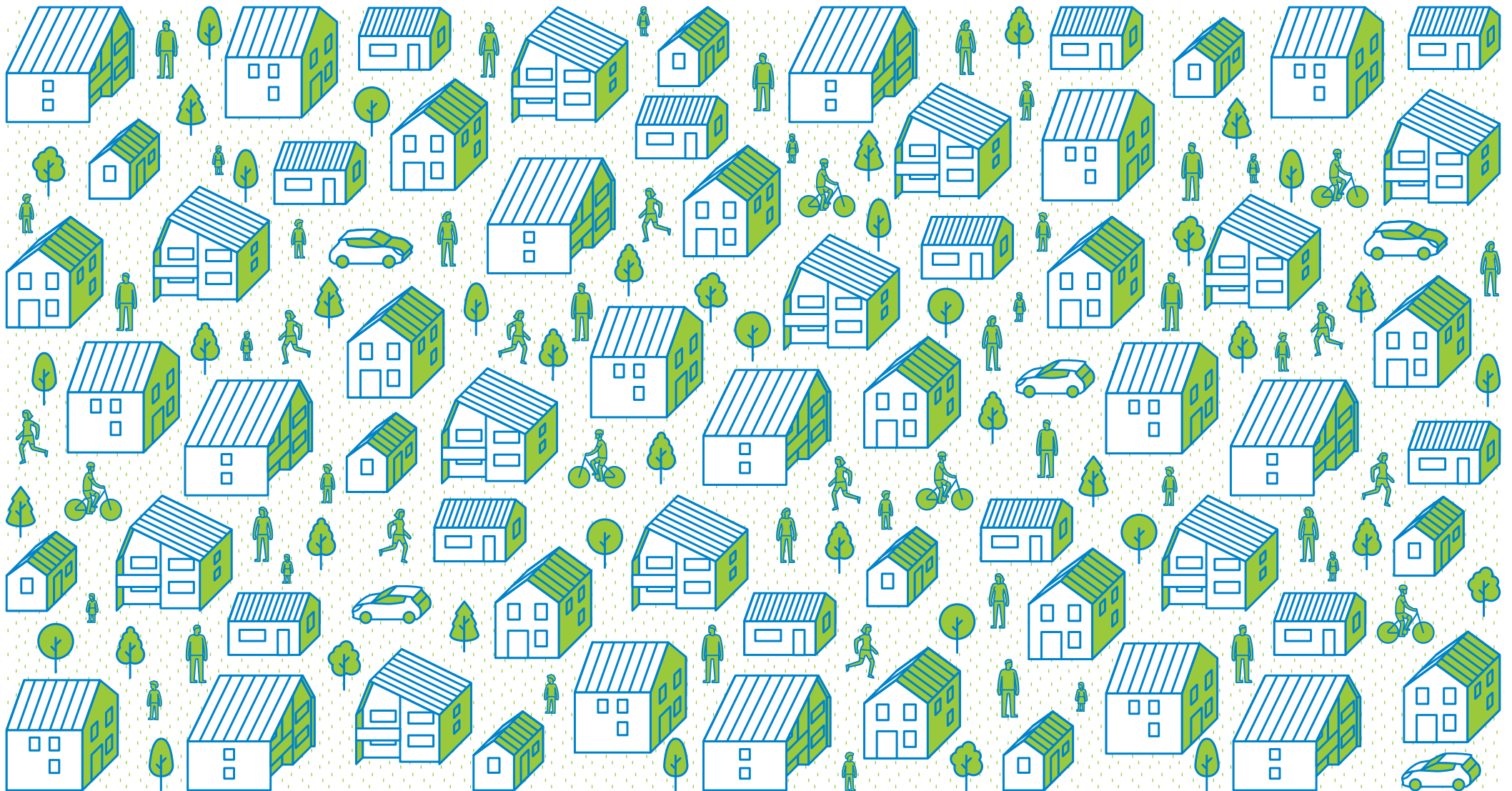


annual report fy21



contents

1

from the
chair &
chief
executive



2

introduction
& highlights



3

year
in review



- 3.1 Better Tenant Outcomes
- 3.2 Our Homes: Property & Development
- 3.3 Sustainability: Environmental & Business
- 3.4 Strategic Partnerships
- 3.5 Tenant Satisfaction
- 3.6 Special Projects
- 3.7 Financial Results
- 3.8 Summary & Year Ahead

at Ōtautahi
community
housing trust,
tenants are at
the centre of
all that we do



1



from the chair & chief executive

The financial year to June 30 2021 is ŌCHT's fifth since establishing our team and signing the Deed of Lease that would underpin a new, financially sustainable model for the Christchurch City Council's community housing portfolio.

The Trust has progressively grown, in size and impact in the ensuing half decade, offering more services as we improve and grow the city's community housing and offer more homes to those most in need.

We are the second biggest Community Housing Provider in New Zealand and our ground-breaking, successful partnership with the Christchurch City Council model continues to be aspirational for other local governments, looking for sustainable options for their housing.

Our solution is anchored in our communities; tenants are at the centre of everything we do. We are committed to sustainable tenancies and enhancing wellbeing-through initiatives such as Tenant Employment Service, the Digital Equity Project and e-transport services.

The Trust has returned \$11 million in surplus lease payments over five years, providing the Council further opportunities to reinvest in upgrading its community housing.



The Trust has offered 1,930 new tenancies over five years. At the same time, we increased the proportion of tenancies receiving the Income Related Rent Subsidy.

In FY21, Council accepted a business case to transfer major maintenance responsibility to the Trust, staircasing the work of ŌCHT's maintenance team that already delivers high quality reactive repairs.

We delivered the Warm and Dry Initiative, a Council/ŌCHT collaboration ensuring all ŌCHT homes were upgraded to meet the Government's Healthy Homes rules well ahead of the June 2023 deadline.

We reflected on our service delivery model and identified the need to more clearly separate our landlord and tenant support functions.

The Trust continued to demonstrate leadership in community housing nationally. As co-chair of Community Housing Aotearoa and CEO & Sector Leaders Forum, the community housing sector has developed strategy and advocacy approaches.

All the while, the Board of Trustees continued to guide and oversee operations to ensure they deliver on the Board's high standards and aspirations. Their governance expertise, goodwill, optimism and belief in the Trust are the underpinnings of the Trust's success.

We are proud of these achievements. We also know we can – and will – do more for Christchurch in the coming year, buoyed by the support of our tenants, the city council, community, business partners, employees, and stakeholders.

A stylized, handwritten signature in blue ink, appearing to read 'Cate'.

Cate Kearney
Chief Executive

A stylized, handwritten signature in blue ink, appearing to read 'Alex S.'.

Alex Skinner
Chairman of the Board of Trustees



introduction & highlights

Ōtautahi Community Housing Trust (ŌCHT) is a charitable trust and a leading community housing provider. ŌCHT is no ordinary landlord; we have a tenant-centric delivery model in which we actively work with tenants and social services to foster sustainable tenancies.

We have about 2,400 homes across Christchurch comprising properties leased from the Christchurch City Council's community housing portfolio and Trust-owned community housing. ŌCHT leases 77% of its properties. The proportion of Trust-owned homes continues to grow as we build new properties.

ŌCHT was established in 2016 and signed a Deed of Lease with the Christchurch City Council (Council) in the same year. ŌCHT returns a base lease payment equivalent to what Council would have received if it still managed the portfolio, and an additional payment of 80% of any surplus. The overall aim is to achieve financial sustainability for Council's ring-fenced community housing asset group.

As a charitable trust, ŌCHT invests any surpluses into improving and growing community housing and support services to those most in need in our city.

Our role is to:

- Provide community rental housing in Christchurch and Banks Peninsula
- Support better tenant outcomes by supporting tenant well-being
- Provide excellent property and asset management
- Build new community affordable and environmentally sustainable homes

Our values – Nga Wariutanga – guide our work and help us focus on common goals. At the highest level they demonstrate our commitment to Te Ao Māori and our duty of care. They are:

Manaakitanga: Duty of Care

Binds together honesty, integrity empathy and respect
We act with sincerity and empathy. We do what is right, not what is easy. By what we say and do, we show people that they and their wellbeing are important to us.

Puataata: Transparency

It is what we do and not do, for which we are at all times prudent and accountable in our actions and in our fiscal management.

Nga whakanui: Celebration

We recognise and celebrate the efforts and achievements of the people we help, and those of volunteers, supporters and employees.

Toitu te whenua: Environmental sustainability

We operate in a way that meets our present needs without compromising the ability of future generations to meet their own needs.



In reviewing the year, we have had many successes

Partnered with the community housing sector to advocate to government for upfront capital to build more community homes



Achieved a high standard of Tenancy Management and Tenant satisfaction



Delivered better tenant outcomes initiatives such as Employment Service



Innovation in construction and environmental sustainability initiatives



Partnered and continue to support the Housing First initiative in Christchurch



Won awards for its new community housing developments



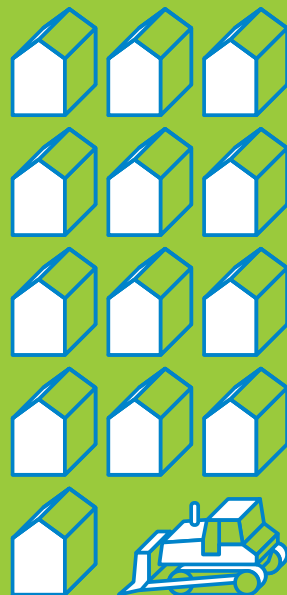


Karoro Lane was officially opened in April 2021,
one of four communities ŌCHT opened in 2020/21.

ÖCHT performance results

Total Properties

2021 **2,418**
2020 **2,431***



* Demolished 50 homes for new community housing projects

Rent Revenue Total (000)



2021 **\$24,000**
2020 **\$21,188**

Surplus Lease Payment to CCC



2021 **\$3.95m**
2020 **\$3.35m**

IRRS – CCC (Income Related Rental Subsidy)



2021 **41%**
2020 **36%**



IRRS – ÖCHT (Income Related Rental Subsidy)



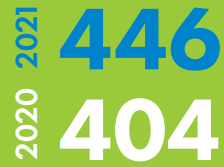
2021 **62%**
2020 **41%**



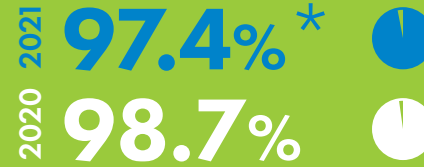
Surplus as a % of CCC rent revenue



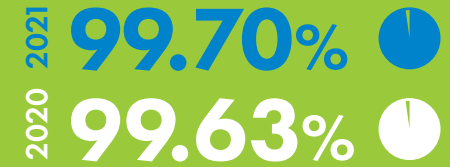
New Tenancies



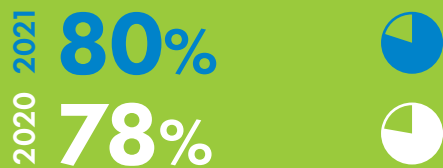
Occupancy



Revenue collected



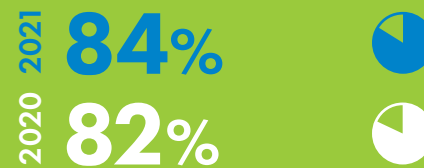
Tenant satisfaction with maintenance



Tenants agree their unit is warm, dry and weathertight



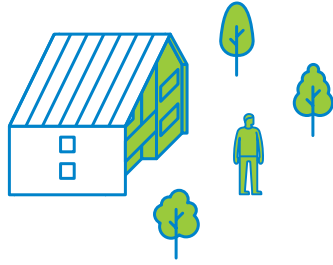
Tenant satisfaction with call centre



Tenant satisfaction with overall performance



3



year in review

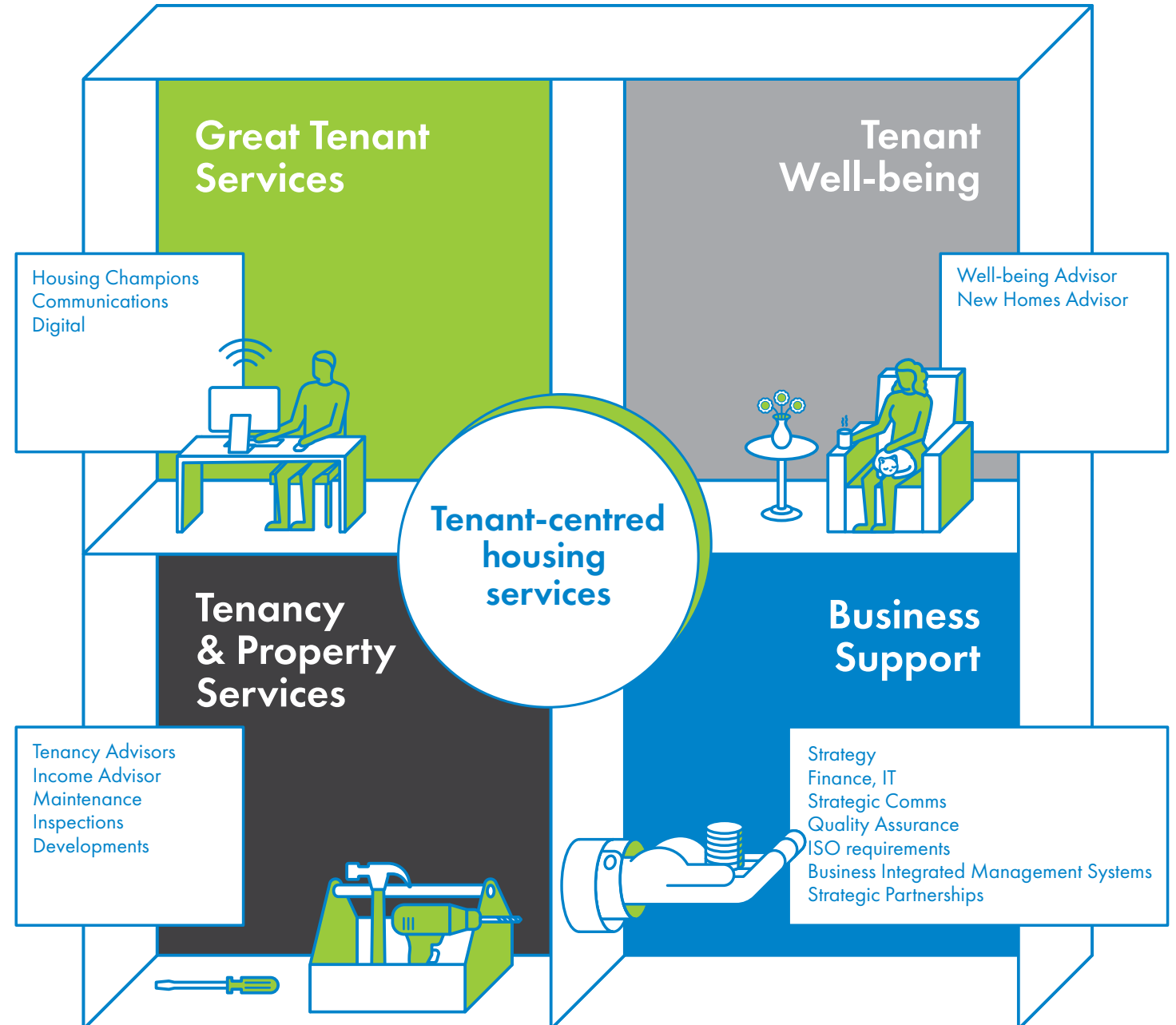
We redesigned our service delivery model to provide an even stronger focus on tenant wellbeing; to have building technicians undertake property inspections; to improve communications with tenants and our teams, and to enhance our business support services.

The redesign moved ŌCHT from a traditional social landlord with a “one size fits all” approach and focus on facilitating community activities enjoyed by some tenants, to a service focused on communication and connectivity and targeted services based on individual tenant need.

In considering the tenants’ experience, enhanced communication and a focus on wellbeing were prioritised.

The new model delivering Tenant Centred Housing Services went live in October 2020.

The Redesign
focused on functions
in four areas:



3.1 Better Tenant Outcomes

ŌCHT actively works with tenants to enhance their wellbeing and help sustain their tenancies.

ŌCHT tenants benefit from affordable housing at below market rent. New ŌCHT tenancies are Ministry of Social Development (MSD) Income Related Rent tenancies. This year 41.5% of Council's portfolio and 62% of ŌCHT tenancies received IRRS. ŌCHT aims to increase this to 50% and 65% respectively by FY23.

Tenants transferred to ŌCHT from the Council on 2 October 2016 are on an Assisted Rent. ŌCHT subsidises these rentals. A tenant on an Assisted Rent is not expected to pay more than 85% of the annually assessed market rent and will not have more than a net 5% rent increase a year. In FY21 tenants on an assisted rental pay, on average, 65% of the assessed market rent. The average rent increase for the year was 3.9%.

ŌCHT provides targeted support to tenants, as per the redesign. Wellbeing Advisors empower tenants to identify goals and aspirations, develop plans to achieve these goals and signpost them to internal and external services where appropriate. In FY21, 96% of properties received at least one wellbeing visit in addition to 97% receiving a property inspection visit for the handypersons in a separate visit. ŌCHT Income Advisor collaborates with tenants and external organisations to deliver proactive services which resolve/mitigate the root causes of debt. In FY21 99.7% of rent was recovered.

These services combine to support tenants to work through any issues which might otherwise lead to the loss of tenancy. Over the year, 0.8% of tenancies ended due to ŌCHT-initiated action. Our target is to sustain no less than 99% of tenancies.

ŌCHT employs an Employment Coach who runs a weekly Job Club to help tenants to become work-ready and assist them to access work opportunities. In collaboration with the MSD, ŌCHT offers 18-week internships to tenants which allow them to acquire practical skills. During the year, 20 tenants were assisted into ingoing employment and an additional four completed work placements with ŌCHT.



ŌCHT Employment Service

Paul's journey.

Paul's got a new job and an appreciation of what can be achieved with support and tenacity.

The ŌCHT tenant landed a fulltime job with the help of the ŌCHT Employment Service.

The super-focused service is open to all ŌCHT tenants who are committed to finding work. The service offers one-on-one help and holds a weekly Job Club for job seekers.

Paul signed up after he lost his job in the wake of the COVID-19 pandemic. After two visits to Job Club, Paul was offered an internship with the ŌCHT/CCC Warm and Dry Initiative.

At the same time, he and ŌCHT's Employment Coach looked for new job opportunities. He got help updating his CV, registering with job seeking sites and applying for work.

Paul filled in dozens of applications. Every lead was followed; Paul and the Employment Coach even door-knocked employers. He secured part-time at Kmart Riccarton and within weeks, he had a fulltime job at Pak 'n Save Wainoni.

"I feel if I hadn't had the help the Job Club gave me, I would've just gone with what I knew," Paul says.

The Employment Coach helps motivated people make the most of their strengths. The service helped 18 tenants into work in the year to June.

3.2 Our Homes: Property & Development

ŌCHT aims to increase community housing in Christchurch and, at a minimum, build 400 homes to replace those lost due to the Christchurch earthquakes. Our current target is a minimum of 100 new houses a year. We exceeded this target this year. Developments completed were Reg Stillwell (November 2020), Korimako Lane (January 2021), Karoro Lane (April 2021) and Hoiho Lane (June 2021). These developments added 103 new homes to the ŌCHT portfolio.

Our developments are efficient and cost effective, delivered on time and on or under budget. They also win awards; Tīwaiwaka Lane, opened in July 2020, was a Silver Award Winner in the Residential Project category of the New Zealand Commercial Project Awards 2021. The three Lanes in our Brougham St development was awarded a “Category A” Christchurch Civic Trust Award recognising “the social enterprise in re-establishing a community housing amenity in Sydenham that is environmentally sustainable”.

The majority of properties in ŌCHT’s property portfolio are older homes which would not meet building codes if built today. To tackle this, this year ŌCHT delivered improvements to all properties to ensure all meet the Government’s Healthy Homes Standards. This was completed two years ahead of the Government-mandated deadline for public housing. The Tenant Survey found 84% of tenants agree their home is warm, dry, and weathertight, 25 percentage points more than the previous year.

Occupancy is a key performance indicator of our teams working together to prepare a property for the next tenant. Our average occupancy was 97.4% during the year, below our 98% target. This is linked to a reduction in homes as we demolished old, cold homes to be replaced by warm, dry efficient ones.



It takes a community to build a community and one of ŌCHT's newest was built by one of the best.

The team behind the Tiwaiwaka Lane development was a Silver Award Winner in the Residential Project category of the New Zealand Commercial Project Awards 2021.

The awards are run by the Registered Master Builders Association. They recognise the work of the whole project team, rather than simply focusing on the construction itself.

Consortium Construction's entry detailed an innovative 28-home project built on close collaboration between the builder, designer, tenants and the ŌCHT team.

Their work delivered homes that meet New Zealand Green Building Council Homestar 6 standards. They're built to be warm and efficient, with a reduced environmental impact.

The award was conferred in a year in which ŌCHT delivered 103 new homes.



3.3 Sustainability: Environmental & Business

Toitū Te whenua (Environment Sustainability) is a core guiding value of the Trust and ŌCHT seeks sustainable and innovative solutions that result in environmental benefits, cost efficiencies and increased tenant satisfaction. All new ŌCHT community homes are built to New Zealand Green Building Council Homestar 6 standard, as a minimum.

Sustainability is at the centre of our relationship with tenants and we have the same attitude toward our environment. Over FY21 we formalised our commitment to the environment by becoming a Toitū Carbonzero Certified Organisation, reinforcing our focus on sustainability. The Toitū Envirocare Certification Programme will help us reduce our impact on global warming.

The Toitū audit completed in December 2020 established a baseline score to measure the work ahead, to continually manage and reduce our carbon emissions and environmental impacts. We are committed to reducing our carbon footprint by 5% per year (office operations only), to achieve an overall 25% reduction by the end of FY2026. In FY21, we produced 39.74 tCO₂e of emissions, exceeding the annual target (21% reduction). This can be attributed in part to the reduction in the volume of air travel due to COVID restrictions, and the same rate of reduction is not expected to be sustained when normal business activity resumes.

Our other Environmental goal is to have a carbon zero car fleet. At the end of FY21 half of the ŌCHT car fleet was made up of electric or hybrid cars.

ŌCHT returns surpluses to Christchurch City Council and enhances the quality of the leased portfolio. A base lease payment and 80% of any surplus is paid with the overall aim of delivering a financially sustainable portfolio for this Council ring-fenced asset group. In FY21, \$3.95 million additional lease was paid to Council.

The remaining 20% of any surplus from the leased portfolio is reinvested in ŌCHT properties and services. During FY21, a surplus of \$990,000 was reinvested into the development of new ŌCHT properties, maintenance of existing properties, and services to our tenants.



ŌCHT/Zilch Car Sharing scheme

Peter wouldn't be
without it.

Peter smiles when asked whether he's enjoying the ŌCHT/Zilch Car Sharing scheme.

"Oh, hugely," he says as he pulls his Zilch membership card from his trouser pocket. "It's an important part of my transport. So inexpensive, so handy, so easy to use – more people should make use of it."

Peter is one of the first regular users of the two Nissan Leafs based at Karoro Lane. They're there for a two-year pilot to see how low-carbon, low-cost transport might benefit the community.

The cars are supplied by ŌCHT and the ride share service is managed by Zilch Car Sharing. ŌCHT tenants from anywhere in the city can book and use the cars.

Peter uses the car sharing scheme three or four times a month, mixing it up with other public transport options. Cost and convenience made him an early user.

"Petrol is one thing, but there's also servicing, insurance, warrants of fitness and registration costs.

"When you think about what you use a car for, it's worth thinking about the alternatives."

The project's the first of its kind in New Zealand. Researchers are monitoring progress and it's hoped what's learned might influence transport's place in community housing development.

The pilot is co-funded by the Government's Low Emissions Vehicles Contestable Fund, administered by the Energy Efficiency and Conservation Authority.



Ōtautahi
community
housing
trust



3.4 Strategic Partnerships

Our employees are a key strategic partner and our objective is to be a great employer. ŌCHT offers a range of employee benefits that meet and exceed our statutory obligations. Employee feedback is important to us. We monitor employee satisfaction and other key indicators via fortnightly OfficeVibe surveys. The FY21 participation rate was 95%, and the engagement score 79%. In FY21 our employees increased from 42 to 47 FTE.

ŌCHT is a partner in the Housing First Christchurch programme which ensures people experiencing chronic homelessness (kaewa) can access housing and wrap around support services. Employees are seconded to Housing First from six collaborative partners. In FY21 ŌCHT seconded 2.0 FTE and employed two dedicated Tenancy Advisors to work with kaewa living in our homes. FY21 saw a significant increase on the previous year in the number of Housing First tenancies managed by ŌCHT – 76, from 42 in FY20 – helping to reduce chronic homelessness in Christchurch.

ŌCHT is a member of Community Housing Aotearoa (CHA), the Community Housing peak body. CHA is the voice of the community housing sector nationally, promoting housing policy, building capacity and fostering collaboration. ŌCHT's chief executive is its co-chair and the CEO & Sector Leaders Forum. The forum develops strategy and advocacy approaches with other sector leaders. The sector has successfully advocated government changes to housing policy over the past year.

Over FY21 ŌCHT's CHP model and partnership with Christchurch City Council has been noticed by other local governments especially those struggling with the financial sustainability of their portfolios.



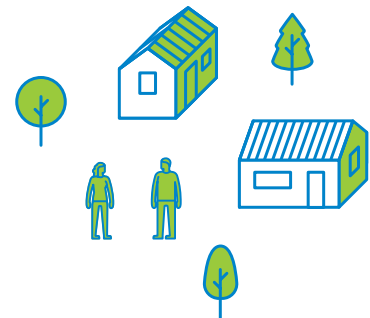


Social and environmental sustainability are related;
ŌCHT achieved Toitū carbonzero certification in February 2021.

3.5 Tenant Satisfaction

Tenants are at the centre of everything we do and the 2021 redesign was driven by this principle. The Annual Tenant Satisfaction Survey measures tenants' satisfaction with the services provided by ÖCHT and provides us with important information on how we can improve our services to tenants.

Surveying was completed during the year and 681 tenants took part. Of these, 627 (92%) completed the survey by post and 54 (8%) submitted their feedback online.



Social Housing: Overall Satisfaction

levels of service meet all recommended targets

82%

are satisfied with quality of the tenancy service provided. Satisfaction with the quality or tenancy service **meets** the interim 2020 ÖCHT target of **82%**.

79%↑

are satisfied with the condition of the unit provided (up from 61%). Satisfaction with the condition of homes **exceeds** the ÖCHT target of **70%**.



ÖCHT Performance

stability & high degree of general satisfaction



84%

are satisfied with the Trust's call centre.

77% ↑

agree that they are kept well informed about plans for longterm maintenance of their home and complex (up from 65%).

77%

are satisfied with the service provided by the Tenancy Manager.

54%

agree that the Trust considers tenants' suggestions and feedback when making decisions.

81%

are satisfied with over all services provided in the past 12 months.

92%

new
perceived ÖCHT's Covid-19 lockdown response to be good.

84%

agree that they are kept well informed about ÖCHT news and activities through the ÖCHT Our Chat newsletter.

Satisfaction with Residential Unit

satisfaction levels Improved on most key measures



93%

new
are satisfied with the new heat pump.

83% ↑

agree that unit maintenance is completed when necessary (up from 76%).

85% ↑

are satisfied with services provided by ÖCHT maintenance contractors (up from 76%).

83%

new
perceive the new Warm & Dry initiative as having had a positive impact on their lives.

84% ↑

agree that their house is warm, dry and weather tight; a vast improvement compared to previous years (up from 59%).

80%

agree that the lawns and gardens in communal areas at their complex are managed well.

3.6 Special Projects

Several significant projects driving continuous improvement for the benefit of tenants and stakeholders were delivered or commenced during FY21.

ŌCHT developed a business case to have the responsibility for major maintenance transferred from CCC to ŌCHT, giving it overall responsibility for the planned maintenance and renewals of the Council's portfolio as well as developing and updating a long-term Asset Management Plan. The business case was approved by Council in May 2021 and the transfer occurred on 1 July 2021.

ŌCHT also commenced a housing software system upgrade, to a modern and contemporary solution that delivers greater functionality for teams and enhances our business performance and reporting. Once fully implemented, it will enable all key tenant, property and contractor management functions needed to run a community housing business to be performed in one place, such as rent accounting and arrears management, repairs, and planned maintenance.

We established a partnership with Enable Networks to deliver a Digital Equity project aiming to connect ultra-fast fibre broadband to all eligible ŌCHT properties on the Enable network, and to offer eligible tenants free broadband internet. ŌCHT will improve tenant connectivity with a dedicated digital coaching service. The partnership's free broadband proposal needs Ministerial approval to proceed.

The digital coaching service (made possible through a grant from Rata Foundation) supports tenants to become better connected, with advice and training. This component of the Digital Equity project continues regardless of the outcome of the Ministerial approval process.



Hundreds of social housing tenants to get free internet for 10 years

Access to free internet means Peter and Maimoana Hansen will get to see their family more often.

The couple and others living in 2300 social housing units are about to get free internet through a 10-year partnership with Ōtautahi Community Housing Trust (ŌCHT) and fibre company Enable.

The scheme, thought to be the first long-term commitment of this scale in New Zealand, will save ŌCHT tenants about \$22 million in internet costs over 10 years, based on an \$80-a-month internet connection.

More than 60 per cent of ŌCHT tenants are not connected to the internet at home.

Peter Hansen said the couple have family in Australia and the United States, and it would mean a lot to speak to them and see them via Skype.

However, like many other ŌCHT tenants, they were on a fixed income and internet access was a luxury they would struggle to afford.

Enable and ŌCHT, which is Christchurch's second largest provider of social housing, have been working together for months to come up with a plan to address digital inequity.

ŌCHT chief executive Cate Kearney said the world had become so digitally connected: "If our tenants can not connect and participate, they will become increasingly isolated and unable to fully participate in society."

ŌCHT planned to provide an education and support programme for tenants. It was also looking at how it could offer free or low-cost laptops or tablets to tenants.

It was estimated the initiative would generate about \$20m in economic benefits to the Christchurch community over five years.

Enable hoped to complete the roll out of free internet in the coming months, but needed permission from the Government first.

Abridged from Stuff Limited,
15 May 2021



3.7 Financial Results

Financial
Statements
2021

Statement of Financial Performance	2021 (000)	2020 (000)
Total Revenue	24,517	22,105
Non-Exchange Revenue	836	1,159
Total	25,353	23,264
Gain on investment property	587	0
Lease	(11,508)	(11,184)
Employee Benefits	(2,834)	(2,900)
Direct Expenses	(6,538)	(5,632)
Other	(3,460)	(3,494)
Surplus (Deficit)/year	1,600	54
After property revaluation	19,584	54

Statement of Financial Position

	FY21	FY20
Net Current Assets	3,246	4,176
Non Current Assets	107,269	65,381
Non Current Liabilities	(46,165)	(23,544)
Equity	58,066	38,483



3.8 Summary & Year Ahead

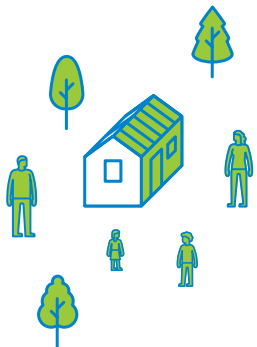
The results of this financial year and of those since ŌCHT was formed out of the Christchurch City Council's wish for a financially sustainable housing portfolio demonstrate ŌCHT's track record of success, our positive contribution to the housing sector in Christchurch, and the progress we've made as an organisation. We enter our sixth year confident of our success and excited about the future.

We will continue to work with the Government and other community housing providers to bring about changes which will strengthen the sector in Aotearoa and ultimately lead to more people being well housed.

Other important changes announced in 2021 relate to the Progressive Home Ownership scheme. ŌCHT has applied to be an accredited Progressive Home Ownership provider to offer affordable first homes. We continue to explore other options to increase affordable housing in Christchurch.

Two new housing developments planned in this financial year will be delivered in FY22, providing another 70 new homes in Christchurch. The next developments in the construction pipeline are already progressing through the design, planning and consenting stages.

The ŌCHT team will continue to work with our tenants, partners and stakeholders in Christchurch and nationally to ensure our homes contribute to thriving communities.



Reg Stillwell Place includes refurbished homes for families and plenty of shared space. It opened in November 2020.



The Ōtautahi Community Housing Trust

61 Kilmore St, Christchurch

admin@ocht.org.nz

Freephone: 0800 624 456

