



POLICY AND FINANCE COMMITTEE

AGENDA – 22 February 2012

A Conduct of Business

The meeting will be held in the Council Chambers, 19 Kitchener Street, Martinborough and will commence at the conclusion of the District Council meeting. The meeting will be held in public (except for any items specifically noted in the agenda as being for public exclusion).

- A1. Apologies
- A2. Conflicts of Interest
- A3. Minutes for Confirmation: Policy & Finance Committee 14 December 2011 Pages 1-3
- A4. Action Items from 14 December 2011 Page 4

B. Reports

- B1. Wairarapa Library Service Copyright Policy Pages 5-10
- B2. Focus Groups – Time for a Review Page 11
- B3. Postponement of Rates Policy Pages 12-18
- B4. Rates Remission Policy Pages 19-26
- B5. Remission and Postponement of Rates on Maori Freehold Land Pages 27-30

C. Financial Statements



POLICY AND FINANCE COMMITTEE MEETING

MINUTES – 14 December 2011

Present: Mayor Adrienne Staples (Chairperson), Councillors Margaret Craig, Dean Davies, Mike Gray, Brian Jephson, Viv Napier, Julie Riddell, Solitaire Robertson, Keith Sexton and Cr Stevens.

In attendance: Dr Jack Dowds (Chief Executive Officer), Paul Crimp (Group Manager Corporate Support) and Suzanne Clark (Committee Secretary).

Conduct of Business: The meeting was held in the South Wairarapa District Council Chambers at 19 Kitchener Street, Martinborough and was conducted in public between 2:25pm and 3:00pm.

A Preliminary Matters

A1. Apologies

No apologies were received.

A2. Conflicts of Interest

No conflicts of interest were declared.

A3. Minutes for Confirmation: Policy & Finance Committee 2 November 2011

P&F RESOLVED (P&F2011/35) that the minutes of the Policy and Finance Committee meeting held on 22 November 2011 were received and confirmed as true and correct.

(Moved Cr Robertson /Seconded Cr Napier)

Carried

A4. Policy and Finance Committee Action List from 2 November 2011

P&F RESOLVED (P&F2011/36) to receive the action items list.

(Moved Cr Davies/Seconded Cr Jephson)

Carried

B Reports

B1. Draft Revenue and Financing Policy

P&F RESOLVED (P&F2011/37):

1. To receive the information
2. Adopts the draft revenue and financing policy, for later ratification by full Council.

(Moved Mayor Staples/Seconded Cr Gray)

Carried

DISCLAIMER

Until confirmed as a true and correct record, at a subsequent meeting, the minutes of this meeting should not be relied on as to their correctness

B2. Revenue and Financing Policy Considerations

The Group Manager Corporate Support Charge said the intention of the report and recommendations was to adopt the policy for the draft LTP. Further discussion on the draft policy could be undertaken during LTP workshops or meetings. Councillors considered the report and discussed the fairness of additional rates charges for a residential dwelling with more than two toilet pans.

P&F RESOLVED (P&F2011/38):

1. To receive the information.
2. To adopt the allocations for the apportionment of funding as set out in Appendix 1.
3. To confirm the belief that land value is the most appropriate method for the General Rate.
4. To set the Uniform Annual Charge (UAC) allocated between the rural and urban community's best reflects the use and benefit of amenities to the communities.
5. To consider a Uniform Annual Charge (UAC) allocated between the rural and urban community's best reflects the use and benefit of amenities to the communities.
6. To consider that targeted rates based on the property's ability to connect to wastewater (sewerage) and water supply are the most appropriate tool for the recovery of water and waste water charges.
7. To propose that the fixed charges should be recovered based on a fixed amount per separately used or inhabited part of a rating unit as the purpose of the fixed charges relates to either dwellings or individual businesses. Council defines is a SUIP as:
 - a. All commercial premises in excess of 100m² that can be separately used or inhabited shall be deemed an additional rating unit and all dwellings capable of separate inhabitation which includes the provision of kitchen and bathroom.
 - b. Accommodation units which are provided for short term (less than four weeks) basis and are excluded from the definition.
8. Adopts the Rates Remission Policy for additional dwellings used for family purposes with the 2012 – 2022 Long Term Plan.

(Moved Cr Napier/Seconded Cr Sexton)

Carried

B3. Water by Meter Leak Write-off Policy

The Group Manager Corporate support spoke to the report noting that the policy still required some grammatical correction. It was noted that Council currently has no write-off policy and that officers seeking guidance could use the proposed policy as a basis for water meter leak write-offs until it was formally adopted. There was agreement that officers could use the policy as a basis for write-offs prior to formal adoption.

P&F RESOLVED (P&F2011/39):

1. To receive the information.

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2. To adopt the “water by meter write-off policy, subject to refinement of wording in guidelines 1, 4 and 6.
 3. To agree to a five year review date.
- (Moved Cr Napier/Seconded Cr Robertson)* Carried

B4. SUIP Policy

P&F RESOLVED (P&F2011/40):

1. To receive the information.
 2. To adopt the draft remission policy for separately used or inhabitable properties that are used for family purposes, for later ratification by full Council.
- (Moved Cr Craig /Seconded Cr Jephson)* Carried

C Financial Statements

The Group Manager Corporate Support tabled a memo from the Risk and Audit Working Party, spoke to the financial results to the 30 November 2011, and answered councillors questions related to emissions trading scheme income, building consent charges versus revenue, and the use of earthquake prone buildings by staff.

P&F RESOLVED (P&F2011/41):

1. To receive the financial reports to 30 November 2011.
- (Moved Cr Napier /Seconded Cr Stevens)* Carried
2. Action 29: Liaise with the other Wairarapa councils’ and review whether uniform charges can be adopted which reflect the work and time involved; G Bunny

Confirmed as a true and correct record

.....**(Mayor)**

.....**(Date)**

DISCLAIMER

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**Policy and Finance Committee Meeting
Action Item List
From 14 December 2011**

Ref #	Meeting	Date	Action Type	Responsible Manager	Action or Task details	Status	
960	P&F	21-Sep-11	Action	Mark	Submit updated water policy for adoption at Council on 2 November 2011	Actioned	Duplicate action with Council Action No. 501. Closed. Report on Waste Water Policy scheduled for P&F Mtg on 4 April 12.
26	P&F	14-Dec-11	Resolution	Paul	Water by Meter Leak Write-off Policy P&F RESOLVED (P&F2011/39): 1. To receive the information. 2. To adopt the "water by meter write-off policy, subject to refinement of wording in guidelines 1, 4 and 6. 3. To agree to a five year review date. (Moved Cr Napier/Seconded Cr Robertson) Carried	Open	Policy will be presented to DC 4 April 12 for adoption.
29	P&F	14-Dec-11	Action	Glenn	Liaise with the other Wairarapa councils' and review whether uniform charges can be adopted which reflect the work and time involved	Actioned	This is included in the combined planning services workstream.

POLICY AND FINANCE COMMITTEE

22 FEBRUARY 2012

AGENDA ITEM B1

WAIRARAPA LIBRARY SERVICE COPYRIGHT POLICY

Purpose of Report

To adopt a Copyright policy for the Library Service.

Recommendations

Officers recommend that the Council:

1. *Receive the information.*
2. *Adopt the attached Copyright policy.*

1. Executive Summary

Copyright Laws have recently been updated and the attached Policy is an essential part of a professional Library Service. The policy has been provided by LIANZA (the professional body for Librarians) and is designed for use in libraries.

2. Background

Copyright issues are extremely complex and the recent changes to the Copyright Law have increased the complexity of them. Adopting a Policy which is publicly available (on the website and in the libraries) is an essential part of any compliance with the law

'Libraries have an obligation to take all reasonable and practicable steps to minimise copyright infringement in their institutions, whether by their own staff or by library users, and whether on staff computers or on public Internet-access computers. Libraries must also be able, if required, to demonstrate to copyright owners, the Copyright Tribunal or District Court that they have done so.' (LIANZA website:

<http://www.lianza.org.nz/resources/copyright/resources/sample-library-copyright-policy>, Sample Library Copyright Policy, page 2).

Staff will all be provided with a copy of The Copyright Act 1994 and Amendments: Guidelines for Librarians from LIANZA (65 pages in length so has not been included in this paper) as well as a copy of the approved

Copyright Policy. Basic advice and training will be given once the District Librarian completes the copyright course booked for February.

3. Discussion

3.1 *WLS Copyright Policy paper*

The attached paper at Appendix 1 was received and endorsed for Council adoption by the Combined Library Committee on Monday 30th January 2012.

3.2 *Other copyright aspects*

Sample copies have also been obtained from the LIANZA website for specific notices particular to the photocopier, scanner and internet access and are displayed in each library.

3.3 *Attribution*

The Policy must be attributed to LIANZA to avoid copyright issues.

4. Supporting Information

4.1 *LIANZA website*

The website for the attached Policy can be viewed at <http://www.lianza.org.nz/resources/copyright/resources/sample-library-copyright-policy>.

5. Appendices

Appendix 1 – Copyright Policy

Contact Officer: Shirley Nightingale, District Librarian

Reviewed By: Mark Allingham, Group Manager, Infrastructure Services

Appendix 1 WLS Copyright Policy

LIBRARY COPYRIGHT POLICY

General principles

1. The Library strongly supports the principles of copyright and the rights of copyright owners, and therefore takes all appropriate actions to ensure that copyright is not breached within the Library, either by staff or by users.
2. Library staff have a responsibility to investigate and stop any apparent breaches of copyright which they observe taking place on Library-supplied photocopiers, scanners, audio, video and DVD players, computers and other equipment.
3. The Library has a compliance programme in place, with regular checks being made that the conditions of the Copyright Act are being observed.
4. The Library has a responsibility to educate its staff and its users on copyright issues affecting them, including issues relating to copyright and the Internet.
5. The Library treats its staff and its users with respect, observes and preserves their privacy, and considers them to be innocent unless evidence proves otherwise.
6. The Library has an obligation to investigate and respond in a timely manner to charges of alleged copyright infringement sent to it by IPAPs (Internet protocol address providers) or copyright owners.
7. The Library has the right to challenge and dispute such charges.
8. The Library advises IPAPs or copyright owners if its systems do not enable it to identify individuals who have used Library computers on dates and times at which breaches of copyright have been alleged.
9. Restriction of access to the Internet or equipment within the Library is always seen as a last resort.

Library staff

10. All Library staff receive instruction on copyright issues relating to libraries, based on publications listed on the LIANZA copyright website at <http://www.lianza.org.nz/resources/copyright>, and in particular LIANZA's *The Copyright Act 1994 and Amendments: Guidelines for Librarians*.
11. Queries regarding copyright which are not able to be answered by front-line staff are referred to a senior Library manager who has been designated with a special responsibility for copyright matters.

12. Library staff who observe an apparent breach of copyright in the Library either deal with it themselves in accordance with this Policy, or refer it to a senior Library Manager.

Library users

13. Education on copyright issues relating to library users is provided as appropriate.
14. The Library posts warning notices about illegal copying, and the provisions of the Copyright Act relating to fair dealing, adjacent to its photocopiers, scanners and other Library-supplied equipment.
15. The Library posts warning notices regarding copying and downloading from the Internet adjacent to its public-access computers and on screen-savers.
16. Where possible, the Library blocks access to Internet sites the sole purpose of which is known to be to facilitate the illegal downloading of materials from the Internet.

Allegations of breaches of copyright

17. If the Library receives notification from an IPAP or copyright owner that there has been an apparent breach of copyright on a library-owned computer, the Library investigates and takes appropriate action, as detailed below.

Staff computer

18. If the alleged breach is identified as having taken place on a Library staff computer, and if the individual staff member can be identified, the facts of the case are ascertained. If the alleged breach is substantiated, the staff member is given additional instruction on copyright law in general and the current incident in particular, and warned that a repetition may result in disciplinary action being taken under the Library's employment contract with that staff member.
19. If the alleged incident is not substantiated, or if the individual staff member can not be identified, this is reported back to the IPAP or copyright owner.
20. At the same time, all Library staff are reminded of their obligation to comply with copyright law.

Public-access computer

21. If the alleged breach is identified as having taken place on a Library-owned public-access computer, the Library attempts to identify the name and contact details of the person using the computer on the specified date and time.
22. If the person can be identified, the facts of the case are ascertained. If the alleged breach is substantiated, the person is given information on copyright law as this affects library users, and is warned that a repetition may result in the person being banned from using public-access Internet computers in the Library. If notification is received of a second apparent breach of copyright by the same person, and if that breach is substantiated, the person is given a second warning. If notification is received of a third apparent breach of copyright by the same person, and if that breach is substantiated, the person is told that s/he may not use Library-supplied public-access Internet computers in the Library, other than to access the Library Catalogue or Library-subscribed electronic resources, for a period of six

months. If the person is a member of the Library, this information is noted on the person's Library record.

23. If it is not possible for the Library to identify the person using the public -access computer on the specified date and time, either because the Library does not require users to authenticate, or because records of use are kept for only a very short period or not at all, the Library reports back to the IPAP or copyright owner that the alleged breach has been investigated but that the alleged infringement can not be substantiated or infringer identified.

Response to IPAP or copyright owner

24. The Library always responds within 14 days to a detection notice, warning notice or enforcement notice received from an IPAP, giving details of the investigations undertaken and any actions taken. Copies of correspondence are kept for one year.
25. A copy of this Policy is provided on request as evidence that the Library is taking all actions within its power to comply with copyright law, and to attempt to ensure that breaches of copyright by either Library staff or Library users within the Library are minimised.

January 2012

(Policy provided by LIANZA <http://www.lianza.org.nz/resources/copyright/resources/sample-library-copyright-policy>)

FOCUS GROUPS – TIME FOR A REVIEW?

Some concerns have been expressed about the effectiveness and efficiency of the present Focus Group structure as a vital part of councils processes.

These concerns appear to include –

- the lack of a group related to the Transport Activity component of our Annual Plan
- whether the present structure adequately covers what we need
- timing of meetings
- administrative – i.e. lack of notice (or reminder) of meetings; no agendas
- agreement as to how these meetings will dovetail with LTP meetings
- the extra travelling involved
- the disruption to some members working week
- a strong feeling that the present structure places greater demands on staff time and resources, which has links with admin item above, and
- a general sense of dissatisfaction with the Focus Groups concept?

I believe some support has been voiced for a review? An alternative structure – or even a return to a more comprehensive process, or processes – i.e. such as the former Works & Services Working Party may be more relevant.

What do you think?

Sincerely

Mike Gray

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POLICY & FINANCE COMMITTEE

22 FEBRUARY 2012

AGENDA ITEM B3

POSTPONEMENT OF RATES POLICY

Purpose of Report

To present the rates postponement policy for adoption.

Recommendations

Officers recommend that the Committee:

1. *Receive the information.*
2. *Adopts the Postponement of Rates Policy, with a review date of LTP 2015.*

1. Executive Summary

S102(3)(b) of the Local Government Act requires local authorities to have a policy on the postponement of rates.

The current operative policy is due for review by "LTCCP 2012".

2. Discussion

The current policy has been reviewed against current legislative requirements, and current operating conditions.

It is recommended the current policy be rolled over, with a review date of LTP 2015.

3. Appendix

Appendix 1 – Postponement of Rates Policy.

Prepared by: Paul Crimp, Group Manager Corporate Support

Appendix 1 - Postponement of Rates Policy

Postponement of Rates Policies

Introduction

These policies are prepared under section 110 of the Local Government Act 2002.

a) *Extreme Financial Circumstances*
Objective

- To assist ratepayers experiencing extreme financial circumstances which affects their ability to pay rates.

Criteria and Conditions

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

Criteria:

1. The ratepayer(s) is unlikely to have sufficient funds left over, after the payment of rates, for normal health care, proper provision of maintenance of the home and chattels at an adequate standard as well as making provision for normal day to day living expenses.
2. The ratepayer(s) must be the current owner of the rating unit and have owned or resided on the property or within the District for not less than five years.
3. The rating unit must be used solely for residential purposes and the ratepayer(s) must reside on the property.
4. The ratepayer(s) must not own any other rating units or investment properties, whether in this District or another.

Conditions:

1. Application must be in writing by the ratepayer(s) or by an authorised agent.
2. The ratepayer(s) is required to disclose to Council, all personal circumstances, including the following factors: age, physical or mental disability, injury, illness and family circumstances so that Council can consider these factors to establish whether extreme financial hardship exists.
3. Applications for postponement of rates will only be considered from the beginning of the rating year in which the application is made. If Council decides to postpone rates the ratepayer(s) must first enter into an agreement with Council to make regular payments for future rates.
4. Council will charge a postponement fee on the postponed rates for the period between the due date and the date they are paid. This fee is designed to cover the

5. Council's administrative and financial costs and may vary from year to year. The fee is \$50.00.
6. Any postponed rates will be postponed until;
 - a) the death of the ratepayer(s); or
 - b) until the ratepayer(s) ceases to be the owner or occupier of the rating unit; or
 - c) until the ratepayer(s) ceases to use the property as their residence; or
 - d) until a date specified by the Council as determined by Council in any particular case.
7. 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.
8. Postponed rates will be registered as a statutory land charge on the rating unit under the Statutory Land Charges Registration Act 1928 and no dealing with the land may be registered by the ratepayer while the charge is registered except with the consent of Council.

Delegation

Council delegates the authority to approve applications for rate postponement to the Chief Executive Officer. *Ratepayers Aged 65 Years and Over*

Objective

To give ratepayers a choice between paying rates now or later subject to the full cost of postponement being met by the ratepayer and Council being satisfied that the risk of loss in any case is minimal.

General Approach

Only rating units defined as residential and used for personal residential purposes by the applicant(s) as their sole or principal residence will be eligible for consideration of rates postponement under the criteria and conditions of this policy.

Current and all future rates may be postponed indefinitely if at least one ratepayer (or, if the ratepayer is a family trust, at least one named occupier) is 65 years of age or older.

Owners of units in retirement villages will be eligible provided that Council is satisfied payment of postponed rates can be adequately secured.

Council will add to the postponed rates all financial and administrative costs to ensure neutrality as between ratepayers who use the postponement option and those who pay as rates are levied.

Council will establish a reserve fund out of which to meet any shortfall between the net realisation on sale of a property and the amount outstanding for postponed rates and accrued charges, at the time of sale. This will ensure, that neither the ratepayer(s) nor the ratepayer(s)' estate will be liable for any shortfall.*Criteria and Conditions*

Criteria

1. Eligibility

Any ratepayer aged 65 years or over is eligible for postponement provided that the rating unit is used by the ratepayer as their sole or principal residence. This includes, in the case of a family trust owned property, use by a named individual or couple. Residents of retirement villages who hold an occupation licence will be able to apply for postponement of the rates payable by the retirement village on their unit with the agreement of the owner of the retirement village.

2. Risk

Council must be satisfied, on reasonable assumptions, that the risk of any shortfall when postponed rates and accrued charges are ultimately paid is negligible. To determine this, the Council uses a model developed by an actuary to forecast, on a case by case basis, expected equity, when repayment falls due. If that is likely to be less than 20%, the Council will offer partial postponement, set at a level expected to result in final equity of not less than 20%.

For prudential reasons, the Council will need to register a statutory land charge against the property to protect its right to recover postponed rates. At present the law does not allow councils to register such a charge against Maori freehold land. Accordingly, Maori freehold land is not eligible for rates postponement (unless and until the law is changed so that the Council can register a statutory land charge).

If the property in respect of which postponement is sought is subject to a mortgage, then the applicant will be required to obtain the mortgagee's consent before the Council will agree to postpone rates.

3. Insurance

The property must be insured for its full value and evidence of this produced annually.

To assist ratepayers who are currently uninsured, Council is arranging for the development of a group insurance policy to provide all risks cover. This will achieve cover against catastrophic loss at minimum cost. The premium will be treated as part of the postponement fee and thus come within the postponement arrangements. Council expectations are that arrangements for the group insurance policy will be completed in time for it to come into effect from 1 July 2006.

If insurance cannot be arranged because the property is uninsurable, only the land value can be used when calculating maximum postponement allowable under subclause 4.

4. *Rates Able to be Postponed*

All rates are eligible for postponement except for:

- (i) target rates for water supplied by volume (water-by meter rates)
- (ii) lump sum options which are rates paid in advance

5. *Conditions*

Any postponed rates (under this policy) will be postponed until:

- i) the death of the ratepayer(s) or named individual or couple, (in this case the council will allow up to 12 months for payment so that there is ample time available to settle the estate or, in the case of a trust owned property, make arrangements for repayment); or
- ii) the ratepayer(s) or named individual or couple ceases to be the owner or occupier of the rating unit (if the ratepayer sells the property in order to purchase another within the Council's district, Council will consider transferring the outstanding balance, or as much as is needed, to facilitate the purchase, provided it is satisfied that there is adequate security in the new property for eventual repayment); or

If the ratepayer(s) or named individual or couple continue to own the rating unit, but are placed in residential care, Council will consider them to still be occupying the residence for the purpose of determining when postponement ceases and rates are to be paid in full.

- iii) a date specified by Council.

Council will charge an annual fee on postponed rates for the period between the due date and the date they are paid. This fee is designed to cover Council's administrative and financial costs and may vary from year to year.

The financial cost will be the interest Council will incur at the rate of Council's cost of borrowing for funding rates postponed, plus a margin to cover other costs (these will include Council's own in-house costs, a 1% p.a. levy on outstanding balances to cover external management and promotion costs, a reserve fund levy of 0.25% p.a., and a contribution to cover the cost of independent advice).

To protect Council against any suggestion of undue influence, applicants will be asked to obtain advice from an appropriately qualified and trained independent person. A certificate confirming this, will be required before postponement is granted. Council has made arrangements with a reputable and appropriately qualified non-government organisation to provide this service.

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.

6. *Review of Suspension of Policy*

This policy is in place indefinitely and can be reviewed subject to the requirements of the Local Government Act 2002 at any time. Any resulting modifications will not change the entitlement of people already in the scheme to continued postponement of all future rates. Council reserves the right not to postpone any further rates once the total of postponed rates and accrued charges exceeds 80% of the ratable value of the property as recorded in Council's rating information database. This will require the ratepayer(s) for that property to pay all future rates but will not require any payment in respect of rates postponed up to that time. These will remain due for payment on death or sale.

The policy consciously acknowledges that future changes in policy could include withdrawal of the postponement option.

7. *Procedures*

- i) Applications must be on the required form which will be available from any Council office. The policy will apply from the beginning of the rating year in which the application is made.
- ii) This policy was implemented effective from 1 July 2006

POLICY & FINANCE COMMITTEE

22 FEBRUARY 2012

AGENDA ITEM B4

RATES REMISSION POLICY

Purpose of Report

To present the rates remission policy for adoption.

Recommendations

Officers recommend that the Committee:

1. *Receive the information.*
2. *Adopts the remission rates remission policy, with a review date of LTP 2015.*

1. Executive Summary

S102(3)(a) Local Government Act requires local authorities to have a policy on the remission of rates.

The current operative policy is due for review by "LTCCP 2012".

2. Discussion

The current policy has been reviewed against current legislative requirements, and current operating conditions.

It is recommended paragraph 1 (4) be amended from:

'This repayment scheme will be generally for a maximum of 5 months.'

To:

'This repayment scheme will be generally for a maximum of 12 months.'

This recommendation is made on the basis that it appears a lot of ratepayers simply cannot afford to make repayments over the 5 month timeframe and it would be useful to allow officers more flexibility in this area. Also this timeframe is more in line with CDC and MDC.

The recommended review date is LTP 2015.

3. Appendix

Appendix 1 – Rates Remission Policy.

Prepared by: Paul Crimp, Group Manager Corporate Support

Appendix 1 - Rates Remission Policy

Remission of Rates Policy

Introduction

In order to allow rate relief where it is considered fair and reasonable to do so, the Council is required to adopt policies specifying the circumstances under which rates will be considered for remission. There are various types of remission, and the circumstances under which a remission will be considered for each type may be different. The conditions and criteria relating to each type of remission are therefore set out separately in the following pages, together with the objectives of the policy.

1. Remission of Penalty Rates

Objectives

- To enable Council to act fairly and reasonably in its consideration of rates which have not been received by the due date.
- To provide relief and assistance to those ratepayers experiencing financial hardship.

Criteria and Conditions

Council will consider each application on its merit and remission may be granted where it is considered that the application meets the following criteria and conditions.

Criteria

1. Council will remit penalty rates where it is demonstrated that penalty rates have been levied due to an error by Council.
2. Remission of one penalty will be considered in any one rating year where payment had been late due to significant family disruption. Significant family disruption is likely to be the ratepayer, or a member of the household being affected by serious illness, serious accident, hospitalisation or death.
3. Remission of penalty may be granted if the ratepayer is able to provide evidence that their payment has gone astray in the post or the late payment has otherwise resulted from matters outside their control. Applications under this criteria will only be accepted if the ratepayer has a history of regular payments of rates and has not incurred penalty rates in the previous two years.
4. Remission of penalty rates will be considered for those ratepayers who due to financial hardship, are in arrears and who have entered into an agreement with Council to repay all outstanding and current rates. This repayment scheme will be generally for a maximum of 5 months. Penalty rates remission will not be considered if the agreement plan is not being adhered to.
5. Remission will be considered if a new owner receives penalty rates through the late issuing of a sale notice, a wrong address on the sale notice or late clearance of payment by the Solicitor on a property settlement. This only applies to penalty rates incurred on one instalment. Future instalments do not qualify under this criteria.

Conditions

1. Application for remission of penalty rates must be in writing using the prescribed form.
2. Penalty rates will not be considered for remission if the penalty rates were incurred in a previous rating year, regardless if the application otherwise meets the criteria.

Delegation

Council delegates the authority to remit penalty rates to the Chief Executive Officer or the Office Manager.

2. Remission of rates for land used by sporting, recreational and community organisations

Objective

- To facilitate the ongoing provision of non-commercial sporting, recreational and community services that meet the needs of the residents of the District.
- To provide indirect financial assistance to community organisations.
- To make membership of the organisation more accessible to the general public, particularly disadvantaged groups. These may include children, youth, young families, aged people and economically disadvantaged people.

Conditions and Criteria

1. This policy will apply to land owned by the Council or owned and occupied by a charitable organisation, which is used exclusively or principally for sporting, recreation or community purposes.
2. Council will remit 50% of rates, with the exception of targeted rates, for organisations that qualify under this policy, and with the exception of Rural Halls which will receive 100% remission. Sporting organisations will qualify for 50% remission regardless of whether they hold a current licence under the Sale of Liquor Act 1989.
3. The policy does not apply to organisations operated for pecuniary profit or which charge tuition fees.
4. The policy 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.
5. Applications for remission must be made to the 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. All rating units that have remissions in place at 1 July 2002 are not required to make application.

6. Organisations making application should include the following documents in support of their application. Information of activities and programmes, details of membership and statement of objectives.

Delegation

Council delegates the authority to remit 50% of rates for sporting, recreational and community organisations to the Chief Executive Officer or the Office Manager.

3. Remission Of Rates On Land Protected For Natural, Historical or Cultural Conservation Purposes.

Objective

- To preserve and promote natural resources and heritage.
- To encourage the protection of land for natural, historic or cultural purposes.

Conditions and Criteria

1. Ratepayers who own rating units which have some feature of cultural, natural or historic heritage which is voluntarily protected may qualify for remission of rates under this part of the policy.
2. Land that is non-rateable under section 8 of the Local Government (Rating) Act and is liable only for rates for water supply, sewage disposal or refuse collection will not qualify for remission under this part of the policy.
3. Applications must be made in writing. Applications should be supported by documentary evidence of the protected status of the rating unit e.g. a copy of the covenant or other legal mechanism.
4. In considering any application for remission of rates under this part of the policy the Council will consider the following criteria:
 - The extent to which the preservation of natural, cultural or historic heritage will be promoted by granting remission of rates on the rating unit.
 - The degree to which features of natural, cultural or historic heritage are present on the land.
 - The degree to which features of natural, cultural or historic heritage inhibit the economic utilisation of the land.
5. In granting remissions under this part of the policy, Council may specify certain conditions before remissions 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.
6. Council will decide what amount of rates will be remitted on a case-by-case basis.

Delegations

Applications for the remission of rates for protection of heritage will be considered by Council.

4. Remission of Uniform Annual General Charge in Certain Circumstances

Objectives

- To encourage continued subdivision activity by providing rates relief to new subdivisions by limiting the rates impact of multiple UAGCs.
- To assist ratepayers who have multiple rating units that are contiguous and used as a single farming operation.

Conditions and Criteria

1. For subdivision purposes, this policy will apply to land that is:
 - a) subdivided into two or more lots; and
 - b) where title has been issued, and
 - c) the unsold lots remain in common ownership.

Remission will be the charge for each unsold lot except one.

2. For multiple rating units, this policy will apply to land that is:
 - a) contiguous, and
 - b) are used as part of the farming operation.

Remission will be the charge for each unit except the main farm residence unit.

Delegation

Council delegates the authority to remit UAGCs to the Chief Executive officer or the Office Manager.

5. Remission of Reserves and Civic Amenities Charge

Objectives

- To encourage continued subdivision activity by providing rates relief to new subdivisions by limiting the rates impact of multiple UAGCs.
- To assist ratepayers who have multiple rating units that are contiguous and used as a single farming operation
- To provide relief to rural farming properties for a vacant unit used as a run-off.

Conditions and Criteria

1. For subdivision purposes, this policy will apply to land that is:
 - a) subdivided into two or more lots; and
 - b) where title has been issued, and

- c) the unsold lots remain in common ownership.

Remission will be the charge for each unsold lot except one.

- 2. For multiple rating units, this policy will apply to land that is:

- a) contiguous, and
- b) are used as part of the farming operation.

Remission will be the charge for each unit except the main farm residence unit.

- 3. For a run-off unit the policy will apply to one unit used as a run-off for a farming operation.

Delegation

Council delegates the authority to remit Reserves and Civic Amenities Charge to the Chief Executive Officer or the Office Manager.

6. Remission of Rates for Natural Disasters

Objectives

To provide relief to properties affected by natural disasters.

Conditions and Criteria

- 1. Council will remit rates to those properties identified according to the conditions and criteria set by Central Government.

The level of remission will be to the extent of funding provided by Central Government.

POLICY & FINANCE COMMITTEE

22 FEBRUARY 2012

AGENDA ITEM B5

REMISSION AND POSTPONEMENT OF RATES ON MAORI FREEHOLD LAND POLICY

Purpose of Report

To present the remission and Postponement of Rates on Maori Freehold Land Policy for adoption.

Recommendations

Officers recommend that the Committee:

1. *Receive the information.*
2. *Adopts the remission and postponement of rates on Maori Freehold Land Policy, with a review date of LTP 2015.*

1. Executive Summary

S102(2)(e) Local Government Act requires local authorities to have a policy on the remission and postponement of rates on Maori freehold land.

The current operative policy is due for review by "LTCCP 2012".

2. Discussion

The current policy has been reviewed against current legislative requirements, and current operating conditions.

It is recommended the current policy be rolled over until the 2015 LTP.

3. Appendix

Appendix 1 – Remission and Postponement of Rates on Maori Freehold Land Policy.

Prepared by: Paul Crimp, Group Manager Corporate Support

Appendix 1 - Remission and Postponement of Rates on Maori Freehold Land Policy

Remission and Postponement of Rates on Maori Freehold Land Policy

Objectives

1. To recognise that certain Maori owned land may have particular conditions, features, ownership structures, or other circumstances that make it appropriate to provide for relief from rates.
2. To recognise that the 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-collectable.
3. To meet the requirements of section 102 of the Local Government Act 2002 to have a policy on the remission and postponement of rates on Maori freehold land.

Conditions and Criteria

1. Application for remission or postponement under this policy should be made prior to the commencement of the rating year. Applications made after the commencement of the rating year may be accepted at the discretion of the Council. A separate application must be made for each year.
2. Owners or trustees making application should include the following information in their applications:
 - Details of the rating unit or units involved.
 - Documentation that shows that the land qualifies as land whose beneficial ownership has been determined by a freehold order issued by the Maori Land Court.
3. The Council may of its own volition investigate and grant remission or postponement of rates on any Maori freehold land in the District.
4. Relief, and the extent thereof, is at the sole discretion of the Council and may be cancelled and reduced at any time.
5. Council will give a remission or postponement of up to 100% of all rates for the year for which it is applied or based on the extent to which the remission or postponement of rates will:
 - Support the use of the land by the owners for traditional purposes.
 - Support the relationship of Maori and their cultural traditions with their ancestral lands.
 - Avoid further alienation of Maori freehold land.
 - Facilitate any wish of the owners to develop the land for economic use.
 - Recognise and take account of the presence of waahi tapu that may affect the use of the land for other purposes.

- Recognise and take account of the importance of the land for community goals relating to:
 - The preservation of the natural character of the coastal environment.
 - The protection of outstanding natural features.
 - The protection of significant indigenous vegetation and significant habitats of indigenous fauna.
 - Recognise the level of community services provided to the land and its occupiers.
 - Recognise matters relating to the physical accessibility of the land.
 - Provide for an efficient collection of rates and the removal of rating debt.
6. Decisions on the remission and postponement of rates on Maori freehold land may be delegated to Council officers or a Committee of the Council. All delegations will be recorded in the Council's delegation schedule.