

Submission to Christchurch City Council on Draft Annual Plan, April 2008

Proposed 24% increase in rent for Council tenants

1. At its meeting on March 27th the City Council resolved to increase rents for tenants in Council housing by 24%. I object strongly to an increase of this size.
2. I consider that the Council's recent decision should be set aside and that the rental income from housing should be that set out in the Draft Annual Plan 2008-09, page 29, where the budgeted total rents are stated as \$12.924m.
3. I understand that total rents of \$12.924m are an increase of about 2.5%. I do not object to such an increase because I recognise that costs for maintenance are increasing.
4. I object very strongly to the proposed increase of 24% because:
 - (i) Tenants, residents and ratepayers had no warning that the Council was considering an unprecedented rent increase until a day or two before the Council meeting on 27th March.
 - (ii) The Council's Social Housing Strategy (June 2007) did not indicate that the condition of the housing stock would require a huge rent increase within a year.
 - (iii) The Council's Long Term Community Plan 2006-2016 indicated rent increases of only about 2.5% a year.
 - (iv) Using rent from tenants to build a fund of \$34m by 2015 is a new policy on which people should be consulted, in accordance with the Local Government Act and the City Council's own policy.
5. I urge the Council to rescind its decision of March 27th to increase rents by 24% and to keep to the rental income set out in the Draft Annual Plan with a rent increase of about 2.5%.

6. **Tick one:** * I wish to speak to my submission at the hearing.
* Please inform me of the time of the hearing so that I can attend.

Signature *Betsy M Newell*

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