

Review of Rates Remission and Postponement Policies



Policy overview

This is a review of the Council's existing Rates Remission and Postponement Policies adopted in 2018. These policies define the circumstances in which the Council may remit or postpone rates. Remission of rates involves reducing the amount owing or waiving collection of rates altogether. Postponement of rates means that the payment of rates is not waived in the first instance, but delayed for a certain time, or until certain events occur.

A policy on the remission and postponement of rates on Māori freehold land is required under the Local Government Act 2002 (LGA). Other rates remission and postponement policies are optional but are guided by provisions under the Act where councils choose to develop them. Any rates remission and postponement policies must be reviewed at least every six years. The LGA requires consultation on reviews of these policies.

Note that the Local Government (Rating of Whenua Māori) Amendment Bill is progressing through Parliament. The intentions of this Bill are to support the development and provision of housing on Māori land and to modernise rating legislation affecting Māori land. It will likely be necessary to review one or both of these policies following the passage of this Bill into law.

Overview of changes proposed to the Policy

- Minor changes are proposed to the conditions and criteria for applicants in the policy on remission for penalties on unpaid rates
- Minor changes are proposed to the policy on the remission and postponement of rates for Māori freehold land, including clarifying that Māori Freehold Land is determined by the Māori Land Court, and specifying the focus areas of each part of the policy
- An additional condition has been added to the policy on remission of water rates in the event of water leakage, to state that an application must include evidence of the leak, and that the leak has since been repaired
- Minor changes to the application criteria are proposed in the policy for rates remission and postponement for financial hardship

Kōrero mai – Let's talk

What do you think about our proposed changes to our Rates Remission and Postponement Policies?



Making a submission is easy!

You can make a submission online:

<https://koreromai.whakatane.govt.nz/financial-policies>

Or email your submission to:

submissions@whakatane.govt.nz

Post your submission to:

Whakatāne District Council, Private Bag 1002, Whakatāne 3158

Or deliver to:

Civic Centre, Commerce Street, Whakatāne; or
Service Centre, Pine Drive, Murupara.

Submission forms are available from libraries, Council offices and

<https://www.whakatane.govt.nz/ltp/financial-policies>

Key Dates

Submissions close:

23 May 2021

Hearings:

25 May 2021 (for those who would like to present their submission to the Council)

Deliberations:

7 – 18 June 2021 (Council meets to discuss any changes to the policy based on submissions)

Adoption:

14 July 2021

Need more information?

If you have any questions about this policy, or about the process of making a submission, our website is a great place to start. You can also feel free to get in touch with one of your elected Council members or staff here at the Council.

- ▶ Website: www.whakatane.govt.nz
- ▶ Email enquiries: info@whakatane.govt.nz
- ▶ Phone enquiries: (07) 306 0500 (ask for the Strategy Team)

Draft Rates Remission and Postponement Policies

*Ngā tuinga hukihuki mō ngā
Kaupapa here o te Whakaiti me te
whakatārewa o ngā Tāke Kaunihera*



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REMISSION OF UNIFORM ANNUAL GENERAL CHARGE AND TARGETED RATES FOR CONTIGUOUS PROPERTIES

1.0 OBJECTIVE OF THE POLICY

The objective of this remission policy is to apply the Uniform Annual General Charge and Fixed Charges on a fair and equitable basis to ratepayers. Section 20 of the Local Government (Rating) Act 2002 provides for two or more rating units to be treated as one unit for setting a rate if the units are:

- a) In the same ownership, and
- b) Used jointly as a single unit, and
- c) Contiguous or separated by a road, railway, drain, water race, river or stream.

This Policy provides for the possibility of a rates remission where the above three conditions are not all met, but where it is nevertheless considered inequitable for the rating units to be treated as separate. In addition, it provides for remission of uniform annual general charges (UAGCs) and/or targeted fixed charge rates where a rating unit is liable for multiple charges but it is considered inequitable or excessive to assess full charges. This Policy may also be applied to individual lots for subdivisions, before the titles are sold.

2.0 CONDITIONS AND CRITERIA

- 2.1 The units may be in separate ownership, but if they are contiguous and are used jointly as a single unit, they will be treated as a single unit, so long as the contiguous rating unit does not contain any habitable dwellings; or
- 2.2 The remission will be the uniform annual general charge plus targeted fixed charge rates, on all but one rating unit where all of these rating units are:
 - a) subdivided into 5 or more lots where the titles have been issued; and
 - b) owned by the original developer who is holding the individual titles pending their sale to subsequent purchasers; and
 - c) originally contiguous or separated only by road, railway, drain, water race, river or stream.

3.0 RATES TO BE REMITTED

- 3.1 Rating units that meet the criteria under this policy may qualify for a remission of the uniform annual general charges (UAGC's) and any targeted rates set on the basis of a fixed dollar charge per rating unit. The ratepayer will remain liable for at least one set of each type of uniform annual general charge or fixed charge.

4.0 DELEGATION

- 4.1 That the delegated authority for this policy is set out in the Delegations Register.

RATES REMISSION FOR EDUCATIONAL INSTITUTIONS SEWAGE (PAN) CHARGES

1.0 OBJECTIVE OF THE POLICY

The objective of this remission policy is to enable the Council to reasonably rate educational institutions for sewerage disposal, having regard to the number of water closets and urinals needed for the number of staff and students rather than for the actual number of water closets and urinals available.

2.0 CONDITIONS AND CRITERIA:

2.1 This policy will apply to the following educational establishments:

- a) a state school under section (2)(1) of the Education Act 1989;
- b) an integrated school under section (2)(1) of the Private School Conditional Integration Act 1975;
- c) a special institution under section 92(1) of the Education Act 1989; or
- d) an early childhood centre under section 308(1) of the Education Act 1989, but excluding any early childhood centre operating for a profit.

2.2 This Policy does not apply to schoolhouses.

2.3 Upon receipt of an annual written application from the educational establishment, including an annual return of staff and student numbers, the Council may remit the number of pan charges in excess of the deemed number of pans. The excess number of pans will be the number of water closets and urinals available, less the deemed number of pans. The deemed number of pans will be calculated as follows:

- a) $(\text{Number of Staff} + \text{Number of Students}) / 20 = \text{Deemed number of pans}$.

2.4 The number of staff in an educational establishment is the number of teaching staff and administration staff employed by the educational establishment on 1 March immediately before the year to which the charge relates. The number of students in an educational establishment is the number of students on its roll on 1 March in the year immediately before the year to which the charge relates. If the actual number of water closets and urinals for the educational establishment exceeds the deemed number of pans, Council will remit the difference.

3.0 RATES TO BE REMITTED

3.1 The number of pan charges for rates remission shall be "the number of water closets and urinals available less the number of deemed water closet and urinals".

4.0 DELEGATION

4.1 That the delegated authority for this policy is set out in the Delegations Register.

RATES REMISSION & POSTPONEMENT FOR FINANCIAL HARDSHIP

PART I - postponements in cases of financial hardship

1.0 OBJECTIVE OF THE POLICY:

To enable Council to provide reasonable assistance to ratepayers whose financial circumstances affect their ability to pay their rates.

2.0 CONDITIONS AND CRITERIA:

- 2.1 When considering whether financial hardship exists, all of the ratepayer's personal circumstances will be relevant including the following factors: income from any source, including benefits (whether monetary or otherwise) received from any trust, the ratepayer's age, physical or mental disability, injury, illness and family circumstances.
- 2.2 If after due enquiry the Council is satisfied that financial hardship exists (or would exist if the rates or a portion of the rates were not postponed, the Council may postpone part or all of the rates.
- 2.3 An application will only be considered where the following criteria are met:-
- a) The ratepayer must be the current owner of, and have owned for not less than 5 years, the rating unit which is the subject of the application.
 - b) The rating unit must be the ratepayer's normal place of residence.
 - c) The ratepayer must not own any other rating units, investment properties or other realisable assets.
 - d) The ratepayer must make application to the Council on the prescribed form.
- 2.4 Even if rates are postponed, as a general rule the ratepayer will be required to pay the first \$500 of the rate account.
- 2.5 The ratepayer must make acceptable arrangements for payment of future rates, for example by setting up a system for regular payments.
- 2.6 The Council will add a postponement fee to the postponed rates for the period between the due date and the date they are paid. This fee will not exceed an amount which covers the Council's administration and financial costs.
- 2.7 Any postponement will apply from the beginning of the rating year in which the application made.
- 2.8 Where an application is granted, the rates will be postponed until the earlier of: -
- a) the death of the ratepayer(s); or
 - b) until the ratepayer(s) ceases to be the owner of the rating unit; or
 - c) until the ratepayer(s) ceases to use the property as his/her residence; or
 - d) until a date as determined by the Council in any particular case.

- 2.9 The postponed rates or any part thereof may be paid at any time. The applicant may elect to postpone the payment of a lesser sum than that which they would be entitled to have postponed pursuant to this policy.
- 2.10 Postponed rates will be registered as a statutory land charge on the title of the rating unit.
- 2.11 The financial consideration of the postponement fee to be added under clause 2.6 will be an annual interest rate to be set by the Council by ordinary resolution at the time of setting the rates for any rating year.
- 2.12 The interest rate to be set under clause 2.11 will be set so as to be neutral (or as close to neutral as is reasonably possible) on Council's cash flows.

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PART II - remission in cases of extreme financial hardship

1.0 CONDITIONS AND CRITERIA:

- 1.1 When considering whether extreme financial hardship exists, all of the ratepayers personal circumstances will be relevant including but not limited to the following factors: income from any source, including benefits (whether monetary or otherwise) received from any trust; the ratepayers age, physical or mental disability, injury, illness and family circumstances.
- 1.2 If after full enquiry, the Council is satisfied that extreme financial hardship exists or would be caused to the ratepayer, by requiring payment of the whole of the rates, it may remit part or all of the rates.
- 1.3 If under Clause 3.2 the Council remits part of the rates, it may postpone the balance or any part of the balance under Part I of this policy.
- 1.4 Any remission granted under this part of this policy will not apply to future years.
- 1.5 Applications must be in writing by or on behalf of the ratepayer and will ~~only be considered where~~ the following criteria ~~are met~~:
- a) The ratepayer must be a natural person
 - b) The ratepayer must have continuously owned and occupied for not less than the immediate past ~~seventen~~ years, and continue to own and occupy the rating unit which is the subject of the application, as their normal place of residence.
 - c) The ratepayer must not own any other rating units, investment properties or other realisable assets.

2.0 DELEGATION

- 2.1 That the delegated authority for this policy is set out in the Delegations Register.

RATES REMISSION FOR OUTSTANDING RATES AND PENALTIES ON UNDEVELOPED SECTIONS

1.0 OBJECTIVE OF THE POLICY

The objective of this Policy is to facilitate the purchase of vacant rating units (sections) by adjoining property owners to enhance the social and environmental well-being of the community and to facilitate the land being brought back into use so that it may contribute towards the rating revenues of the District in future years.

Remission of outstanding rates and penalties on:

- a) undeveloped sections, or;
- b) those rating units where the building(s) have been removed, or;
- c) where buildings are in a derelict state; and
 - i. where those rating units are purchased by the owner(s) of a rating unit that is contiguous to or is separated from the rating unit in question only by a road, railway, drain, water race, river or stream; and
 - ii. the two rating units are used as one residential unit, or;
 - iii. where the rating units have been subject to a rating sale under Section 67 of the Local Government (Rating) Act 2002

~~1.0 OBJECTIVE OF THE POLICY~~

~~The objective of this Policy is to facilitate the purchase of vacant rating units (sections) by adjoining property owners to enhance the social and environmental well-being of the community and to facilitate the land being brought back into use so that it may contribute towards the rating revenues of the District in future years.~~

2.0 CONDITIONS AND CRITERIA:

- 2.1 The Council will postpone outstanding rates and outstanding rates penalties owing on a rating unit for a period of up to five years or until the purchaser of the rating unit applies for a building consent for the construction of a building on the rating unit, whichever comes first, as defined in the Whakatāne District Plan if:
- a) That rating unit is undeveloped, the building(s) have been removed or are in derelict state AND the rating unit is purchased by the owner of adjoining property such that section 20 of the Local Government (Rating) Act 2002 is satisfied; or
 - b) The rating unit has been the subject of a rating sale under section 67 of the Local Government (Rating) Act 2002 and such sale has produced insufficient funds to clear all of the rates and penalties owing, and, in either case.

3.0 RATES TO BE REMITTED

3.1 After a period of five years from the date any such postponement comes into effect and the rates payable from the rating unit continue to be paid in full for that rating unit for the same period the Council may remit the postponed rates in full.

4.0 DELEGATION

4.1 That the delegated authority for this policy is set out in the Delegations Register.

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POLICY ON THE REMISSION AND POSTPONEMENT OF RATES ON MĀORI FREEHOLD LAND

1.0 INTRODUCTION

The aim of this policy is to recognise that Māori Freehold Land may have particular conditions, ownership structures or other circumstances, which make it appropriate to remit or postpone rates for defined periods. Remission of rates involves reducing the amount owing or waiving collection of rates altogether. Postponement of rates means that the payment of rates is not waived in the first instance, but delayed for a certain time, or until certain events occur.

The Local Government Act 2002 (LGA 2002) requires the Council to adopt policies for the remission and/or postponement of rates on Māori Freehold Land (section 102(4) (f)). In developing this policy, the Council must consider the matters set out in Schedule 11 of the LGA 2002. This includes the recognition that there are particular cultural, historical and legal factors that distinguish Māori Freehold Land from General Land. These factors include:

- a) The land is generally multiply owned; and/or
- b) There are legislative and cultural constraints on the ability to alienate Māori Freehold Land; and/or
- c) The land is undeveloped and/or unoccupied for cultural, spiritual or practical reasons; and/or
- d) Māori Freehold Land is not freely tradeable and is difficult to alienate (and in many cases, the owners do not want to alienate the land).

In compliance with the LGA 2002 and in recognition that the nature of Māori Freehold Land is different to General Land, the Council has formulated ~~this~~ Policy on the Remission and Postponement of Rates on Māori Freehold Land.

The Council does not define Māori Freehold Land. This is determined by the Māori Land Court.

2.0 KEY DEFINITIONS

“Māori Freehold Land” means land whose beneficial ownership has been determined by the Māori Land Court by freehold order (Section 5, Local Government (Rating) Act 2002).

“Unoccupied” means, in respect of a block of land or a portion¹ of a block of land, that there is no person, whether with a beneficial interest in the land or not, who, alone or with others:

- a) leases the land, and/or
- b) does any of the following things on the land, with the intention of making a profit or for any other benefit

(i) resides on the land

¹ See section 98 of the Local Government (Rating) Act 2002, which allows for the apportionment of rates.

(ii) de-pastures or maintains livestock on the land

(iii) stores anything on the land.

“**Waahi Tapu**” means a place sacred to Māori in the traditional, spiritual, religious, ritual or mythological sense (Section 2 of the Historic Places Act 1993).

“**General Land**” means land that is not Māori Freehold Land as defined above.

3.0 POLICY OBJECTIVES

To recognise that Māori Freehold Land may have particular conditions, ownership structures or other circumstances which make it appropriate to remit or postpone rates for defined periods of time.

To introduce a policy which promotes the collection of rates from owners of Māori Freehold Land in order to achieve a fair and equitable collection of rates from all sectors of the community.

What is available?

This policy is in three parts. Each part deals with distinct situations.

Part 1 deals with the remission of rates on Māori Freehold Land that is unoccupied and undeveloped.

Part 2 deals with the postponement of rates on Māori Freehold Land to facilitate the development and use of that land for economic purposes: where the Council considers that the utilisation of that land would be uneconomic if full rates were payable immediately.

Part 3 deals with the remission of uniform charges on Māori Freehold Land as encouragement for that land to be used for agricultural purposes in conjunction with other adjacent land.

POLICY ON THE REMISSION AND POSTPONEMENT OF RATES ON MĀORI FREEHOLD LAND (CONT.)

PART 1 – UNOCCUPIED AND UNDEVELOPED LAND

1.0 BACKGROUND

The [Whakatāne](#) District contains areas of Māori Freehold Land that is unoccupied. This land creates a significant rating burden on the Māori owners who may not have the means or in some cases, the desire to make economic use of the land.

The reason why Māori Freehold Land remains unoccupied is due to a number of factors which may include:

- a) the nature of land ownership (for example, the land is owned by multiple owners, many of whom do not live near the land); and/or
- b) the land has some special significance which makes it undesirable to develop or reside on; and/or
- c) the land is isolated, difficult to access and marginal in quality.

2.0 OBJECTIVE

Recognise situations where land has been set aside for cultural or natural heritage reason and no income is derived from the land.

To avoid further alienation of Māori Freehold Land as result of pressures that may be brought by the imposition of rates on unoccupied land.

To recognise matters relating to the physical inaccessibility of land.

To provide the ability to grant remission for portions of land that is not occupied.

To support the traditional relationship of kaitiakitanga (guardianship) to the land including the use of the land by the owners for traditional purposes.

3.0 CONDITIONS AND CRITERIA

3.1 The Council will consider remitting rates on Māori Freehold Land under Part 1 if the following criteria are met:

- a) The land is Māori Freehold Land as defined by section 5 of the Local Government (Rating) Act 2002. This definition is set out above under the heading “Key definitions”
- b) The land is unoccupied, as defined above under the heading “Key definitions”.
- c) The land has been identified as requiring special treatment for rating purposes. This includes land which is:
 - iv. Unoccupied; AND
 - v. it is uneconomic to use; OR

vi. no tangible benefit is derived from the use and occupation of the land; OR

vii. the land is inaccessible; OR

viii. the community benefits from:

- The protection of outstanding natural features on the land; OR
- The protection of significant indigenous vegetation and significant habitats of indigenous fauna on the land; OR
- The land contains waahi tapu affecting the use of the land for other purposes.

3.2 Any application for a remission of rates is to be made in writing annually, except where a remission has been granted for a longer period OR when staff recognises that a property is unoccupied or uneconomic to use, staff may initiate the application for remission of rates so that arrears are not overstated in the Council's records.

3.3 Where applicable, staff has the discretion to negotiate remission of rates and penalties as a tool to clear arrears and current rates.

3.4 The Council may consider a portion of a block of Māori Freehold Land to be unoccupied.

3.5 The Council reserves the right to seek such additional information from the applicant/s or from any other source as it may determine as necessary in considering that application.

4.0 RATES TO BE REMITTED

4.1 Rates remissions (for all or part) may be applied to all rates charged on Māori Freehold Land with the exception of any targeted rate for connection to water and wastewater services or where a refuse collection service is provided.

4.2 Any approved remission will generally be for a period of one year, but may be considered for up to three consecutive rating years. With the exception that where the Council is considering a remission of rates for past rating years, the three year maximum period of remission may be exceeded at the Council's discretion.

5.0 DELEGATION

5.1 Applications for the remission of rates for Māori Freehold Land will be approved for remission in terms of the Council's delegations register.

POLICY ON THE REMISSION AND POSTPONEMENT OF RATES ON MĀORI FREEHOLD LAND (CONT.)

PART 2 - POSTPONEMENT

1.0 BACKGROUND

The Council recognises that significant rate arrears can act as a disincentive to any new or existing occupation of Māori Freehold Land.

Policies for the postponement of rates for Māori Freehold Land encourage the use of the land by occupiers who agree to pay the current and future rates for the period of time that they will use the land.

Postponement means that the rates remain as a debt against the property until they are written off after six years or the status of the land changes. Whilst the rates are postponed, the Council does not seek to collect them.

Part 2 is consistent with the objectives set out in Schedule 11 of the Local Government Act 2002, which include the need to facilitate the wish of the owners of Māori Freehold Land to develop the land for economic use

Part 2 provides for the remission of outstanding penalties and the postponement of rate arrears outstanding at the time that the agreement contemplated under this policy comes into force.

Part 2 provides that in the event that the current rates continue to be paid, the postponed rates will be remitted at the completion of the time period specified by the Council, which will not exceed six years after the date which they were charged to the land.

2.0 OBJECTIVE

To facilitate the development and use of Māori Freehold Land for economic use where the Council considers that the utilisation of that land would be uneconomic if full rates were payable

To support any wish of the owners to develop the land for economic or other purposes by removing the rates burden while they plan for this development.

3.0 CONDITIONS AND CRITERIA

- 3.1 The Council will consider agreeing to postpone the arrears of rates on Māori Freehold Land subject to the land being continuously used by a person or persons as defined by section 96 of the Local Government (Rating) Act 2002 and that person or persons agreeing to pay the current and future rates by the due date, while they are using the land, subject to the following criteria:
- 3.2 The land is Māori Freehold Land as defined by section 5 of the Local Government (Rating) Act 2002, set out above.
- 3.3 The application must be in writing signed by the owner/s, their agent, or the person or persons proposing to use the land.
- 3.4 The person or persons using the land must enter into an agreement in writing with the Council to keep the current and future rates up to date while they are using the land.

3.5 All previous instalments of the current years rates must be paid in full within one month of the agreement date or in part payments, by the 30th June of the applicable year OR at the discretion of the Council an agreement may be entered into with the owners or trustees of any Māori Freehold Land, which allows for the staged payment of rates over a 5-year period according to the following schedule:

- a) Year 1: Not less than 20% payable for that year
- b) Year 2: Not less than 40% payable for that year
- c) Year 3: Not less than 60% payable for that year
- d) Year 4: Not less than 80% payable for that year
- e) Year 5: 100% payable that year.

3.6 Any agreement negotiated ~~under clause 4~~ must be supported by the following information:

- a) A 5-year projected cash flow prepared by a suitably qualified person, which shows the increase in annual cash surplus over the 5-year period.
- b) An assessment by the Council that the projected cash flow is realistic and can be achieved.
- c) An annual report from the owners or trustees.
- d) Any other documents the Council considers necessary to make an assessment.

3.7 The Council will have the sole judgement on whether or not to grant the application and may seek such additional information as it may require before making the final decision.

3.8 Pursuant to section 88 of the Local Government (Rating) Act 2002, a postponement fee may be added to the postponed rates.

4.0 **TERMINATION AND REPAYMENT OF POSTPONED RATES**

4.1 Postponed rates will remain as a charge on the property for a period of six years from the date on which the rate was assessed, after which time they will be remitted.

4.2 If the current and future rates are not paid within one month of the due dates, the Council reserves the right to reapply the postponed rates to the land, subject to any agreement negotiated under ~~clause 4 of Part 2 of~~ this Policy.

5.0 **DELEGATION**

5.1 Applications for the postponement of rates for Māori Freehold Land will be approved in terms of the Council's delegations register.

POLICY ON THE REMISSION AND POSTPONEMENT OF RATES ON MĀORI FREEHOLD LAND (CONT.)

PART 3 - UNIFORM CHARGES

1.0 BACKGROUND

There are situations where opportunities to utilise Māori Freehold Land for agricultural purposes in conjunction with adjacent General land or other adjoining Māori Freehold Land blocks used contiguously are lost due to the rating liability attached to the Māori Freehold Land.

2.0 OBJECTIVE

The intent of this part of this policy is to remove that impediment so as to facilitate productive use of that Māori Freehold Land.

3.0 CONDITIONS AND CRITERIA

The Council will consider remitting all uniform charges on Māori Freehold Land under this Part if the following criteria are met:

- a) The land is Māori Freehold Land as defined by section 5 of the Local Government (Rating) Act 2002. This definition is set out above under the heading "Key definitions"
- b) There is agreement for the land to be used together with adjacent General land or Māori Freehold Land used contiguously for agricultural purposes
- c) Any application for a remission of uniform charges is to be made in writing annually, except where a remission has been granted for a longer period.

4.0 RATES TO BE REMITTED

Rates remissions may be applied to all uniform charges assessed on the Māori Freehold Land during the period that the Māori Freehold is utilised together with the adjacent General Land for agricultural purposes.

5.0 DELEGATION

Applications for the remission of uniform charges of rates on Māori Freehold Land will be approved in terms of the Council's delegations register.

RATES REMISSION FOR PENALTIES ON UNPAID RATES

1.0 OBJECTIVE OF THE POLICY

The objective of the remission policy is to enable the Council to act fairly and reasonably in its consideration of rates which have not been received by the Council by the due date.

2.0 CONDITIONS AND CRITERIA:

2.1 In this part of this policy, the term "Individuals" means ratepayers who are natural persons. Penalties will be remitted where an applicant meets any of the following criteria: -

- a) Individuals on benefits or other low-incomes or who have been made redundant/unemployed, without substantial other means and who have exhausted all other avenues of relief;
- b) Individuals suffering significant family disruption, e.g. serious illness or accident of self or a close family member, death of a close family member, marriage or separation/divorce;
- c) Individuals in cases of extenuating circumstances, e.g. loss of records by fire or theft;
- d) Individuals who are no longer able to manage their own affairs because of age and/or health and another person has assumed responsibility for the payment of accounts, etc. (Limited to one application per ratepayer);
- e) Individuals who contact Council prior to a penalty date to advise that they will not have funds available to pay the instalment charge until after the due date, and payment is effected within fourteen (14) days of the due date. (Limited to one penalty within any two (2) year period for any particular ratepayer);
- f) Ratepayers who have paid within 7 days after the due date. ~~(Limited to one penalty with any two (2) year period for any particular ratepayer), and who have not previously incurred a penalty for late payment. (Limited to one application within any two (2) year period for any particular ratepayer);~~

2.2 Ratepayers where:

- a) There is a proven problem with the delivery of instalment notices to a particular area, i.e. letter of confirmation from New Zealand Post.
- b) There is a delay with overseas postage. ~~(Limited to one penalty for any particular ratepayer)~~
- c) Penalties may be remitted in other situations where, in the opinion of the Council, it would be just and equitable to do so.
- d) Applications for remission of penalties must be in writing.
- e) Rates (excluding the penalty) should be paid in full before remission is considered, except where provision is made for the remission of penalties prior to full repayment where regular payment plans, extending beyond 12 months, are in place and performing satisfactorily.

3.0 DELEGATION

That the delegated authority for this policy is set out in the Delegations Register.

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RATES REMISSION FOR WATER LEAKAGE

1.0 OBJECTIVE OF THE POLICY

The objective of the remission policy is to enable the Council to act fairly and reasonably to reduce accounts that are unusually high due to water leakage where there is clear evidence of timely repairs.

2.0 CONDITIONS AND CRITERIA

2.1 This policy applies only to targeted rates for water consumption.

2.2 Up to 100% of water leakage will be remitted unless negligence is shown in regard to timeliness of repair or maintenance of system (i.e. multiple leaks).

2.3 Applications under this policy must be in writing and must be made by the ratepayer of the rating unit concerned.

2.4 Application must include evidence the leak has existed, and that the leak has since been repaired.

3.0 DEFINITION

“Water Leakage”: The difference between the average consumption of the property and the consumption over and above that average.

“Average consumption”: The average of the previous four billing periods charged to the customer. Provided that when, by reason of a large variation of consumption due to seasonal or other causes, the average of the previous four billing periods would be an unreasonable estimate of the consumption, the Whakatāne District Council may take into consideration other evidence for the purpose of arriving at a reasonable estimate.

“Timely repairs”: a repair completed within ~~30~~ 90 days of the invoice to which the application refers.

4.0 DELEGATION

4.1 That the delegated authority for this policy is set out in the Delegations Register.

RATES REMISSION & POSTPONEMENT FOR A RATING UNIT AFFECTED BY A NATURAL HAZARD

1.0 OBJECTIVE OF THE POLICY

The objective of this policy is to provide short term financial assistance to residential properties through providing postponement of rates in the first instance and remission of rates once an application has been received, to those ratepayers that have been detrimentally affected by erosion, subsidence, submersion or other natural hazard event;

Rates remission is to alleviate some of the financial pressure faced by residents that have had to move out of their homes. In these circumstances, property owners often end up incurring unexpected costs while their homes are not suitable for habitation. For some, this can affect the ability to pay their rates.

2.0 CONDITIONS AND CRITERIA

The following conditions and criteria apply:

- 2.1 The Council may postpone and remit rates charged on a rating unit if a dwelling is detrimentally affected by erosion, subsidence, submersion or other natural hazard event to such an extent that the resident ratepayers are no longer able to reside there.
- 2.2 Applications for rates remission must be made in writing and be received by Council within a period of 12 months from the date on which the natural hazard event occurred.
- 2.3 An application will only be considered where the following criteria are met:
 - a) The ratepayer must be the current owner of the rating unit which is the subject of application.
 - b) The rating unit must be a residential property.
 - c) Rates remitted may exclude the following service charges: water, sewerage disposal and mobile rubbish bins.
- 2.4 The Council may remit rates for the duration of the period that the residents are unable to reside in the dwelling for a period of up to 90 days commencing seven days after the natural hazard event.
- 2.5 At the end of the 90 day period, the Council may extend the remission of rates to a fixed date if applicants can demonstrate adequate reasons for not being able to inhabit the dwelling within the 90 day period e.g. section 124 notice (dangerous building) under the Building Act 2004.

3.0 DELEGATION

The delegated authority for this policy is set out in the Delegations Register.

RATES REMISSION FOR COMMUNITY, SPORTING AND OTHER ORGANISATIONS

1.0 OBJECTIVE OF THE POLICY

The objectives of this policy are:

- a) To facilitate the ongoing provision of non-commercial (business), non-profit, voluntary community and sporting services to the general public.
- b) To assist the organisation's financial viability.
- c) To 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.

2.0 CONDITIONS AND CRITERIA

The following conditions and criteria apply:

- 2.1 Remission may be available to land occupied or used by a non-profit organisation which provides voluntary community or sporting services to the general public.
- 2.2 The organisation's purpose aligns with the Policy objectives.
- 2.3 50% remission of rates and charges, excluding those for water, sewerage and refuse disposal, will apply for organisations, including those with a permanent club liquor licence.
- 2.4 Applications for remission must be made on an approved declaration form.
- 2.5 An application must include:
 - a) A signed statement from the organisation's treasurer to prove no profit is derived from its activity
 - b) A statement of objectives, information on activities and programmes and details of membership of clients.
- 2.6 Applications for remission must be completed every two years
- 2.7 Each application will be considered on its merits, and provision of a remission in any year does not set a precedent for similar remission in any future year.

3.0 DELEGATION

- 3.1 The delegated authority for this policy is set out in the Delegations Register.



Kōrero mai Let's talk

Tell us what you think by
5pm Sunday, 23 May 2021

whakatane.govt.nz/tp/financial-policies



WHAKATĀNE
District Council
Kia Whakatāne au i ahau

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