

Rates Remission Policy Statement

1. Measurement and review

The monetary effect of all rates remission and postponement policies, together with relief on Maori freehold land, are reported to an appropriate committee of the Council annually.

2. Generic rates relief policy statement

2.1. Objective

To enable the Council to provide overall policies which apply to every individual section of the rates relief policies.

2.2. Policy statement

- Generic policies listed hereunder apply to all the Council's rates remission policy statements.
- When the policy refers to "ratepayer" the meaning should be as defined in sections 10, 11 and 92 of the Local Government (Rating) Act 2002.
- Appeals against decisions made by officials acting under delegated authority under this policy may be appealed to the Council's Audit and Risk Committee at the discretion of the Chairperson of that Committee. In determining whether or not to hear an appeal, the Chairperson must consider that:
 - there is some doubt in the judgement exercised by the official; or,
 - there is some doubt as to interpretation of the policy; or,
 - there appears to be a serious issue of equity and fairness involved.
- All applications for rates remission or postponement must be made prior to the commencement of the rating year (1 July) unless otherwise specified. Applications received during a rating year will be applicable from the commencement of the following rating year. Applications will not be backdated.
- All remissions and postponements must be reported to the appropriate Committee of the Council by 30 September for the year ending the 30 June preceding.

General Rating Delegations

Section of the Local Government (Rating) Act 2002	Description	Delegate (Delegation amounts are inclusive of GST)
S27(5)	Decisions on whether to divide rating units and on the methodology for division	Rates Manager; Finance Manager
S28(2)	Decision whether disclosure of the name of any person is necessary to identify a rating unit	Rates Manager; Finance Manager
S28(3)	Authority to determine fee for being supplied copy of RID data	Rates Manager; Finance Manager
S29	Authority to determine objections to the RID	Rates Manager; Finance Manager
S35(b)	Authority to remove names from the RID	Rates Manager; Rates Officer
S39	Authority to determine objections to rates records	Rates Manager; Rates Officer; Finance Manager

Section of the Local Government (Rating) Act 2002	Description	Delegate (Delegation amounts are inclusive of GST)
S40	Authority to correct errors in RIDs and rate records	Rates Manager; Rates Officer;
S41(3)	Authority to determine whether interest will be charged/collected for re-assessed rates	Chief Executive
S54	Authority not to collect small amounts (defined as amounts less than \$10 including GST and providing there are no other assessments in the name of the same ratepayer)	Rates Manager; Rates Officer;
S61(1)	Authority to recover unpaid rates from owner	Credit Controller; Rates Manager; Finance Manager; Corporate Services Group Manager
S62	Authority to recover unpaid rates from persons other than owners	Credit Controller; Rates Manager; Finance Manager; Corporate Services Group Manager
S72	Authority to sell by private treaty	Chief Executive; Legal Audit and Risk Group Manager
S77-83	Authority to sell abandoned land	Chief Executive ; Corporate Services Group Manager; Legal Audit and Risk Group Manager
S85/87/114/115	Authority to administer remission and postponement policies	Credit Controller; Rates Manager; Finance Manager; Rates Officer
	Remission an Postponement of Maori Freehold Land	Finance Manager up to \$10,000 Rates Manager up to \$5,000
	Rates Postponement Scheme	Rates Manager up to \$5,000 per rating unit per annum. Credit Controller up to \$3,000 per rating unit per annum.
Verify rate rebate applications	Authority to witness declaration	Credit Controller;, Rates Officer; Customer Services Representative; Customer Team Leader
S99	Authority to apply for charging order	Credit Controller; Rates Manager; Finance Manager
S135	Authority to sign documents for court proceedings (if other than CE)	Rates Manager; Finance Manager; Corporate Services Group Manager
S15	Authority to Determine application of Separately Used or Inhabited Parts of a rating unit (SUIP)	Finance Manager; Rates Manager; Legal Audit and Risk Group Manager

2.3. Rates remissions for land been set aside as a conservation area, covered by a Queen Elizabeth II Trust covenant

2.3.1. Objective

To enable the Council to assist in the preservation and conservation of land and its native fauna and flora for the benefit of residents of, and visitors to, the Coromandel Peninsula.

2.3.2. Policy statement

On written application of a ratepayer every three years, and provided that:

- a portion of a rating unit has been set aside as a conservation area, covered by a Queen Elizabeth II Trust covenant; and
- documented evidence of the covenant is provided; then,

The Council may remit that portion of the rates calculated on the area so covenanted. Only land value and capital value based rates will be considered for remission. Upon receipt of the application the Council will direct its valuation service provider to inspect the rating unit and prepare a valuation for that part of the rating unit, which has been covenanted. The ratepayer may be asked to contribute to the cost of the valuation. (Note: The valuation service provider's decision is final as there is no statutory right of objection, or appeal, for valuations done this way).

Delegations

Decisions for remission of rates on land set aside for conservation or preservation purposes will be delegated to Finance Manager and Rates Manager.

2.4. Penalties

2.4.1. Objective

To enable the Council to act fairly and reasonably in its consideration of the application of penalties in circumstances outside the ratepayer's control, or where the ratepayer has previously had an excellent payment record, or where a ratepayer wishes to clear arrears of rates.

2.4.2. Policy statement

On written application by a ratepayer, and provided that:

- payment is made within 14 days of the penalty charge applying, or an exceptional circumstance has occurred, and that,
- no previous penalties have been remitted for the three years immediately prior to the application of the penalty; then penalty on up to two instalments may be remitted.

(An exceptional circumstance could be the birth, death, illness or accident of a family member at the due date. Remission will also be considered if the ratepayer is able to provide evidence that their payment has gone astray in the post or late payment has otherwise resulted from matters outside their control. Each application will be considered on its merits and remission will be granted where it is considered just and equitable to do so).

Automatic remission of penalties incurred on instalment one will be made where a ratepayer pays, or the Council postpones, the total amount due for the year on or before the penalty date of the second instalment.

On written application by a ratepayer, and provided that:

- current year instalments are fully paid; and that,

- all previous year's rates (excluding penalties) are fully paid; then accumulated
- penalties on prior year's rates will be remitted as follows:
- Outstanding rates will have compound interest charged at yearly rests from the date of the oldest debt. The difference between this calculation and the amount outstanding for penalties on the ratepayers account will be remitted.

(Note: the interest rate to be used is that determined in each June for the charging of interest on outstanding accounts. The rate for the current year will be used for the whole calculation).

Delegations

Decisions on remission of penalties will be delegated to:

Delegate	Limit
Corporate Services Group Manager	Up to \$15,000
Finance Manager	Up to \$10,000
Rates Manager	Up to \$5,000
Credit Controller	Up to \$2000
Rates Officer	Up to \$500

2.5. Unusable land

2.5.1. Objective

To enable the Council to provide relief from targeted rates set at a fixed amount per rating unit, and uniform annual general charges on rating units which for all practical purposes are unusable.

2.5.2. Policy statement

On written application of the ratepayer annually, and provided that a rating unit is unusable by applying the following criteria:

- the unit is unable to be de-pastured, cropped or used for pecuniary profit (for avoidance of doubt, the purpose is not to provide a partial remission if a small part of the block is used for a bach and balance is bush clad or swamp land); and
- the unit is landlocked and does not have lawful access by land or sea; and
- an application for a building permit has been refused, or it is likely that an application would be refused because of the nature of the land; then,

The Council may remit targeted rates set at a uniform amount per rating unit, and any uniform annual general charges. Conditions a) and b), or, conditions a) and c) must be satisfied before consideration will be given for relief. (Note: This policy is not applicable to land held for conservation purposes).

Delegations

Decisions on remission of targeted rates and uniform annual general charges on unusable land will be delegated to Finance Manager and Rates Manager.

2.6. Abandoned land

2.6.1. Objective

To enable the Council to avoid administration costs where it is unlikely that rates assessed on an abandoned rating unit will ever be collected.

2.6.2. Policy statement

Where any rating unit meets the definition of abandoned land as prescribed in section 77(1) of the Local Government (Rating) Act 2002 and that land is unable to be sold using the authority provided in sections 77-83, then all rates will be remitted on an annual basis.

Delegations

Decisions on remission of all rates on abandoned land will be delegated to Finance Manager and Rates Manager.

2.7. Land affected by a natural calamity

2.7.1. Objective

To enable the Council to provide relief to persons whose residential property has been affected by a natural calamity.

2.7.2. Policy statement

On written application of a ratepayer within six months of a natural calamity, and provided that:

- a rating unit has been affected by a natural calamity; and
- as a result of that calamity the rating unit is unusable or uninhabitable; then, The Council may remit targeted rates set at a uniform amount and uniform annual general charges for the period that the property is unusable or uninhabitable. In no circumstances will loan charges be remitted.

The onus is on the ratepayer to whom relief has been granted under this section of the policy to notify the Council within 30 days of the restoration of the use of the property from which date targeted rates and uniform annual general charges will be reinstated. Should the period of relief under this policy continue beyond 12 months, then renewal of the relief must be applied for, in writing within 30 days of the expiration of the 12- month period. The regulatory services department of the Council will be the judge of whether or not the rating unit is habitable or unable to be used for its intended purpose.

One year after the remission is first granted for any given rating unit related to the same natural calamity, all subsequent rates remission applications must be provided to the Audit and Risk Committee for re-evaluation, consideration and decision.

In the event of rates relief being provided by Government, or an agency of Government, to the Council, on behalf of its ratepayers, the criteria as laid down by the donor will form the basis for relief. If no criterion is laid down, then the Council's criteria will apply.

Delegations

Decisions for remission of rates affected by natural calamity will be delegated to Finance Manager and Rates Manager.

2.8. Community, sporting and other non-profit organisations

2.8.1. Objective

To enable the Council to facilitate the on-going provision of non-commercial community services and non-commercial recreational opportunities for the residents of Thames-Coromandel District.

The purpose of granting rates remission to an organisation is to:

- assist the organisation's survival; and
- make membership of the organisation more accessible to the general public, particularly disadvantaged groups. These include children, youth, young families, aged people, and economically disadvantaged people.

2.8.2. Policy statement

In written application of a ratepayer or lessee every three years, and provided that:

- the ratepayer, or lessee, is an organisation of persons whether incorporated or not; and
- a rating unit, or division of a rating unit, is used exclusively or principally for sporting, recreation, or community purposes except for galloping races, harness races, or greyhound races; and
- the organisation is not operated for private pecuniary profit, nor charges fees of any kind (except for membership subscriptions); and
- the primary purpose of the organisation is not to address the needs of adult members (over 18 years) for entertainment or social interaction, or who engage in recreational, sporting, or community services as a secondary purpose only; then,

The Council may remit up to 50% of rates and charges except that; no remission will be granted on targeted rates for water, wastewater, solid waste, or for loan charges.

Organisations making application should include the following documents in support of their application:

- statement of objectives; and
- financial accounts; and
- information on activities and programmes;
- details of membership.

This policy does not apply to organisations classed as 50% non-rateable under Schedule 1 Part 2 of the Local Government (Rating) Act 2002.

Delegations

Decisions for remission of rates for community, sporting, and other organisations will be delegated to Finance Manager and Rates Manager.

2.9. Rating units containing two separately habitable units

2.9.1. Objective

To enable the Council to provide for relief for ratepayers who own a rating unit containing two habitable units but who use the second unit only to accommodate non- paying guests and family.

2.9.2. Policy statement

On written application of a ratepayer annually, and provided that:

- their rating unit contains two habitable units; and
- the second unit is used only for family and friends of the occupants of the first unit on a non-paying basis; and
- the application is accompanied by a Statutory Declaration made by the ratepayer that declares that b) has been complied with for the current rating year and will continue to be complied with in the ensuing year; then,

The Council may remit second targeted rates for water, wastewater, stormwater, solid waste, any uniform annual general charge, and targeted rates set on a uniform basis for works and services. In no circumstances will loan charges be remitted. If a rating unit contains more than two habitable units used by non-paying guests and family, only one is entitled to remission.

The application for remission must be made to the Council prior to commencement of the rating year (1 July). Applications received during a rating year will be applicable from the commencement of the following rating year. Applications will not be backdated.

Delegations

Decisions for remission of rates for rating units consisting of two separately habitable units will be delegated to Finance Manager and Rates Manager.

2.9.3. Objective

To enable the Council to provide for relief for ratepayers who own a rating unit containing two habitable units where the second habitable unit's gross floor area excluding garage is less than or equal to 50m², or 60m² if it is Lifemark TM design certified or has another certification that it is functional for elderly and disabled residents, but do not qualify for the full remission above as they rent it out for financial reward.

2.9.4. Policy statement

Based on the information contained in Councils Rating Information Database as at 1 July each year Council officials will , for each qualifying rating unit, automatically remit 50% of the second targeted rates for water, wastewater, stormwater, solid waste, any uniform annual general charge, and 50% of the targeted rates set on a uniform basis for works and services. In no circumstances will loan charges be remitted. Delegations Decisions for remission of rates for rating units consisting of two separately habitable units will be delegated to Finance Manager and Rates Manager.

2.10. Remission for untreated metered water supply in the Thames Valley

2.10.1. Objective

To enable the Council to recognise the difference between its treated and untreated water schemes.

2.10.2. Policy statement

Where any rating unit in the Thames Valley, Matatoki, Omahu and Hikutaia area is metered and receives Council-supplied, untreated water the Council will automatically remit 50% of any water by volume charge.

Delegations

Delegations for the remission of untreated metered water supply in the Thames Valley per billing period is delegated to the Finance Manager and Rates Manager.

2.11. Excess water consumption

2.11.1. Objective

To enable the Council to provide relief to ratepayers who have metered properties and have suffered excessive water consumption due to a leak or other similar circumstances.

2.11.2. Policy statement

On written application of the ratepayer, and provided that:

- excess water consumption has occurred through a broken or leaking pipe or some exceptional circumstance; and
- evidence is provided that the fault has been remedied; and
- no other application for remission for excess water use on the particular meter had been granted in the previous two years; then,

The Council may remit 100% and 50% of excess water consumption of any two consecutive affected billing periods - with the 100% remission applied to the highest bill period. After two consecutive periods, no remission will apply.

Delegations

Delegations for the remission of excess water consumption per billing period are delegated to the following officers:

Delegate	Limit
Corporate Services Group Manager	In excess of \$10,000
Finance Manager	Up to \$10,000
Rates Manager	Up to \$5,000
Rates Officer	Up to \$500

2.12. Wastewater charges for schools

2.12.1. Objective

To enable the Council to provide relief for wastewater targeted rates for educational establishments in the spirit of "The Rating Powers (Special Provisions for Certain Rates for Educational Establishments) Amendment Act 2001".

2.12.2. Policy statement

Where any rating unit comprises land referred to in clause 6 of Part 1 of Schedule 1 of the Local Government (Rating) Act 2002, the Council may remit 40% of any targeted rate set for the operational costs of wastewater (excluding residential accommodation). (Note: Schedule 1, Part 1, section 6 defines non-rateable land for educational establishments).

This policy does not apply to any targeted rate for capital, or loan charge, set for the purposes of wastewater.

Delegations

Decisions for remission of targeted rates for wastewater for schools will be delegated to the Finance Manager and Rates Manager.

2.13. Rating units occupied/owned in common

2.13.1. Objective (rural rating units)

To enable the Council to provide for relief for rural land that is not contiguous in terms of section 20 Local Government (Rating) Act 2002 and cannot be independently operated as a viable farming unit, but is farmed as a single entity by the same ratepayer or in the case of Maori Freehold Land, the land is farmed as a single entity and the person actually using the land would be liable for the rates or the land is farmed as a single entity where a formal lease is held over part the of rail corridor.

2.13.2. Policy (rural rating units)

On written application of the ratepayer, and provided that:

- two or more adjoining rating units are classified as rural for differential purposes; and
 - the person using the Maori Freehold Land would be liable for the rates; or a formal lease is held over part of the rail corridor; or the units do not have the same person or persons entered on the District Valuation Roll as the ratepayer; and
 - the units are operated as a single farming entity; and
 - the unit would not be able to be built on and is not an economic unit on its own;
- then,

The Council may remit uniform annual general charges and targeted rates assessed on a "per rating unit" basis on all but one unit, except that, if more than one rating unit contains a residence, then such additional rating units will not be eligible for remission.

Where the application for remission relates to leasehold over part of the rail corridor a copy of the lease or confirmation from New Zealand Rail that the land is leased to the party concerned must accompany the application.

2.13.3. Objective (residential rating units)

To enable the Council to provide relief for residential land, this is contiguous but is not recognised in terms of section 20 Local Government (Rating) Act 2002 as being used jointly as a single unit.

2.13.4. Policy (residential rating units)

On written application of the ratepayer, and provided that:

- two or more rating units are classified as residential for differential purposes; and the units do not have the same person or persons entered on the District Valuation Roll as the ratepayer; and
- the rating units are contiguous; and
- the ratepayer is not the original sub-divider; and
- the rating units are being used jointly as a single unit; then,

The Council may remit uniform annual general charges and targeted rates assessed on a "per rating unit" basis, on all but one unit except that, if more than one rating unit contains any improvements other than fences, gardens, grass, or sheds, then such additional rating units will not be eligible for remission.

Delegations

Decisions for remission of uniform annual general charges and targeted rates will be delegated to the Finance Manager and Rates Manager.

2.14. Rates remission policy - Remission of rates for land subject to zone changes

2.14.1. Objective

To enable council to remit rates assessed on any rating unit that is affected by an increase in value based targeted rates when the land value of their property increases as a result of a Council Initiated zone change contemplated in the proposed District Plan, notified at 13 December 2013. Council initiated zone changes under the proposed District Plan are those identified within stage one of the Kopu Structure Plan area and the land referred to as the Sherriff Block and Wells property (Whitianga) as shown on the attached maps.

The policy also applies to any privately initiated zone changes that are adopted by Council and any resultant zone changes.

This policy is not retrospective to any zone change prior to the Proposed District Plan as of 13 December 2013.

2.14.2. Policy statement

The Council may remit value based targeted rates on a rating unit where it has been established that the increase in valuation is a direct result of the rezoning of the land and the land is not being used for the purpose that the zoning provides for e.g. land is used for grazing but is zoned residential, land is used for residential purposes but has a commercial zoning.

Conditions and Criteria

No retrospective zone changes prior to the Proposed District Plan as of 13 December 2013 will be considered for a remission.

- The land valuation on the rating unit has increased as a direct result of the Council initiated land rezoning as part of the proposed District Plan as at 13 December 2013

(Stage One of the Kopu Structure Plan area and the land referred to as the Sherriff Block and Wells property (Whitianga) as shown on the attached maps); and

- The change in the valuation has resulted in an increase in the value based targeted rates; and
- The land or part of the land continues to be used for a purpose for which it was used prior to the zone change; and
- In the instance of a privately initiated zone change the plan change has been adopted by Council.
- The remission of any part of the rates on a rating unit may be for such period of time as Council considers reasonable, commencing from the date upon which the Council determines that the land rezoning affected the land value of the rating unit, provided that no rates shall be remitted that were due in a financial year (1 July to 30 June) prior to the one in which this Policy commenced.

Delegations

Delegations for relief of targeted rates affected in this policy will be delegated to the Finance Manager and Rates Manager for that land specifically referred to as Council initiated zone change as identified in the maps set out on pages 144-149 of Council's adopted Annual Plan for 2014/2015.

The delegation for remission on privately initiated Council adopted zone changes will be considered by Council's Audit and Risk Committee.

2.15. Rates remission policy - Exclusion of camp grounds and other multi-unit facilities from area of service for solid waste collection (including recycling)

2.15.1. Objective

To enable the Council to provide for relief from solid waste targeted rates for camp grounds and other multi-unit facilities that opt to use the services of a private contractor for the collection of their solid waste (including recycling).

2.15.2. Policy statement

On written application of the ratepayer, and provided that:

- The rating unit fits under the definition of a camping ground under the Camping-Grounds Regulations 1985 or subsequent legislation or a multi-unit facility with more than two SUIPs as defined in Council's Financial Strategy ; and
- It is a single rating unit attracting multiple solid waste collection targeted rates; and,
- Not using Council's collection service for the purposes of collection of all solid waste and recycling from the rating unit.

Council may remit 100% of the targeted rates assessed for solid waste collection on the rating unit.

Note: Applications for remission that are approved during a financial period will not become valid until the rating year commencing 1 July following the approval for remission.

Application process

Any new applications must be made in writing and received allowing sufficient time to be considered by Council prior to the commencement of the new financial year.

Applications must be supported by:

- a description of the ownership/lease structure.
- copy of assessment notice or correspondence from the rates department specifying the number of separately used or inhabited parts used for calculation of solid waste collection targeted rates.

- evidence that it is not viable to use the Council contractor for the purposes of collection of solid waste e.g. seasonal peaks require more pickups than Council offer, collection from individual units required to accommodate elderly occupants but truck unable to access property adequately.
- evidence of the method of distribution of rating liability amongst the owners/lessees and;
- written evidence that the applicant has authority to act for all interested parties on their behalf when making application for the remission.

Delegations

Decisions for remission of solid waste targeted rates for camp grounds and other multi-unit facilities from area of service for solid waste collection (including recycling) will be delegated to the Finance Manager and Rates Manager.

2.16. Rates remission for miscellaneous purposes

In keeping with Council's values of ensuring fair and equitable service provision to our communities, this rates remission provides Council with the discretion to apply a rates remission on a case by case basis to members of our community. We believe that this will better enable us to be consistent with our values as and when circumstances arise.

2.16.1. Objective

This policy enables Council to remit rates in circumstances that are not specifically covered by other policies, but where the council considers it appropriate to do so.

2.16.2. Policy statement

The council may remit rates on a rating unit where it considers it just and equitable to do so because under the following criteria:

1. there are special circumstances in relation to the rating unit, or the incidence of the rates (or a particular rate) assessed for the rating unit, which mean that the unit's rates are disproportionate to those assessed for comparable rating units and;
2. the circumstances of the rating unit or the ratepayer are comparable to those where a remission may be granted under the council's other rates remission policies, but are not actually covered by any of those policies; or
3. there are exceptional circumstances that the Council believes it is equitable to remit the rates.

The Council may remit part or all rates assessed against the rating unit as long as criteria 1 and 2 or 1 and 3 are satisfied.

Delegations

Applications for relief rating units in this policy will be decided by Council's Audit and Risk Committee.