

Request for consideration of remission of targeted rates - 6 Gregory Lane, Whangamata

TO	Audit & Risk Committee
FROM	Richard Elgie - Rates Manager
DATE	15 May 2018
SUBJECT	Request for consideration of remission of targeted rates - 6 Gregory Lane, Whangamata

1 Purpose of Report

The purpose of this report is to request for consideration a remission of targeted rates under the Remission for Miscellaneous Purposes policy.

2 Background

The property in question has a bedsit studio that is used as a holiday rental. On the 8th March 2017 a weather event occurred resulting in a major slip that resulted in damage to the property at 6 Gregory Lane, which meant that the bedsit studio was not able to be used for holiday rental purposes. The property is currently charged 2 SUIPs and as the bedsit area is less than 50m², it receives a 50% remission of targeted rates on the second set of SUIP charges. In addition, the owners had just commenced a building project (ABA/2016/337) and concerns with regards to OSH issues' surrounding the build/slip, a decision was made to close the holiday rental until the project was complete and the boundary trees and foliage taken out by the slip were replanted. The code of compliance for the project was issued on 29 March 2018.

3 Issue

The Natural Calamity Remission policy states:

- *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*

The Remission for Miscellaneous Purposes policy states:

- *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.

The whole rating unit has not being affected by this inundation so we are unable to use the above Natural Calamity Remission policy in this instance. However we believe that this application meets criteria 1 and 2 of the Remission for Miscellaneous Purposes policy to remit a pro rata amount of the 50% targeted rates on the affected SUIP as it has been unusable for 4 months of the 2016/2017 rating year and 9 months of the current 2017/2018 rating year.

4 Discussion

The applicant has requested a remission of the targeted rates for the period 8 March 2017 to 21 March 2018. They have already received a 50% remission on the targeted rates for the bedsit SUIP and so the remission calculation is a pro rata on the remaining 50% as follows:

2016/2017 - \$683.53 4 months pro rata = \$227.85

2017/2018 - \$701.14 9 months pro rata = \$525.87

5 Suggested Resolution(s)

That the Audit & Risk Committee:

1. Receives the 'Request for consideration of remission of targeted rates - 6 Gregory Lane, Whangamata', dated 15 May 2018 report.
2. Approves a remission under the Remission for Miscellaneous Purposes policy of \$753.72 which is a pro rata amount of the 50% targeted rates on the affected SUIP.