

**REPORT 7**  
(1215/11/IM)**Report of the Strategy and Policy Committee  
Extraordinary Meeting of Thursday 16 June 2005**

**MEMBERS:** Mayor Prendergast, Councillors Armstrong (Chair), Ahipene-Mercer, Cook, Foster, Gill, Goulden, McKinnon, Morrison, Pepperell, Ritchie, Ruben, Shaw, Wade-Brown and Wain.

**MATTERS CONSIDERED BY THE COMMITTEE**

The Strategy and Policy Committee dealt with a number of issues for which it has delegated powers to act and therefore these are before the Council for noting.

The Committee hereby recommends that the information be received.

1. **ITEM 174/05P REVIEW OF HOUSING RENTAL POLICY**  
(1215/52/IM) (REPORT 1)

*THAT the Strategy and Policy Committee:*

1. *Receive the information.*
2. *Agree to maintain Council's current rent policy at 70% of market with rent increases on 5 September 2005 based on March 2005 valuation updates.*
3. *Agree to change the name of the current hardship allowance to "affordable rent limit".*
4. *Agree to move affordable rent limits from 40% of income after tax down to 35% - a level closer to international and other New Zealand standards.*
5. *Agree to maintain other relief measures, specifically:*
  - a. *No rent increases for those aged over 80 years*
  - b. *No annual increase to exceed \$30 per week*
  - c. *No annual increase for a single person household should exceed \$20 per week.*

6. *Agree to maintain current carpet charges and use of “as is” valuations for rent setting purposes for another year.*
7. *Agree to remove separate carpet charges and use “upgraded” valuations for rent setting purposes from September 2006.*
8. *Agree to inflation-adjust the current tenant income eligibility limit from \$445 per week for a couple to \$565 per week with changes to the limits for other household sizes on a pro-rata basis (attached as Appendix 1 to the minutes).*
9. *Agree to maintain asset eligibility thresholds at current levels of \$35,000 maximum for those people less than 50 years of age and \$50,000 for persons over 50 years of age.*
10. *Note that City Housing staff will work with Work and Income New Zealand (WINZ) staff to maximise tenant entitlements to the Accommodation Supplement and Working for Families policies.*
11. *Note the increased revenue to Council unbudgeted in the Draft Annual Plan is approximately \$800,000 for the ten month period September 2005 to June 2006 and will be presented to Council as part of the Annual Plan deliberations.*
12. *Note that any increased revenue will be offset against the organisational savings target for 2005/06 Annual Plan purposes.*
13. *Note that City Housing staff will implement a comprehensive communications strategy to ensure tenants and their advocates are fully informed about the 2005 rent changes.*
14. *Request officers to continue discussions with central government about the possibility of bulk funding the accommodation supplement to enable Council tenants to move to the same rent regime as Housing Corporation tenants i.e. 25% of income.*
15. *Request officers to continue work on Housing Asset Reconfiguration Strategy.*
16. *Request officers to report back on the effects of ring fencing the surplus (income – expenditure) to reinvest in maintenance and upgrades and suspending any return on investment requirement in time for consultation in the 2006/2007 draft Annual Plan.*

**Robert Armstrong**  
**Chair**