

Rates Remission Policy Governance Policy

Policy Owner	Corporate Services Group Manager		
Adopted by	Council		
Description of policy	This policy provides for the remission of rates in circumstances where specific criteria apply.		
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Purpose

In accordance with section 85 of the Local Government (Rating) Act 2002 (LGRA) a local authority may remit all or part of the rates on a rating unit (including penalties for unpaid rates) if:

- a. the local authority has adopted a rates remission policy under section 109 of the Local Government Act 2002, and
- b. the local authority is satisfied that the conditions and criteria in the policy are met.

This policy contains policy statements for the following remissions;

- Rates remissions for land set aside as a conservation area covered by a Queen Elizabeth II Trust covenant
- Penalties
- Abandoned land
- Land affected by a natural calamity and fire
- Community, sporting and other non-profit organisations
- Rating units containing two separately habitable units
- Remission of untreated metered water supply in the Thames Valley
- Excess water consumption
- Wastewater charges for schools
- Rating units occupied/owned in common
- Land subject to zone changes
- Exclusion of camp grounds and other multi-unit facilities from area of service for solid waste collection (including recycling)
- Miscellaneous purposes
- Extreme financial hardship

Objectives

The objectives of policies are described at the beginning of each policy statement.

Principles

The relevant principles central to the implementation of this policy are:

1. 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 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.
2. All applications for rates remission or postponement should 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 date that the remission is granted. Applications will not be backdated.
3. All remissions given under this policy must be reported to the appropriate Committee of the Council by 30 September for the year ending the 30 June preceding.

General

The determination of eligibility and approval of any remission is at the absolute discretion of Council. If Council is satisfied that the relevant criteria in the policy are met, it will give the applicant ratepayer notice of the remitted rates.

Applications made for a remission will be considered on their own merits on a case-by-case basis.

For rates to be remitted or postponed the Council may require evidence each year, by way of a statutory declaration. The Council reserves the right to seek further information if it deems it necessary.

No application will be backdated beyond the current rating year.

Any previous decisions of the Council do not create a precedent. Approval of a remission does not set a precedent that application of the usual rates unfairly disadvantages other ratepayers.

Delegations

The following delegations are rating delegations made in accordance with applicable sections of the LGRA. Delegations specifically related to remissions are provided in each policy statement.

Delegations are GST exclusive.

Section of the LGRA	Description	Delegate
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

Section of the LGRA	Description	Delegate
S35(b)	Authority to remove names from the RID	Rates Officer; Senior Rates Officer; Rates Manager
S39	Authority to determine objections to rates records	Rates Officer; Senior Rates Officer; Rates Manager
S40	Authority to correct errors in RIDs and rate records	Rates Officer; Senior Rates Officer; Rates Manager
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 Officer; Senior Rates Officer; Rates Manager
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	Corporate Services Group Manager; Chief Executive;
S77-83	Authority to sell abandoned land	Chief Executive; Corporate Services Group Manager;
S85/87/114/115	Authority to administer remission and postponement policies	Rates Officer; Senior Rates Officer; Credit Controller; Rates Manager; Finance Manager; Corporate Services Group Manager
Verify rate rebate applications	Authority to witness declaration	Customer Services Representative; Rates Officer; Senior Rates Officer; Credit Controller; Rates Manager; Customer Services 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 Chief Executive)	Rates Manager; Finance Manager; Corporate Services Group Manager

Section of the LGRA	Description	Delegate
S15	Authority to determine application of Separately Used or Inhabited Parts of a rating unit (SUIP)	Rates Manager; Finance Manager; Corporate Services Group Manager

Rates Remission Policy Statements

1 Queen Elizabeth II National Trust covenanted land

Objective

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

Policy Statement

On written application of a ratepayer and provided that;

- a portion of a rating unit has been set aside as a conservation area, covered by a Queen Elizabeth II National 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 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. The valuation service provider's decision is final as there is no statutory right of objection, or appeal, for valuations carried out for Queen Elisabeth II National Trust covenant purposes.

Delegations

Decisions for remission of rates on land set aside under a Queen Elizabeth II National Trust covenant are delegated to the Finance Manager and the Rates Manager.

2 Abandoned land

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.

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 the Finance Manager and the Rates Manager.

3 Unusable land

Objective

To enable the Council to provide rates 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.

Policy Statement

On written application of the ratepayer annually, the Council may remit targeted rates set at a uniform amount per rating unit, and any uniform annual general charges provided that the following conditions a) and b), or, conditions a) and c) are met.

- a) 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
- b) the unit is landlocked and does not have lawful access by land or sea; and
- c) 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.

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 are delegated to the Finance Manager and the Rates Manager.

4 Land affected by a natural calamity or fire

Objective

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

Policy statement

On written application of a ratepayer, within six months of a natural calamity or fire, 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 provided that;

- a rating unit has been affected by a natural calamity or fire; and
- the rating unit is unusable or uninhabitable.

In no circumstances will loan charges or land value and capital value rates be remitted.

Council's regulatory services department will decide whether the rating unit is uninhabitable or unable to be used for its intended purpose. There is no statutory rights of objection or appeal and the decision of the regulatory services department will be final.

The ratepayer must 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 rates 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.

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.

An application for rates remission due to fire will not be accepted if the fire was deliberately caused by the owner, occupier or a related party.

Delegations

Decisions for remission of rates affected by natural calamity or fire will be delegated to the Finance Manager and the Rates Manager. All subsequent rates remission applications for the same natural calamity or fire will be delegated to the Audit and Risk Committee for re-evaluation, consideration and decision.

5 Penalties

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.

Policy statement

Penalties on rates will be automatically remitted provided that payment is made within 14 days of the penalty charge applying.

Penalties may be remitted on written application by a ratepayer provided that;

- the ratepayer meets the payment conditions agreed with Council to resolve rates arrears; and
- the ratepayer has an otherwise good payment history and has not received a penalty remission within the past 12 months; and
- there are extenuating circumstances beyond the ratepayer's control.

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.

If the ratepayer stops adhering to the agreed payment conditions, the remission of penalties can be cancelled, with relevant penalties reinstated and coming due and payable.

Delegations

Decisions for remission of penalties are delegated to:

Delegate	Limit (per rating unit per year)
Corporate Services Group Manager	\$15,000
Finance Manager	\$10,000
Rates Manager	\$5,000
Credit Controller	\$2000
Senior Rates Officer	\$1,000
Rates Officer	\$500

6 Community, sporting and other non-profit organisations

Objective

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.

Policy statement

- Rates remissions under this policy will be administered annually on receipt of a written application and may be made for a multi-year term to a maximum of three years with the exception of a remission under the extreme financial hardship criteria. Council may remit rates where the application meets the following criteria:
- the ratepayer, or lessee, is an organisation of persons whether incorporated or not; and
- the rating unit, or division of a rating unit is leased by the applicant for a period of no less than one year and the applicant is liable for the payment of the rates under the property's lease agreement; and
- the rating unit, or division of a rating unit, is used exclusively or principally for sporting, recreation, art, or community purposes except for galloping races, harness races, or greyhound races.

The policy does not apply to organisations;

- operating for private pecuniary profit, or whose main source of income is from trading activities and
- whose primary purpose is 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.
- classed as 50% non-rateable under Schedule 1 Part 2 of the LGRA.

The Council may remit up to 50% of the General Rate, the Uniform Annual General Charge and targeted rates with the exception of targeted rates for water, wastewater, solid waste, and loan charges. The Council may remit up to 100% of the General Rate, the Uniform Annual General Charge and targeted rates with the exception of targeted rates for water, wastewater and solid waste for organisations occupying a rating unit owned by Council under a lease agreement.

Council may use its discretion to apply a full or part remission of all rates to assist with the survival of an organisation that meets the criteria for a remission under this policy experiencing extreme financial hardship. Appropriate evidence will be required and a full or part remission will be considered on a case by case basis.

Each application will be considered on its merits, and provision of rates support in any year does not set a precedent for similar level of support in future years.

Applicants must include the following documents in support of their application:

- a statement of objectives; and
- financial accounts or annual report for the previous financial year; and
- information on activities and programmes;

- details of membership.

Delegations

Decisions for remission of rates for community, sporting, and other organisations are delegated to:

Delegate	Type of remission under this policy
Rates Manager and Finance Manager	Up to 50%
Relevant Community Board	Up to 100%
Audit and Risk Committee	Full remission (extreme financial hardship)

7 Rating units containing two separately habitable units

Objective

To enable the Council to provide for rates relief for ratepayers who own a rating unit containing two separately used or inhabited parts of a rating unit where the application of rates set on a uniform basis may result in inequity.

Policy statement

Rates remissions under this policy will be administered annually on receipt of a written application. Council may remit rates where the application meets the following criteria. The rating unit contains two habitable units and;

- a) the second habitable unit is used only for family and friends of the occupants of the first unit on a non-paying basis; and
- b) the application is accompanied by a Statutory Declaration made by the ratepayer that declares that a) has been complied with for the current rating year and will continue to be complied with in the ensuing year.
- c) 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 as it is rented out for financial reward.

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 for the second habitable unit when the criteria a) and b) apply. If a rating unit contains more than two habitable units used by non-paying guests and family, only one is entitled to remission.

It is the ratepayer's responsibility to inform Council in writing within 30 days if the circumstances declared in the Statutory Declaration change. Council may review a ratepayer's eligibility for a remission under this policy at any time.

If criteria c) applies then 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 are delegated to the Finance Manager and the Rates Manager.

8 Rural rating units not contiguous and occupied/owned in common

Objective

To enable the Council to provide for rates relief for ratepayers who own or have a long-term lease and pay rates on land that is not contiguous in terms of section 20 of the LGRA and is used jointly;

- as a single unit; and
- for a single residential or farming use.

Policy statement

All ratepayers will pay at least one set of uniform annual charges. Properties eligible under this policy shall be deemed to be one rating unit for the purposes of setting uniform annual charges.

Rural rating units

Eligible rural rating units for this remission are those where:

- the applicant is the ratepayer owner/long-term lessee (more than 10 years) of more than one rating unit classified as rural for differential purposes; and
- the rural rating units are operated as a single farming entity by the same ratepayer; and
- the rural rating unit for which the remission is sought cannot be operated independently as a viable farming unit, is not occupied by a habitable dwelling, and is within the same rating ward; or
- the land is Maori Freehold Land and the person using the land is liable for the rates; or
- the land is farmed as a single entity where 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.

The Council may remit uniform annual general charges and targeted rates assessed on a "per rating unit" basis on the rural rating unit for which the remission is sought.

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.

Delegations

Decisions for the remission of rates on rural rating units occupied/owned in common are delegated to the Finance Manager and Rates Manager.

9 Residential rating units contiguous and owned/occupied in common

Objective

To enable the Council to provide rates relief for residential land, that is contiguous but is not recognised in terms of section 20 of the LGRA as being used jointly as a single unit.

Policy statement

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 the remission of rates on residential rating units occupied/owned in common are delegated to the Finance Manager and Rates Manager.

10 Remission for untreated metered water supply in the Thames Valley

Objective

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

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.

11 Excess water consumption

Objective

To provide certainty regarding the conditions which must be satisfied before Council will accept an application for the remission of excessive water consumption charges from a metered Council water supply caused by previously undetected leaks.

Policy statement

Council may remit excess water consumption rates where the application meets the following criteria:

- The application must be in writing on Council's Excess Water Remission Application form and signed by the owner(s) of the property; and
- Evidence is provided that the excess water consumption has occurred through a broken or leaking pipe or some exceptional circumstance; and
- The ratepayer must supply satisfactory evidence to Council within 3 months that the leak
 - has been remedied (plumbers receipt and/or photographs); and
 - was repaired as soon as possible once it was discovered; or
 - was repaired as soon as possible once advised of the excessive water consumption.

The Council may remit 100% and 50% of excess water consumption in any two consecutive affected billing periods - with the 100% remission applied to the highest bill period. After two consecutive periods, no remission will apply for the same leak. Further remissions for subsequent leaks on the same reticulated supply line may only be granted if the full reticulated supply line is replaced.

The remission granted will be on the excess water usage, less the normal consumption of water for similar periods.

The policy does not apply where excess water consumption is due to;

- Seasonal usage such as watering of gardens, filling of pools, ponds and water tanks, washing vehicles or similar situations;
 - theft, vandalism, or construction damage;
- The result of poor workmanship or incorrect installation of the internal reticulated system

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	\$10,000
Rates Manager	\$5,000
Senior Rates Officer	\$1,000
Rates Officer	\$500

12 Wastewater charges for schools

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".

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.

13 Land subject to zone changes

Objective

To enable the 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).

The policy also applies to any privately initiated zone changes that are adopted by the 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.

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.

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

The following conditions and criteria must apply:

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

Whitianga

- Sherriff Block – Lot 1 DPS 91047 Planning map 17B
- Wells property – Lot 2 DPS 26491 Planning map 18E

Kopu to Thames Structure Plan – Stage 1 (rezoned to Industrial Zone) Planning map 31K

- Lot 1 DPS 62246
- Lots 9 and 10 DPS 58519
- Lots 1 and 2 DP 366034
- Pt Tarawhete No 2A Blk, Blk VII Thames SD
- Lot 2 DPS 9203
- Lot 1 DPS 50138; 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 the 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 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 the remission of rates for land subject to zone changes will be delegated to the Finance Manager and Rates Manager for that land specifically referred to as Council initiated zone change as described in the policy statement and) shown in the maps found in the following link to Council's website.

http://eplan.tcdc.govt.nz/pages/plan/Book.aspx?exhibit=TCDC_Appeals2016_External

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

14 Exclusion of camp grounds and other multi-unit facilities from area of service for solid waste collection (including recycling)

Objective

To enable 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).

Policy statement

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

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 before 1 May 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; and
- a 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; and
- 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; and
- 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 the Rates Manager.

15 Miscellaneous purposes

Objective

To enable Council to remit rates on a case by case basis in circumstances that are not specifically covered by other policies, but where the council considers it appropriate to do so in keeping with Council's values of ensuring fair and equitable service provision to communities.

Policy statement

On receipt of a written application from a ratepayer, council may remit rates on a rating unit where it considers it just and equitable to do so 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

Decisions for remission of rates for miscellaneous purposes are delegated to Council's Audit and Risk Committee.

16 Extreme Financial Hardship

Objective

The objective of this policy is to receive and consider applications for rates remissions in the cases of extreme financial hardship.

Policy statement

On receipt of a written application from a ratepayer, Council may remit part or all of the rates levied on a rating unit in cases of extreme financial hardship on a case by case basis under the following criteria:

- The applicant must be the owner of the rating unit, and must reside at the property. Companies, trusts and other similar ownership structures do not qualify for this remission.
- The applicant must not own any other rating units or investment properties.
- Council must be satisfied that extreme financial hardship exists or would be caused by requiring payment of part or all of the rates levied on the rating unit.
- Council must be satisfied that all other options for payment have been exhausted, including but not limited to agreed payment plans and assistance from Central Government agencies.
- The applicant's income must not exceed the income level set by Central Government for the Rates Rebate Scheme.
- The applicant must declare total household income and their financial position for the purposes of the remission calculation.
- A remission cannot be granted if the applicant has received a remission under the extreme financial hardship policy within the previous three financial years.
- A remission under this policy can only be granted for one rates instalment. Any further rates relief for extreme financial hardship must be applied for under Councils Rates Postponement Policy.
- The applicant must sign a statutory declaration attesting to the details of their financial circumstances and property ownership.

Delegations

Decisions for remission of rates for extreme financial hardship are delegated to Council's Audit and Risk Committee.

Implementation

This policy will be implemented by the Rates Team and the Finance Manager.

Measurement and review

This policy will be reviewed every six years in alignment with Council's long term plan or sooner if required.

Definitions

The following definitions apply in the context of this policy.

Term	Definition
Contiguous	Sharing an edge or boundary, touching.
Differentials	Categories applied to the general rate based on the uses to which the land is put and where the land is situated.
Equity/equitable	Defined in the economic sense as distributing economic prosperity fairly among the members of society.
Exceptional circumstance	Exceptional circumstance describes a situation outside of the ratepayers' control where the ratepayer has been unable to pay rates on time. This could be the birth, death, illness or accident of a family member at the date that the rates instalment is due, or the payment has been lost in the post, credited to the wrong rate account.
Fairness	Just or unbiased.
General rate	Rate applied to all rating units based on land value and differentials.
Separately habitable unit	A space used for activities normally associated with domestic living that is in a separate structure to the main dwelling or if within the

Term	Definition
	same structure is separated by a lockable partition and contains a room or portion of a room that incorporates a plumbed sink/tub, and an electrical outlet.
Payment conditions	Any conditions formally agreed between the ratepayer and Council to pay rates arrears.
Ratepayer(s)	Defined as per section 10, 11 and 92 of the Local Government (Rating) Act 2002.
Targeted rate	Rates charged to particular communities or groups of ratepayers
Uniform Annual General Charge (UAGC)	A rate set as a fixed amount per separately used or inhabited part of every rateable part of a rating unit in the district.

Relevant Legislation and policies

- Local Government Act 2002
- Local Government (Rating) Act 2002
- Rates Postponement Policy
- Rates Postponement and Remission of Rates on Maori Freehold Land Policy