

Rates relief policies

TO	Thames-Coromandel District Council
FROM	Steve Baker - Chief Financial Officer
DATE	15 January 2015
SUBJECT	Rates relief policies

1 Purpose of Report

The purpose of the report is to present the rates remission policy post its review for adoption by the Council as supporting information for the 2015 Long Term Plan consultation document. The report also notes the review process for the Rates Postponement Policy and the Policy on the Remission and Postponement of Rates on Māori Freehold Land and seeks Council approval to include the 2012 policies within supporting information for the 2015 Long Term Plan.

2 Background

A local authority must, in order to provide predictability and certainty about sources and levels of funding, adopt a policy on the remission and postponement of rates on Maori freehold land. A local authority may adopt either or both a rates remission policy or a rates postponement policy. Thames-Coromandel District Council has adopted all three policies and collectively refers to the policies as the rates relief policies.

All three policies are to be reviewed at least once every six years using a consultation process that gives effect to the requirements of Section 82 (consultation principles) of the Local Government Act 2002. The Council's Significance and Engagement Policy acts as a guide on the level of engagement (public consultation) deemed appropriate given the level of change within the policies and the effects on residents/ratepayers. The suggested style of consultation is discussed under Section 4.

3 Issue

The Policy on the Remission and Postponement of Rates on Māori Freehold Land was due for review with the 2015-25 Long Term Plan having been last reviewed for the 2009-19 Long Term Plan. During the 2012-22 Long Term Plan development the Council noted that the most appropriate time to review this policy was post the treaty settlements so that treaty settlement arrangements could be acknowledged and reflected in the Council's intended approach. As the treaty settlements are nearing completion it is proposed to retain the current policy with a further review scheduled for post treaty settlement when it occurs within the next three years.

The Rates Postponement Policy was also due for review this year having been last reviewed for the 2009-19 Long Term Plan. During the workshops on the remissions policy no issues with the current policy were noted by elected members. For alignment purposes it would be most appropriate to align the Rates Postponement Policy with the review of the Policy on the Remission and Postponement of Rates on Māori Freehold Land. Therefore Council Officers recommend that the Rates Postponement Policy be reviewed within the next three years.

4 Discussion

As part of the development of the 2015-25 Long Term Plan the Council has reviewed the

Remission Rates Policy and incorporated a new remission for residents of licence to occupy retirement villages (s 2.16).

The Council last revised the policy during the 2014-15 Annual Plan process and included the following remission policies:

- Rates Remission Policy - Remission of Rates for Land Subject to Zone Changes (s 2.13)
- Rates Remission Policy - Exclusion of Camp Grounds and other Multi-Unit Facilities from Area of Service for Solid Waste Collection (including recycling) (s 2.14)
- Rates Remission for Miscellaneous Purposes (s 2.15)

Options for consultation on the Rates Remission Policy:

Over March/April 2015 the Council will be carrying out a special consultative procedure for the Development Contributions Policy while also consulting on the 2015-25 Long Term Plan, using a process that is based on the special consultative procedure.

The special consultative procedure ensures that we notify the consultation appropriately, have a submission period of at least one month, provide a statement of proposal (and summary if deemed appropriate), and provide an opportunity for persons to present their views.

Given that the Council will already be undertaking a special consultative procedure and given the nature of the Rates Remission Policy Council officers recommend that the special consultation procedure be used for the consultation on the revised policy.

Proposed changes to the Rates Remission Policy affect all ratepayers, to a small degree, through payment of the new remission from the general rate. The proposed new remission affects a small targeted group of residents. The consultation information can be targeted to the persons affected through publicity and targeted information. The Statement of Proposal and publicity information for the Rates Remission Policy will be presented for Council approval at the 4 March 2015 Council meeting when the Long Term Plan's consultation document is approved for consultation.

5 Suggested Resolution(s)

That the Thames-Coromandel District Council:

1. Receives the 'Rates relief policies' report, dated 15 January 2015.
2. Approves the revised Rates Remissions Policy as the basis for the remissions budget within the 2015-25 Draft Long Term Plan and for public consultation over March/April (concurrently with the 2015-25 Long Term Plan consultation);
3. Approves the current Rates Postponement Policy and the Policy on the remission and postponement of rates on Maori freehold land continue following the 2015 review; and
4. Reviews the Rates Postponement Policy and the Policy on the remission and postponement of rates on Maori freehold land within the next three years after the Hauraki Treaty settlements have been finalised.

References - Attachments

Attachment A *Revised Rates Remissions Policy*

Attachment A - Rates Remission Policy