

It's our place

Draft Rates Remission Policy

Statement of Proposal

Have Your Say – When should council allow for remission of rates?
Tell us what you think about our draft Rates Remission Policy 2021.

We are accepting feedback until 5.00pm, 19 April 2021.

Introduction

Council wants to amend its Rates Remission Policy. The purpose of the changes is to:

- provide a clear statement of the objectives of the policy;
- ensure that all community halls and memorial halls are treated as if they are non-rateable;
- enable remissions for water-by-meter excess charges in cases of leaks, whether consumers are billed quarterly or annually;
- return to the pre-Covid-19 position of allowing rates penalty remissions one quarter every two years;
- improve the use of Plain English in the policies.

*Have your
Say!*

When should council allow for remission of rates?

What are rates remissions?

A rates remission is when Council waives the collection of part or all of a rates bill. You may be eligible for rates remission if your property is

- used exclusively to provide community services, facilities and recreational opportunities for the public;
- a residential property that includes a separately inhabited part (such as a “granny flat”) in addition to the main residence;
- a memorial hall or a community hall;
- protected for natural, historic or cultural conservation purposes

Some rates and charges can also be remitted for specific reasons, including:

- Rates penalties; and
- Excess water by meter charges in the event of a leak on private property

A full version of the Statement of Proposal – Draft Rates Remission Policy 2021 is available from ashburtondc.govt.nz/haveyoursay

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***We want
to hear
from YOU!***

Reasons for the changes

Objectives statement

This statement is amended to include the reasons for a rates remissions policy set out in the Local Government Act 2002, and to note links to other Council policies. These changes will help ensure that Council decisions are consistent with the intent of the Act and other council decisions.

Community and Memorial Halls

There are six war memorial halls and 29 community halls. The purpose of this change is to treat all community and memorial halls in the same way for rates.

Water rates remissions

Council has some water-by-meter consumers on quarterly billing and others on annual billing. The policy is amended for this change.

Rates penalty remissions

Council has offered rates penalty remissions on each rates quarter since April 2020, allowing more flexibility to support people and businesses affected by Covid-19. As there has been no increased uptake in demand for penalty remissions, Council plans to return to the previous policy of allowing penalty remissions one quarter every two years.

Plain English changes

Council proposes a number of minor changes to improve the use of plain English in the document and make it easier to read.

Want more detail?

A schedule showing all the detail of proposed changes to the policy can be found here.

*Have your
Say!*

OPTION	A	Support the policy as a whole
OPTION	B	Reject the policy as a whole and keep the status quo
OPTION	C	Accept some of the amendments while rejecting the others

What do YOU think?

We want to know what you think of the proposed policy, the changes we propose and any other changes you wish to put forward. You can provide your feedback by completing the submission form in the back of this document, or online at ashburtondc.govt.nz. We are accepting feedback until 5pm on Monday 19 April 2021.

The scope of Council's decision on the draft Rates Remission Policy is any matter covered by the Policy. Submissions on new matters will be considered as part of future reviews.

Policy Objective

This policy aims to:

- define the objectives sought to be achieved by the remission of rates;
- set out the conditions and criteria to be met in order for rates to be remitted;
- support the overall objectives of prudent financial management and Council's finance, funding and rating policies
- promote the economic, social, cultural and environmental wellbeing of the Ashburton district by:
 - facilitating the provision of community services and recreational opportunities, including community and memorial halls;
 - encouraging the protection of land for natural, historic or cultural purposes;
 - providing an equitable rate impost on separately inhabited dwellings;
 - responding appropriately through the rating system to internal reticulation leaks affecting properties on water by meter charges; and
 - aligning where practicable, with other Council strategies, plans and policies.



Policy Statement

Community Facilities

1. Council provides for the remission of rates payable by qualifying community organisations if the property is used exclusively to provide community services, facilities and recreational opportunities for the residents of the Ashburton District.
2. To qualify for the remission of rates the property must be owned by one of the following:
 - Ashburton District Council
 - A registered charitable trust or incorporated society.
3. A remission of rates will not be granted to organisations operated for private pecuniary profit.
4. The maximum rate remission for qualifying community facilities will be 50% of total rates (including targeted rates such as water and sewerage, but excluding water by meter charges and stock water rates).

Separately Inhabited Dwellings

5. Council provides for the remission of rates payable on residential rating units which include a separately inhabited part that is occupied by a dependent family member of the owner of the rating unit.

6. The owner of the rating unit must complete and provide to Council a statutory declaration outlining the conditions above, and this declaration will be effective for three years or until the conditions cease, whichever is earlier. The owner must provide a fresh declaration after each three year period.
7. The remission will be for a maximum of the additional inhabited unit (the minor flat or other residential accommodation unit) and includes targeted rates such as water and sewerage.

Memorial and Community Halls

8. Memorial and community halls are considered non-rateable land by the Local Government (Rating) Act 2002, provided they fall within the categories of non-rateable land listed in Schedule 1 to the Local Government (Rating) Act 2002
9. Some memorial and community halls do not fall within those definitions. Council wishes to treat them on the same basis as other memorial and community halls.
10. Council will provide 100% remission of rates for all memorial and community halls including 100% remission of service rates (targeted rates such as water and sewerage but excluding water by meter charges and stock water rates).

Definitions

COUNCIL means Ashburton District Council.

COMMUNITY FACILITY is a facility which is open to and provided for the benefit of the public.



Policy Statement

Properties Protected for Natural, Historic or Cultural Conservation Purposes

- 11.** Council provides for the remission of rates on land or buildings with cultural, natural or historic heritage that is recognised in the Ashburton District Plan or legally protected by:
- A heritage covenant under the Historic Places Act 1993
 - A heritage order under the Resource Management Act 1991
 - An open space covenant under the Queen Elizabeth the Second National Trust Act 1977
 - A protected private land agreement or conservation covenant under the Reserves Act 1977
 - Any other covenant or agreement entered into by the owner of the land with a public body for the preservation of existing features of land, or of buildings, where the conditions of the covenant or agreement are registered against the title to the land and are binding on subsequent owners of the land.

- 12.** The maximum rate remission for qualifying properties will be 50% of the rates payable on the protected portion of the land only (including targeted rates such as water and sewerage, but excluding water by meter charges and stock water rates).

Remission and Postponement of Rates on Māori Freehold Land

- 13.** Council does not provide for the remission or postponement of rates on Māori freehold land, unless the application qualifies under another remission provision detailed in this policy.

Remission on Water Rates

- 14.** Council may agree to a remission or part remission of water by meter charges in situations where the amount due is clearly the result of a fault (leak) in the internal water reticulation serving the rating unit.
- 15.** The ratepayer will remain liable for the full charge of their normal water consumption based on past water consumption.

- 16.** A remission may be made on excess charges due to leakage for one billing period only. The applicant must provide evidence that the leak has been fixed

Remission of Rates Penalties

- 17.** Council may agree to the remission of rates penalties (excluding annual penalties) where payment has been late due to significant family disruption, death, illness, accident or genuine mistake.
- 18.** Rates penalties on single rates instalments (excluding annual penalties) may also be remitted as part of an agreed repayment plan for ratepayers with significant arrears as a result of financial hardship or difficulties.
- 19.** Council will only consider one remission of rates penalties per applicant within a 24 month period, applicable to a single rates instalment (three-monthly).
- 20.** Penalties resulting from Council error will be remitted.

Application and Consideration

21. 28. Applications (other than those under clause 23) received during a rating year will apply to the following rating year, and such applications will not be backdated. Applications under clause 23 will apply to the rating year where leakage has occurred. Where leakage has spanned two rating years, Council may remit excess charges in two years but in no case for a period greater than twelve months.
22. Council will grant a maximum of one rates remission for any one rating unit, in any one financial year, unless there has been a Council error. This does not apply to remission of rates penalties.
23. Applications for the remission of rates must be made either in writing, via an online form, or over the phone. Evidence or additional documents may be required. Applications may require a statutory declaration.
24. Decisions on the remission of rates will be made by officers with the appropriate delegations. Applicants will be notified of any decision in writing within 30 days of application.

25. In granting remissions under this policy, Council may specify certain conditions before a remission will be granted. Applicants must pay any remitted rates if the applicable conditions are not met.

Monitoring and Review

26. Remissions granted under this policy will be reviewed at least once every three years as part of the Councils Long Term Plan.
27. Ratepayers receiving rates remission under this policy must notify Council of any changes in their situation that may alter their eligibility for ongoing remission.
28. Council will cancel a remission granted under this policy if it is found a property no longer qualifies for rates remission.

**We are accepting
feedback until 5pm on
Monday 19 April 2021.**



What happens next?

Timeframe and development process



We are accepting feedback until 5pm on Monday 19 April 2021.

The easiest way to provide your feedback is to complete the form online at ashburtondc.govt.nz/haveyoursay

Alternatively, you can provide feedback by filling in the attached submission form and getting it back to us using one of the following methods:



FREEPOST TO
Ashburton District Council
Our Place
Freepost 230444
PO Box 94
Ashburton 7740



IN PERSON
Dropping it off at:
- Ashburton District Council
reception – 5 Baring Square West



EMAIL TO
submissions@adc.govt.nz



ONLINE AT
ashburtondc.govt.nz/haveyoursay

Statement of Proposal – Draft Rates Remission Policy is available from ashburtondc.govt.nz/haveyoursay

You can submit on any or all of the questions below. You don't have to complete every question.

Submission Form

1. What is your preferred course of action on this policy?

- ☐ Adopt the policy as a whole ☐ Reject the policy and go back to the 2018 policy
☐ Adopt some parts and change others

2. If your preference was to adopt some parts and change others, which parts would you adopt and which would you change? Please tick the box for your preference.

- | | | |
|------------------------------|-----------------------------|------------------------------|
| Objectives Statement | <input type="radio"/> Adopt | <input type="radio"/> Change |
| Community and memorial halls | <input type="radio"/> Adopt | <input type="radio"/> Change |
| Water rates remissions | <input type="radio"/> Adopt | <input type="radio"/> Change |
| Rates penalty remissions | <input type="radio"/> Adopt | <input type="radio"/> Change |
| Plain English | <input type="radio"/> Adopt | <input type="radio"/> Change |

3. Where you prefer a change, what are your reasons?

4. Do you have any other ideas to improve the Policy?

Please note, all submissions are public documents and will be made available on Council's website with the names of submitters included.

If you are completing this submission on behalf of others, please name the group or organisation. Only one submission per group/organisation will be accepted.

If you need, please attach additional information.

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Ashburton District Council
PO Box 94
Ashburton 7740

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If you are completing this submission on behalf of others, please name the group or organisation. Only one submission per group/organisation will be accepted.

If you need, please attach additional information.

Your details

First name: _____ Last name: _____
Organisation (if appropriate): _____
Street number: _____ Street name: _____ Postcode: _____
Suburb / Town / RD: _____
Phone: _____ Email: _____

Do you wish to speak in support of your submission at the hearing?

(If no boxes are ticked, it will be considered that you do not wish to be heard)

☐

Yes: Hearings are expected to be held in the Council Chamber, 131 Havelock Street on Tuesday 11 May 2021.

☐

No: I do not wish to speak in support of my submission and ask that the following written submission be fully considered.

Signature:

Date: