



Our reference
F19/13/03-D21/26182

5 June 2024

Policy and Services Committee Meeting and Ordinary Meeting of Council

Notice is hereby given that a Policy and Services Committee Meeting will be held in the **Council Chambers, Stratford District Council, 63 Miranda Street, Stratford** on **Tuesday 11 June 2024** beginning at **2.00pm** to hear and consider submissions to the Rates Remission and Rates Postponement Policies.

The Ordinary Meeting of Council will be held at 3.30pm.

Timetable for 11 June 2024 as follows:

2.00	Hearing (Policy and Services Committee) <ul style="list-style-type: none">- Rates Remission Policy- Rates Postponement Policy
3.00pm	Afternoon tea for councillors
3.15pm	Public Forum <ul style="list-style-type: none">- Sport Taranaki
3.30pm	Ordinary Meeting

Yours faithfully

Sven Hanne
Chief Executive

2024 - Agenda - Policy & Services - June (Hearing draft Rates Remission and Rates Postponement Policies)



11 June 2024 02:00 PM

Agenda Topic	Page
Notice of Meeting	1
Agenda	3
1. Welcome	6
1.1 Opening Karakia	6
1.2 Health and Safety Message	7
2. Apologies	
3. Announcements	
4. Declarations of Members Interest	
5. Attendance Schedule	8
6. Acknowledgement of Submissions	9
7. Submitters to be heard	
8. Decision Report - Rates Remission Policy - Deliberation and Adoption	25
9. Decision Report - Rates Postponement Policy - Deliberation and Adoption	41
10. Closing Karakia	49

AGENDA

Policy and Services Committee



F22/55/05-D24/26504

Date: Tuesday 11 June 2024 at 2.00pm
Venue: Council Chambers, 63 Miranda Street, Stratford

To hear and consider submissions to the

- **Draft Rates Remission Policy**
- **Draft Rates Postponement Policy**

1. Welcome

- 1.1 Opening Karakia**
D21/40748 Page 6
- 1.2 Health and Safety Message**
D21/26210 Page 7

2. Apologies

3. Announcements

Speakers to Submissions

The Chairman welcomes everyone to the Policy & Services Committee meeting. It is reinforced to Councillors that the purpose of this meeting is to hear submissions on the draft Rates Remission and Rates Postponement Policies.

Councillors are asked to hear all submissions with an open mind, to restrict their question time to the submitters to points of clarification or issues pertaining to subject matter. Councillors are requested not to get into direct dialogue with submitters.

The timeframe scheduled for the day is tight. Councillors may take notes whilst submitters are speaking.

4. Declarations of members interest

Elected members to declare any real or perceived conflicts of interest relating to items on this agenda.

5. Attendance Schedule

Attendance schedule for Policy and Services Committee meetings, including Hearings.

6. Acknowledgement of Submissions

Submissions – Pages 9-24

Attached are the seven (7) submissions received to the draft Rates Remission and Rates Postponement policies.

Recommendations

1. THAT the submissions to the draft Rates Remission and Rates Postponement Policies be received.
2. THAT the submitters be advised of the outcome of their submission and notified that the minutes of the Policy and Services Committee Meeting, and subsequent meetings, will be available on Council’s website.

Recommended Reason

So that each submission is formally received and the submitter provided with information on decisions made.

/
Moved/Seconded

7. Submitters To Be Heard

There are four submitters wishing to speak.

Each submitter will be allocated five (5) minutes to present their submission and allowed five (5) minutes for questions.

Submission #	Name	Organisation	Page Number	Time
1	Chris Carrick		9	2.05pm
4	Mike Procter		14	2.15pm
5	Ian Patterson		18	2.25pm
6	Miranda Wells	Eight Hundred Trust	19	2.35pm

8. Decision Report –Rates Remission Policy – Deliberation and Adoption

D24/25928 Page 25

Council needs to consider submissions as part of the consultation process.

Recommendations

1. THAT the report be received.
2. THAT, subject to new information from submissions highlighted at the hearing, the draft Rates Remission Policy be adopted, and effective from 1 July 2024.

Recommended Reason

Council has reviewed the policy and consulted with the community.

/
Moved/Seconded

9. [Decision Report –Rates Postponement Policy – Deliberation and Adoption](#)
D24/26740 Page 41

Council needs to consider submissions as part of the consultation process.

Recommendations

1. THAT the report be received.
2. THAT, subject to proposed amendments and new information highlighted through the submission and at the hearing, the amended Rates Postponement Policy be adopted, and effective from 1 July 2024.

Recommended Reason

Council has reviewed the policy and consulted with the community.

/
Moved/Seconded

10. [Closing Karakia](#)
D21/40748 Page 49



Our reference
F19/13/03-D21/40748

Karakia

Kia uruuru mai
Ā hauora
Ā haukaha
Ā haumāia
Ki runga, Ki raro
Ki roto, Ki waho
Rire rire hau Paimārire

I draw in (to my being)
The reviving essence
The strengthening essence
The essence of courage
Above, Below
Within, Around
Let there be peace.



Our reference
F19/13/03-D22/17082

Health and Safety Message

In the event of an emergency, unless guided to an alternative route by staff, please exit through the main entrance. Once outside the building please move towards the War Memorial Centre congregating on the lawn area outside the front of the council building.

If there is an earthquake, please drop, cover and hold where possible. Remain indoors until the shaking stops and you are sure it is safe to exit or remain where you are until further instruction is given.

5. Attendance schedule for 2024 Policy & Services Committee meetings (including Hearings).

Date	23/1/24	30/1/24**	27/2/24	27/2/24	26/3/24	26/3/24	23/4/24	14/5/24	28/5/24	11/6/24	25/6/24	23/7/24	27/8/24	24/9/24	22/10/24	26/11/24
Meeting	PS	PS	H	PS	H	PS	PS	H	PS	H	PS	PS	PS	PS	PS	PS
Neil Volzke	✓	✓	✓	✓	✓	✓	✓	✓	✓							
Steve Beck	✓	✓	✓	✓	✓	✓	✓	✓	✓							
Grant Boyde	✓	✓	A	A	✓	✓	✓	✓	✓							
Annette Dudley	✓	✓	✓	✓	✓	✓	✓	✓	✓							
Jono Erwood	✓	✓	✓	✓	✓	✓	✓	✓	✓							
Ellen Hall	✓	✓	✓	✓	✓	✓	✓	✓	✓							
Amanda Harris	✓	✓	✓	✓	✓	✓	✓	✓	✓							
Vaughan Jones	✓	✓	✓	✓	✓	✓	✓	✓	A							
Min McKay	✓	✓	✓	✓	✓	✓	✓	✓	✓							
John Sandford	✓	✓	✓	✓	✓	✓	A	✓	A							
Clive Tongaawhikau	A	A	✓	✓	A	A	A	A	✓							
Mathew Watt	✓	✓	✓	✓	✓	✓	✓	✓	✓							

** The Policy and Services Committee meeting held on 30 January 2024 was a continuation of the January meeting.

Key	
PS	Policy & Services Committee Meeting
H	Hearing (heard by Policy & Services Committee)
✓	Attended
A	Apology/Leave of Absence
AB	Absent
S	Sick
AV	Meeting held, or attended by, by Audio Visual Link

Stratford District Council
61-63 Miranda Street
PO Box 320
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Taranaki

Telephone 06 765 6099
Email stratforddc@stratford.govt.nz
Website www.stratford.govt.nz



Contact details

We're asking for your email, phone or postal address to inform you about hearing times and decisions. Only one is required and your email is preferred.

Contact name	Chris Carrick
I am submitting feedback	As an individual
Organisation name	N/A
Contact phone	[REDACTED]
Email address	[REDACTED]
Postal Address	[REDACTED]

Submissions on this LTP are public information and your information and submission will be made available to the public as part of deliberations. Your submission will only be used for the purpose of the LTP process and will be held by Stratford District Council at 63 Miranda Street, Stratford 4332. You may access the information and request its correction, if required. Please contact our Privacy Officer on privacy@stratford.govt.nz if you want to request that your details remain private.

Speaking to your submission

Let us know if you'd like to speak to your submission at the Long Term Plan hearing on 14 May 2024. Someone will contact you to confirm this. I would like to speak to my submission

Optional demographic information

Any information you provide here is used for analysis only and remains confidential.

[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

The key questions

Do you agree or disagree with our top priorities outlined in the Consultation Document? Is anything missing?	I should be exempt from paying the targeted forestry rate. I have more than 10 hectares of trees but my forestry block is on State highway 43. I can harvest my trees and get them to port without going off the state highway. The council is not responsible for the state highways. I wish to speak to my
---	--

submission. Thanks

We've done a lot of work reviewing budget lines to identify savings. Do you think we could make further savings somewhere? If so, what service would you be willing to see a decrease in?

N/A

Do you agree with our preferred plan of action for the following issues, or would you prefer one of the alternative options presented?

Earthquake Prone Buildings (page 12 of Consultation Document)

TET Multi-Sports Centre N/A

War Memorial Centre N/A

Glockenspiel N/A

Provide any comments on earthquake prone buildings in this box N/A

Maintaining our roading network (page 18 in Consultation Document) N/A

Provide any comments on roading maintenance in this box. N/A

Maintaining resilient water infrastructure (page 19 of Consultation Document) N/A

Provide any comments on water infrastructure in this box. N/A

Do you have any general comments to make on our draft LTP? Remember you can comment on any of our supporting information as well. N/A

We appreciate you taking the time to have a say on our draft Long Term Plan 2024-34. Keep up to date with the process by visiting Stratford.govt.nz/LTP

Declaration

By ticking this box and clicking submit, you confirm that you have read our [privacy statement](#) and that the information you have provided is accurate. Yes

reCAPTCHA True

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Email stratforddc@stratford.govt.nz
Website www.stratford.govt.nz



Contact details

We're asking for your email, phone or postal address to inform you about hearing times and decisions. Only one is required and your email is preferred.

Contact name	Karen Schumacher
I am submitting feedback	As an individual
Organisation name	N/A
Contact phone	[REDACTED]
Email address	[REDACTED]
Postal Address	[REDACTED]

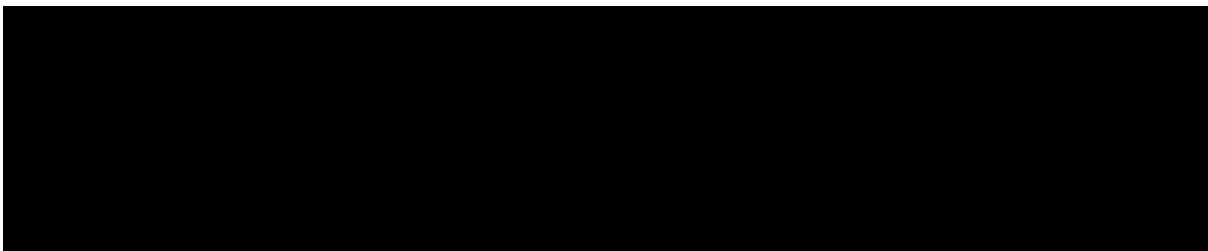
Submissions on this LTP are public information and your information and submission will be made available to the public as part of deliberations. Your submission will only be used for the purpose of the LTP process and will be held by Stratford District Council at 63 Miranda Street, Stratford 4332. You may access the information and request its correction, if required. Please contact our Privacy Officer on privacy@stratford.govt.nz if you want to request that your details remain private.

Speaking to your submission

Let us know if you'd like to speak to your submission at the Long Term Plan hearing on 14 May 2024. Someone will contact you to confirm this. I do not wish to speak to my submission

Optional demographic information

Any information you provide here is used for analysis only and remains confidential.



The key questions

Do you agree or disagree with our top priorities outlined in the Consultation Document? Is anything missing?	Generally agree with the future focus, except the roading and differential charges
We've done a lot of work reviewing budget lines to	N/A

identify savings. Do you think we could make further savings somewhere? If so, what service would you be willing to see a decrease in?

Do you agree with our preferred plan of action for the following issues, or would you prefer one of the alternative options presented?

Earthquake Prone Buildings (page 12 of Consultation Document)

TET Multi-Sports Centre N/A

War Memorial Centre N/A

Glockenspiel N/A

TSB Pool Complex N/A

Provide any comments on earthquake prone buildings in this box N/A

Maintaining our roading network (page 18 in Consultation Document)

Provide any comments on roading maintenance in this box. It is unfair to charge the forestry differential on landowners who have permanent forestry which is not going to be harvested. They should not have to pay for extra road useage. The rate remission should include permanent forests.

Maintaining resilient water infrastructure (page 19 of Consultation Document)

Provide any comments on water infrastructure in this box. N/A

Do you have any general comments to make on our draft LTP? Remember you can comment on any of our supporting information as well. Please review your rate remission policy to ensure a fairer system and that it does not penalise people who are actively working to improve climate and ensuring sustainable land use.

We appreciate you taking the time to have a say on our draft Long Term Plan 2024-34. Keep up to date with the process by visiting Stratford.govt.nz/LTP

Declaration

By ticking this box and clicking submit, you confirm that you have read our [privacy statement](#) and that the information you have provided is accurate. Yes

reCAPTCHA True

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Website www.stratford.govt.nz



Contact details

We're asking for your email, phone or postal address to inform you about hearing times and decisions. Only one is required and your email is preferred.

Contact name	Carly
Organisation name	N/A
Contact phone	[REDACTED]
Email address	[REDACTED]
Postal Address	[REDACTED]

In accordance with the Local Government Act 2022, all submissions (including your name and contact details) will be made available online as part of this decision making process. If you have any concerns please contact our Privacy Officer on 06 765 6099.

[REDACTED] [REDACTED]

Draft Rates Remission Policy - submission details

Write your submission here	People who don't have side walks and are Paying the same rate as Stratford town.
-----------------------------------	--

Speaking to your submission

Let us know if you'd like to speak to your submission at the hearing on 11 June 2024. Someone will be in touch to confirm this with you.	I do not wish to speak to my submission
---	---

Declaration

By ticking this box and clicking submit, you confirm that you have read our privacy statement and that the information you have provided is accurate.	Yes
reCAPTCHA	True

4

Erin Bishop

From: Taranaki Traveller [REDACTED] >
Sent: Friday, 10 May 2024 1:24 PM
To: Rates
Subject: Submission on Draft Rates Policies
Attachments: SDC Rates Postponement submission - Mike Procter.pdf; SDC Rates Remission submission - Mike Procter.pdf

CAUTION: This email originated from outside the organisation. Do not click links or open attachments unless you recognise the sender and know the content is safe.

Hi Rates Officer,

Please find attached my two submissions regarding the Rates Remission and Rates Postponement Policies.

I would like to speak about my submissions at the Council meeting that considers these two Policies. Would you please let me know when that meeting will be held. Thanks.

Regards

Mike Procter

Rates Remission submission by Mike Procter

Section 7 of the Policy applies to remission, of targeted Rates for Solid Waste, Waste Water and Water Supply, where a property becomes uninhabitable due to fire.

In my view this is much too narrow a circumstance. Other situations that result in a property becoming uninhabitable should be included. I give two examples below.

- The situation in Auckland, East Cape and Hawke's Bay last year following the cyclone, storm and flooding resulted in properties becoming uninhabitable by events other than fire. There were also properties that were undamaged but were "red stickered" by the Local Councils making them uninhabitable. We are all fully aware that such severe weather events will become more frequent as a result of the burning of fossil fuels.
- Stratford District sits in the shadow of a dormant volcano. An eruption of which could make many properties uninhabitable, without a fire, possibly for many years. As I write this the Indonesian Government are in the process of permanently relocating almost 10,000 residents after a series of explosive eruptions of the Ruang volcano.

The Draft Rates Remission Policy does not make any consideration for such natural events that would make a property uninhabitable.

Clearly, Section 7 is drafted with consideration of properties in the urban areas of Stratford, Midhurst and Toko as it only considers remission of targeted Rates for Solid Waste, Waste Water and Water Supply.

The Policy should be amended to include the following:

- The types of events in the two examples given above, not just fire.
- Remission of the General Rates and UAGC should also be included, not just targeted Rates.
- Inclusion of rural properties that do not have any of those targeted Rates.
- Who in Council will consider the application and make the decision.

Rates Postponement submission by Mike Procter.

Draft Rates Postponement Policy.

The Policy Objective makes it clear that postponement can only be obtained if extreme financial hardship occurs as a result of a natural disaster, **and** a State of Emergency has been declared.

I pose three questions for Councillors to consider.

1. Is it really Council's intention to have such narrow constraints on which an application can be made?
2. Should Council also consider other situations of extreme financial hardship experienced by ratepayers?
3. Should Council take a social and moral position on this?

Below are three scenarios that could result in extreme financial hardship to the respective ratepayers who might want to apply for rates postponement.

Scenario 1.

A tornado touches down in a rural area and destroys one house, the tornado then lifts off and dissipates. Leaving no damage to the land, except for the scattered debris of the house. This might be considered a natural disaster but it is unlikely that a State of Emergency would be declared for such a highly localised event. Therefore the ratepayer would be ineligible to apply for a postponement under this Policy.

Scenario 2.

Similar to Scenario 1 but the house is in a urban area and a State of Emergency was declared. The ratepayer would be eligible to apply for a postponement but not targeted rates for water supply, wastewater or solid waste. Even though the house is uninhabitable.

Scenario 3.

A household, adults and children, has only one breadwinner. That breadwinner dies suddenly and unexpectedly from accident or undiagnosed medical cause. The household may be in extreme financial hardship for a period of time. However because it was not caused by a natural disaster the household would be ineligible to apply for a rates postponement through this Policy.

My first question applies to Scenarios 1 and 2.

My second and third questions apply to Scenario 3 which clearly this Policy does not cover.

In Scenario 3 Council is clearly saying that it does not have a social or moral responsibility to provide assistance, via rates postponement. Council is not a charity and should not provide assistance to ratepayers (people) in this position.

I could support Council's position on Scenario 3 if this Policy were taken in isolation. However the Housing for Older Persons Policy sets the rent at 47% of market rent for the coming financial year and rising to only 75% of market rent from 2028. This clearly shows that Council has a different view on its social or moral responsibility to this group of people.

These two policies show an inconsistent and inequitable treatment by Council towards two different groups of people.

I put it to Councillors that if you apply a social or moral lens to the Housing for Older Persons Policy regarding rent then you should apply the same lens to the Rates Postponement Policy and include provisions for situations similar to Scenario 3.

This Policy does not explicitly state that no interest or penalties will be applied during the agreed postponement period if an application is successful. I assume that none would be applied, perhaps my assumption is wrong. The Policy should make it clear one way or the other.

I read in the Draft Rates Remission Policy, Section 3 the statement:
Section 102(2)(e) of the Local Government Act 2002 states that Council must adopt a rates remission and postponement policy on Māori freehold land

This Draft Rates Postponement Policy does not mention Māori freehold land. By not doing so then surely this Policy does not comply with the legislation.

I make two final points.

A postponement means that the rates have to be paid at some future point in time.
The Natural Disaster Hardship Committee does not have to approve an application.

5

Erin Bishop

From: Ian Patterson <[REDACTED]>
Sent: Friday, 10 May 2024 2:29 PM
To: Rates
Cc: Karla Lawrence
Subject: Rates Remission Policy Feedback.

CAUTION: This email originated from outside the organisation. Do not click links or open attachments unless you recognise the sender and know the content is safe.

Good afternoon.

I would like the opportunity to speak to concerns I have around the Targeted Forestry Road Rates being excluded from the Rates Remission Policy.

Below is a brief outline of what I would like to speak to.

1. I fully understand the council decision to recover roading costs from forestry owners who damage the roads
2. I agree it should be a "User Pays" scheme with the principle that those who cause more damage to the roads by harvesting their trees, should front more of the roading bill.
3. My issue is that the mechanism of using the "property value" to apportion this charge is far too blunt an instrument to be fairly used and called "User Pays".
4. A true "User Pays" system would look at the volume of trees the owner will need to take out of the property as well as the length of the council road that would be travelled. Ideally you would also consider the species and rotation length- but also appreciate it cant be made to complicated.

Kind Regards

Ian Patterson
[REDACTED]

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Taranaki

Telephone 06 765 6099
Email stratforddc@stratford.govt.nz
Website www.stratford.govt.nz



Contact details

We're asking for your email, phone or postal address to inform you about hearing times and decisions. Only one is required and your email is preferred.

Contact name	Miranda Wells
Organisation name	Eight Hundred Trust
Contact phone	[REDACTED]
Email address	[REDACTED]
Postal Address	[REDACTED]

In accordance with the Local Government Act 2022, all submissions (including your name and contact details) will be made available online as part of this decision making process. If you have any concerns please contact our Privacy Officer on 06 765 6099.

[REDACTED] [REDACTED]

Draft Rates Remission Policy - submission details

Write your submission here

The Eight Hundred Trust is located in East Stratford. We are a conservation focus entity. We have retired significant amounts of land for conservation due to the land being very marginal land. We are actively planting trees and engage regularly with Rotokare about having a corridor for rare birds. The trust employs two full time rangers that undertake pest control. Kiwi have been released into this land both in 2023, 2024 and more next year. We are engaged with iwi and students who are learning about conservation. We are seeking rates relief or remission if possible as the project we are undertaking is for community conservation gain not personal gain. Miranda from the 800 Trust would like to personally come and explain the project. Neil Volzke made the 800 Trust aware of rates remission policy when he visited in April 2024 to help release kiwi.

Speaking to your submission

Let us know if you'd like to speak to your submission at the hearing on 11 June 2024. Someone will be in touch to confirm this with you.

I would like to speak to my submission

Declaration

By ticking this box and clicking submit, you confirm that Yes

you have read our [privacy statement](#) and that the information you have provided is accurate.

reCAPTCHA

True

MEMORANDUM



F23/5 – D23/23121

To: Council
From: Revenue Manager
Date: 10 May 2023
Subject: Internal Submission to Rates Remission Policy

1. Corrections

Minor corrections/changes are suggested throughout the document for grammar and the flow of the policy but do not change the context of the policy. These corrections are as follows:

1.1 Rate Remission Policy

The Stratford District Council has decided to remit all or part of the rates owed by the ratepayer in respect of rating units covered by this Rates Remission Policy

1.2 Remission on Stratford District Council Owned and Occupied Properties Objective

The objective of this part of the remission policy is to enable Council to be cost-neutral in regard to other ratepayers whilst being administratively efficient.

This part of the remission does not apply to rating units that are owned by Council but are leased to a third party and the terms of the lease provide for rates to be paid by the lessee.

1.3 Rate Remission and Postponement of Māori Freehold Land

This remission aims to ensure the fair and equitable collection of rates from all sectors of the community recognising that certain Māori owned lands have particular conditions, features, ownership structures, or other circumstances which make it appropriate to provide relief from rates.

The Stratford District Council will provide rates remission of 100% to all ratepayers who meet the objectives, conditions and criteria of this policy.

The application for rates remission must be made to Council prior to the commencement of the rating year. Applications received during a rating year will be applicable from the commencement of the following rating year. Applications will not be backdated.

No remission will be granted on targeted rates for water supply, wastewater system or solid waste.

Legislative Summary

Section 91 of the Local Government (Rating) Act 2002 establishes the principle that Māori freehold land is liable for rates in the same manner as if it were general land.

Section 102(2)(e) of the Local Government Act 2002 states that Council must adopt a rates remission and postponement policy on Māori freehold land.

Māori freehold land is defined in the Local Government (Rating) Act 2002 as land whose beneficial ownership has been determined by a freehold order issued by the Māori Land Court. Only land that is subject to such an order may qualify for remission under this policy.

This policy aims to ensure the fair and equitable collection of rates from all sectors of the community recognising that certain Māori owned lands have particular conditions,

~~features, ownership structures, or other circumstances which make it appropriate to provide relief from rates.~~

~~The Stratford District Council will provide rates remission of 100% to all ratepayers who meet the objectives, conditions and criteria of this policy.~~

~~Where a rating unit for which Council has granted a rates remission is sold, leased, or otherwise disposed of, the rates remission shall be terminated at the time of disposal. If the new ratepayer qualifies for a rates remission under this policy, it should be up to that ratepayer to apply for a rates remission.~~

~~The application for rates remission must be made to Council prior to the commencement of the rating year. Applications received during a rating year will be applicable from the commencement of the following rating year. Applications will not be backdated.~~

~~No remission will be granted on targeted rates for water supply, wastewater system or solid waste.~~

Objectives

The objectives of this remission policy are:

1. To recognise situations where there is no owner, occupier or person gaining an economic or financial benefit from the land.
2. To set aside land that is better set aside for non-use because of its natural features (whenua rahui).
3. To recognise matters related to the physical accessibility of the land.
4. To recognise and take account of the presence of waahi tapu that may affect the use of the land for other purposes.
5. Where part only of a block is occupied, to grant remission for the portion of land not occupied.
6. To facilitate development or use of the land where Council considers rates based on rateable value make the actual use of the land uneconomic.
7. To recognise and take account of the importance of land in providing economic and infrastructure support for Marae and associated papakainga housing.
8. To recognise use of the land by the owners for traditional purposes.
9. To recognise occasions where granting remission will avoid further alienation of Māori freehold land.
10. To recognise occasions where the Stratford District Council and the community benefit through the efficient collection of rates that are properly payable and the removal of rating debt that is considered non collectible.

Conditions and Criteria

Council will maintain a register titled the 'Māori Lands Rates Relief Register' ('the Register') for the purpose of recording properties on which it has agreed to remit rates pursuant to this policy. The Register will record the property details and the appropriate objectives (1-10) above.

Applications for rates remission under this policy should include the following information:

- Details of the property.
- The objectives (1-10 above) that will be achieved by providing a remission.
- Documentation that proves the land which is the subject of the application is Māori freehold land.

Council may at its own discretion add properties to the Register.

Council will review the Register annually and may:

- Add properties that comply.
- Remove properties where the circumstances have changed and they no longer comply.

Where a rating unit for which Council has granted a rates remission is sold, leased, or otherwise disposed of, the rates remission shall be terminated at the time of disposal. If the new ratepayer qualifies for a rates remission under this policy, it should be up to that ratepayer to apply for a rates remission.

1.3 Remission for Community, Sporting and Other Organisations

Conditions and Criteria

This ~~part of the remission policy~~ will apply to land:

1.4 Remissions for Biodiversity (Indigenous Vegetation, Significant Habitats of Indigenous Fauna and Wetlands)

Conditions and Criteria

This ~~part of the remission policy~~ will apply to ratepayers who:

1.5 Remissions for Excess Water Consumption Due to A Leak

Objective

The objective of this ~~part of the remission policy~~ is to enable Council to not penalise a water consumer for a leak that resulted in excess water consumption that was out of their control.

1.6 Remission of Water Targeted Rate as Compensation for Water Easement

Objective

The objective of this ~~part of the remission policy~~ is to provide compensation for the ratepayers that have a water main across their property and associated easement agreement that provides for such remissions. This remission may be granted in future easement agreements as part of a compensation agreement if appropriate.

1.7 Remission On Rates Penalties

Objective

The objective of this ~~part of the remission policy~~ is to enable the Stratford District Council to act fairly and reasonably in its consideration of rates which have not been received by Council by the penalty due date, due to circumstances outside the ratepayer's control. This section applies to all rates penalties imposed under the Council's Funding Impact Statement and Rates Resolution.

1.8 Remission For Community, Sporting and Other Organisations For the 50% Water or 50% Wastewater Charge

Objective

The objective of this ~~part of the remission policy~~ is to enable the Stratford District Council to act fairly and reasonably in its consideration of rates.

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

- Assist the organisation's survival; and
- Make membership of the organisation more accessible to the general public, particularly disadvantaged groups. These included children, youth, young families, aged people, and economically disadvantaged people.

Conditions and Criteria

This ~~remission part of the policy~~ will apply to land:

- owned or occupied by a registered charitable organisation that is responsible for the rates; or

- owned or occupied by a registered non-profitable organisation that is responsible for the rates; and
- is used exclusively or principally for sporting, recreation, or community purposes by that organisation.



Karla Lawrence
Revenue Manager



[Approved by]
Tiffany Radich
Director – Corporate Services

DECISION REPORT



F22/55/04 – D24/25928

To: Policy and Services Committee
From: Director – Corporate Services
Date: 11 June 2024
Subject: Rates Remission Policy – Deliberation and Adoption

Recommendations

1. THAT the report be received.
2. THAT, subject to new information from submissions highlighted at the hearing, the draft Rates Remission Policy be adopted, and effective from 1 July 2024.

Recommended Reason

Council has reviewed the policy and consulted with the community.

/
Moved/Seconded

1. Purpose of Report

- 1.1 The purpose of this report is to acknowledge submissions received in relation to proposed changes to the Council's Rates Remission Policy and seek the Committee's approval for the adoption of the updated Rates Remission Policy.

2. Executive Summary

- 2.1 The recommendation is to adopt the Rates Remission Policy, following any further amendments that may be made following deliberations.
- 2.2 The changes made to the policy sought to enable a fair, efficient approach and application of rates. Key changes to the policy include removal of the remission on penalties for ratepayers affected by the Covid lockdown or isolation, and a new remission on rates penalties in certain circumstances where a change of ownership has occurred. Additionally, the remission on the UAGC on low value residential properties has changed to apply to properties with a capital value of more than \$15,000 (previously \$10,000).
- 2.3 Officers proposed remissions for the forestry differential for ratepayers who had forestry planted for carbon credits, for ratepayers who did not have road access from their property to the council roading network, and for ratepayers who had a harvesting rotation of more than 50 years. However, these remissions were turned down by elected members.
- 2.4 Seven submissions were received, including one from the Revenue Manager which relate to wording changes rather than any change to the application of the policy. Of these, three relate to the forestry differential, one relates to the remission for properties made uninhabitable due to fire, and one relates to the biodiversity remission policy.

3. Local Government Act 2002 – Section 10

Under section 10 of the Local Government Act 2002, the Council’s purpose is to “enable democratic local decision making by and on behalf of communities; as well as promoting the social, economic, environmental, and cultural well-being of communities now and into the future”			
Does the recommended option meet the purpose of the Local Government 4 well-beings? And which:			Yes
Social	Economic	Environmental	Cultural
✓		✓	

The Policy affects all four well-beings, covering environmental issues, economic investment, and social and cultural organisations.

4. Background

4.1 The draft Rates Remission Policy was reviewed and amended by the Policy and Services Committee on 26 March 2024, and released for consultation for one month.

4.2 Legislative Guidance

Local Government Act 2002 Section 102.

- (1) *A local authority must, in order to provide predictability and certainty about sources and levels of funding, adopt the funding and financial policies listed in subsection (2).*
- (2) *The policies are—*
 - (a) *a revenue and financing policy; and*
 - (b) *a liability management policy; and*
 - (c) *an investment policy; and*
 - (d) *a policy on development contributions or financial contributions; and*
 - (e) *a policy on the remission and postponement of rates on Māori freehold land;*
 - (f) *in the case of a unitary authority for a district that includes 1 or more local board areas, a local boards funding policy.*
- (3) *A local authority may adopt either or both of the following policies:*
 - (a) *a rates remission policy;*
 - (b) *a rates postponement policy.*

The Act states that a Rates Remission Policy may be adopted. Council’s own processes call for a review of policies on a three (3) yearly basis. This Policy was last reviewed, with amendments adopted in April 2022.

4.3 Proposed Changes

The current policy for rates remissions is robust in its current form, however the following items were amended to the draft policy before being released for public consultation:

1. *Remission on Rates Penalties*

- Removal of the following wording: "Covid 19 Lockdown or isolation as an example of a circumstance outside a ratepayers control that made the ratepayer unable to pay rates on time."
- Addition of the following wording:
 - "The Council, and officers with the appropriate delegated authority may remit up to 100% of the penalties (or other figure) charged to a property, where a property has sold, and a settlement request has been received by council from a Solicitor prior to a Rates Instalment Due date."
 - The proposal will reduce administration costs on low risk late payments.

2. *Remission of Uniform Annual General Charge (UAGC) on Low Value Residential Properties.*

- Increase Capital Value of Low Value Residential Properties from \$10,000 to \$15,000, as a result of the 2023 rating valuation and an overall increase in the value of all properties.

4.4 Forestry Differential

Elected members considered proposals to provide rates remission of up to 100% of Rooding Targeted Rate – Forestry to ratepayers who either had:

- forestry for carbon credits,
- did not have road access from their property to an SDC owned road, or
- had a harvesting rotation of more than 50 years.

The proposals were not approved in the draft policy by elected members.

5. Consultative Process

5.1 Public Consultation - Section 82

Legislation requires that any changes, minor or otherwise, to the Rates Remission Policy are publicly consulted on prior to adoption. The consultation plan included placing one public notice in the Stratford Press, one post on Facebook, and adding a link on the Council's website homepage to the amended Rates Remission Policy and a link to provide a submission. The consultation period was one month, from 10 April to 12 May 2024.

Submission	Name	Management Response
1	Chris Carrick - speaking	
	I should be exempt from paying the targeted forestry rate. I have more than 10 hectares of trees but my forestry block is on State highway 43. I can harvest my trees and get them to port without going off the state highway. The council is not responsible for the state highways. I wish to speak to my submission.	<i>It is not cost effective to monitor whether forestry vehicles are using council roads or not.</i>
2	Karen Schumacher	
	It is unfair to charge the forestry differential on landowners who have permanent forestry which is not going to be harvested. They should not have to pay for extra road usage. The rate remission should include permanent forests. Please review your rate remission policy to ensure a fairer system and that it does not penalise people who are actively working to improve climate and ensuring sustainable land use.	<i>It is not cost effective to monitor whether forestry that is deemed as permanent by the property owner, will not be harvested – unless there were legal mechanisms in place to prevent harvesting on the property that could be evidenced.</i>
3	Carly	
	People who don't have sidewalks and are paying the same rate as Stratford town.	<i>The roading targeted rate is an investment into the wider roading and footpath network for the Stratford district. The current rating mechanism for the roading activity is considered the most efficient rating method.</i>
4	Mike Proctor - speaking	
	In relation to section 7 of the Policy where a property becomes uninhabitable due to fire, it should be amended to include the following: <ul style="list-style-type: none"> • Remission for natural disasters such as floods or volcanic eruption, not just fire. • Remission of the General Rates and UAGC should also be included, not just targeted Rates for waste, water and wastewater – which will also allow for inclusion of rural properties that do not have any of those targeted Rates. • Clearly state who in Council will consider the application and make the decision. 	<i>This is an option that will be put forward to elected members. However, the implications of any remission on all other ratepayers will need to be considered, particularly if there was a volcano for example and a large number of properties were deemed uninhabitable, and the potential loss of revenue that could result.</i>
5	Ian Patterson - speaking	
	Targeted Forestry Roading rate differential – <ol style="list-style-type: none"> 1. I fully understand the council decision to recover roading costs from forestry owners who damage the roads 2. I agree it should be a "User Pays" scheme with the principle that those who cause more damage to the roads by harvesting their trees, should front more of the roading bill. 3. My issue is that the mechanism of using the "property value" to apportion this charge is far too blunt an instrument to be fairly used and called "User Pays". 4. A true " User Pays" system would look at the volume of trees the owner will need to take out of the property as well as the length of the council road that would be travelled. Ideally you would also consider the species and rotation length- but also appreciate it cant be made to complicated. 	<i>The current rate per capital value of the property is considered an efficient mechanism and is allowed for under the rating act. We agree that your suggestion is a much fairer approach when taking into account potential damage caused however current rating legislation does not allow for this approach.</i>
6	Miranda Wells - speaking	
	The Eight Hundred Trust is located in East Stratford. We are a conservation focus entity. We have retired significant amounts of land for conservation due to the land being very marginal land. We are actively planting trees and engage regularly with Rotokare about having a corridor for rare birds. The trust employs two full time rangers that undertake pest control. Kiwi have been released into this land both in 2023, 2024 and more next year. We are engaged with iwi and students who are learning about conservation. We are seeking rates relief or remission if possible as the project we are undertaking is for community conservation gain not personal gain. Miranda from the 800 Trust would like to personally come and explain the project. Neil Volzke made the 800 Trust aware of rates remission policy when he visited in April 2024 to help release kiwi.	<i>This is an option that will be put forward to elected members. The policy currently provides rates remission of up to 100% of the rates on land with biodiversity vegetation (indigenous vegetation, significant habitats of indigenous fauna and wetlands) on it to all ratepayers who own rating units that have a site listed in Appendix 9: Wetlands, Areas of Significant Indigenous Vegetation and Significant Habitats of Indigenous Fauna in the Stratford District Plan; and voluntarily protect and maintain these areas that are within the boundary of the wetlands identified in Appendix 9. The remission could be broadened if elected members consider this a fair approach and in line with council's desired community outcomes.</i>
7	Revenue Manager – Internal Submission	
	Minor wording changes – no change to how the policy would be applied.	

5.2 **Māori Consultation - Section 81**

Iwi authorities were invited to contribute to the policy.

6. **Risk Analysis**

Refer to the Council Risk Register - available on the Council website.
<ul style="list-style-type: none"> Does this report cover any issues that relate to any risks on the Council Risk Register, and if so which risks and what are the impacts and likelihood of eventuating? Does this report cover any issues that may lead to any new risks that are not on the Council Risk Register, and if so, provide some explanation of any new identified risks. Is there a legal opinion needed?

6.1 This report and the policy relate to risk 89 on Council's risk register which relates to Council rates being applied unfairly or inconsistently and the perception of the community and potential for legal scrutiny.

The Rates Remission Policy is used as a risk mitigation tool to counteract the negative impacts of rates on community outcomes. This policy is also subject to public consultation which provides the opportunity for the community to contribute towards the development of rates remissions in general.

7. **Decision Making Process – Section 79**

7.1 **Direction**

	Explain
Is there a strong link to Council's strategic direction, Long Term Plan/District Plan?	YES, this policy directly impacts the financial implications of the LTP.
What relationship does it have to the communities current and future needs for infrastructure, regulatory functions, or local public services?	YES, this policy forms part of the financial basis of funding and cost recovery council applies to the creation, maintenance and operation of its assets.

7.2 **Data**

<ul style="list-style-type: none"> Do we have complete data, and relevant statistics, on the proposal(s)? Do we have reasonably reliable data on the proposals? What assumptions have had to be built in?
--

The Rates Remission Policy has been in place for a period of time. It has been reviewed internally and externally and is robust. Changes to the policy are based on feedback received by Council.

7.3 **Significance**

	Yes/No	Explain
Is the proposal significant according to the Significance Policy in the Long Term Plan?	No	
Is it:	No	
• considered a strategic asset; or	No	
• above the financial thresholds in the Significance Policy; or	No	
• impacting on a CCO stakeholding; or	No	
• a change in level of service; or	No	
• creating a high level of controversy; or	No	
• possible that it could have a high impact on the community?	No	

In terms of the Council's Significance Policy, is this proposal of high, medium, or low significance?		
High	Medium	Low
		✓

7.4 **Options**

An assessment of costs and benefits for each option must be completed. Use the criteria below in your assessment.

1. What options are available?
2. For **each** option:
 - explain what the costs and benefits of each option are in terms of the present and future needs of the district;
 - outline if there are any sustainability issues; and
 - explain if the outcomes meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions?
3. After completing these, consider which option you wish to recommend to Council, and explain:
 - how this option is the most cost effective option for households and businesses;
 - if there are any trade-offs; and
 - what interdependencies exist.

Council has the option of either:

- Option 1** Adopting the draft Rates Remission Policy, with amendments as proposed at the March 2024 Policy and Services Committee meeting, and amendments as per the internal staff submission, but no further changes.
- Option 2** Adopt the draft Rates Remission Policy with additional further amendments in response to submissions.
- Option 3** Not adopting the draft Rates Remission Policy. This means the existing policy will remain in effect until the next full review with elected members.

7.5 **Financial**

- Is there an impact on funding and debt levels?
- Will work be undertaken within the current budget?
- What budget has expenditure come from?
- How will the proposal be funded? eg. rates, reserves, grants etc.

The proposed changes do not create a material financial impact.

7.6 **Prioritisation & Trade-off**

- Have you taken into consideration the:
- Council's capacity to deliver;
 - contractor's capacity to deliver; and
 - consequence of deferral?

There are no trade-offs of this report as referred to above.

7.7 **Legal Issues**

- Is there a legal opinion needed?
- Are there legal issues?

There are not considered to be any legal issues with the content of this report.

7.8 **Policy Issues - Section 80**

- Are there any policy issues?
- Does your recommendation conflict with Council Policies?

There are no other policy issues related to this report.

Attachments:

Appendix 1 – Rates Remission Policy



Tiffany Radich
Director Corporate Services



[Approved by]
Sven Hanne
Chief Executive

Date: 4 June 2024

POLICY



Policy:	DRAFT Rates Remission
Department:	Corporate Services
Approved by:	Council
Effective date:	1 July 2024
Next review date:	2027
Document Number:	D24/2230

1. Rate Remission Policy

The Stratford District Council has decided to [postpone-remit](#) all or part of the rates owed by the ratepayer in respect of rating units covered by this Rates Remission Policy provided that the conditions within this policy have been met. Rates remissions will be provided for the following:

- Stratford District Council owned and occupied properties.
- Māori freehold land.
- Community, Sporting and other organisations.
- Land with Biodiversity Vegetation (indigenous vegetation, significant habitats or indigenous fauna and wetlands)
- Promoting Business Development.
- Properties made uninhabitable due to Fire
- UAGC on Low Value Properties.
- Excess Water Consumption due to a Leak.
- Water Targeted Rate as compensation for water main easement.
- Rates on Abandoned Land
- Penalties on Rates.
- Uniform Annual Charges on non-contiguous rural and commercial properties.
- 50% Water or 50% Wastewater where the Council service does not go past the property boundary but is within the distance requirements to be serviceable
- Community, Sporting and other Organisations for the 50% water or 50% wastewater charge.

Where a rating unit for which the Stratford District Council has granted a rate remission is sold, leased, or otherwise disposed of, the rates remission shall be terminated at the time of disposal. If the new ratepayer qualifies for a rates remission under this policy, it will be up to that ratepayer to apply for a rates remission.

The application for rates remission must be made to the Stratford District Council prior to the commencement of the rating year. Applications approved during a rating year will be applicable from the commencement of the following rating year. Applications will not be backdated.

Where a rates remission percentage applies, it is calculated on the rates that would be assessed before any application of non-rateable adjustments. (For example, if a property is 50% non-rateable, and receives a 50% remission, then no rates are due).

2. Remission on Stratford District Council Owned and Occupied Properties

Council will provide rates remission of 100% on rating units owned and occupied by the Stratford District Council which meet the objectives, conditions and criteria of this policy.

Objective

The objective of this [part of the remission policy](#) is to enable Council to be cost-neutral in regard to other ratepayers whilst being administratively efficient.

Conditions and Criteria

This [part of the policy remission](#) applies to rating units owned and occupied by the Stratford District Council.

This [part of the policy remission](#) does not apply to rating units that are owned by Council but are leased to a third party and the terms of the lease provide for rates to be paid by the lessee.

3. Rate Remission and Postponement of Māori Freehold Land

This policy remission aims to ensure the fair and equitable collection of rates from all sectors of the community recognising that certain Māori owned lands have particular conditions, features, ownership structures, or other circumstances which make it appropriate to provide relief from rates.

The Stratford District Council will provide rates remission of 100% to all ratepayers who meet the objectives, conditions and criteria of this policy.

The application for rates remission must be made to Council prior to the commencement of the rating year. Applications received during a rating year will be applicable from the commencement of the following rating year. Applications will not be backdated.

No remission will be granted on targeted rates for water supply, wastewater system or solid waste.

Legislative Summary

Section 91 of the Local Government (Rating) Act 2002 establishes the principle that Māori freehold land is liable for rates in the same manner as if it were general land.

Section 102(2)(e) of the Local Government Act 2002 states that Council must adopt a rates remission and postponement policy on Māori freehold land.

Māori freehold land is defined in the Local Government (Rating) Act 2002 as land whose beneficial ownership has been determined by a freehold order issued by the Māori Land Court. Only land that is subject to such an order may qualify for remission under this policy.

~~This policy aims to ensure the fair and equitable collection of rates from all sectors of the community recognising that certain Māori owned lands have particular conditions, features, ownership structures, or other circumstances which make it appropriate to provide relief from rates.~~

~~The Stratford District Council will provide rates remission of 100% to all ratepayers who meet the objectives, conditions and criteria of this policy.~~

~~Where a rating unit for which Council has granted a rates remission is sold, leased, or otherwise disposed of, the rates remission shall be terminated at the time of disposal. If the new ratepayer qualifies for a rates remission under this policy, it should be up to that ratepayer to apply for a rates remission.~~

~~The application for rates remission must be made to Council prior to the commencement of the rating year. Applications received during a rating year will be applicable from the commencement of the following rating year. Applications will not be backdated.~~

~~No remission will be granted on targeted rates for water supply, wastewater system or solid waste.~~

Objectives

The objectives of this policy are:

1. To recognise situations where there is no owner, occupier or person gaining an economic or financial benefit from the land.
2. To set aside land that is better set aside for non-use because of its natural features (whenua rahui).
3. To recognise matters related to the physical accessibility of the land.

4. To recognise and take account of the presence of waahi tapu that may affect the use of the land for other purposes.
5. Where part only of a block is occupied, to grant remission for the portion of land not occupied.
6. To facilitate development or use of the land where Council considers rates based on rateable value make the actual use of the land uneconomic.
7. To recognise and take account of the importance of land in providing economic and infrastructure support for Marae and associated papakainga housing.
8. To recognise use of the land by the owners for traditional purposes.
9. To recognise occasions where granting remission will avoid further alienation of Māori freehold land.
10. To recognise occasions where the Stratford District Council and the community benefit through the efficient collection of rates that are properly payable and the removal of rating debt that is considered non collectible.

Conditions and Criteria

Council will maintain a register titled the 'Māori Lands Rates Relief Register' ('the Register') for the purpose of recording properties on which it has agreed to remit rates pursuant to this policy. The Register will record the property details and the appropriate objectives (1-10) above.

Applications for rates remission under this policy should include the following information:

- Details of the property.
- The objectives (1-10 above) that will be achieved by providing a remission.
- Documentation that proves the land which is the subject of the application is Māori freehold land.

Council may at its own discretion add properties to the Register.

Council will review the Register annually and may:

- Add properties that comply.
- Remove properties where the circumstances have changed and they no longer comply.

[Where a rating unit for which Council has granted a rates remission is sold, leased, or otherwise disposed of, the rates remission shall be terminated at the time of disposal. If the new ratepayer qualifies for a rates remission under this policy, it should be up to that ratepayer to apply for a rates remission.](#)

4. Remission for Community, Sporting and Other Organisations

The Stratford District Council will provide rates remission of 100% to all ratepayers who meet the objectives, conditions and criteria of this policy, excluding land in respect of which a club licence under the Sale and Supply of Alcohol Act 2012 is for the time being in force, which shall receive a 50% remission if the objectives, conditions and criteria are met.

Objective

To facilitate the ongoing provision of non-commercial community services, and non-commercial recreational opportunities for the residents of Stratford District.

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

- Recognise the public good contribution made by such an organisation;
- Assist the organisation's survival; and
- Make membership of the organisation more accessible to the general public, particularly disadvantaged groups. These include children, youth, young families, aged people, and economically disadvantaged people.

Conditions and Criteria

This [part of the policy remission](#) will apply to land:

- owned by the Stratford District Council; or

- owned or occupied by a registered charitable organisation that is responsible for the rates; or
- owned or occupied by a registered non-profit organisation that is responsible for the rates; and
- is used exclusively or principally for sporting, recreation, or community purposes by that organisation; and
- the land is not used for galloping races, harness races or greyhound races.

Note that Council requires documentary evidence of charitable or non-profit organisational status. This policy does not apply to organisations operated for private pecuniary profit.

This [policy remission](#) does not apply to groups or organisations whose primary purpose is to address the needs of adult members (over 18 years) for entertainment or social interaction, or who engage in recreational, sporting, or community services as a secondary purpose only.

Organisations making application should include the following documents in support of their application:

- statement of objectives; and
- evidence of charitable/non-profit status; and
- financial accounts; and
- information on activities and programmes; and
- details on membership or clients.

5. Remissions for Biodiversity (Indigenous Vegetation, Significant Habitats of Indigenous Fauna and Wetlands)

The Stratford District Council will provide rates remission of up to 100% of the rates on land with biodiversity vegetation (indigenous vegetation, significant habitats of indigenous fauna and wetlands) on it to all ratepayers who meet the objectives, conditions and criteria of this policy.

Objectives

To preserve and promote the protection of an area of indigenous vegetation or a significant habitat of indigenous fauna. This policy will support the provisions of the Stratford District Council District Plan.

Conditions and Criteria

This [part of the policy remission](#) will apply to ratepayers who:

- own rating units that have a site listed in Appendix 9: Wetlands, Areas of Significant Indigenous Vegetation and Significant Habitats of Indigenous Fauna in the Stratford District Plan; and
- voluntarily protect and maintain these areas that are within the boundary of the wetlands identified in Appendix 9.

The remission will apply to the area of land included in the protected area.

The application for rates remission must be made to Council prior to the commencement of the rating year. Applications approved during a rating year will be applicable from the commencement of the following rating year.

In granting remissions under this policy, 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.

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

- the extent to which the preservation of biodiversity vegetation will be promoted by granting remission of rates on the rating unit.
- the degree to which features of biodiversity vegetation are present on the land; and
- the degree to which features of biodiversity vegetation inhibit the economic utilisation of the land.

6. Remission for Promoting Business Development

This provides for rates relief for new development or redevelopment of land by way of constructing, erecting or altering buildings, fixed plant and machinery or other works intended to be used solely or principally for industrial, commercial or administrative purposes where the cost of such development is more than \$1,000,000 (excluding GST) as assessed under the Building Act.

Council will be prepared to consider any application for building development which can demonstrate that it will be to the economic advantage of the Stratford District. Economic advantage will be deemed to occur if the development will result in:

- Significant employment growth or employment retention in Stratford District; and/or
- Significant downstream new business for other Stratford District manufacturers or suppliers of goods and services.

Developments for industrial, commercial or administrative purposes which the Council wishes to foster are in the following sectors:

- Primary production and processing.
- Tourism, including recreational, cultural and conference facilities.
- Manufacturing, especially those which have high potential for employment related to the total cost factor.
- Health services.
- Retailing.
- Hotels, motels and other transient accommodation.
- Administrative services, including those provided by Government and private sector agencies.

In the event of any developer, to whom rates relief has been granted, selling the property within which the eligible investment was made, rates relief ceases from the date of the sale.

Forms of Rates Relief

Council may remit or postpone (or a combination of these) part or all of the general rates otherwise payable on the subject property for the period of the development and up to three rating years thereafter.

Council may impose conditions on the remission or postponement of rates and may cancel any remission or postponement in the event of non-compliance by the applicant with those conditions. In those circumstances, Council may require payment of full rates in respect of any year in which rates have been remitted.

Factors to be considered

Council will have regard to the following matters when considering applications for rates relief:

- Whether and to what extent, the development will, when completed, be to the economic advantage of the Stratford District including the creation of significant employment opportunities. The creation of jobs will be a strong factor in favour of granting rates relief, but the retention of existing jobs and the potential for job creation will also be positive factors.
- Whether and to what extent the granting of relief will be of material benefit to the development.
- Whether the investment limit and economic benefits criteria are met jointly in the case of a Lessor/Lessee arrangement.
- Whether and to what extent the development can be served by the existing basic Council services infrastructure.
- The level of financial contributions and development levies collected under provisions of the District Plan.
- Such other matters as Council may, from time to time, consider relevant.

7. Remission for Property Made Uninhabitable due to Fire

Objective

This remission provides relief to the ratepayer where significant property loss has occurred due to fire (not deliberately lit by the owner, occupier or related party) causing the dwelling to be uninhabitable, or the commercial property to cease operations, temporarily or otherwise.

Conditions and Criteria

Upon notification, and in agreement with the ratepayer, the Council will remit the targeted Rates for Solid Waste, Waste Water and Water Supply for properties, where it determines it is reasonable in the circumstances to do so.

The remission applies from the date of the fire until the earlier of the date the services are reinstated, or two years from the date of the fire.

8. Remission of Uniform Annual General Charge (UAGC) on Low Value Residential Properties

This remission provides for low value residential properties to not be penalised by the UAGC being in excess of 5% annually of the capital value of the property.

Objective

The objective of this remission policy is to assist residential ratepayers whereby the UAGC being imposed on properties with a Capital Value of \$15,000 or less represents an excessive burden in any one financial year.

Conditions and Criteria

Council will remit the UAGC on any rating unit used solely for residential purposes as defined by Council where the capital value of that rating unit does not exceed \$15,000.

9. Remissions for Excess Water Consumption Due to A Leak

Council may provide relief to a ratepayer that has incurred an excessive water invoice as a result of a leak where that leak has been remedied in a timely manner once the leak was detected.

Objective

The objective of this ~~part of the~~ remission ~~policy~~ is to enable Council to not penalise a water consumer for a leak that resulted in excess water consumption that was out of their control.

Conditions and Criteria

In order to provide relief to people in situations where water usage is high due to a water leak, Council may remit water consumption rates where all of the following apply:

- A remission application has been received; and
- Council is satisfied a leak on the property has caused excessive consumption and is recorded on the water meter; and
- The leak has been repaired within one calendar month of being identified (unless evidence is provided that the services of an appropriate repairer could not be obtained within this period); and
- Proof of the leak being repaired has been provided to Council promptly after repair of the leak.

The amount of the remission will be the difference between the average consumption of the property and the consumption over and above that average.

Remission for any particular property will only be available once in a three year period. However, where a remission for a water leak has been granted to a property under this policy within this timeframe, the application will be at the discretion of the Director – Assets. Any remission over 2,000 cubic meters is to be referred to the Policy and Services Committee for approval.

10. Remission of Water Targeted Rate as Compensation for Water Easement

Council has water mains installed on private properties with, in some cases, an associated easement for access and maintenance.

Objective

The objective of this [part of the](#) remission [policy](#) is to provide compensation for the ratepayers that have a water main across their property and associated easement agreement that provides for such remissions. This remission may be granted in future easement agreements as part of a compensation agreement if appropriate.

The remission is for the Targeted Water Rate only. The water-by-meter charges remain, subject to the Revenue and Financing Policy.

Conditions and Criteria

In order to provide a Water Targeted Rate remission the following must apply:

- Compensation agreements must be in writing and formal easements recording them registered against the relevant land title.

11. Policy on Remission of Rates on Abandoned Land

Objectives:

To minimise administration costs where it is unlikely that rates assessed on an abandoned rating unit will ever be collected.

Conditions and criteria:

The [policy remission](#) will apply to Rating units that meet the definition of abandoned land as prescribed in Section 77(1) of the Local Government (Rating) Act 2002.

Land has either failed to be sold using the authority provided in sections 77-83 or is unlikely to sell.

Procedure:

Rates will be remitted in full annually. Any rates arrears owing on qualifying properties at the adoption of the policy, or in the first year a rating unit qualifies under the policy, will also be remitted.

12. Remission On Rates Penalties

The Stratford District Council will provide rates remission on penalties to all ratepayers who meet the objectives, conditions and criteria of this policy.

Objective

The objective of this [part of the](#) remission [policy](#) is to enable the Stratford District Council to act fairly and reasonably in its consideration of rates which have not been received by Council by the penalty due date, due to circumstances outside the ratepayer's control. This section applies to all rates penalties imposed under the Council's Funding Impact Statement and Rates Resolution.

Conditions and Criteria

On application by the ratepayer, a remission of an instalment penalty imposed under Section 58(1)(a) of the Local Government (Rating) Act 2002 shall be granted if this is the first instance of late payment by the ratepayer within the previous three rating years and the following criteria are met:

- Where a property changes hands (sale or lease) and the new owner/lessee is responsible for an instalment when the original account was issued in the name of the previous owner/lessee.
- On compassionate grounds, i.e., where a ratepayer has been ill or in hospital or suffered a family bereavement or tragedy of some type, and has been unable to attend to payment (elderly persons living on their own etc.). Or if the ratepayer satisfies the Council that they

had the ability to pay, however late payment was due to circumstances outside the ratepayer's control, therefore they were unable to come into council to make payment.

- The rate invoice was not received, where it can be proved that it was not due to negligence by the ratepayer.
- Where an error has been made by Council staff which has subsequently resulted in a penalty charge being imposed.
- In the case of a deceased estate, upon receipt of a letter from a Solicitor who has been granted probate, that while the winding up of the affairs of the estate are in progress and that Council may expect full payment of rates, Council may remit penalties from the time of death.

Where a ratepayer enters into a direct debit arrangement for the payment of the current year rates and any rate arrears, further penalties will be granted a remission. However, any default in the arrangement will cause the remission to be cancelled from the date of the default. Any penalties applied up to the date of commencement of the arrangement will remain.

The Council, and officers with the appropriate delegated authority may remit up to 100% of the penalties (or other figure) charged to a property, where a property has sold and a settlement request has been received by council from a Solicitor prior to a Rates Instalment Due date.

The Council, and officers with the appropriate delegated authority, may remit up to 100% (or other figure) of the penalties charged to a property, where the ratepayer can demonstrate that there are circumstances outside of their control which have caused the rates to incur a penalty, and where the rates are paid in full on an agreed date.

13. **Rate Remission Policy for 50% Water or 50% Wastewater Charges where the Service does not go past their property**

The Council will provide rates remissions of the 50% Water or 50% Wastewater rate where the Council service does not go past the property boundary but is within the distance requirements to be serviceable.

Objective:

The remission for 50% water or 50% wastewater charges is to provide relief to those ratepayers who do not have the service run past their property, but due to the distance of the service and the resulting cost of connecting to council's water and/or wastewater network the ratepayers have chosen to install alternative water and wastewater infrastructure.

Conditions and Criteria

- The property must not have services running past its property boundary but is within the distance requirements to be serviceable.
- The property already has provisions made for water and/or wastewater and these are acceptable to Council.

14. **Remission For Community, Sporting and Other Organisations For the 50% Water or 50% Wastewater Charge**

This remission provides relief to organisations that are not connected to these services.

Objective

The objective of this ~~part of the~~ remission ~~policy~~ is to enable the Stratford District Council to act fairly and reasonably in its consideration of rates.

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

- Assist the organisation's survival; and
- Make membership of the organisation more accessible to the general public, particularly disadvantaged groups. These included children, youth, young families, aged people, and economically disadvantaged people.

Conditions and Criteria

This part of the policy will apply to land:

- owned or occupied by a registered charitable organisation that is responsible for the rates; or
- owned or occupied by a registered non-profitable organisation that is responsible for the rates; and
- is used exclusively or principally for sporting, recreation, or community purposes by that organisation.

15. Rates Remission Policy for Uniform Annual General Charges on Non-Contiguous Rural and Commercial Properties Owned by The Same Owner and Used for a Single Purpose

The Council will provide rates remissions of uniform annual general charges to all ratepayers who meet the objectives, conditions and criteria of this policy. Ratepayers who occupy two or more separate rating units (and who do not qualify to be treated as one rating unit, pursuant to Section 20 of the Local Government (Rating) Act 2002, are entitled to have uniform annual general charges reduced for qualifying properties.

Objective

The remission of the uniform annual general charges is to provide relief for bare rural or commercial land, which is non-contiguous but operated as a single entity and owned by the same ratepayer.

Conditions and Criteria

- The rating units on which remission is granted must be owned by the same ratepayer and must be classified as “rural” or “commercial” for valuation purposes.
- Only one of the units may have a residential dwelling or a commercial building situated on the rating unit.
- The rating units must be used as one economic unit.

Ratepayers wishing to claim a remission should make an application to Council.

DECISION REPORT



F22/55/04 – D24/26740

To: Policy and Services Committee
From: Director – Corporate Services
Date: 11 June 2024
Subject: Rates Postponement Policy – Deliberation and Adoption

Recommendations

1. THAT the report be received.
2. THAT, subject to proposed amendments and new information highlighted through the submission and at the hearing, the amended Rates Postponement Policy be adopted, and effective from 1 July 2024.

Recommended Reason

Council has reviewed the policy and consulted with the community.

/
Moved/Seconded

1. Purpose of Report

- 1.1 The purpose of this report is to acknowledge the submission received in relation to proposed changes to the Council's Rates Postponement Policy, and seek the Committee's approval for the adoption of the amended Rates Postponement Policy.

2. Executive Summary

- 2.1 The recommendation is to adopt the amended Rate Postponement Policy, following any further changes.
- 2.2 The changes made to the draft policy in March 2024 removed the ability to postpone rates on the basis of extreme financial hardship and broadened the eligibility for postponement under the natural disaster section to include all properties affected by natural disaster, not just farmland.
- 2.3 During the public consultation period, Council received one submission which requested a more liberal approach of the policy, and is covered off in more detail in section 5.1 of this report. The submitter requests that it be made clear whether or not penalties would be applied on postponed rates, which would be beneficial for users of the policy. They also question the need for an Extreme Financial Hardship Committee.

3. Local Government Act 2002 – Section 10

Under section 10 of the Local Government Act 2002, the Council's purpose is to “enable democratic local decision making by and on behalf of communities; as well as promoting the social, economic, environmental, and cultural well-being of communities now and into the future”			
Does the recommended option meet the purpose of the Local Government 4 well-beings? And which:			Yes
Social	Economic	Environmental	Cultural
✓		✓	

The Policy affects all four well-beings, covering environmental issues, economic investment, and social and cultural organisations.

4. Background

4.1 The Rates Postponement Policy was reviewed and amended by the Policy and Services Committee on 26 March 2024, and released for consultation for one month.

4.2 Legislative Guidance

Local Government Act 2002 Section 102.

- (1) *A local authority must, in order to provide predictability and certainty about sources and levels of funding, adopt the funding and financial policies listed in subsection (2).*
- (2) *The policies are—*
 - (a) *a revenue and financing policy; and*
 - (b) *a liability management policy; and*
 - (c) *an investment policy; and*
 - (d) *a policy on development contributions or financial contributions; and*
 - (e) *a policy on the Postponement and postponement of rates on Māori freehold land;*
 - (f) *in the case of a unitary authority for a district that includes 1 or more local board areas, a local boards funding policy.*
- (3) *A local authority may adopt either or both of the following policies:*
 - (a) *a rates Postponement policy;*
 - (b) *a rates postponement policy.*

The Act states that a Rates Postponement Policy may be adopted. Council's own processes call for a review of policies on a three (3) yearly basis. This Policy was last reviewed in 2018.

4.3 Proposed Changes

Prior to amendments made to the draft policy in March 2024, the policy had two parts – a postponement for ratepayers experiencing extreme financial hardship, and a postponement for ratepayers with farmland affected by a natural disaster who were suffering extreme financial hardship.

Elected members considered a proposal which clarified conditions, criteria and eligibility for the Extreme Financial Hardship postponement, and decided to remove this part altogether from the policy.

Elected members also considered the postponement for Farmland affected by natural disasters and following the discussion and debate it was determined that the policy be broadened to include all properties affected by natural disaster, not just farmland.

4.4 **Submission**

One submission was received by Mike Procter and is summarised below.

1. The eligibility criteria for the rates postponement for a natural disaster could be considered as too strict – for example some disasters may not result in a declaration of a State of Emergency.
2. The rates postponement does not apply to all targeted rates including water supply, wastewater, and solid waste where a property becomes uninhabitable, only the general, roading, and UAGC rates.
3. The rates postponement does not apply to other causes of extreme financial hardship, only natural disaster cause.
4. A social or moral lens should be applied to the consideration of the items above.
5. The policy should explicitly state whether or not interest or penalties will be charged during the postponement period.
6. The policy does not mention Maori freehold land although legislation requires Councils to have a postponement policy on Maori freehold land.
7. The submitter makes an inference that as the rates postponed under this policy eventually have to be paid at some future point, that the Committee should not be required to approve applications.

4.5 **Management response to the Submission**

We thank Mike Procter for taking the time to provide a comprehensive and informed submission on the Rates Postponement Policy. In response to each of the points above:

1. Agree that requiring a State of Emergency to be declared before a Rates Postponement application can be considered may exclude isolated events affecting a small number of ratepayers. Elected members may reconsider this criteria.
2. Agree it is appropriate that these specific targeted rates (water, wastewater, solid waste) be considered for Rates Postponement.
3. Using extreme financial hardship as the single criteria to qualify for a rates postponement in the past has caused considerable difficulty in application. Ratepayers with mortgages are usually able to add outstanding rates onto the existing mortgage. We deal with a number of ratepayers who struggle to pay their rates, and although rates do not comprise a significant portion of a households total expenses usually, there are still ratepayers struggling to keep up with the cost of living. We are open to this in theory, however it could open up cashflow issues to council, and a clear definition of extreme financial hardship would need to be agreed to.
4. No comment.
5. Agree that the policy should explicitly state that late payment penalties will not be applied during the rates postponement period, will recommend this to council.
6. The postponement policy on Maori land is captured within the Rates Remissions policy, similar to some other councils. Council has chosen to not postpone rates on Maori Freehold Land specifically. There are 54 Maori Freehold Land properties in the district, of which 50 are treated as non-rateable. The remaining 4 properties are leased commercially and are not receiving this specific remission, but may still be eligible for other rate remissions or postponements if they meet the criteria of the policies.
7. The delegated authority to execute final decisions on granting rates postponements is for elected members to decide.

5. **Consultative Process**

5.1 **Public Consultation - Section 82**

Legislation requires that any changes, minor or otherwise, to the Rates Remission Policy are publicly consulted on prior to adoption. The consultation plan included placing one public notice in the Stratford Press, one post on Facebook, and adding a link on the Council's website homepage to the amended Rates Remission Policy and a link to provide a submission. The consultation period was one month, from 10 April to 12 May 2024.

5.2 **Māori Consultation - Section 81**

Iwi authorities were invited to contribute to the policy.

6. **Risk Analysis**

<p>Refer to the Council Risk Register - available on the Council website.</p> <ul style="list-style-type: none"> • Does this report cover any issues that relate to any risks on the Council Risk Register, and if so which risks and what are the impacts and likelihood of eventuating? • Does this report cover any issues that may lead to any new risks that are not on the Council Risk Register, and if so, provide some explanation of any new identified risks. • Is there a legal opinion needed?
--

6.1 This report and the policy relate to risk 89 on Council's risk register which relates to Council rates being applied unfairly or inconsistently and the perception of the community, and potential for legal scrutiny.

The Rates Postponement Policy is used as a risk mitigation tool to counteract some of the negative impacts of rates. This policy is also subject to public consultation which provides the opportunity for the community to contribute towards the development of rates Postponements in general.

7. **Decision Making Process – Section 79**

7.1 **Direction**

	Explain
Is there a strong link to Council's strategic direction, Long Term Plan/District Plan?	YES, this policy directly impacts the financial implications of the LTP.
What relationship does it have to the communities current and future needs for infrastructure, regulatory functions, or local public services?	YES, this policy forms part of the financial basis of funding and cost recovery council applies to the creation, maintenance and operation of its assets.

7.2 **Data**

<ul style="list-style-type: none"> • Do we have complete data, and relevant statistics, on the proposal(s)? • Do we have reasonably reliable data on the proposals? • What assumptions have had to be built in?
--

The Rates Postponement Policy has been in place for a long period of time. It has been reviewed internally and externally and is robust. Changes to the policy are based on feedback received by Council.

7.3 **Significance**

	Yes/No	Explain
Is the proposal significant according to the Significance Policy in the Long Term Plan?	No	
Is it:	No	
• considered a strategic asset; or	No	
• above the financial thresholds in the Significance Policy; or	No	
• impacting on a CCO stakeholding; or	No	
• a change in level of service; or	No	
• creating a high level of controversy; or	No	
• possible that it could have a high impact on the community?	No	

In terms of the Council's Significance Policy, is this proposal of high, medium, or low significance?		
High	Medium	Low
		✓

7.4 **Options**

An assessment of costs and benefits for each option must be completed. Use the criteria below in your assessment.

1. What options are available?
2. For **each** option:
 - explain what the costs and benefits of each option are in terms of the present and future needs of the district;
 - outline if there are any sustainability issues; and
 - explain if the outcomes meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions?
3. After completing these, consider which option you wish to recommend to Council, and explain:
 - how this option is the most cost effective option for households and businesses;
 - if there are any trade-offs; and
 - what interdependencies exist.

Council has the option of either:

- Option 1** Adopting the Rates Postponement Policy, with amendments as proposed at the March Policy and Services Committee meeting, and any amendments from the submission received. It is recommended that the final policy include a statement that an approved rates postponement would mean that no late payment penalties will apply during the postponement period.
- Option 2** Not adopting the draft Rates Postponement Policy. This means the existing policy will remain in effect until the next full review with elected members.
- Option 3** Adopting the amended Rates Postponement Policy as approved in March 2024.

7.5 **Financial**

- Is there an impact on funding and debt levels?
- Will work be undertaken within the current budget?
- What budget has expenditure come from?
- How will the proposal be funded? eg. rates, reserves, grants etc.

The proposed changes do not create a material financial impact. Broadening the application of this policy may impact council cashflows, if significantly more ratepayers may be covered under this policy.

7.6 **Prioritisation & Trade-off**

- Have you taken into consideration the:
- Council's capacity to deliver;
 - contractor's capacity to deliver; and
 - consequence of deferral?

There are no trade-offs of this report as referred to above.

7.7 **Legal Issues**

- Is there a legal opinion needed?
- Are there legal issues?

There are not considered to be any legal issues with the content of this report.

7.8 **Policy Issues - Section 80**

- Are there any policy issues?
- Does your recommendation conflict with Council Policies?

There are no other policy issues related to this report.

Attachments:

Appendix 1 – Rates Postponement Policy



Tiffany Radich
Director Corporate Services



[Approved by]
Sven Hanne
Chief Executive

Date: 4 June 2024

POLICY



Policy:	Draft Rates Postponement Policy
Department:	Corporate Services
Approved by:	
Effective date:	
Next review date:	February 2027
Document Number:	D24/3502

1. Policy

The Stratford District Council will postpone all or part of the rates owed by a ratepayer in respect of rating units covered by this Rates Postponement Policy provided that the conditions within this policy have been met. [During the rates postponement period, no late payment penalties will be applied.](#)

Where a rating unit for which the Stratford District Council has granted a rates postponement is sold, leased, or otherwise disposed of, the rates postponement shall be terminated at the time of disposal. If the new ratepayer qualifies for a rates postponement under this policy, it should be up to that ratepayer to apply for a rates postponement.

Council may decide to postpone rates in full or a percentage of the annual liable rates however, no postponement will be granted on targeted rates for water supply, wastewater system or solid waste.

2. Postponement for Land Affected by Natural Disasters

The Stratford District Council will provide rates postponement of up to 100% for up to two years, to all ratepayers who meet the objectives, conditions, and criteria of this policy.

A Postponement for Natural Disaster Hardship Committee, comprising the Mayor, the Deputy Mayor, and the Chief Executive will be delegated the authority to assess a ratepayer's application for rates postponement.

Objective

The objective of this postponement policy is to assist ratepayers experiencing extreme financial hardship as a result of a natural disaster. A natural disaster is considered as including, but not necessarily limited to, flooding, earthquake damage or a storm, and where a State of Emergency has been declared in relation to that event.

Criteria

Council will consider, on a case by case basis, all applications received that meet its criteria.

1. Formal application must be made by the ratepayer or the ratepayer's authorised agent to rates@stratford.govt.nz.
2. Following acknowledgement of the application, full information as requested by the Postponement for Natural Disaster Hardship Committee must be provided.
3. For the rates to be postponed, the Council will require a statutory declaration containing the value of the ratepayer's property insurance and the value of encumbrances against the property, including mortgages and loans.

Conditions

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

- Nature of the natural disaster and the impact on the ratepayer's property.
- Financial position of the ratepayer.
- Business Plan for recovery of the landowner, if applicable.

Before approving an application, Council must be satisfied that the ratepayer is unlikely to have sufficient funds left over, after the payment of rates, for necessary health care, as well as making provision for normal day to day living expenses.

The policy will apply from the date in which the application is made although Council may consider backdating to the start of the rating year, or earlier depending on the circumstances and the date of the natural disaster event.

The postponed rates or any part thereof may be paid at any time. The applicant may elect to postpone the payment of a lesser sum than that which they would be entitled to have postponed pursuant to this policy.

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

The application for a postponement under this policy will be assessed by the Revenue Manager and Director – Corporate Services and submitted for approval to the Natural Disaster Hardship Committee.



Our reference
F19/13/03-D21/40748

Karakia

Kia uruuru mai
Ā hauora
Ā haukaha
Ā haumāia
Ki runga, Ki raro
Ki roto, Ki waho
Rire rire hau Paimārire

I draw in (to my being)
The reviving essence
The strengthening essence
The essence of courage
Above, Below
Within, Around
Let there be peace.