

## 6. HOUSING PORTFOLIO - 2006 RENT REVIEW

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### PURPOSE OF REPORT

1. The purpose of this report is to assess the housing portfolio rents for the 2006/07 financial year, and to seek Council approval for rent adjustments.
2. The report also recommends adjusting garage rents.

### EXECUTIVE SUMMARY

3. The 2006 rent review has been undertaken to ensure that all future maintenance, renewal and capital requirements are met in a sustainable way ie without rates subsidisation. Rents are set in relation to the cost of consumption methodology (the rent level needed to meet future maintenance, renewal and capital costs). The rents are then assessed for tenants' affordability and finally compared with market rents to calculate how much of a discount City Housing rents are below market levels.
4. A rent review mechanism and policy was approved by the Council in 2003, whereby rents are to be reviewed annually and adjusted in accordance with cost of consumption methodology. Any Council approved changes to levels of service also affect rent levels through the cost of consumption methodology.
5. The recommendation of this report is to apply an adjustment to rentals (to levels set out below) based on the Council's previously resolved policy to annually review rentals in line with the cost of consumption methodology. It also acknowledges that future costs are likely to rise faster than inflation (Consumer Price Index - CPI), and therefore future rent assessments should follow these costs in order to maintain the housing portfolios long term financial viability.
6. Rents for the garages and car ports, which are let separately to tenants, have not been adjusted since 1987. There is no Council policy reason why garages should be let at below market levels. This report recommends adjusting garage rents upwards by \$5 per week based upon a report from independent consultants.

### FINANCIAL AND LEGAL CONSIDERATIONS

7. The City Housing portfolio is a self funded standalone portfolio, and has no impact on rates as set by the Council. The Housing Development Fund (HDF) is designed to assist replacement costs and maintain agreed upon levels of service. Ongoing renewal costs are predominately supported by rental charges, while replacement costs are funded through a combination of cash flows and drawdowns from the HDF.
8. The land and buildings, as a whole, owned by the Council for its public housing provision have been identified and listed by the Council as a strategic asset. Its Community Services is a significant activity in terms of the Councils' policy on significance. However, it is the view of the Legal Services unit that the proposed rent review is not such that it needs to be explicitly provided for in the Councils' Long-Term Council Community Plan, and a special consultative procedure adopted.
9. Council staff have, in identifying all practicable options for achieving the objective of reviewing its housing rentals and giving consideration to the views of those people affected by or having an interest in the matter, complied with the procedures set out in the Local Government Act 2002.

**Relevant Current Policy**

- 10. *“The asset management policy requires the Council to ensure that the housing fund is financially self supporting, (allowing for all costs including depreciation, loan servicing, administration and maintenance).”*
- 11. The Housing Tenancy Services Policy states:
  - “(a) That the Council, in fulfilling its role as housing provider, seek to offer security of tenure to tenants, as appropriate.*
  - (b) That, from July 1991, equivalent properties attract the same level of rent for the same level of occupancy.*
  - (c) That differential rents between single and double occupancy remain.*
  - (d) That the annual rent review date for all tenancies be the first rental period in July.”*
- 12. The Council Housing Portfolio - Strategic Overview states:
 

*“That the Housing Development Fund be carefully managed in conjunction with the housing asset management plan so as to ensure sustainability of the Council housing portfolio in perpetuity, based on an “affordable” rental policy averaging approximately 80% of “market” rents.”*
- 13. The Council, as a landlord, is required to supply tenants with a 60 day notification of rent adjustment under the Residential Tenancies Act 1986. Therefore it is necessary for written confirmation of any rental adjustment to be received by tenants by the end of April 2006 in order for it to be effective for the first rental period in July 2006. The effective date of the first rental period in July is specified in the council’s residential tenancy agreements.
- 14. The majority of City Housing tenants are entitled to the accommodation supplement through WINZ. This subsidy pays 70 cents in every dollar of rent in excess of the entry threshold, which is based upon 25% of the tenants’ assessed gross income, thereby mitigating the actual rent increase to the tenant. It has been assumed, in accordance with the last five year trend, that both benefits and the entry threshold for the accommodation supplement will increase with inflation (Statistics New Zealand - December 2005).

**STAFF RECOMMENDATIONS**

It is recommended that the Council adopt:

- (a) The following gross rents for the Housing portfolio from 1 July 2006, and thereafter future adjustments be in line with the assessed costs of maintaining the housing portfolios long term financial viability.

<b>Accommodation type</b>	<b>A Grade</b>	<b>B Grade</b>	<b>C Grade</b>
<b>Flatting units</b>		\$64.10	
<b>Bedsits</b>		\$85.40	
<b>Studios</b>		\$90.30	
<b>1 Bedroom</b>	\$122.00	\$101.90	\$92.70
<b>2 Bedroom</b>	\$154.90	\$139.70	\$122.00
<b>3 Bedroom</b>	\$205.00	\$169.60	\$143.40
<b>4 Bedroom</b>	\$226.30	-	-

- (b) A rent of \$15 per week for garages and \$12 per week for car ports from 1 July 2006.

**BACKGROUND ON RENTALS**

15. The Christchurch City Council is one of the largest landlords in Christchurch with approximately 2,600 units. The Council’s policy is set out in its strategic policy statement for housing:

*The Christchurch City Council contributes to the community’s social well-being by ensuring safe, accessible and affordable housing is available to people on low incomes including elderly persons and people with disabilities.*

16. A breakdown of the housing stock by property type is shown below:

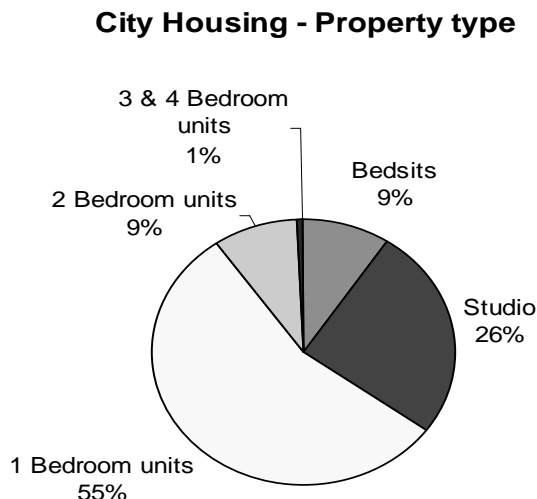


Chart 1

17. A study on “Mortality of New Zealand Housing stock”, identified that 50% of buildings built will need to be replaced or demolished by the time they reach 90 years of age. Most of the housing portfolio was constructed during the 1970’s as illustrated below. As a result the Council’s housing stock is likely to require substantial replacement between 2060 to 2075.

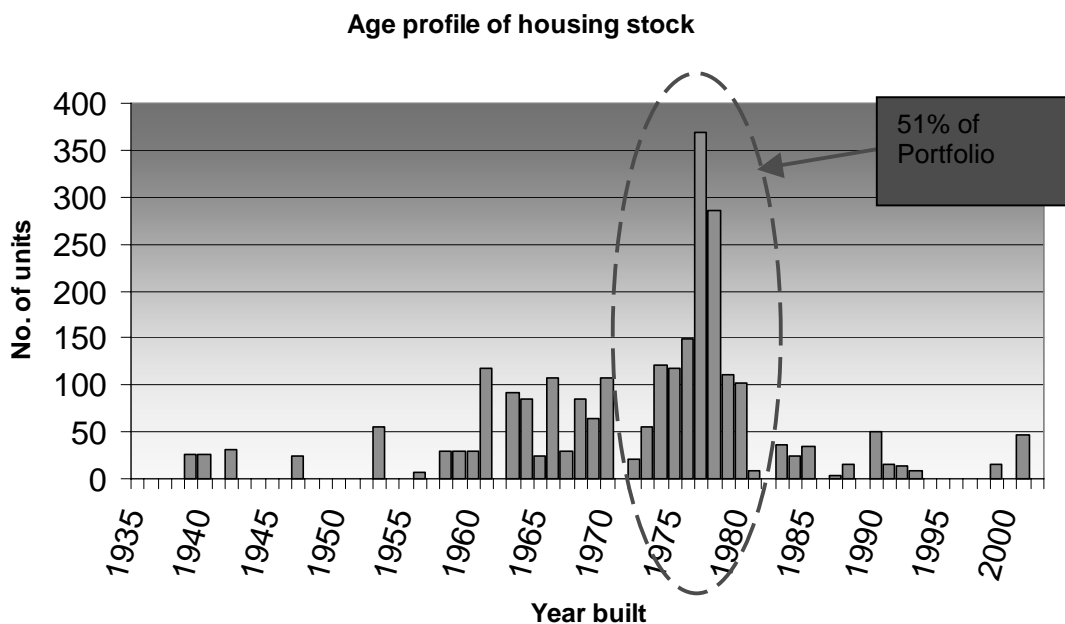


Chart 2

18. As the City Housing portfolio is entirely self funded and does not receive any support from rates, the Council established a Housing Development Fund (HDF), which will, accumulate over the next 55 years to fund this future replacement programme, some of which will take place prior to 2060. The HDF is funded by depreciation and surpluses from the operating budget. The balance on the HDF currently stands at \$9.68 million (10 February 2006), with outstanding loans of \$7.35 million.
19. In 2003 the Council agreed, following a period of no rent increases, to adjust the rents across the different property types, and introduce a uniform rent policy across Christchurch. The effects were to categorise the accommodation based on the number of bedrooms and unit quality. This unit quality was based on A, B and C classifications, with units classed as A providing the best quality accommodation and C units a basic level of accommodation, with most units being graded B. The process of implementing the uniform rent policy was for some tenants spread over two years to moderate the impact. The Council also resolved that future adjustments will be in line with inflation.
20. In 2004 and 2005 the Council agreed to adjust the rents in line with inflation (Consumer Price Index (CPI) - December 2003/2004), being 1.6% and 3% respectively. With both of these rent reviews staff identified risk associated with construction based costs rising above normal CPI levels.
21. This report identifies a need to adjust the rents at a rate higher than current inflation in order to meet the present and future operating costs of the housing stock based on existing agreed levels of service, plus to continue accumulating a HDF to meet the long term replacement programme.
22. A number of assumptions are adopted in this process to ensure that the Housing portfolio is managed on a sustainable basis over a 90-year life cycle of the average dwelling. The key assumptions are as follows:
  - Annual adjustment of rentals to allow for increased costs.
  - Inflationary adjustments to costs.
  - Annual surpluses accrue to grow the HDF to levels required to sustain the housing stock at current agreed upon levels of service.

#### **OPTIONS - HOUSING RENTS**

23. The cost of consumption methodology identifies the need to adjust rents faster than inflation (CPI). This is based on the assumption that City Housing's costs are more sensitive to changes to specific components of CPI eg construction costs, compared with CPI as a whole, which is based on a wider range of goods and services.
24. The cost of consumption methodology results are then assessed to see the impact on tenants' affordability. Affordability is considered to be the ability to rent a property whilst leaving sufficient income to maintain an acceptable standard of living. The Royal Commission on Social Policy has adopted an affordability threshold being based on 25% to 30% of gross income.
25. Finally the results are compared to calculate the gap between City Housing rents compared with market rents.
26. From these three options have been identified for the Council's consideration:
27. **Option 1 - To adjust net rents by an average of \$7.00 per week and thereafter maintain future increases at CPI.**
28. This option allows some catch up and thereafter increasing rents at CPI, as in line with previous policy. Whilst this enables City Housing to remain financially viable over a 95 year period, this declines to a point where future adjustments above inflation will be required. This is owing to the housing portfolio costs rising, as a result of construction and labour costs increasing faster than the CPI.

29. Set out below is a table showing how the rent adjustment affects tenants after deducting the accommodation supplement.

Recommended

Benefits	Accommodation	2005 net rent (pw)	2006 net rent (pw)	Market Rent	2006 net increase (pw)	2006 net increase (per day)
<b>Superannuitants</b>	Studio	\$67.00	<b>\$73.32</b>	\$149.20	\$6.32	\$0.90
	1 Bedroom	\$69.85	<b>\$76.79</b>	\$158.35	\$6.94	\$0.99
	2 Bedroom	\$102.95	<b>\$112.70</b>	\$213.57	\$9.75	\$1.39
	3 Bedroom	\$110.30	<b>\$121.67</b>	\$266.59	\$11.37	\$1.62
<b>Invalids</b>	Studio	\$60.49	<b>\$66.60</b>	\$149.20	\$6.11	\$0.87
	1 Bedroom	\$63.34	<b>\$70.07</b>	\$158.35	\$6.74	\$0.96
	2 Bedroom	\$95.25	<b>\$104.76</b>	\$213.57	\$9.51	\$1.35
	3 Bedroom	\$102.60	<b>\$113.72</b>	\$266.59	\$11.12	\$1.58
<b>Unemployment and sickness</b>	Studio	\$51.60	<b>\$57.42</b>	\$149.20	\$5.82	\$0.83
	1 Bedroom	\$54.45	<b>\$60.90</b>	\$158.35	\$6.45	\$0.92
	2 Bedroom	\$88.95	<b>\$98.25</b>	\$213.57	\$9.30	\$1.33
	3 Bedroom	\$96.30	<b>\$107.22</b>	\$266.59	\$10.92	\$1.56

30. Option 1 is identified by staff as the recommended course of action.
31. **Option 2 - Adjust net rents by an average of \$5.20 per week and thereafter adjust rents in line with operating expenditure.**
32. Option 2 enables some catch up but maintains future adjustments in line with operating expenditure, which is expected to increase faster than inflation owing to its sensitivity to changes in construction and labour costs. This option maintains the housing portfolios long term financial viability.

Benefits	Accommodation	2005 net rent (pw)	2006 net rent (pw)	Market Rent	2006 net increase (pw)	2006 net increase (per day)
<b>Superannuitants</b>	Studio	\$67.00	\$71.76	\$149.20	\$4.76	\$0.68
	1 Bedroom	\$69.85	\$75.04	\$158.35	\$5.19	\$0.74
	2 Bedroom	\$102.95	\$110.30	\$213.57	\$7.35	\$1.05
	3 Bedroom	\$110.30	\$118.75	\$266.59	\$8.45	\$1.20
<b>Invalids</b>	Studio	\$60.49	\$65.04	\$149.20	\$4.56	\$0.65
	1 Bedroom	\$63.34	\$68.32	\$158.35	\$4.98	\$0.71
	2 Bedroom	\$95.25	\$102.35	\$213.57	\$7.10	\$1.01
	3 Bedroom	\$102.60	\$110.80	\$266.59	\$8.20	\$1.17
<b>Unemployment and sickness</b>	Studio	\$51.60	\$55.87	\$149.20	\$4.27	\$0.61
	1 Bedroom	\$54.45	\$59.15	\$158.35	\$4.70	\$0.67
	2 Bedroom	\$88.95	\$95.85	\$213.57	\$6.90	\$0.98
	3 Bedroom	\$96.30	\$104.30	\$266.59	\$8.00	\$1.14

33. As this option assumes rent adjustments will be above CPI, we have assessed the long term impact of increasing rents above CPI. This shows that initially there is a reduction of affordability for most tenants but over a ten year period most tenants will be paying about 30% of their gross income on rent.
34. Option 2 is not identified by staff as the recommended course of action.

35. **Option 3 - To adjust net rents by an average of \$3.30 per week and thereafter rents reviewed by CPI plus 0.5% every year.**
36. This option allows some catch up but spreads most of the required adjustment, to maintain financial viability, over 95 years. This means the HDF grows at a slower rate and during the period of greatest expenditure will lead to the highest level of borrowings. Consequently this option is clearly the most risky and therefore any subsequent changes could jeopardise City Housing's financial viability.

Benefits	Accommodation	2005 net rent (pw)	2006 net rent (pw)	Market Rent	2006 net increase (pw)	2006 net increase (per day)
<b>Superannuitants</b>	Studio	\$67.00	\$70.21	\$149.20	\$3.21	\$0.46
	1 Bedroom	\$69.85	\$73.29	\$158.35	\$3.44	\$0.49
	2 Bedroom	\$102.95	\$107.89	\$213.57	\$4.94	\$0.70
	3 Bedroom	\$110.30	\$115.83	\$266.59	\$5.53	\$0.79
<b>Invalids</b>	Studio	\$60.49	\$63.49	\$149.20	\$3.00	\$0.43
	1 Bedroom	\$63.34	\$66.57	\$158.35	\$3.23	\$0.46
	2 Bedroom	\$95.25	\$99.95	\$213.57	\$4.70	\$0.67
	3 Bedroom	\$102.60	\$107.88	\$266.59	\$5.28	\$0.75
<b>Unemployment and sickness</b>	Studio	\$51.60	\$54.32	\$149.20	\$2.72	\$0.39
	1 Bedroom	\$54.45	\$57.39	\$158.35	\$2.94	\$0.42
	2 Bedroom	\$88.95	\$93.45	\$213.57	\$4.50	\$0.64
	3 Bedroom	\$96.30	\$101.38	\$266.59	\$5.08	\$0.72

37. This option, initially, has the lowest impact on tenants affordability. However, long term tenants affordability declines at a rate of 1% every 10 years. Therefore most tenants will be spending over 30% of their gross income on rents within 40 years.
38. Option 3 is not identified by staff as the recommended course of action.

#### **OPTIONS - GARAGE RENTS**

39. An independent report prepared by Simes Ltd assessed the market rents for garages between \$20 to \$25 per week depending on quality and location. There are effectively three options available to the Council.

40. **Option 1 - No rent adjustment**

This in effect postpones a decision to adjust rents for another year, whilst ignoring market evidence showing rents are between \$10 to \$15 per week above City Housing garage rents.

Option 1 is not identified by staff as the recommended course of action.

41. **Option 2 - Adjust garage rents by \$5 per week and car ports by \$4 per week**

Option 2 is for the Council to adjust rents from \$10 per week to \$15 per week and car ports from \$8 to \$12 per week, in order to bring rents closer to market levels. This option still provides a \$5 to \$10 per week discount from assessed market rents.

Option 2 is identified by staff as the recommended course of action.

42. **Option 3 - Adjust garage rents by \$10 per week and car ports by \$8 per week**

This option proposes adjusting rent to or close to market levels. This may be beyond some tenants' ability to pay and could lead to tenants terminating their garage tenancies. The knock on effect would be higher vacancies and possible loss of garage income.

Option 3 is not identified by staff as the recommended course of action.

**PREFERRED OPTION**

- 43. It is recommended that Option 1 (Housing rents) be adopted by the Council, with tenants paying on average an additional \$7.00 per week effective from 1 July 2006, and with future adjustments in line with operating expenditure.
- 44. It is recommended that Option 2 be adopted by the Council, with tenants advised of a rental adjustment (garage rents) of \$5 per week for garages and \$4 per week for car ports effective from 1 July 2006.

**ASSESSMENT OF OPTIONS - HOUSING RENTS**

**The preferred option - Option 1**

- 45. To adjust net rents by an average of \$7.00 per week and thereafter maintain future adjustments at CPI.

	<b>Benefits (current and future)</b>	<b>Costs (current and future)</b>
<b>Social</b>	<ul style="list-style-type: none"> <li>• An adequate standard of housing is met.</li> <li>• Allows agreed upon levels of service for the housing portfolio to be met.</li> <li>• Maintenance requirements are met and units are looked after to an acceptable standard.</li> </ul>	It would be more difficult for tenants to absorb this rental adjustment.
<b>Cultural</b>	As above.	As above.
<b>Environmental</b>	There are no identified environmental impacts.	There are no identified environmental impacts.
<b>Economic</b>	The Housing Development Fund grows quickly ensuring long term viability with no borrowings.	Costs continue to increase faster than CPI.

**Extent to which community outcomes are achieved:**  
 Primary alignment with community outcome Healthy and Active People  
 Also contributes to A Liveable City and A Safe City

**Impact on Council's capacity and responsibilities:**  
 As the Housing Portfolio is a self funding activity there is no impact on rates. This option recommends an adjustment to ensure the long term viability of the Housing Development Fund. This fund ensures the housing stock is maintained in a sustainable manner.

**Effects on Maori:**  
 There are no specific impacts on Maori that are different to those to be experienced by other ethnic groups.

**Consistency with existing Council policies:**  
 The Council has resolved that the housing fund is financially self supporting. This option is consistent with Council policy.

**Views and preferences of persons affected or likely to have an interest:**  
 This report has been prepared based on Council Policy, along with information from previous rent reviews, and detail provided by City Housing.

**Other relevant matters:**  
 There are no other relevant matters identified.

## Option 2 - Housing Rents

46. Adjust net rents by an average of \$5.20 per week and thereafter adjust rents in line with operating expenditure.

	<b>Benefits (current and future)</b>	<b>Costs (current and future)</b>
<b>Social</b>	<ul style="list-style-type: none"> <li>• An adequate standard of housing is met.</li> <li>• Allows agreed upon levels of service for the housing portfolio to be met.</li> <li>• Maintenance requirements are met and units are looked after to an acceptable standard.</li> <li>• Long term affordability is maintained.</li> </ul>	It may be difficult for some tenants to absorb this rental adjustment.
<b>Cultural</b>	As above.	As above.
<b>Environmental</b>	There are no identified environmental impacts.	There are no identified environmental impacts.
<b>Economic</b>	Ensures the long term viability of the Housing Development fund is protected.	Some borrowing may be required from 2060.
<p><b>Extent to which community outcomes are achieved:</b>            Primary alignment with community outcome Healthy and Active People            Also contributes to A Liveable City and A Safe City</p> <p><b>Impact on Council's capacity and responsibilities:</b>            As the Housing Portfolio is a self funding activity there is no impact on rates. This option acknowledges future rent adjustments will have to be linked to operating and capital cost inflation to ensure the long term viability of the Housing Development Fund. This fund ensures the housing stock is maintained in a sustainable manner.</p> <p><b>Effects on Maori:</b>            There are no specific impacts on Maori that are different to those to be experienced by other ethnic groups.</p> <p><b>Consistency with existing Council policies:</b>            The Council has resolved that the housing fund is financially self supporting. This option is consistent with Council policy.</p> <p><b>Views and preferences of persons affected or likely to have an interest:</b>            This report has been prepared based on Council Policy, along with information from previous rent reviews, and detail provided by City Housing.</p> <p><b>Other relevant matters:</b>            There are no other relevant matters identified.</p>		



### Option 3 - Housing Rents

47. To adjust net rents by an average of \$3.30 per week with future rent increases of CPI plus 0.5%.

	<b>Benefits (current and future)</b>	<b>Costs (current and future)</b>
<b>Social</b>	<ul style="list-style-type: none"> <li>• An adequate standard of housing is met.</li> <li>• Allows agreed upon levels of service for the housing portfolio to be met.</li> <li>• Maintenance requirements are met and units are looked after to an acceptable standard.</li> <li>• Low initial impact on tenants affordability.</li> </ul>	Long term affordability is put at risk.
<b>Cultural</b>	As above.	As above.
<b>Environmental</b>	There are no identified environmental impacts.	There are no identified environmental impacts.
<b>Economic</b>	The long term viability of the Housing Development fund is assured.	Substantial borrowings will be required from 2060.
<p><b>Extent to which community outcomes are achieved:</b>            Primary alignment with community outcome Healthy and Active People            Also contributes to A Liveable City and A Safe City</p> <p><b>Impact on Council's capacity and responsibilities:</b>            As the Housing Portfolio is a self funding activity there is no impact on rates. This option recommends future rent adjustments of CPI plus 0.5% to ensure the long term viability of the Housing Development Fund. This fund ensures the housing stock is maintained in a sustainable manner.</p> <p><b>Effects on Maori:</b>            There are no specific impacts on Maori that are different to those to be experienced by other ethnic groups.</p> <p><b>Consistency with existing Council policies:</b>            The Council has resolved that the housing fund is financially self supporting. This option is consistent with Council policy.</p> <p><b>Views and preferences of persons affected or likely to have an interest:</b>            This report has been prepared based on Council Policy, along with information from previous rent reviews, and detail provided by City Housing.</p> <p><b>Other relevant matters:</b>            There are no other relevant matters identified.</p>		

**ASSESSMENT OF OPTIONS - GARAGE RENTS**

**Option 1 - Garage Rents**

48. No rent adjustment.

	<b>Benefits (current and future)</b>	<b>Costs (current and future)</b>
<b>Social</b>	City Housing continue to provide a service below market rents.	None.
<b>Cultural</b>	As above.	As above.
<b>Environmental</b>	There are no identified environmental impacts.	There are no identified environmental impacts.
<b>Economic</b>	None.	Long term viability of the Housing Development Fund is put at risk as rent does not reflect market levels.

**Extent to which community outcomes are achieved:**

Primary alignment with community outcome Healthy and Active People  
 Also contributes to A Liveable City and A Safe City

**Impact on Council's capacity and responsibilities:**

As the housing portfolio is a self funding activity there is no impact on rates. This option puts at risk the long term viability of the Housing Development Fund. This fund does not ensure the housing portfolio is maintained in a sustainable manner.

**Effects on Maori:**

There are no specific impacts on Maori that are different to those to be experienced by other ethnic groups.

**Consistency with existing Council policies:**

The Council has resolved that the housing fund is financially self supporting. This option is inconsistent with Council policy.

**Views and preferences of persons affected or likely to have an interest:**

This report has been prepared based on Council Policy, along with information from previous rent reviews, and detail provided by City Housing.

**Other relevant matters:**

There are no other relevant matters identified.

**The Preferred Option - Garage Rents**

49. Garage rents adjusted by \$5 per week and car port rents by \$4 per week.

	<b>Benefits (current and future)</b>	<b>Costs (current and future)</b>
<b>Social</b>	<ul style="list-style-type: none"> <li>• City Housing continue to provide a service below market rents.</li> <li>• Maintenance requirements are met and facilities are looked after to an acceptable standard.</li> </ul>	Tenants pay adjusted rental from existing income with no subsidy.
<b>Cultural</b>	As above.	As above.
<b>Environmental</b>	There are no identified environmental impacts.	There are no identified environmental impacts.
<b>Economic</b>	Ensures the long term viability of the Housing Development fund is protected.	Adjusted rental will be chargeable to tenants.

**Extent to which community outcomes are achieved:**

Primary alignment with community outcome Healthy and Active People  
 Also contributes to A Liveable City and A Safe City

**Impact on Council’s capacity and responsibilities:**

As the housing portfolio is a self funding activity there is no impact on rates. This option recommends a \$5 per week adjustment of garage rents, the first since 1987, to ensure the long term viability of the Housing Development Fund. This fund ensures the housing portfolio is maintained in a sustainable manner.

**Effects on Maori:**

There are no specific impacts on Maori that are different to those to be experienced by other ethnic groups.

**Consistency with existing Council policies:**

The Council has resolved that the housing fund is financially self supporting. This option is consistent with Council policy.

**Views and preferences of persons affected or likely to have an interest:**

This report has been prepared based on Council Policy, along with information from previous rent reviews, and detail provided by City Housing.

**Other relevant matters:**

There are no other relevant matters identified.

**Option 3 - Garage Rents**

50. Adjust garage rents by \$10 per week and car port rents by \$8 per week.

	<b>Benefits (current and future)</b>	<b>Costs (current and future)</b>
<b>Social</b>	Maintenance requirements are met and facilities are looked after to an acceptable standard.	Tenants pay adjusted rental from existing income with no subsidy.
<b>Cultural</b>	As above.	As above.
<b>Environmental</b>	There are no identified environmental impacts.	There are no identified environmental impacts.
<b>Economic</b>	Ensures the long term viability of the Housing Development fund is protected.	Risk of higher voids and loss of garage income as rents are set at market levels.
<p><b>Extent to which community outcomes are achieved:</b>                      Primary alignment with community outcome Healthy and Active People                      Also contributes to A Liveable City and A Safe City</p> <p><b>Impact on Council’s capacity and responsibilities:</b>                      As the housing portfolio is a self funding activity there is no impact on rates. This option recommends a \$10 per week rent adjustment to ensure the long term viability of the Housing Development Fund. This fund ensures the housing portfolio is maintained in a sustainable manner.</p> <p><b>Effects on Maori:</b>                      There are no specific impacts on Maori that are different to those to be experienced by other ethnic groups.</p> <p><b>Consistency with existing Council policies:</b>                      The Council has resolved that the housing fund is financially self supporting. This option is consistent with Council policy.</p> <p><b>Views and preferences of persons affected or likely to have an interest:</b>                      This report has been prepared based on Council Policy, along with information from previous rent reviews, and detail provided by City Housing.</p> <p><b>Other relevant matters:</b>                      There are no other relevant matters identified.</p>		