

STAFF REPORT

TO: Community Services Committee
FROM: Administration Advisor
REFERENCE: C795
DATE: 1 February 2008
SUBJECT: Draft Policy on Pensioner Housing

PURPOSE/REASON FOR REPORT

To present the Community Services Committee with a revised Policy on Pensioner Housing which reflects the Committee's decision to base rentals on 25% gross national superannuation income.

BACKGROUND

The Community Services Committee considered a report based on 80% of market rents verses 25% superannuation income at their meeting on 22 November 2007. The Committee resolved that the rentals be set at 25% of gross superannuation, and that the draft Policy on Pensioner Housing be amended to reflect this change.

COMMENT/DISCUSSION

Before finalising this change Councillors need to be aware of the effect this proposed change has. In many cases current rents exceed the 25% gross superannuation income while in a few cases the rental would increase. Therefore a change to the rentals will mean the annual pensioner housing income will reduce by \$4,500.00. While this is not too significant the shift in rentals does create some concerns to staff such as:

- The reasonably new units in Takaka reduce from \$102.00 to \$84.00 per week while the quite old units in Murchison increase from \$75.00 to \$84.00 per week. The 25% of gross superannuation makes no distinction of age, condition or location of the units.
- In one of the larger blocks of units the older ones increase from \$80.00 to \$84.00 per week whereas the more modern units reduce from \$90.00 to \$84.00.
- Units in Richmond and Motueka, where there are always waiting lists, will have the same rental as units in Brightwater, Wakefield and Murchison where we quite often have problems filling vacancies mainly because of the travel issues.

- In cities and larger towns where rentals are based on income, the units are almost always located within the one town whereas because of the geography of the Tasman District, there are units spread throughout the district.

OPTIONS

- 1 To adopt the draft policy on pensioner housing, as amended, and that rentals based on 25% of gross superannuation come into effect as from 1 July 2008.
- 2 That Council reconsider their decision to base rentals on 25% of gross superannuation.

RECOMMENDATION

- (i) THAT the Draft Policy on Pensioner Housing, as amended, be adopted.
- (ii) THAT rentals based on 25% of gross national superannuation income come into affect as from 1 July 2008.

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Administration Advisor

<http://tdctoday:82/shared documents/meetings/council/committees and subcommittees/community services committee/reports/2008/rcs080214 report draft policy on pensioner housing.doc>