strategies and plans to enable Partners to work more collaboratively with each other and to provide greater clarity and certainty to stakeholders and the community. Existing strategies and plans endorsed by the Greater Christchurch Partnership Committee or endorsed by the UDSIC and inherited by this Committee are published on the Partnership's website.
 - iii. Recommend to Partners for ratification at individual partner governance meetings any new or revised strategies and plans.
 - iv. Adopt and monitor the delivery of an annual joint work programme to deliver on strategic goals and actions outlined in adopted strategies and plans.
 - v. Undertake reporting on the delivery of adopted strategies and plans, including in relation to an agreed strategic outcomes framework.
 - vi. Identify and manage risks associated with implementing adopted strategies and plans.
 - vii. Establish and maintain effective dialogue and relationships (through meetings, forums and other communications) with other related partnerships, agencies and organisations to the support the role of the Committee, including but not limited to:
 - a. Waka Toa Ora (Healthy Greater Christchurch)
 - b. Canterbury Mayoral Forum
 - c. Tertiary institutions and educational partnerships
 - d. Strategic infrastructure providers
 - e. Government departments
 - viii. Undertake wider engagement and consultation as necessary, including where appropriate seeking submissions and holding hearings, to assist the development of any strategies and plans.
 - ix. Advocate to central government or their agencies or other bodies on issues of concern to the Partnership, including through the preparation of submissions (in liaison with the Canterbury Mayoral Forum as necessary).
 - x. For the avoidance of doubt, the Committee's strategic transport functions include:
 - a. Consider key strategic transport issues, national policies and public transport associated collaborative business cases.
 - b. Develop the Greater Christchurch component of the Regional Public Transport Plan and recommend to the Canterbury Regional Council for approval, when required.
 - c. Monitor the delivery of the strategic public transport work programme in Greater Christchurch.
- 9.3. In undertaking its role and performing its functions the Committee will consider seeking the advice of the Chief Executives Advisory Group.

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10. DELEGATIONS

- 10.1. Establishing, and where necessary, amending, protocols and processes to support the effective functioning of the Committee, including but not limited to those relating to the resolution of conflicting views, communications and public deputations.
- 10.2. Preparing communication and engagement material and publishing reports relevant to the functions of the Committee.
- 10.3. Commissioning and publishing reports relevant to the functions of the Committee.
- 10.4. Undertaking engagement and consultation exercises in support of the terms of reference and functions of the Committee.
- 10.5. Selecting an Independent Chair and Deputy Chair in accordance with any process agreed by the Committee and the requirements of the LGA 2002.
- 10.6. Making submissions, as appropriate, on Government proposals and other initiatives relevant to the role of the Committee.
- 10.7. Appointing, where necessary, up to two additional non-voting observers to the Committee.

11. FINANCIAL DELEGATIONS

- 11.1. The Committee can make financial decisions within an agreed budget envelope and as long as the decision does not trigger any change to the statutory plans prepared under the LGA 2002, the RMA 1991, or the LTMA 2003.

12. LIMITATION OF POWERS

- 12.1. In of itself the Committee does not have the authority to commit any Partner to any course of action or expenditure and its recommendations do not compromise the Partners' freedom to deliberate and make decisions.
- 12.2. For the avoidance of doubt, the Partners are under no obligation to accept the recommendations of the Committee.
- 12.3. In accordance with legislative requirements Partners will retain decision-making and other statutory responsibilities in relation to their functions and responsibilities under the LGA 2002, the RMA 1991, and the LTMA 2003..

13. OPERATING PRINCIPLES

- 13.1. The practice of the Committee will be to work to achieve consensus wherever possible to achieve alignment and integration across all Partners.
- 13.2. The Committee will uphold Te Tiriti o Waitangi and its principles and embody Te Tiriti partnership through its functions and processes.
- 13.3. In making recommendations and when preparing strategies and plans the Committee will operate within the principle of subsidiarity where decision-making is the responsibility of individual Partners unless it would be more effective and/or improved outcomes could be achieved for the matter to be considered through collaborative agreement.
- 13.4. The Committee will work in a collaborative and cooperative manner and take into account the interests of all sectors of the community.

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- 13.5. The Committee will at all times operate in accordance with the requirements of the Local Government Official Information and Meetings Act 1987.
14. COMMITTEE SUPPORT
- 14.1. A Partner Council will act as the administrating authority to the Committee and this will be determined by the CEAG for each triennium.
- 14.2. A dedicated secretariat supports effective functioning of the Partnership and works with the Committee Advisor to provide secretariat support to the Committee.
- 14.3. The Committee is also supported through the provision of advice by the Chief Executives Advisory Group and, where required, that of staff advisory, coordination and implementation groups.
- 14.4. The Chief Executives will each appoint their respective official to the Senior Managers Group.
- 14.5. The Terms of Reference of the Chief Executives Advisory Group and Senior Managers Group will be agreed by the Chief Executives Advisory Group.
15. PARTNERSHIP FUNDING
- 15.1. The Committee and the collaborative work of the Partnership is supported financially through the provision of a central fund, which includes meeting the costs associated with the roles of Independent Chair and the secretariat.
- 15.2. The agreed funding formula for this financial contribution is Regional Council (37.5%); Christchurch City Council (37.5%); Selwyn District Council (12.5%) and Waimakariri District Council (12.5%).
- 15.3. Annual financial contributions will be determined by the CEAG as part of the annual plan processes of Partner Councils and with reference to the agreed annual work programme of the Partnership.
- 15.4. Partners may make supplementary financial contributions to assist effective Partnership working and the delivery of agreed collaborative work programmes.
- 15.5. For the avoidance of doubt, the successful achievement of strategic goals and implementation of agreed actions within existing strategies and plans relies on the alignment of individual Partner resources through annual plans, long term plans and other funding processes.
16. VARIATIONS
- 16.1. The Committee may, at any time, make a recommendation to voting member Partners to vary this Agreement.
- 16.2. A recommendation to vary this Agreement must be ratified at the governance meetings of all the individual voting member Partners.
- 16.3. Any variation to this Agreement will be attached to a copy of this document.

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APPENDIX 1

Greater Christchurch Partnership Committee

Resolution of Conflicting Views

The parties acknowledge the need for a mechanism to resolve any conflicting points of view that may arise from time to time and a mechanism by which any member(s) of the Committee may request its use to ensure that any matter or issue is given fair and reasonable consideration prior to formal consideration by the Committee.

For the purpose of conflict resolution the following procedures should apply:

- Any member(s) of the Committee may feel that further discussion, evaluation or consideration is required prior to moving forward on a particular matter.
- It is proposed that in such situations, any member(s) may request the referral of such matters for further review. It is noted that this mechanism is not for the purposes of creating any delay but solely to ensure matters have been given adequate consideration.
- If any matter is referred for review, the review is to be undertaken by the Independent Chair and two Committee members. The review group is to include the member, or at least one of the members, who requested that a matter be reviewed. The Independent Chair shall select the two members of the Committee who will participate in the review group having regard to the nature of the matter being reviewed. After consideration of the matter, the review group will report back to the Committee on the outcome.
- Requests for reviews shall be made at any meeting of the Committee. The Independent Chair shall be the final arbiter of what matters are to be referred for review. Review requests must be accompanied by reasons.
- Review requests are to be made without other Committee members criticising the request. The ability to make such a request in a non-threatening environment is part of “this is the way we do our business” approach.

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APPENDIX 2

Greater Christchurch Partnership Committee

Public Deputations Guidelines

The Greater Christchurch Partnership Committee is a joint committee of the Partner Councils and other organisations and welcomes speakers at its meetings. The right to speak at meetings must however be specifically requested and the following guidelines set out the process which must be followed.

Requests to speak

1. Notwithstanding any Standing Orders relating to public deputations, any person requesting to speak at a meeting of Committee must make such a request in writing to the Committee Advisor at least six clear working days before the date of the meeting concerned.
2. Such a request must detail who would be speaking, which organisation (if any) they would be representing and the topic of the presentation sought to be covered.
3. Presentation topics must relate to the functions of the Committee and must relate to an agenda items for the meeting concerned.

Confirmation of requests

4. The Independent Chair will consider any request to speak and confirm his/her decision at least two working days before the date of the meeting concerned.
5. The Independent Chair may refuse requests for any reason set out in Standing Orders, including:
 - a. The speaker has already presented on the same topic.
 - b. The matter is subject to legal proceedings.
 - c. The matter is subject to a hearing.

Urgent requests

6. Notwithstanding point 1 above, where in the opinion of the Independent Chair a request made outside the above timeframes is considered urgent or of major public interest, such a request may be granted.

Presentations

7. It would be of assistance to Committee representatives and associated staff if a written summary of the speaker's topic is submitted to the Independent Chair prior to the meeting concerned.
8. If a written submission is presented prior to the meeting concerned it will not be necessary for the speaker to read it verbatim, but merely to outline the general content.
9. Unless given specific prior permission by the Independent Chair, speakers should present for no more than ten minutes.
10. The Chairperson may terminate a presentation in progress for any reason set out in standing orders, including:
 - a. The speaker is being repetitious, disrespectful or offensive

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- b. The Chairperson has reason to believe that statements have been made with malice.
11. If the presentation relates to an agenda item to be subsequently debated Committee representatives may ask questions of clarification but will not enter into debate.

Responses to deputations

12. An initial response to deputations will be provided at the end of the Committee meeting concerned. The Committee (or staff on behalf of the Partners) will then provide a written response to any points raised by speakers, as considered appropriate by the Independent Chair, within two working days of the meeting concerned.

Note: Presentations to the Committee may be made in English, Māori or any other language, including New Zealand Sign Language. Prior arrangement with the Independent Chair should be sought at least two working days before the meeting if the address is not in English. The Independent Chair may order that any speech or document presented be translated and/or printed in another language. If the other language is an official language of New Zealand (e.g. English, Māori or New Zealand Sign Language), the translation and printing costs will be met by the Partnership.

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APPENDIX 3

Greater Christchurch Partnership Committee

Partnership and Communications Protocol

1.0 Purpose

This protocol has been prepared to enable members of the Greater Christchurch Partnership (GCP) to work together in a collaborative manner taking a 'no surprises' approach. The purpose is to ensure early communication and consultation between the Partners during the preparation of reports, policy/plan, initiatives, and reviews that relate to the functions of the Committee and other matters that could impact upon the Partnership.

Using this Protocol will enhance the trust and mutual respect between Partner organisations and avoid misunderstandings or outcomes that undermine the benefits of unified sub-regional leadership.

This Protocol forms part of the Partnership's Memorandum of Agreement.

2.0 Principles

The Partners commit to:

- 2.1 Work collaboratively:** Partners maintain a free flow of information, by regular formal and informal reporting and discussions. In particular, Partners will signal potential decisions on policies, plans and actions early via the GCP governance and management structure (Senior Managers' Group, CEAG and at GCP Committee).
- 2.2 A 'no surprises policy':** Partners communicate in an open and respectful manner, declaring issues and interests as soon as practicable. Partners consider the implications of their decisions and actions on the GCP and other partners ahead of time, and inform each other in advance of any major strategic initiative.
- 2.3 Demonstrate leadership:** Partners will demonstrate their commitment to working collaboratively to their organisations and their communities, and champion the process of partnership when implementing any and all of the strategies and action plans agreed by the GCP.
- 2.4 Discuss funding:** Partners discuss funding issues openly within the Partnership, particularly when there are gaps or changes that need to be made.
- 2.5 Respond promptly:** Partners respond in an agreed and timely manner to any communication and consultative initiative by another Partner. The Partner proposing the policy, plan or action has responsibility for managing the associated timeframe and will advise other Partners accordingly.

3.0 Applications

This protocol applies in any and all of, but not exclusively, these situations:

- If any matter is a 'statement of proposal' relating to any strategy managed by the GCP (for example spatial plans, Resilient Greater Christchurch Plan, Greater Christchurch Transport Statement) that has the potential to impact on other Partners;
- The matter involves more than one Partner and requires or involves a sub-regional response;
- The matter involves funding from more than one Partner;

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- The matter may impact across the boundary into another Partner Council;
- The matter may result in significant impact on a neighbouring local authority or national infrastructure;
- The matter proposes a new service that may be used by residents of another local authority;
- The matter relates to infrastructure provision to or from an adjacent local authority.

4.0 Spokespeople

- For general matters the Deputy Chair of the GCP Committee shall be the spokesperson.
- For Partner-specific matters the relevant Partner representatives shall be the spokespeople.
- For GCP specific projects the GCP may nominate a spokesperson.
- For day-to-day operational matters the GCP Partnership Manager shall be the spokesperson.

5.0 Approvals, Implementation and Monitoring

The GCP Committee representatives are responsible for giving effect to this protocol on behalf of their organisations. Thereafter, partner Chief Executives and the Senior Management Group has responsibility for Protocol management and ongoing implementation. It is the responsibility of each Partner to integrate the application of the Protocol within their organisation and through their representatives on each and every GCP group.

6.0 Resolution of Conflicts

The Partners commit to work in good faith to resolve any disagreements or conflicts that may arise in relation to the implementation of this Protocol. If any matters are unable to be resolved by the Senior Management Group, the matter is to be referred to the Chief Executives Advisory Group for consideration and resolution of issues.

7.0 Review

This Protocol will remain in effect until further notice. It may be reviewed at any time by agreement of the Chief Executives Advisory Group, with any amendments recommended to the GCP Committee for endorsement.

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SCHEDULE 1

Schedule of Papatipu Rūnanga of Ngāi Tahu Whānui and their respective Takiwā¹ within the context of Greater Christchurch

Te Ngāi Tūāhuriri Rūnanga	The takiwā of Te Ngāi Tūāhuriri Rūnanga centres on Tuahiwi and extends from the Hurunui to Hakatere, sharing an interest with Arowhenua Rūnanga northwards to Rakaia and thence inland to the Main Divide.
Te Hapū o Ngāti Wheke (Rāpaki) Rūnanga	The takiwā of Rāpaki Rūnanga centres on Rāpaki and includes the catchment of Whakaraupō and Te Kaituna.
Te Rūnanga o Koukourārata	The takiwā of Te Rūnanga o Koukourārata centres on Koukourārata and extends from Pohatu Pā to the shores of Te Waihora including Te Kaituna.
Wairewa Rūnanga	The takiwā of Wairewa Rūnanga centres on Wairewa and the catchment of the lake Te Wairewa and the hills and coast to the adjoining takiwā of Koukourārata, Onuku Rūnanga and Taumutu Rūnanga.
Ōnuku Rūnanga	The takiwā of Ōnuku Rūnanga centres on Ōnuku and the hills and coasts of Akaroa to the adjoining takiwā of Te Rūnanga o Koukourārata and Wairewa Rūnanga.
Taumutu Rūnanga	The takiwā of Taumutu Rūnanga centres on Taumutu and the waters of Te Waihora and adjoining lands, and shares a common interest with Te Ngāi Tūāhuriri Rūnanga and Te Rūnanga o Arowhenua in the area south to Hakatere.

¹ As described in the Schedule of the Order in Council Te Rūnanga o Ngāi Tahu (Declaration of Membership) Order 2001. More detailed description is available in the Mahaanui Iwi Management Plan 2013.

Karakia – Whakakapi Closing Incantation

Ka whakairia te tapu	Restrictions are moved aside
Kia watea ai te ara	So the pathway is clear
Kia tūruki whakataha ai	To return to everyday activities
Kia tūruki whakataha ai	
Hui e, tāiki e	Enriched, unified and blessed