

Rating Policy



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Purpose:

To assist with the setting of the rates on an annual basis as specified within the Local Government Act 2002 and the Local Government (Rating) Act 2002.

Principles and objectives:

To ensure ratepayers have an understanding of how their rates are set out, payment due dates and collections charges.

Scope:

This policy is for all residential and commercial ratepayers.

Extract from Local Government (Rating) Act 2002

Schedule 2 – Matters that may be used to define categories of Rateable Land

1. The use to which the land is put.
2. The activities that are permitted, controlled, or discretionary for the area in which the land is situated, and the rules to which the land is subject under an operative district plan or regional plan under the Resource Management Act 1991.
3. The activities that are proposed to be permitted, controlled, or discretionary activities, and the proposed rules for the area in which the land is situated under a proposed district plan or proposed regional plan under the Resource Management Act 1991, but only if –
 - a. no submissions in opposition have been made under clause 6 of Schedule 1 of that Act on those proposed activities or rules, and the time for making submissions has expired; or
 - b. all submissions in opposition, and any appeals, have been determined, withdrawn, or dismissed.
4. The area of land within each rating unit.
5. The provision or availability to the land of a service provided by, or on behalf of, the local authority.
6. Where the land is situated.
7. The annual value of the land.
8. The capital value of the land.
9. The land value of the land.

Schedule of rates (Funding Impact Statement – rates)

General

Uneconomic Rates: Rates levied on any one rating unit of less than \$10 for the year are deemed by the Council to be uneconomic to collect.

Allocation: Where a payment made by a ratepayer is less than the amount now payable, the Council will apply the payment firstly to any arrears from previous years, and then proportionately across all current year rates due.

Invoice Rounding: Where an invoice owing is under \$1, this will be written-off.

Due Dates for Payment of Rates

All rates other than metered water charges will be payable in four instalments due on:

- 22 August 2022
- 21 November 2022
- 21 February 2023
- 22 May 2023

Charges for Metered Water will be Due On

Bannockburn, Ranfurly, Naseby, Patearoa, Omakau, Clyde and Roxburgh:

- 20 October 2022, reading taken in September 2022
- 20 April 2023, reading taken in March 2023

Cromwell and Pisa Moorings:

- 22 December 2022, reading taken in November 2022
- 22 June 2023, reading taken in May 2023

Alexandra:

- 24 November 2022, reading taken in October 2022
- 25 May 2023, reading taken in April 2023

Read dates are an approximation depending on property numbers.

Penalties

The Council will apply penalties under section 57 and 58 of the Local Government (Rating) Act 2002 on unpaid rates (other than metered water rates) as follows:

- 10% on any outstanding amount of any instalment not paid by the due date.
- The penalty will be applied on 29 August 2022, 28 November 2022, 28 February 2023 and 29 May 2023 respectively for each instalment;
- 10% on amounts outstanding from earlier years, such penalty being applied on 1 October and 1 April.
- Requests for waiver of penalties should be sent, in writing, to the Rates Officer as per Council Remission of Penalties Policy.

The Council will apply penalties under section 57 and 58 of the Local Government (Rating) Act 2002 on unpaid metered water rates as follows:

- 10% on any metered water rates unpaid after the due date. The penalty will be applied on the date below for the respective instalments:
 - Bannockburn, Ranfurly, Naseby, Patearoa, Omakau, Clyde and Roxburgh – 27 October 2022 and 27 April 2023
 - Cromwell and Pisa Moorings – 20 January 2023 and 29 June 2023
 - Alexandra – 1 December 2022 and 1 June 2023
- Requests for waiver of penalties on water accounts should be sent, in writing, to the Water Billing Officer, in accordance with the Council's Remission of Penalties Policy.

Differentials based on Land Use

The Council proposes to use this matter to differentiate the general rate, tourism rate, promotion rate, wastewater rate (2nd and Subsequent pan/ urinal).

The differential categories are:

General Rate

The General Rate differentials exist to ensure that the overall increase in rates liability for the Dams remain closely aligned with the overall average increase in rates.

Large Dams: Clyde Dam – Earnscluegh and Roxburgh Dam – Roxburgh. Paerau Dam – Mānīatoto Teviot Dams – Roxburgh. All other properties.

Tourism and Promotion

Residential – all rating units categorised as residential by Council’s valuations service provider.

Rural – all rating units used categorised as dairy, horticulture, forestry, mining, lifestyle or specialist agricultural use by Council’s valuation service provider.

Commercial and industrial – all rating units categorised as commercial or industrial by Council’s valuation service provider.

Dams, Utilities and Other - the Clyde Dam, Roxburgh Dam, Paerau Dam, Teviot Dam and all rating units categorised as utilities by Council’s valuation service provider, sports groups and other non-commercial community groups.

Wastewater Additional Pan/Urinal

Commercial properties providing accommodation including motels, camping grounds and commercial rest homes for the elderly.

Differentials based on Location

Molyneux Park Rate

- The Council uses this matter to assess rates for the Molyneux Park Rate
- Vincent - all rating units within the area covered by Vincent Community Board
- District - all other rating units in the district located outside of the area covered by Vincent Community Board

Refer to the Molyneux Park map on the Council website under Property & Rates quick links.

Ward Services, Work and Services Charge, Recreation & Culture Charge and Promotions Rate

These rates are assessed differentially on the following locations:

- Vincent – the area covered by the Vincent Community Board
- Cromwell – the area covered by the Cromwell Community Board
- Teviot Valley – the area covered by the Teviot Valley Community Board
- Mānīatoto – the area covered by the Mānīatoto Community Board

Refer to the ward map on the Council website under Property & Rates quick links

Differentials based on Availability of Service

Water Supply

The categories for the proposed water supply rates are:

- Connected – any rating unit (including vacant sections) that is connected to (lateral/s provided) a council operated water supply
- Serviceable – any rating unit (including vacant sections) that is not connected to (no lateral provided) a council operated wastewater system but is within 100 metres of a wastewater network

Wastewater

The categories for the proposed wastewater rates are:

- Connected – any rating unit (including vacant sections) that is connected to (lateral/s provided) a council operated wastewater system
- Serviceable – any rating unit (including vacant sections) that is not connected to (no lateral provided) a council operated wastewater system but is within 30 metres of a wastewater network

Environmental Services - Waste Management

The categories for waste management rates are:

- Waste management with collection – wheelie bins are provided by the Council and a kerb-side collection service is available to the rating unit
- Waste management without collection – no wheelie bins are provided, and no weekly collection service is available to the rating unit
- Additional rubbish bin – additional rubbish bins supplied over and above the initial supply of service
- Additional mixed recycle bin – additional mixed recycle bins supplied over and above the initial supply of service
- Additional glass recycle bin – additional glass recycle bins supplied over and above the initial supply of service

Water Rates and Charges

These targeted rates are assessed differentially, per connection to any rating unit (including vacant sections) within the district which is either connected to (lateral provided) at 100% charge, or serviceable, any rating unit (including vacant sections) that is not connected (no lateral provided) to a council operated water supply but is within 100 metres of a water supply reticulation system, at 50% charge. Rating units which are not connected to a scheme, and which are not serviceable will not be liable for this rate. The rates for the water supply are shown below:

CONNECTED (LATERAL PROVIDED) \$	SERVICEABLE (NO LATERAL PROVIDED) \$
361.69 per connection	180.71

The Council sets targeted rates for water charges that are based on volume of water supplied to consumers who will be metered and billed under the Council Water Supply Bylaw 2008. The charge will be \$0.60 per cubic metre for all users on a Council supply with either a water meter, or an unmetered restricted flow.

The Council sets a targeted rate for the Ripponvale Water Scheme Upgrade as a fixed charge per rating unit within the Ripponvale community.

The targeted rate is based as a uniform charge for each rating unit for a finite ten-year period as follows:

WATER RATES		\$
Ripponvale Water Management (targeted rate payment per year)		\$602.57

(Refer to the Ripponvale Water Upgrade Scheme map on the Council website under Property & Rates quick links and page 183 of the 22-23 Annual Plan).

Waste Management and Waste Collection Charges

Where the Council waste collection service is available the charge is set on the basis of the number of containers of waste that the Council collects as part of its standard waste collection service, which is one household rubbish bin, one mixed recycling bin and one glass recycling bin. Household rubbish will be collected fortnightly and each recycling bin will be collected four-weekly. Where a household rubbish bin, mixed recycling bin or glass recycling bin is provided in addition to the standard service Council will charge additional rates per additional bin. Standard waste collection service is compulsory for all improved residential rating units that are situated within a collection area.

Refer to the Ward map on the Council website under Property & Rates quick links.

WASTE MANAGEMENT AND COLLECTION RATES AND CHARGES			\$
Waste collection with collection 3 bins (availability of service)	Per rating unit		475.30
Waste collection additional household rubbish bin (red)	Per additional bin		282.80
Waste collection additional mixed recycling bin (yellow)	Per additional bin		59.41
Waste collection additional glass recycling bin (blue)	Per additional bin		59.41

The Council sets a waste management charge which contributes to Environmental education and districtwide waste collection activities such as public bins. All residential land in the district is liable for this charge which is a uniform amount per rating unit.

WASTE MANAGEMENT AND COLLECTION RATES AND CHARGES			\$
Waste management charge (no collection from rating unit)	Per rating unit		73.98

Wastewater Rates and Charges

The Council sets a targeted rate for wastewater as a uniform charge assessed differentially per connection to any rating unit (including vacant sections) within the district which are connected to (lateral/s provided) a council operated wastewater system at 100% or serviceable, any rating unit (including vacant sections) that is not connected to (no lateral provided) a council operated wastewater scheme, but is within 30 metres of a wastewater drain at 50%. Rating units which are not connected to a scheme, and which are not serviceable will not be liable for this rate. The Council sets a targeted rate as a uniform charge for each additional pan or urinal in excess of one for those rating units providing commercial accommodation or commercial rest homes for the elderly. The rates for this service are shown below:

CONNECTED (LATERAL PROVIDED) \$	SERVICEABLE (NO LATERAL PROVIDED) \$	ADDITIONAL PAN ACCOMMODATION \$
601.94	300.83	150.42

The Council sets a targeted rate for wastewater management as a fixed charge per rating unit within Clyde (identified by Valuation Roll 28461).

	\$
Clyde Wastewater Management	85.02

The wastewater management charges will be applied for ground water monitoring and preliminary costs for a Clyde wastewater scheme.

Works and Services

The Council sets a targeted rate for each ward for ward services calculated on the basis of capital value for each rating unit for housing and property, grants, recreation reserve committees and other works.

WARD/COMMUNITY BOARD	RATE IN \$
Cromwell	0.00004
Mānīatoto	0.00004
Teviot Valley	0.00005
Vincent	0.0001

Refer to the Ward map on the Council website under Property & Rates quick links.

The Council sets a targeted rate for unsubsidised roading, stormwater and public toilets calculated on the basis of capital value on all rateable land in the District.

	RATE IN \$
District Works and Public Toilets	0.0001606

The Council sets targeted rates for ward services within each ward on the basis of a uniform charge for each rating unit. The rates are shown in the table below:

WARD/COMMUNITY BOARD	PER RATING UNIT \$
Cromwell	33.71
Mānīatoto	84.33
Teviot Valley	96.40
Vincent	39.30

Refer to the Ward map on the Council website under Property & Rates quick links.

Ward services charges are used to fund Community Board elected members costs and other works for each respective ward.

Recreation and Culture

The Council sets a targeted rate for recreation and culture within each ward. The targeted rates will be based on a uniform charge per rating unit as shown in the table below:

Refer to the Ward map on the Council website under Property & Rates quick links.

WARD/COMMUNITY BOARD	PER RATING UNIT \$
Cromwell	592.34
Mānīatoto	613.93
Teviot Valley	394.66
Vincent	497.19

Recreation and culture charges fund the operations and maintenance of parks and reserves, swimming pools, museums, sports club loan assistance, community halls and other recreation facilities and amenities.

The Council sets a targeted rate for Molyneux Park differentially across the District. This is set as a fixed charge per rating unit where rating units outside the Vincent Community Board area pay one third of the charge payable by those rating units situated within this area as shown in the table below:

CATEGORY	PER UNIT \$
Molyneux Park Vincent	41.03
Molyneux Park District	13.67

Refer to the Molyneux Park map on the Council website under Property & Rates quick links.

The Council sets a targeted rate for library services as a uniform charge per rating unit. The targeted rates will be based as a uniform charge for each rating unit as shown in the table below:

CATEGORY	PER RATING UNIT \$
District Library	100.65

Library charges are applied to operations and maintenance of libraries.

The Council sets a targeted rate for Tracks and Waterways as a uniform charge per rating unit, across the District. The targeted rate is based as a uniform charge for each rating unit as follows:

CATEGORY	PER RATING UNIT \$
Tracks and Waterways	17.19

Tracks and Waterways charges are applied to operations and maintenance of facilities associated with Lake Dunstan, the Clutha River and other tracks and waterways throughout the District.

Promotion

The Council sets a targeted rate for promotion within each community board. For each community board the rate will be on a differential basis, based on the use to which the rating unit is placed (as defined in the General Rate category). The targeted rates are based on the capital value of all rating units as shown in the table as follows:

	RATES IN \$
Cromwell Community Board	
Commercial and Industrial	0.0000881
Residential	0.0000164
Rural	0.0000126
Dams and Utilities	0.0000113
Vincent Community Board	
Commercial and Industrial	0.000047
Residential	0.0000087
Rural	0.0000067
Dams and Utilities	0.000006
Teviot Community Board	
Commercial and Industrial	0.0000131
Residential	0.0000024
Rural	0.0000019
Dams and Utilities	0.0000017

RATES IN \$	
Mānīatoto Community Board	
Commercial and Industrial	0.0000244
Residential	0.0000045
Rural	0.0000035
Dams and Utilities	0.0000031

The rate revenue is used to provide grants to promote local areas within the District.

Planning and Environment

The Council sets a planning and environment rate on all rating units. The rate is based on the capital value of all rating units in the District according to the table below:

RATES IN \$	
Planning and Environment	0.0002438

Planning and Environment rates are used to fund functions including Resource Management, Environmental Health and Building, Civil Defence and Rural Fire.

Economic Development

The Council sets an economic development rate on all rating units. The rate is based on the capital value of all rating units in the District according to the table below:

RATES IN \$	
Economic Development	0.0000208

Tourism

The Council sets a tourism rate on a differential basis based on use (with the differential categories being “Residential”, “Rural”, “Commercial and Industrial”, “Dams and Utilities”) on all rating units (as defined in the General Rate category). The rate is based on the capital value of all rating units in the District except “Sport and Recreation” in accordance with the table below:

RATES IN \$	
Residential	0.0000721
Rural	0.0000555
Commercial and Industrial	0.0003871
Dams, Utilities	0.0000497

The tourism rate will be used to fund visitor information centres and tourism development within the district.

General Rate

The Council sets a general rate on a differential basis based on use (with the differential categories being “Large Dams”, “Paerau Dam - Māniatoto”, “Teviot Power Scheme - Roxburgh” and “All areas excluding Large Dams, Paerau Dam - Māniatoto, Teviot Dam - Roxburgh”) on all rating units (as defined in the General Rate category). The rate is based on the land value of all rating units in the District according to the table below:

	RATES IN \$
All areas excluding Large Dams, Paerau Dam - Māniatoto, and Teviot Dam - Roxburgh	0.00111
Large Dams	0.1628
Paerau Dam – Māniatoto	0.0832
Teviot Power Scheme – Roxburgh	0.12096

General rates are used to fund the costs of functions not delegated to a Community Board and not covered by any other rate or charge. Included are housing, district grants, regional identity, roading (other than the uniform charge contribution), noxious plant control, airports and other infrastructure.

Uniform Annual General Charge

The Council sets a uniform annual charge on every rating unit.

	PER RATING UNIT \$
All areas	101.38

The uniform annual general charge is used to fund democracy, and other amenities controlled by the Council.

Funding Impact Statement: Total Rates to be collected

The revenue and financing mechanisms to be used by the Council, including the amount to be produced by each mechanism, are as follows (all GST inclusive):

REVENUE AND FINANCING MECHANISMS	2022/23 \$000s	2021/22 \$000s
GENERAL RATES		
General Rate	8,167	7,769
Uniform Annual General Charge	1,404	1,194
TARGETED RATES		
Planning and Environment Rate	3,096	2,741
Economic Development Rate	264	215
Tracks and Waterways Charge	267	135
Tourism Rate	1,138	1,114
Waste Management and Collection Charge	5,186	4,744
District Library Charge	1,394	1,311
Molyneux Park Charge	349	316
District Works and Public Toilets Rate	2,040	1,805
District Water Supply	3,814	3,704
District Wastewater	5,390	4,276
WARD TARGETED RATES		
Vincent Community Board		
Vincent Promotion Rate	48	48
Vincent Recreation and Culture Charge	2,899	2,794
Vincent Ward Services Charge	229	222
Vincent Ward Services Rate	468	435
Clyde Wastewater Management	72	72
Cromwell Community Board		
Cromwell Promotion Rate	129	129

REVENUE AND FINANCING MECHANISMS	2022/23 \$000s	2021/22 \$000s
Cromwell Recreation and Culture Charge	3,197	3,101
Cromwell Ward Services Charge	182	178
Cromwell Ward Services Rate	193	146
Mānīatoto Community Board		
Mānīatoto Promotion Rate	6	6
Mānīatoto Recreation and Culture Charge	900	905
Mānīatoto Ward Services Charge	123	120
Mānīatoto Ward Services Rate	53	60
Teviot Valley Community Board		
Teviot Valley Promotion	2	2
Teviot Valley Recreation and Culture	447	420
Teviot Valley Ward Services Charge	109	105
Teviot Ward Services Rate	50	52

Note: These figures are GST inclusive whereas the Activity Funding Impact Statements are GST exclusive. These rates to be collected do not include volumetric water charges.

Rating Examples

Property Description	2021 Capital Value	2021 Land Value	2021/22 Rates	2022/23 Rates	Change \$	Change %
Alexandra Commercial	485,000	160,000	4,059.48	4,386.01	326.53	8%
Alexandra Hotel	960,000	630,000	5,694.76	6,320.99	626.23	11%
Alexandra Lifestyle Block	860,000	520,000	1,849.39	1,951.29	101.90	6%
Alexandra Major Motel	4,810,000	1,070,000	13,961.84	15,487.62	1,525.78	11%
Alexandra Motel	750,000	335,000	3,720.70	4,078.15	357.45	10%
Alexandra Residential	440,000	245,000	2,568.29	2,774.44	206.15	8%
Bannockburn Vineyard	2,720,000	1,290,000	3,602.94	3,805.63	202.69	6%
Clyde Commercial	1,290,000	400,000	3,942.35	4,101.64	159.29	4%
Clyde Motel	1,270,000	620,000	4,195.40	4,345.46	150.06	4%
Clyde Residence	530,000	255,000	2,221.16	2,322.90	101.74	5%
Cromwell Commercial	900,000	760,000	3,758.65	3,984.92	226.27	6%
Cromwell Farm	2,490,000	1,940,000	4,187.11	4,402.99	215.88	5%
Cromwell Large Farm	9,500,000	5,380,000	11,261.44	11,928.94	667.50	6%
Cromwell Lifestyle Block	1,090,000	580,000	2,433.14	2,556.47	123.33	5%
Cromwell Major Hotel	9,040,000	3,160,000	22,512.87	25,053.52	2,540.65	11%
Cromwell Motel	2,690,000	1,740,000	9,692.55	10,561.13	868.58	9%
Cromwell Residence	540,000	340,000	2,772.97	2,973.71	200.74	7%
Cromwell Storage	4,130,000	1,560,000	7,517.46	7,898.77	381.31	5%
Earnsclough Lifestyle Block	680,000	355,000	1,576.07	1,663.40	87.33	6%
Earnsclough Orchard	1,670,000	510,000	2,274.24	2,413.97	139.73	6%
Māniatoto Farm	1,750,000	1,430,000	3,383.36	3,508.77	125.41	4%
Māniatoto Large Farm	18,660,000	16,050,000	27,385.35	28,568.79	1,183.44	4%
Māniatoto Lifestyle Block	305,000	140,000	1,288.79	1,322.30	33.51	3%
Māniatoto Rural - Hotel	420,000	200,000	1,428.50	1,495.98	67.48	5%
Manuherikia Farm	4,630,000	4,080,000	7,685.74	8,096.25	410.51	5%
Manuherikia Large Farm	12,800,000	11,200,000	19,697.14	20,754.65	1,057.51	5%
Manuherikia Lifestyle Block	280,000	160,000	1,152.34	1,213.64	61.30	5%
Naseby Residence	305,000	102,000	2,484.28	2,650.58	166.30	7%
Omakau Residence	380,000	107,000	2,387.23	2,585.50	198.27	8%
Patearoa Residence	210,000	70,000	1,529.51	1,560.34	30.83	2%
Ranfurlly - Hotel	360,000	144,000	3,294.67	3,599.56	304.89	9%
Ranfurlly Commercial Property	190,000	32,000	2,414.84	2,574.33	159.49	7%
Ranfurlly Residence	255,000	86,000	2,441.55	2,605.74	164.19	7%
Roxburgh - Commercial	230,000	104,000	2,279.97	2,480.86	200.89	9%
Roxburgh - Hotel	280,000	114,000	2,332.64	2,535.58	202.94	9%
Roxburgh Orchard	305,000	146,000	1,789.20	1,886.31	97.11	5%
Roxburgh Farm	3,280,000	2,690,000	5,239.25	5,516.16	276.91	5%
Roxburgh Large Farm	14,000,000	12,300,000	20,803.69	21,835.57	1,031.88	5%
Roxburgh Residence	305,000	78,000	2,214.63	2,418.22	203.59	9%
Roxburgh Rural Industry	1,410,000	195,000	2,516.07	2,648.17	132.10	5%
Omakau Hotel	1,190,000	330,000	6,209.73	7,050.66	840.93	14%
Ophir Residence	410,000	122,000	1,927.06	2,018.26	91.20	5%
Ophir Commercial	1,520,000	160,000	3,662.72	3,832.76	170.04	5%
Pisa Moorings Residential	740,000	315,000	2,488.32	2,694.53	206.21	8%
Bannockburn Hotel	1,200,000	680,000	3,942.66	4,177.66	235.00	6%

Property Description	2021 Capital Value	2021 Land Value	2021/22 Rates	2022/23 Rates	Change \$	Change %
Millers Flat Residence	280,000	49,000	1,319.09	1,408.81	89.72	7%
Earnsleugh Vineyard	2,330,000	790,000	2,928.73	3,109.88	181.15	6%
Bannockburn Residential	960,000	760,000	2,921.63	3,048.40	126.77	4%
Omakau Residential	500,000	184,000	3,673.30	3,948.02	274.72	7%

Operational Rating Principles

Payment Options

Rates may be paid by:

- Cash
- EFTPOS (excluding from a credit card account)
- Direct debit (Council's preferred method of payment)
- Internet transfer or telephone initiated direct credit
- Or by prior arrangement with the Rates Department on (03) 440 0617
- Credit card via www.codc.govt.nz. There will be a service charge payable direct to Council's bankers by ratepayers who use this option.

During the hours of 8.30am to 5pm, Monday to Friday at any of the following:

- Council Offices, William Fraser Building, 1 Dunorling Street, Alexandra
- Cromwell Service Centre, 42 The Mall, Cromwell
- Māniatoto Service Centre, 15 Pery Street, Ranfurly
- Roxburgh Service Centre, 120 Scotland Street, Roxburgh (9am to 4.30pm)

Inspection of and Objection to Rating Information and Records

The Complete Rating Information Database (CRID) and the Rating Information Database and related rates records are available for inspection between 8.30am to 4.30pm, Monday to Friday, at any of the following:

- Council Offices, William Fraser Building, Dunorling Street, Alexandra
- Cromwell Service Centre, 42 The Mall, Cromwell
- Māniatoto Service Centre, 15 Pery Street, Ranfurly
- Roxburgh Service Centre, 120 Scotland Street, Roxburgh (9am to 4pm)

Any interested person may inspect the CRID. Inspection is free but there may be a fee payable for the supply of particulars from the CRID.

- The following persons may inspect the rates records for a rating unit in accordance with the Local Government (Rating) Act 2002:
- The ratepayer
- Anyone authorised, in writing, by the ratepayer to do so
- Any person who has become liable to pay the rates under the recovery provisions of the Local Government (Rating) Act 2002
- A solicitor, landbroker or real estate agent
- Any member of the public with respect to rates assessed, but not including arrears, remissions or postponed rates

Any ratepayer named in the Rating Information Database (RID) can object to the information in the RID on the following grounds:

- Rating unit listed in the District Valuation Roll (DVR) has been omitted from the RID
- Information from the DVR has been omitted or incorrectly entered in the RID
- Information entered in the RID (other than information from the DVR) is incorrect
- A lawful amendment to the DVR has not been entered in the RID

Objections to the rates records of a rating unit may only be made by:

- The ratepayer, or
- Someone who has become liable to pay the rates on the unit under the recovery provisions

Objections to rates records may only be made on the following grounds:

- The rates have been incorrectly calculated, or
- The balance shown as owing on the rating unit is incorrect

The Council will notify objectors in writing of its decision regarding an objection.

Delegation

Section 132 of the Local Government (Rating) Act 2002 allows Council to delegate the exercise of functions, powers or duties conferred by this Act on the local authority to:

- its chief executive officer; or
- any other specified officer of the local authority.

Council has put in place the following delegations:

1. The decision whether disclosure of a name is necessary to identify a rating unit (s28 (2) of the Act) – to the Chief Executive Officer (CEO) and Executive Manager – Corporate Services, acting alone.
2. Authority to determine the fee payable for supplying a copy of the Rates Information Database (RID) (Section 28 (3) of the Act) – to the Executive Manager – Corporate Services.
3. Authority to determine objections to the RID (Section 29 of the Act) – to the CEO, Executive Manager – Corporate Services and Finance Manager, any two acting jointly.
4. Authority to remove names from the RID (Section 35 (b) of the Act) – to the Executive Manager – Corporate Services, Finance Manager, and Rates Officer acting alone.
5. Authority to determine objections to rates records (Section 39 of the Act) – to the CEO, Executive Manager – Corporate Services and Finance Manager, any two acting jointly.
6. Authority to correct errors in RIDs and Rate Records (Section 40 of the Act) – to the Executive Manager – Corporate Services, Finance Manager and Rates Officer, acting alone.
7. Authority to fix the interest rate to be charged on reassessed rates (Section 42 (3) of the Act) – to the Executive Manager – Corporate Services.
8. Authority to issue invoices based on previous year's rates (Section 50 of the Act) – to the Executive Manager – Corporate Services and Finance Manager, acting alone.
9. Determine agreeable method of rates payments (Section 52 (2) of the Act) – to the Executive Manager – Corporate Services.
10. Authority to recover unpaid rates from owner (Section 61 (1) of the Act) – to the Executive Manager – Corporate Services, Finance Manager and Rates Officer, any two acting jointly.
11. Authority to recover unpaid rates from persons other than owners (Section 62 of the Act) – to the Executive Manager – Corporate Services, Finance Manager and Rates Officer, acting alone.

12. Authority to commence proceedings for unpaid rates (Section 63 of the Act) – to the CEO and Executive Manager – Corporate Services, acting jointly.
13. Commencement of rating sale or lease provisions (Section 67 of the Act) – to the CEO and Executive Manager – Corporate Services, acting jointly.
14. Authority to sell by private treaty (Section 72 of the Act) – to the CEO and Executive Manager – Corporate Services, acting jointly.
15. Authority to sell abandoned land (Section 77 to 83 of the Act) – to the Executive Manager – Corporate Services and Property Officer, acting alone.
16. Authority to administer remission and postponement policies (Sections 85/87 of the Act) – to the Executive Manager – Corporate Services.
17. Authority to impose penalties on unpaid rates (Section 57 and 58 of the Act) - to the Executive Manager – Corporate Services.
18. Authority to remit rates penalties as applied in accordance with section 57 and 58 of the Act to the Executive Manager – Corporate Services, Finance Manager or Rates Officer acting alone.
19. Authority to remit water rates penalties as applied in accordance with section 57 and 58 of the Act to the Executive Manager – Corporate Services, Finance Manager, Rates Officer or Water Billing Officer, acting alone.

Operational Rating Policies

Māori Freehold Land

Central Otago District Council has no Māori freehold land and therefore has no policy relating to rates relief thereon.

Postponement of Rates

The objective of the Council's policy on postponement of rates is to assist ratepayers experiencing extreme financial circumstances which affect their ability to pay rates.

Only rating units used solely for residential purposes (as defined by the Council) will be eligible for consideration for rates postponement for extreme financial circumstances.

Only the ratepayer, or his/her authorised agent, may make application for rates postponement. Such application must be in writing.

The ratepayer must have owned the rating unit for at least five years.

When considering whether extreme financial circumstances exist, all of the ratepayer's circumstances will be relevant, including:

- Age
- Physical and/or mental disability
- Injury or illness
- Family circumstances
- Eligibility for DIA Rate Rebate

Additionally, Council must be satisfied that the ratepayer is unlikely to have sufficient funds left over, after the payment of rates, for:

- Normal health care
- Proper provision for maintenance of his/her home and chattels at an adequate standard
- Normal day to day living expenses

Any postponed rates will be postponed until the earlier of:

- The death of the ratepayer; or
- The sale of the rating unit

Postponed rates will be registered as a statutory land charge on the rating unit title. This means that the Council will have first call on the proceeds of any revenue from the sale or lease of the rating unit.

Postponement of rates will apply from the beginning of the rating year in which the application is made.

Postponed rates will incur a postponement fee, equivalent to interest calculated on the total amount postponed at 30 June each year, plus an administrative charge. The interest will be calculated at Council's internal investment rate, as used for internal loans.

Remission of Rates

The general objectives of the Council's policy on remission of rates are to:

- Mitigate the effects of anomalies and inequities in its rating system, i.e. fairness and equity, i.e. economic well-being
- Assist new and existing businesses to increase their contribution to district employment, i.e. social and economic well-being
- Assist conservation of natural, historic and cultural resources, i.e. environmental and cultural well-being specific objectives are set out in each element of the policy

Remission of Penalties

The objective is to enable Council to act fairly and reasonably in its consideration of rates which have not been received by the due date due to circumstances outside a ratepayer's control.

A good payment history will be taken into account when considering any remission of penalty. Remission of penalty will be considered in the case of death, illness or accident of a close family member (as defined by Council) as at the due date.

Remission of penalty will be considered when a payment plan for arrears is agreed and operational.

Remission of penalty will be considered where it facilitates the future payment of rates by direct debit within a specified timeframe.

Remission of penalty will be considered where remission will facilitate the collection of overdue rates and results in full payment of arrears and saving on debt recovery costs.

Remission of penalty will be considered if the ratepayer is able to provide evidence that payment has gone astray in the post or by failure to act by a bank in the case of direct debits or credits.

Remission of penalty will be considered where the penalty has been incurred during the processing of settlements following changes in ownership of rating units.

Application for remission of penalty must be in writing to the Rates Officer, or in the case of volumetric water charges, the Water Billing Officer.

Penalties will not be applied to rates accounts with an outstanding balance where an agreed payment arrangement is in place.

Remission of Uniform Annual Charges and Fixed Charge Targeted Rates on Rural Rating Units

The objective is to prevent a ratepayer paying several uniform annual charges and fixed charge targeted rates on rural land where land is contiguous, farmed as a single entity but is owned by more than one family member, including a family trust (but excluding a limited liability company).

Application for remission of uniform annual charges must be in writing to the Council. It will not be necessary to reapply each year unless circumstances change.

Remission will include any targeted rate set on the basis of a fixed dollar charge per rating unit, as well as any uniform annual charges, with the exception of water and wastewater.

The ratepayer will remain liable for at least one set of each charge.

Remission of uniform annual charges and fixed charge targeted rates, where granted, will take effect from the commencement of the next rating year.

Remissions will not be granted where the Council views the contiguous properties as held for investment purposes; for example, where a new deposited plan has been approved. [Refer also to the Council's policy on remission for development land.]

Where a remission of uniform annual charges and fixed charge targeted rates has been granted to a rating unit, and that remission ceases to be applicable through change in ownership or usage, the rating unit will be charged a proportion of the targeted rates and uniform annual charges applicable for the remainder of the year, commencing from the beginning of the next rating instalment period.

Remission for Extreme Financial Hardship

The objective is to assist ratepayers who experience temporary extreme financial circumstances which affect their ability to pay rates.

To enable Council to verify extreme financial circumstances exist, an application must be in writing, on the prescribed form (available at Council offices or website). This form contains a statutory declaration which must be completed in front of a Justice of the Peace, solicitor or another person authorised to take a statutory declaration. This statutory declaration is a legal document and should be treated as such. Ensure information is true and correct to the best of your knowledge and belief. You may face criminal charges if you knowingly make a false oath or affirmation.

This form must also be completed by the registered owner and occupier of the property and must relate to a residential property in the Central Otago District. This form is for residential ratepayers only. This application is not for commercial ratepayers.

This application is valid for 12 months, although a consecutive application may be considered but to a maximum of 2 years in totality.

Water, wastewater and refuse charges will be excluded and not subject to remission under the Remission of Rates for Extreme Financial Hardship policy.

If the ratepayer would not qualify for the DIA rates rebate, Council may remit some of the rates due, based on its assessment of the situation.

Eligible ratepayers will receive a 50% remission of rates for two years commencing 1 July on the year following application.

Water, wastewater and refuse charges will be excluded and not subject to remission under this policy.

Applications must be in writing, on the prescribed form (available on our website). This is to enable Council to verify that extreme financial circumstances exist.

Remission for Anomalous Rates and/or Inequitable Rates Increases

The objective is to allow Council to mitigate any unforeseen effects of:

- Changes in funding policies
- Changes arising from general revaluation of the district's rating units
- Changes in legislation
- Changes arising from unforeseen and/or unusual circumstances

Council will each year receive a report, as part of its Annual Plan process, detailing properties which, unless remissions were granted, would suffer an anomalous or inequitable rates increase in the year to which the Annual Plan relates.

Council may remit such part of the potential increase as it sees fit, subject to such remission not being so great that the rating unit pays a lesser increase than the average for the ward or district.

Ratepayers eligible for such remission will be notified in writing before the first instalment falls due. However, ratepayers not so notified may make application in writing for such remission. Remission of Rates on Rural Land (with a Capital Value less than \$1,000).

The objective is to recognise that undeveloped rural land with a capital value below \$1,000 should only pay minimum rates.

To qualify, ratepayers must hold other land in the district on which full rates are payable.

The minimum rate may vary, but is currently deemed to be \$10.

Ratepayers eligible for such remission will be notified in writing before the first instalment falls due.

Eligible ratepayers will receive a 50% remission of rates for two years commencing 1 July on the year following application.

Water, wastewater and refuse charges will be excluded and not subject to remission under this policy.

Remission of Rates on Land Protected for Natural, Historic or Cultural Conservation Purposes

The objective is to preserve and promote natural resources and heritage by encouraging the protection of land held for natural, historical or cultural purposes.

Ratepayers who own rating units that have some feature of cultural, natural or historical heritage that is voluntarily protected may qualify for remission of rates under this policy.

Applications must be made in writing to the Rates Officer and be supported by documented evidence of the protected status of the rating unit, for example a copy of the covenant or other legal mechanism.

In considering any application for remission of rates under this part of the policy, the Council will consider the following criteria:

- The extent to which the preservation of natural, cultural or historic heritage will be promoted by granting remission on rates on the rating unit

- The degree to which features of natural, cultural or historic heritage are present on the land
- The degree to which features of natural, cultural or historic heritage inhibit the economic use of the land
- The use of the property

In granting remissions under this policy, the Council may specify certain conditions before remission will be granted.

Applicants will be required to agree in writing to these conditions and to pay any remitted rates if the conditions are violated.

Council reserves discretion in the awarding of all remissions, with the value and duration being relative to scale of the maintenance or restoration project.

Ratepayers are only eligible to apply for this remission if they voluntarily protect any features of cultural, natural or historic heritage.

Water, wastewater and refuse charges will be excluded and not subject to remission under this policy.

Land that is non-rateable under section 8 of the Local Government (Rating) Act 2002 and is liable only for rates for water supply, sewage disposal or refuse collection will not qualify for remission under this part of the policy.

Remission of Rates for Heritage Buildings

The objective is to provide for the preservation of Central Otago's heritage by encouraging the maintenance and restoration of historic buildings. Provision of a rates remission recognises that there are private costs incurred for public benefit.

Applications must be made in writing to the Rates Officer and be supported by documented evidence.

Ratepayers who have buildings with a heritage classification may apply for a rates remission providing the following conditions are met:

- Buildings date pre-1900 or are listed on the Central Otago District Plan Schedule 19.4: Register of Heritage Buildings, Places, Sites and Objects and Notable Trees
- The property must not be owned by the Council or the Crown, or their agencies
- Building owners will need to make a commitment to the ongoing maintenance of their building; or
- Provide details of the restoration project

Eligible ratepayers will receive a 50% remission of rates for two years commencing 1 July on the year following application.

Water, wastewater and refuse charges will be excluded and not subject to remission under this policy.

Remissions for Community, Sporting and Other Organisations

The objective is to facilitate the ongoing provision of non-commercial community services and non-commercial recreational opportunities.

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

- Recognise the public good contribution to community well-being made by such organisations
- Assist the organisation's survival
- Make membership of the organisation more accessible to the general public, particularly disadvantaged groups including children, youth, young families, aged people and economically disadvantaged people

Council supports applications for financial assistance by any organisation not conducted for private profit.

The principal object of the organisation should be to promote the development of Central Otago and provide for at least one of the following: the public, recreation, health, enjoyment, instruction, sport or any form of culture, or for the improving or developing of amenities, where the provisions of any one of these areas is to the benefit of the area.

An organisation making an application should include the following information in support of its application:

- Evidence that other areas of assistance have been investigated if available
- That there is a need for assistance
- That there has been a reasonable effort made to meet the need by the organisation itself
- The organisation's most recent financial accounts

Applications must be made in writing to the Rates Officer and be supported by documented evidence.

Each application will be considered by Council in its merits, and provision of a remission in any year does not set a precedent for similar remissions in any future year.

Remissions to any qualifying organisation shall be on a case-by-case basis of reduction in rates and charges, except that no remission will be granted on targeted rates / charges for water supply, sewage disposal or refuse collection, or areas used for bars.

Eligible ratepayers will receive a 50% remission of rates for two years commencing 1 July on the year following application.

Water, wastewater and refuse charges will be excluded and not subject to remission under this policy.

Remission for Crown or Council Land used for Private or Commercial Purposes

The objective is to ensure lessees using Crown or Council land for private or commercial use do not pay unreasonable levels of rates. Such land is subject to the remissions supporting contiguous land.

Part 1 of Schedule 1 of the Local Government (Rating) Act 2002 states that Crown land is non-rateable, but excludes land used primarily or exclusively for private or commercial purposes under a lease, licence or other agreement.

Application for remission of uniform annual charges must be in writing to the Council. It will not be necessary to reapply each year unless circumstances change.

Remission will include any targeted rate set on the basis of a fixed dollar charge per rating unit, with the exception of water and wastewater.

Applications for remission under this part of the policy must be in writing to the Rates Officer. Applications should give evidence as to why it is unreasonable for the ratepayer to be assessed for rates on the land.

Remission for Land Affected by Natural Disasters

The objective is to provide relief to ratepayers whose land or property has been seriously adversely affected by a natural disaster. A natural disaster is considered as including, but not necessarily limited to, flooding, earthquake damage, wildfire or storm.

Applications for remission under this part of the policy must be in writing to the Council. Applications should give evidence as to why the ratepayer's enjoyment of the land or property has been seriously adversely affected by the natural disaster.

This part of the policy will only be relevant if the natural disaster had a widespread effect in the district.

Remission for Development Land

The objective is to ensure that unsold development land which is in one parcel, but has separate valuation assessment numbers, does not pay more than one set of uniform annual charges and fixed charge targeted rates, excluding volumetric water charges.

Council reserves discretion to consider other requests for remission for Development Land, which vary from that outlined above.

Applications under this part of the policy must be in writing to the Rates Officer.

Any remission granted shall be for four years, effective 1 July on the year following the application.

For each development (defined as one deposited plan):

- In Years 1 and 2 the ratepayer shall pay uniform annual charges and fixed charge targeted rates on one allotment and receive 100% remission on second and subsequent allotments
- In Years 3 and 4 the ratepayer shall pay uniform annual charges and fixed charge targeted rates on one allotment and receive 50% remission on second and subsequent allotments
- Remission shall cease for any allotment if:
 - any interest in the land is passed by the developer to another party, or
 - an application for a building consent is granted, or
 - the land is developed in some other way

Remission ceases from the end of the quarter in which any of these events occur.

Eligible ratepayers will receive a 50% remission of rates for two years commencing 1 July on the year following application.

Remission for Business Development

The objective is to promote employment and economic development within the district by assisting new businesses (i.e. not in competition with existing businesses) and/or the expansion of existing businesses.

This part of the policy applies to:

- Commercial and / or industrial development that involves the construction, erection or alteration of any building, fixed plant and machinery, or other works intended to be used for industrial, commercial or administrative purposes
- Investment in capital improvements (excluding the cost of the land) must be in excess of \$1,000,000 and significant new employment opportunities created
- Residential developments are specifically excluded from consideration for remission under this part of the policy

Applications must be made in writing to the Rates Officer and must be supported by:

- A description of the development
- A plan of the development (where possible)
- An estimate of costs
- An estimate of the likely number of new jobs to be created by the development

Any rates remission granted will apply during the course of the development for a period of up to three years, with the first year being 1 July on the year following the application.

The amount of remission to be granted will be on a case-by-case basis, subject to a maximum of 50% of rates assessed. Water, wastewater and refuse charges will be excluded and not subject to remission under this policy.

In granting any remission under this part of the policy the Council may specify certain conditions before the remission will be granted. Applicants will be required to agree in writing to such conditions and to pay any remitted rates if the conditions are violated.

Remission of Water Rates Attributable to Leakage

Background

From time to time water consumers experience a loss as a result of leaks or damage to their water supply system. It is the normal practice for the consumer to be responsible for the maintenance of the reticulation from the water meter to the property, and to account for any consumption of water supplied through the meter. This is currently enforced through the Water Supply Bylaw 2008.

Council has taken the view that some consumers may experience an occasional water leak without them being aware of the problem. They have therefore decided that it would be reasonable to allow for a reduction in charges to these consumers in certain circumstances. This policy statement addresses that decision.

Objective of the Policy

To standardise procedures to assist ratepayers who have excessive water rates due to a fault (leak) in the internal reticulation serving their rating unit.

Whilst at the same time ensuring that consumers retain responsibility for the maintenance of their private reticulation, as required by the Water Supply Bylaw 9.15.

Conditions and Criteria

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

- The policy will apply to applications from ratepayers who have excess water rates due to a fault(s) in the internal reticulation
- That all applicants are requested to submit their application in writing before the due date of an invoice
- That a report from a registered plumber be supplied stating that the property has experienced a water loss as a result of a leak
- That proof of the repairs to the internal reticulation be submitted for verification (i.e. plumber's repair account) within 60 days of the due date of an invoice
- That the ratepayer be charged the full charge for normal consumption
- The maximum relief that will be provided will be 50% of the difference between the normal consumption and the actual water consumption for that period any remission under this policy will be limited to one application within any two-year period for any particular rating unit
- The Executive Manager – Corporate Services be delegated authority to consider applications for remission of excess water rates and, if appropriate, approve or decline them.

Notes:

- “Internal reticulation” refers to the underground and indoor pipe work and specifically excludes irrigation and leaking toilets, taps etc
- The “normal consumption” will be calculated at Council’s discretion from the information available
- No adjustment shall be backdated beyond the current period invoiced
- This is a financial remission only based on the volumetric charge.

General

In certain cases, particularly requests for remission for:

- Business development
- Land protected for natural, historic or cultural conservation purposes
- Land affected by natural disaster
- Remission for anomalous rates increases
- Heritage buildings
- Community sporting and other organisations

The application will be referred to Council for a decision.

All applications considered by Council will be discussed in open session, or the results of its deliberations in closed session will be disclosed in open session at its next meeting.

All other applications for remissions will be decided by the Executive Manager – Corporate Services or duly delegated officer.

Relevant legislation:

- Local Government Act 2002
- Local Government (Rating) Act 2002

Related documents:

This Policy should be read in conjunction with the Revenue and Financing Policy.