







## 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:

<b>CONNECTED (LATERAL PROVIDED) \$</b>	<b>SERVICEABLE (NO LATERAL PROVIDED) \$</b>
358.84 per connection	179.16

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.

### Waste Minimisation 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 services, 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 MINIMISATION AND COLLECTION RATES AND CHARGES		\$
Waste minimisation with collection, three bins (availability of service)	Per rating unit	448.89
Waste collection additional household rubbish bin (red)	Per additional bin	266.85
Waste collection additional mixed recycling bin (yellow)	Per additional bin	56.06
Waste collection additional glass recycling bin (blue)	Per additional bin	56.06

The Council sets a waste minimisation 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 MINIMISATION AND COLLECTION RATES AND CHARGES		\$
Waste minimisation charge (no collection from rating unit)	Per rating unit	69.92

### 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 that is 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 is rated 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:

<b>CONNECTED (LATERAL PROVIDED)</b> \$	<b>SERVICEABLE (NO LATERAL PROVIDED)</b> \$	<b>ADDITIONAL PAN ACCOMMODATION</b> \$
492.92	246.14	123.07

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.

<b>WARD/COMMUNITY BOARD</b>	<b>RATE IN \$</b>
Cromwell	0.00003
Maniototo	0.00005
Teviot Valley	0.00005
Vincent	0.00009

*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.

	<b>RATE IN \$</b>
District Works and public toilets	0.0001457

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:

<b>WARD/COMMUNITY BOARD</b>	<b>PER RATING UNIT \$</b>
Cromwell	33.97
Maniototo	83.08
Teviot Valley	93.34
Vincent	38.90

*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	594.28
Maniototo	627.56
Teviot Valley	373.91
Vincent	488.77

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

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	37.93
Molyneux Park District	12.66

*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	96.89

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	9.98

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:

<b>RATES IN \$</b>	
<b>Cromwell Community Board</b>	
Commercial and industrial	0.0000925
Residential	0.0000172
Rural	0.0000133
Dams and utilities	0.0000119
<b>Vincent Community Board</b>	
Commercial and industrial	0.0000479
Residential	0.0000089
Rural	0.0000069
Dams and utilities	0.0000062
<b>Teviot Community Board</b>	
Commercial and industrial	0.0000132
Residential	0.0000025
Rural	0.0000019
Dams and utilities	0.0000017
<b>Maniototo Community Board</b>	
Commercial and industrial	0.0000246
Residential	0.0000046
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	0.0002215

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	0.0000174

## 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	0.0000729
Rural	0.0000562
Commercial and industrial	0.0003916
Dams, utilities	0.0000503

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 - Maniototo” , “Teviot power scheme - Roxburgh” and “all areas excluding large dams, Paerau dam - Maniototo, 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 - Maniototo, and Teviot dam - Roxburgh	0.00107
Large dams	0.15731
Paerau dam – Maniototo	0.07884
Teviot power scheme – Roxburgh	0.11484

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	88.19

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	2021/22 \$000s	2020/21 \$000s
<b>GENERAL RATES</b>		
General Rate	7,760	3,447
Uniform Annual General Charge	1,194	1,340
<b>TARGETED RATES</b>		
Planning and Environment Rate	2,741	2,475
Economic Development Rate	215	266
Tracks and Waterways Charge	135	253
Tourism Rate	1,114	1,108
Waste Management and Collection Charge	4,744	4,257
District Library Charge	1,311	1,429
Molyneux Park Charge	316	431
District Works and Public Toilets Rate	1,803	2,265
District Water Supply	3,704	4,428
District Wastewater	4,276	5,390
<b>WARD TARGETED RATES</b>		
<b>Vincent Community Board</b>		
Vincent Promotion Rate	48	7
Vincent Recreation and Culture Charge	2,794	2,425
Vincent Ward Services Charge	222	252
Vincent Ward Services Rate	433	495
Clyde Wastewater Management	72	72
<b>Cromwell Community Board</b>		
Cromwell Promotion Rate	129	83
Cromwell Recreation and Culture Charge	3,106	2,467
Cromwell Ward Services Charge	178	189
Cromwell Ward Services Rate	142	392
<b>Maniototo Community Board</b>		
Maniototo Promotion Rate	6	-
Maniototo Recreation and Culture Charge	905	748
Maniototo Ward Services Charge	120	120
Maniototo Ward Services Rate	59	96
<b>Teviot Valley Community Board</b>		
Teviot Valley Promotion	2	-
Teviot Valley Recreation and Culture	420	337

REVENUE AND FINANCING MECHANISMS	2021/22 \$000s	2020/21 \$000s
Teviot Valley Ward Services Charge	105	85
Teviot Ward Services Rate	51	57

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	2020 Capital Value	2020 Land Value	2020/21 Rates	2021/22 Rates	Change \$	Change %
Alexandra commercial	485,000	160,000	4,069.20	4,060.31	-8.89	-0.2%
Alexandra hotel	960,000	630,000	6,020.32	5,697.23	-323.09	-5.4%
Alexandra lifestyle block	860,000	520,000	1,539.08	1,851.81	312.73	20.3%
Alexandra major motel	4,810,000	1,070,000	14,790.04	13,972.82	-817.22	-5.5%
Alexandra motel	750,000	335,000	3,816.91	3,722.30	-94.61	-2.5%
Alexandra residential	440,000	245,000	2,581.18	2,569.14	-12.04	-0.5%
Bannockburn hotel	1,200,000	680,000	3,638.63	3,941.25	302.62	8.3%
Bannockburn residence	643,000	610,000	1,898.61	2,228.48	329.87	17.4%
Bannockburn vineyard	2,720,000	1,290,000	2,829.04	3,600.20	771.16	27.3%
Clyde commercial	1,290,000	400,000	3,692.32	3,945.16	252.84	6.8%
Clyde motel	1,270,000	620,000	3,956.45	4,198.48	242.03	6.1%
Clyde residence	530,000	255,000	2,087.94	2,222.22	134.28	6.4%
Cromwell commercial	900,000	760,000	3,425.41	3,757.84	332.43	9.7%
Cromwell farm	2,490,000	1,940,000	3,085.74	4,185.64	1,099.90	35.6%
Cromwell large farm	9,500,000	5,380,000	8,320.37	11,253.09	2,932.72	35.2%
Cromwell lifestyle block	1,090,000	580,000	2,003.56	2,431.71	428.15	21.4%
Cromwell major hotel	9,040,000	3,160,000	22,956.33	22,502.15	-454.18	-2.0%
Cromwell motel	2,690,000	1,740,000	9,259.89	9,634.13	374.24	4.0%
Cromwell residence	540,000	340,000	2,680.40	2,772.21	91.81	3.4%
Cromwell storage	4,130,000	1,560,000	6,654.92	7,512.49	857.57	12.9%
Earnsclough lifestyle block	680,000	355,000	1,350.38	1,577.89	227.51	16.8%
Earnsclough orchard	1,670,000	510,000	1,909.22	2,278.22	369.00	19.3%
Earnsclough vineyard	2,330,000	790,000	2,394.24	2,934.39	540.15	22.6%
Maniototo farm	1,750,000	1,430,000	2,464.39	3,377.81	913.42	37.1%
Maniototo large farm	18,660,000	16,050,000	17,958.67	27,327.51	9,368.84	52.2%
Maniototo lifestyle block	305,000	140,000	1,118.61	1,287.66	169.05	15.1%
Maniototo rural - hotel	670,000	210,000	1,550.21	1,780.35	230.14	14.8%
Manuherikia farm	4,630,000	4,080,000	5,557.63	7,700.48	2,142.85	38.6%
Manuherikia large farm	12,800,000	11,200,000	13,887.57	19,737.79	5,850.22	42.1%
Manuherikia lifestyle block	280,000	160,000	1,040.32	1,153.11	112.79	10.8%
Millers flat residence	280,000	49,000	1,186.14	1,318.65	132.51	11.2%
Naseby residence	305,000	102,000	2,509.15	2,482.72	-26.43	-1.1%
Omakau hotel	1,190,000	330,000	6,837.89	6,212.24	-625.65	-9.1%
Omakau residence	380,000	107,000	2,464.41	2,387.78	-76.63	-3.1%
Ophir commercial	1,520,000	160,000	3,398.32	3,665.66	267.34	7.9%
Ophir residence	410,000	122,000	1,860.44	1,927.68	67.24	3.6%
Patearoa residence	210,000	70,000	1,475.03	1,528.70	53.67	3.6%
Pisa Moorings residential	740,000	315,000	2,331.62	2,487.21	155.59	6.7%
Ranfurly - hotel	360,000	144,000	3,417.49	3,292.92	-124.57	-3.6%
Ranfurly commercial property	190,000	32,000	2,477.91	2,413.67	-64.24	-2.6%
Roxburgh - commercial	230,000	104,000	2,326.65	2,279.63	-47.02	-2.0%

# 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](http://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, Dunorling Street, Alexandra
- Cromwell Service Centre, 42 The Mall, Cromwell
- Maniototo 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, 1 Dunorling Street, Alexandra
- Cromwell Service Centre, 42 The Mall, Cromwell
- Maniototo 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 Local Government (Rating) Act 2002) – to the Chief Executive Officer (CEO) and Executive Manager – Corporate Services, acting alone.
2. Authority to determine the reasonable fee payable for supplying a copy of the RID (Section 28 (3) of the Local Government (Rating) Act 2002) – to the Executive Manager – Corporate Services.
3. Authority to determine objections to the RID (Section 29 of the Local Government (Rating) Act 2002) – 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 Local Government (Rating) Act 2002) – 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 Local Government (Rating) Act 2002) – 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 Local Government (Rating) Act 2002) – 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 Local Government (Rating) Act 2002) – to the Executive Manager – Corporate Services.

8. Authority to issue invoices based on previous year's rates (Section 50 of the Local Government (Rating) Act 2002) – to the Executive Manager – Corporate Services and Finance Manager, acting alone.
9. Determine agreeable method of rates payments (Section 52 (2) of the Local Government (Rating) Act 2002) – to the Executive Manager – Corporate Services.
10. Authority to impose penalties on unpaid rates (Section 57 and 58 of the Local Government (Rating) Act 2002) - to the Executive Manager – Corporate Services.
11. Authority to remit rates penalties as applied in accordance with section 57 and 58 of the Local Government (Rating) Act 2002 to the Executive Manager – Corporate Services, Finance Manager or Rates Officer acting alone.
12. Authority to remit water rates penalties as applied in accordance with section 57 and 58 of the Local Government (Rating) Act 2002 to the Executive Manager – Corporate Services, Finance Manager, Rates Officer or Water Billing Officer, acting alone.
13. Authority to recover unpaid rates from owner (Section 61 (1) of the Local Government (Rating) Act 2002) – to the Executive Manager – Corporate Services, Finance Manager and Rates Officer, any two acting jointly.
14. Authority to recover unpaid rates from persons other than owners (Section 62 of the Local Government (Rating) Act 2002) – to the Executive Manager – Corporate Services, Finance Manager and Rates Officer, acting alone.
15. Authority to commence proceedings for unpaid rates (Section 63 of the Local Government (Rating) Act 2002) – to the CEO and Executive Manager – Corporate Services, acting jointly.
16. Commencement of rating sale or lease provisions (Section 67 of the Local Government (Rating) Act 2002) – to the CEO and Executive Manager – Corporate Services, acting jointly.
17. Authority to sell by private treaty (Section 72 of the Local Government (Rating) Act 2002) – to the CEO and Executive Manager – Corporate Services, acting jointly.
18. Authority to sell or lease abandoned land (Section 77 to 83 of the Local Government (Rating) Act 2002) – to the Executive Manager – Corporate Services and Property Officer, acting alone.
19. Authority to administer remission and postponement policies (Sections 85 and 87 of the Local Government (Rating) Act 2002) – to the Executive Manager – Corporate Services.

## Operational Rating Policies

### Maori Freehold Land

Central Otago District Council has no Maori 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 that 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 to the Rates Officer.

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 Rates Officer. 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 that 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. Claimants must ensure that information is true and correct to the best of their knowledge and belief. They may face criminal charges if they 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. A consecutive application may be considered, but to a maximum of 2 years in totality. If the sale or transfer of the property is within five years of receiving the remission the ratepayer receiving the remission agrees to re-pay the remission in full as part of the property settlement.

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.

Applications must be in writing to the Rates Officer, 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.

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 dated 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 improving or developing 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 on 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/wastewater or refuse collection, or areas used for bars.

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

## **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 Rates Officer. 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, wastewater and refuse charges.

Applications for remission under this part of the policy must be in writing to the Rates Officer. The application should include 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 Rates Officer. The application should include 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 that 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.

## 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.

At the same time ensuring that consumers retain responsibility for the maintenance of their private reticulation, as required by the Water Supply Bylaw 2008 s9.15.

### 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 (e.g. 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**

The application will be referred to Council for a decision.

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

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.