



Submission to the

Christchurch City Council

Draft Annual Plan

2008/09

Contact Person:

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1. The NZ Engineering Printing and Manufacturing Union (herein referred to as the EPMU) is the largest private sector union and we have nearly 50,000 members New Zealand-wide. Locally, we have nearly 6,500 members who are part of the wider Christchurch community.
2. We request the right to speak to our submission.
3. We applaud the Christchurch City Councillors for the work they have done on the Draft Annual Plan 2008/09 (herein referred to as the plan) and agree with the majority of the plan.
4. Our submission surrounds the imposition of a waste minimisation uniform targeted rate of \$82 for those receiving the three bin system (page 66 of the plan) and the proposed 24% increase in rent for Council tenants which was recently agreed to that overrides the budgeted total rents on page 29 of the plan.
5. Some of our members have incomes on the lower end of the earning spectrum and we have always commended the Christchurch City Council's proactive view in ensuring that waste management services always formed part of the overall rates and that housing stock was maintained for those in the community who are in need.
6. The EPMU believes that it is a very good decision to move to a 3 bin system as a way of dealing with the environmental issues in Christchurch and congratulate the Council for looking at ways of reducing the amount of waste that goes into landfill each year.
7. The decision to separate out the costs of this system from the general rates and set it as a uniform amount moves away from the Christchurch City Council's previous position of looking after our most vulnerable people and we are disappointed to see this occur.
8. A uniform charge of \$82 unfairly penalises those households in low capital value properties and will mean an increase in rates of nearly 12% for those who can least afford it, the lower quartile of home owners in Christchurch.
9. We strongly encourage the Christchurch City Council to move away from a uniform charge for this service and the cost should be applied as a cents in the \$ of capital value as is done for the other basic services of water supply, sewerage and land drainage.
10. All Christchurch City Ratepayers should receive their rates bill and know that their increase was the same no matter which suburb they live in. By applying it as a uniform charge, this is not the case. When the amount of the rates (including the uniform charge) is calculated, those in the poorer suburbs will pay a much higher percentage increase than those in higher capital value areas.

11. Ratepayers have always used services differently so cross subsidisation has always occurred. The person owning the flat in Woolston pays the same % cost of the rates for their water as the person owning a home in Avonhead with a swimming pool.
12. The EPMU has always accepted that rents in the Christchurch City Council Housing Stock need to rise annually and believe that the move in the rent rate to \$12.924m or approximately 2.5% (page 29 of the Plan) was a fair increase. This percentage increase is slightly under CPI (3.4% year ended March) which we believe is a good indication of what increases should be for this disadvantaged group.
13. The EPMU strongly objects to the decision made at the Council meeting on 27th March where the Council ignored their own draft plan and increased the rates for tenants by 24%.
14. Further, we object strongly to the process that was employed surrounding the decision-making on this increase.
15. Tenants, residents and ratepayers had only 2-3 days warning that the Council was considering such a massive increase.
16. Less than a week prior to this announcement (Monday 17th March), the Draft Annual Plan was put out for community consultation which showed a slight increase in rates of approximately 2.5% (page 29).
17. The increase in the Annual Plan is consistent with the Christchurch City Council's Long Term Council Community Plan 2006-2016 which was adopted in 2006, after a full consultation process as required by the Local Government Act 2002.
18. In June 2007 the Council's Social Housing Strategy made no mention of the requirement to increase rents urgently because of the condition of the housing stock.
19. The question has to be asked as to how the stock could deteriorate so quickly that within a year of the Social Housing Strategy rents had to be increased 24% so these can be properly maintained or replaced by 2015.
20. We believe that to use rent increases to build a fund of \$34 million by 2015 is a new policy and, therefore, is not a decision that should be made without consultation in accordance with both the Local Government Act 2002 and the Christchurch City Council's own policy.
21. The Government has been working with other Councils around New Zealand to increase the housing stocks for those in need. The Christchurch City Council should be looking towards the Government to aid in their replacement strategy rather than requiring those currently disadvantaged to pay for the future disadvantaged.

22. The EPMU strongly urges Christchurch City Councillors to set aside the rental increase of 24% agreed to at the Christchurch City Council Meeting of the 27th March and to only increase the rates approximately 2.5% as per page 29 of the proposed Draft Annual Plan and the Long Term Council Community Plan 2006-2016.
23. Also, we request Christchurch City Councillors to remove the uniform charge stated on page 66 of the plan and to incorporate this charge into the overall rates amount.

Rose, Hilary

From: Karena Brown [Karena.Brown@epmu.org.nz]
Sent: Monday, 21 April 2008 12:17 pm
To: CCC Plan
Subject: CCC Draft Annual Plan 2008 to 2009.doc
Attachments: CCC Draft Annual Plan 2008 to 2009.doc

Hi

Please find attached the EPMU Submission to the Draft Plan 2008-09.

As stated in the submission, we request the right to speak to this submission.

Thanks

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21/04/2008