



**CENTRAL
HAWKE'S BAY**
DISTRICT COUNCIL

Rates Remission, Postponement, Discounts and Collections Policy

Adopted: 19/10/2023

Review: 22/10/2026



Contents

Community Contribution and Club Rebate Remission Policy	3
Remission of Rates on Māori Freehold Land Policy	4
Remission of Additional Charges Policy	6
Remission of Rates for QEII National Trust and Land for Natural, Historic or Cultural Conservation Policy	7
Remission of Water Meter Rates Attributable to Water Leaks Policy	8
School Sewerage Charges Remission Policy	10
Sundry Remission of Rates Policy	12
Remission of Rates – Dwellings and Land Affected by Natural Disaster.....	13
Uniform Annual Charges on Contiguous Properties Remission Policy	14
Rates Postponement for Financial Hardship Policy	15
Rates Postponement for Emergency Event Policy	17
Rates Postponement Policy (Economic Development).....	18
Rates Postponement for Superannuant Homeowners.....	19
Rates Discount Policy.....	21
Outstanding Accounts Policy.....	22
Appendix One: Rates Postponement - Financial Hardship Application Form.....	23
Appendix Two: Rates Postponement - Emergency Event	25

Community Contribution and Club Rebate Remission Policy

Objective of the policy

To assist clubs who provide their own facilities and enable them to facilitate the ongoing provision of non-commercial community services and recreational opportunities to the District.

Conditions and criteria

Council may remit 50% of the non targeted rates where the application meets the following criteria:

1. Where land is owned by Council or owned and occupied by a society or association of persons, and the land is used exclusively or principally:
 - (a) As a showground or place of meeting which is incorporated under the Agricultural and Pastoral Societies Act 1908; or
 - (b) For games or sports, except galloping, harness or greyhound races; or
 - (c) For the purposes of non-commercial community services and recreational opportunities

The policy will not apply to organisations operated for private pecuniary profit, or which charge commercial tuition fees.

The policy will not apply to organisations that engage in the above mentioned sporting or community services, as a secondary purpose only.

The policy shall apply to such organisations as approved by the Chief Financial Officer, as meeting the relevant criteria.

The extent of any remission to any qualifying organisation shall be as determined by the Chief Financial Officer.

No remission will be granted in respect of those rates referred to in Section 16 of the Local Government (Rating) Act 2002 (e.g. targeted rates for water supply, sewage disposal or waste collection).

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

- Statement of objectives.
- Full financial accounts.
- Information on activities and programmes.
- Details of membership or clients.

The Community Contribution and Club Rebate Remission Policy will be reviewed every 3 years as part of the triennial Long Term Plan Process.

Remission of Rates on Māori Freehold Land Policy

Introduction

The Central Hawke's Bay District Council recognizes that land is a taonga tuku iho of special significance to Māori people. One of the ways that council seeks to support Māori landowners is by providing assistance with rates through our Māori land rates remission and postponement policy.

The purpose of policy

The objectives of this policy are to:

- support the principles set out in the Preamble to Te Ture Whenua Māori Act 1993 by supporting Māori ownership and use of Māori land
- support achievement of Tūhono mai Tūhono atū (Māori Engagement Strategy) objectives
- provide equity in rating by recognising limitations on the use, development and sale of Māori freehold land (MFL) compared to other land.

The Central Hawke's Bay District Council recognises the complex problems involved when dealing with Māori land, and has formulated a policy (the Māori Freehold Land Policy) to deal with some of these. When, in the judgement of Council's Chief Financial Officer, it would be unfair or unreasonable to collect rates at this time, land may be placed on this Māori Land Register, and retired from rating liability for a period.

In general, reasons for placement on the register would include some or all of the following:

- **Fragmented ownership** – ownerships vary in number and individual share proportions. Owners are scattered throughout the country and even worldwide. An attempt to contact a majority representation is often painstaking and difficult.
- **Unsecured legal title** – there may be some land titles that have not been surveyed. They would not be able to be registered with the District Land Registrar. Owners seeking finance for development of their land are restricted, as mortgages cannot be registered against the title.
- **Isolation and marginal in quality** – the geographical isolation and economic climate of the district are clearly illustrated by the much needed development, as the lands are of marginal quality.
- **No management structures** – lands have no management or operating structures in place to administer matters.
- **Rating problems** – because of the above factors there is a history of rate arrears and/or a difficulty in establishing who is/should be responsible for the payment of rates.

Note: The register is not designed as a way for owners to elect not to use land and therefore not to pay rates.

The register

The owners of Māori Freehold Land can apply to have their lands entered on the register. By making an application, owners are asking Council's Chief Financial Officer for a discretionary remission of rates.

If accepted, the land will be 'retired' from rates for a term specified by Council's Chief Financial Officer, with a maximum term of three years. While lands are 'retired' or 'parked up', the onus is on the owners to ensure that no one breaches the conditions by using the land.

Council Officers reserve the right to inspect the Land on the Register to monitor for breaches. Any identified change in use, or application for consents that indicate an intended change in use may result in the land being removed from the register and reverting to being rateable.

Each application is examined on its own merits. Intending applications should not be compared to others already on the register.

The criteria

Māori freehold land is non-rateable (not liable for any rates) under the LGRA, Schedule 1, Part 1, clause 14A of

the Local Government (Rating) Act 2002 if the **entire rating unit is unused**.

The purpose of this remission scheme is to provide rates assistance to unused Māori land that falls outside the scope of this non-rateability provision, for example:

- Māori freehold land that is **partly used**, or does not meet the specific definition of “unused” for LGRA non-rateability purposes
- Māori land that is not in Māori freehold land title.

The criteria to determine eligibility for application to the Māori Land Register is as follows:

- It must be Māori land (as defined in Te Ture Whenua Act 1993 Part VI Section 129 or the Local Government (Rating) Act 2002, Part 1, Sub-paragraph 1, Section 5).
- It must have historical, ancestral or cultural significance.
- It must be unoccupied, or part of the land is unoccupied. The definition of occupation which comes direct from Part 4 Section 96 of the Local Government (Rating) Act 2002 says that ‘occupation’ is where a person/persons does one or more of the following:
 - Resides upon the land
 - De-pastures or maintains any livestock whatsoever on the land
 - Cultivates the land and plants any crop on the land
 - Stores anything on the land
 - Uses the land or any improvements in any way.

A qualifying rating unit will be eligible for a 100 per cent remission of the rates on the portion of the rating unit that is undeveloped and unused.

General comment

For an application to be considered:

- Communication must be established between owners and the Council’s Chief Financial Officer
- Rating problems must have been identified and amicable solutions worked towards
- Where the land has potential for land use, owners are provided with the time to re-assert responsibility and should be actively seeking prospective occupiers or usage. Land that is unrealistic for rating purposes can be identified, e.g. mudflats, heavily eroded cliff faces, severe bush and scrub.

Remission of Additional Charges Policy

Objective of the policy

The objective of the Remission of Additional Charges Policy is to enable Council to act fairly and reasonably in its consideration of rates, which Council have not received by the penalty date, due to circumstances outside the ratepayer's control.

Conditions and criteria

Council grants to the Chief Financial Officer or their nominee delegated authority in the following circumstances to approve on receipt of an application, the remission of such additional charges which have been incurred by any ratepayer as a consequence of their payment being received after the due date:

1. Where the rate payment history of the property over the last 3 years (or back to purchase date where the property has been owned by the offending ratepayer less than 3 years) shows no previous evidence of late payment and the instalment was received by Council no later than 10 working days after the day of adding the instalment additional charge.
2. Where payment has been late due to significant family disruption i.e. in the case of death, illness, or accident of a family member, as at the due date.
3. Where the ratepayer can provide evidence that their payment has gone astray in the post or the late payment has otherwise resulted from matters outside their control.
4. 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.
5. Where a direct debit authority is commenced in time for the next instalment.
6. Where an error has been made on the part of Council staff, or arising through error in the general processing or levying, which has subsequently resulted in an additional charge being imposed.

Each application will be considered on its merits and remission will be granted where it is considered just and equitable to do so.

Remission of Rates for QEII National Trust and Land for Natural, Historic or Cultural Conservation Policy

Objective of the policy

To recognise and support the environmental value of such protected areas and to acknowledge the non-commercial use of such protected land. To preserve and promote natural resources and heritage by encouraging the protection of land for natural, historic or cultural conservation.

Conditions and criteria

1. The extent of the rates remission if approved is to be 100%.
2. Applications are to be received in writing requesting rates relief be given to areas protected by the registration of a QEII Open Space Covenant or a covenant that gives the same effect.
3. Pest eradication shall be primarily the responsibility of the owner.
4. No portion of the covenanted area is to be developed or utilised in any way for commercial activity. This includes generating income for maintenance of the covenanted area.
5. Authority to consider applications is delegated to the Chief Financial Officer with right of appeal to the Chief Executive and Council.

Remission of Water Meter Rates Attributable to Water Leaks Policy

Objective of the policy

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

To provide fair and reasonable relief to ratepayers who have excessive water consumption due to leakage and to encourage customers to get all leakage repaired in a reasonable timeframe.

Why does Council have water meters

Council uses water meters to encourage water conservation, identify leaks, and to ensure that high water users pay their fair share.

The first 300 cubic metres (300,000 litres) will be included as part of your water rates. If you use less than 300 cubic metres per year, your water rates will cover all costs and there will be no further charges. If you use more than 300 cubic metres, you will be invoiced on a user-pays basis.

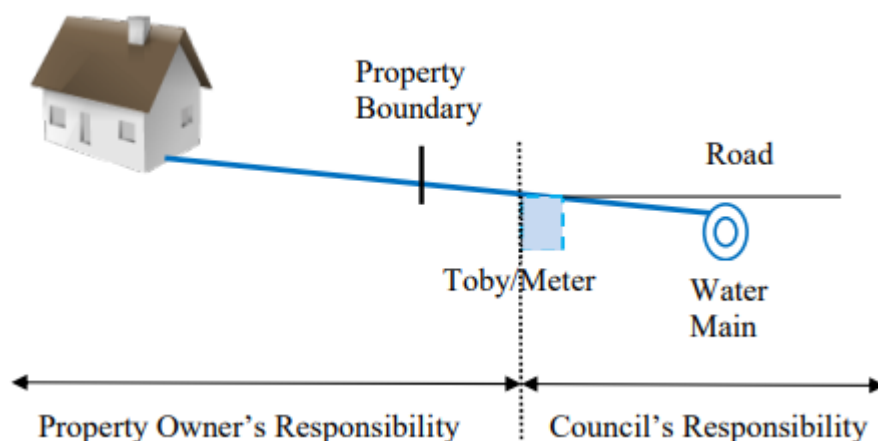
[The threshold of 300 cubic metres per year is set above the volume of water an average Central Hawke's Bay household would use in a year - 274 cubic metres/year as per the Ministry of Health guidelines.]

If your property has a water meter, please keep an eye on the amount of water that you use because the property owner is responsible for all of the water that goes through the water meter.

We recommend that you read your water meter regularly. As a guide, normal household usage should be approximately 25 cubic metres (approximately 800 litres/day) of water per month but activities like irrigating the garden, filling swimming pools, can dramatically increase your water usage as can leaky pipes, taps and stock troughs.

If you suspect you have a leak, you can check by turning off all of your taps and taking a look at the meter. If the meter is still moving, you may have a leak somewhere on your property and should contact your plumber to get the leak fixed.

Any leaks within the Council's reticulation network is Council's responsibility to fix and will not trigger a water invoice for private property owners. The water meter itself is where the water leaves Council's reticulation network and enters the private properties network. Only water usage/leaks after the water meter (ie inside the property owners private network) will result in the meter recording a water flow (see diagram below).



Conditions and criteria

Council may remit water meter rates where all of the following apply:

- A written application for remission for a water leak has been received from the property owner/property tenant; and
- The remission application is received within 3 months of the invoice date; 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 as soon as practical, and 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 (photos, plumbers invoice) 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 prior to the leak, as deemed reasonable by Council, and the consumption over and above that average.
- Remission is limited to the period where the leak was identified and fixed and the last invoice. Remission for any particular property will generally be granted only once every year. Where a remission for a water leak has been granted to a property under this policy within the last year, the remission decision is to be made by the Chief Financial Officer.
- Any remission over 4,000 cubic metres of water is to be referred to the relevant Council Committee for decision.

School Sewerage Charges Remission Policy

Objective of the policy

To ensure that schools are not disproportionately charged for sewerage services based on the number of connections. Charges will be based on the school's staff and student numbers.

Conditions and criteria

The policy will apply to the following educational establishments:

- Established as a special school under Section 98(1) of the Education Act 1964; or
- A state school under Section 2 (1) of the Education Act 1989; or
- An integrated school under Section 2 (1) of the Private Schools Conditional Integrated Act 1975; or
- A special institution under Section 92 (1) of the Education Act 1989; or
- An early childhood centre under Section 308 (1) of the Education Act 1989, but excluding any early childhood centre operated for profit.

The policy does not apply to school houses occupied by a caretaker, principal or staff.

2. An amount levied using the same mechanism as are applying to other separately rateable rating units within the District and reduced in accordance with the following formula:-
 - (a) Divided by the number of toilets as determined in accordance with condition 3 below (the full charge); and reduced in accordance with the following graduated formula:
 - i. The full charge for each of the first 4 toilets or part thereof;
 - ii. 75% of the full charge for each of the next 6 toilets or part thereof;
 - iii. 50% of the full charge for each toilet after the first 10.
 - (b) For the purpose of 1 (a) above the number of toilets for a rating unit used for the purposes of an educational establishment is 1 toilet for every 20 students and staff or part thereof, irrespective of the actual number of toilets contained in the qualifying part of the rating unit.
 - (c) The number of students in an educational establishment is the number of students on its roll on 1 March in the year immediately before the year to which the charge relates.
 - (d) The number of staff in an educational establishment is the number of teaching staff and administration staff employed by that educational establishment on 1 March immediately before the year to which the charge relates.

Calculation of Council's standard sewerage charge (based on the number of water closets/urinals).

Calculation of the number of full time equivalent on-site students and staff divided by 20 and multiplied by the applicable waste water targeted rates.

The amount to be remitted is the difference between the amount calculated under 1 and the amount that would have applied, had the rating unit not been used by an educational institution.

That the Chief Financial Officer be delegated authority to approve remission of the sewage charges in excess of the charges payable according to the policy.

EXAMPLE

Green Intermediate School is situated in Moa District Council. Moa collects its rates by way of a pan charge of \$100 per pan. At 1 March 2011, Green Intermediate has 500 students, 30 staff and 28 toilet pans. How much will it pay in sewage disposal rates?

Answer: Green School would be levied \$1762.93.

The total charge in this case would be $\$100 \times 28 \text{ pans} = \2800 . Local Government New Zealand has a legal opinion which holds that the actual number of pans should be used for this part of the calculation.

The number of rateable pans is $530/20 = 26.5$ pans which gets rounded to 27 pans for the purposes of reducing the rates.

Council calculates that the full charge on each toilet would be $\$2800/27 = \103.70 per pan.

The total charge is then calculated with reference to the scale e.g.

4 pans at the full charge ($\$103.70 * 4 = \414.80)

6 pans at 75 percent of the full charge ($\$77.78 * 6 = \466.68)

17 pans at 50 percent of the full charge ($\$51.85 * 17 = \881.45).

Total = $(414.8+466.68+881.45) = \1762.93

Sundry Remission of Rates Policy

Objective of the policy

To remit rates and charges that are the result of fundamental errors; or where the balance owing is considered uneconomic to recover; or where the amount levied is unable to be covered pursuant to sections 67/76 of the Local Government (Rating) Act 2002; or where Council or its delegated officer(s) consider the levy impractical to recover. To facilitate the use of Māori Freehold Land (and therefore the collection of rates), by removing the burden on the potential lessee of existing arrears.

Conditions and criteria

Council or its delegated officer(s) shall determine the extent of any remission based on the merits of each situation. Decisions on the extent of remissions shall be as determined by the Chief Financial Officer through the Chief Executive, as meeting the relevant criteria.

Remission of Rates – Dwellings and Land Affected by Natural Disaster

Objective of the policy

To allow the Council, at its discretion, to provide rates remission to assist ratepayers of rating units where the land or primary dwellings/buildings have been detrimentally affected by natural disaster (such as erosion, falling debris, slippage, inundation, or earthquake) rendering dwellings/building uninhabitable, or affecting the use and income derived, of the land, and which directly affects their ability to pay rates.

Application

Applications should be made in writing to the Chief Financial Officer.

Conditions and criteria

Rate Remissions may be considered in the following circumstances:

- Where a primary dwellings/buildings has been red or yellow stickered under the authority of the Building Act 2004 or the Civil Defence Emergency Management Act 2002
- Where a property is severely eroded or impacted properties, includes those properties with crop or pasture damage, where the land has become unusable or uneconomic or the ownership of the land has become indeterminate or uneconomic

If properties previously receiving a rates remission under this policy are sold then any rates remissions previously provided will cease.

Decisions on what remissions are applicable will be determined by Council on an event by event basis and then outworked by the Chief Financial Officer.

Uniform Annual Charges on Contiguous Properties Remission Policy

Objective of the policy

To enable Council to act fairly and reasonably and provide for the possibility of rates remission where two or more Uniform Annual General Charges (UAGC) are levied on rating units which are occupied or used by the same ratepayer being a lessee/owner using the rating units jointly as a single property.

Conditions and criteria

Section 20 of the Local Government (Rating) Act 2002, stipulates that there shall be one property for the purposes of levying the UAGC, where two or more separately rateable properties are:

- (a) Owned by the same ratepayer (owner or person with right to occupy by virtue of lease for more than 10 years); and
- (b) Used jointly as a single unit (for the same purpose); and
- (c) Contiguous or separated only by road, railway, drain, water race, river or stream, they shall be deemed to be one property for the purposes of any Uniform Annual General Charges.

Council will allow, without further enquiry (except for clarification), applications made by ratepayers in the form of a statutory declaration to the effect that two or more separately rated properties are occupied by the same ratepayer and are used jointly for the same purpose and the Uniform Annual General Charge and any other relevant Separate Uniform Annual Charge levied on the second and subsequent assessments will be cancelled.

Council may remit the rates where the application meets the following criteria:

3. The rating units must be contiguous and occupied by the same ratepayer who is the lessee/owner of each unit and who uses them jointly as a single property contiguous or separated only by road, railway, drain, water race, river or stream and used for the same purpose.

Where farming or horticultural operations conducted on separate blocks of land are so far apart as to indicate that there is no possible continuity between them, full charges may be levied on each. Factors such as stock rotation, stock driving, property size, and the number of properties affected will be taken into account.

Council may, on written application from a ratepayer of such rating units, reduce or cancel any separate Uniform Annual General Charge levied on the rating units if it considers it to be reasonable in the circumstances to do so.

Council grants to the Chief Financial Officer or their nominee delegated authority in the above circumstances to approve on receipt of an application, the cancellation of Uniform Annual General Charge and any other relevant Separate Uniform Annual Charge levied on the second and subsequent assessments.

Rates Postponement for Financial Hardship Policy

Purpose of this policy

- To provide rating relief to property owners where the full payment of rates would otherwise cause extreme financial hardship.
- Only rating units defined as residential and used solely for residential purposes (as defined by Council) will be eligible for consideration of rates postponement under the conditions and criteria of this policy.

Criteria

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

Application can only be made by the person entered on Council's rating information database as the "ratepayer" or their authorised agent using the form contained in Appendix 1.

The applicant must provide a complete application, including:

- Information on the ratepayers age, any physical or mental disability, injury, illness, and family circumstances;
- Confirmation that the ratepayer is the current owner of the rating unit (which is the subject of the application), and that they have owned it for not less than two years;
- Confirmation that the ratepayer uses the rating unit as their residence;
- Confirmation that the ratepayer does not own any other rating units or investment properties; and
- Verification from the ratepayer's bank as to the level of equity the ratepayer holds in the property, and that this equity is no less than 30% of the properties value.
- The ratepayer must produce a letter of support from an accredited budget adviser or financial planner stating they have had the scheme explained to them, and that they understand the rates arrears are secured against their property. The letter must also detail that the ratepayer has a household budget and has a plan for working their way out of financial hardship including a repayment plan for clearing the rates arrears in the future.

Council may consider further information to support the ratepayer's case for postponement, including:

- The likely period before the ratepayer's position could be expected to improve;
- The potential for the ratepayer's situation to deteriorate further;
- The views of any other party with a registered interest in the rating unit;
- Whether there are previous arrears owing on the property;
- Whether the applicant has sought and/or obtained financial assistance through any other means;
- Whether the ratepayer is unable to meet minimum living expenses;
- Whether the ratepayer is unable to meet mortgage repayments on the property, resulting in their mortgage provider enforcing the mortgage on their property;
- Whether the ratepayer is paying for medical treatment if the applicant or dependent family member has an injury; requires palliative care; or is suffering from a serious illness.

Council will consider, on a case by case basis, all applications received that meet the eligibility criteria of this policy.

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 normal health care, proper provision for maintenance of his/her home and chattels at an adequate standard as well as making provision for normal day-to-day living expenses.

Important information

- Even if rates are postponed, the ratepayer will be required to pay the first \$1,000 of the annual rates assessment.
- Council will add a Rates Postponement Fee to any outstanding amount of postponed rates for the period between the due date of the postponed rates and the date that they are paid.
- The Rates Postponement Fee is a financing cost that is charged on a compounding basis on all outstanding rates and postponement fees, and will equate to the ANZ Bank Floating Mortgage Rate prevailing at commencement and reviewed at the commencement of each financial year (1 July).

- Postponed rates will be postponed until a date specified by the Council or the death of the ratepayer, or the ratepayer ceases to be the owner of the property or ceases to use the property as their primary residence.
- The amount postponed plus the Rates Postponement Fee will be required to be repaid through a repayment plan to be agreed with Council by regular Direct Debit payments.
- The repayment plan repayments must commence within 2 years of the original due date of the rates being postponed, and must clear the postponed rates plus postponement fees owing within 5 years of the original due date.
- The postponed rates or any part of thereof, may be paid by lump sum at any time.
- Applicants may be asked to provide evidence of having received budget advice from an approved budget advisory service.

Rates Postponement for Emergency Event Policy

Purpose of this policy

To provide rating relief to commercial property owners where the full payment of rates would otherwise cause extreme financial hardship due to a declared event.

Please complete the application (see appendix two) and attach any additional information, which may be relevant to your application.

Important information

- Central Government have recognised the seriousness of the event and declared a regional drought, or the Civil Defence Emergency Management have declared a state of local or national emergency.
- The ratepayer runs a business / farm from the property that the application is over and can demonstrate that they have been financially impacted due to the event, and now face financial hardship.
- Verification from the ratepayer's bank as to the level of equity the ratepayer holds in the property, and that this equity is no less than 30% of the properties value. Even if rates are postponed, the ratepayer will be required to pay the first \$1,000 of the annual rates assessment.
- Council will add a Rates Postponement Fee to any outstanding amount of postponed rates for the period between the due date of the postponed rates and the date that they are paid
- The Rates Postponement Fee is a financing cost that is charged on a compounding basis on all outstanding rates and postponement fees and will equate to the ANZ Bank Floating Mortgage Rate prevailing at commencement and reviewed at the commencement of each financial year (1 July).
- Postponed rates will be postponed until a date specified by the Council or the death of the ratepayer or the ratepayers ceases to be the owner of the property or ceases to use the property as their primary residence.
- The amount postponed plus Rates Postponement Fee will be required to be repaid through a repayment plan to be agreed with Council by regular Direct Debit payments.
- The repayment plan repayments must commence within 2 years of the original due date of the rates being postponed, and must clear the postponed rates plus rates postponement fees owing within 5 years of the original due date.
- The postponed rates or any part of thereof, may be paid by lump sum at any time.

Rates Postponement Policy (Economic Development)

Objective of the policy

To assist ratepayers who undertake economic development that benefits the District as a whole.

Conditions and criteria

1. The applicant must be the current rate payer of the rating unit.
2. The Chief Financial Officer must be satisfied that economic benefits will flow to the District from the development.
3. The ratepayer must make a written application to Council.
4. Applications for a rates holiday will be considered by the Chief Financial Officer.
5. Postponed rates will be postponed until a date specified by the Council or the death of the ratepayer or the ratepayers ceases to be the owner of the property or ceases to use the property as their primary residence.
6. Even if rates are postponed, as a rule, the ratepayer will be required to pay the first \$1,000 of the annual rates assessment.
7. The amount postponed plus Rates Postponement Fee will be required to be repaid through a repayment plan to be agreed with Council by regular Direct Debit payments.
8. The repayment plan repayments must commence within 2 years of the original due date of the rates being postponed, and must clear the postponed rates plus postponement fees owing within 5 years of the original due date.
9. The postponed rates or any part of thereof, may be paid by lump sum at any time.

Rates Postponement for Superannuant Homeowners

Purpose of this policy

To give ratepayers receiving superannuation a choice between paying rates now or later.

Criteria

The applicant must provide meet the following criteria and provide the following documentation:

- Any ratepayer is eligible for postponement provided that the rating unit is used by the ratepayer for residential purposes; and
- The ratepayer resides at the address of the rating unit; and
- At least one the named ratepayers was receiving superannuation at the start of the rating year; and
- The ratepayer is eligible for the government rates rebate and has applied for it; and
- That paying Council rates is causing financial hardship; and
- The Council is satisfied, on reasonable assumptions, that the risk of any shortfall when postponed rates and accrued charges are ultimately paid is negligible; and
- The property must be insured for its full value and evidence of this produced annually; and
- Be able to demonstrate that the ratepayer has more than 30% equity in the rating unit at the start of each postponement year; and
- The ratepayer must produce a letter of support from an accredited budget adviser or financial planner stating they have had the scheme explained to them, and that they understand the rates arrears are secured against their property. The letter must also confirm that paying Council rates is causing financial hardship.

Important information

- Only rating units defined as residential and used for personal residential purposes by the applicant(s) 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 is 65 years of age or older.
- Council will add to the postponed rates all financial and administrative costs to ensure neutrality. Therefore, the ratepayer meets the full cost of postponement.
- The fee will be charged on a compounding basis on all outstanding rates and postponement fees and will equate to the ANZ Bank Floating Mortgage Rate prevailing at commencement and reviewed at the commencement of each financial year (1 July) that the postponement is in place.
- Council will establish a reserve fund out of which any shortfall will be met 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.
- The postponed rates or any part thereof may be paid at any time.
- The applicant may elect to postpone the payment of all or part of the annual rates on the rating unit.
- Any postponement on this rating unit is canceled at the earlier of the sale of the property, or on the death of the ratepayer, or the property ceasing to be primary dwelling of the ratepayer.

Application Process Checklist

First Year of Application:

- Request postponement in writing
- Provide proof of receipt of superannuation
- Provide proof of the government rates rebate eligibility
- Provide proof that ratepayer resides at the rating unit address
- Provide details of any mortgage(s) over the rating unit and their balances at the date of application
- Provide proof that the property is fully insured
- Provide letter of support from accredited budget advisor/financial planner

Subsequent Years of Application:

- Request continuation of postponement in writing
- Provide proof that ratepayer resides at the rating unit address
- Provide details of any mortgage(s) over the rating unit and their balances at the date of application
- Provide proof that the property is fully insured

Rates Discount Policy

Introduction

Under Section 55 of the Local Government (Rating) Act 2002, a discount policy may be adopted for the payment of some or all rates that are identified in the rates assessment before the due date or dates for those rates in the current year. This discount policy must be adopted using the special consultative process and may be included in the annual plan. The policy is based on existing practice. The discount policy assumes that there is only a single discount rate.

Objective

To provide a consistent and fair basis for the application of discount for the early payment of rates in the current financial year.

Conditions and criteria

Ratepayers will qualify for the discount if all due rates are paid in full, together with any outstanding prior years' rates and penalties, on the due date for payment of the first instalment in the current year (in accordance with Section 55 of the Local Government (Rating) Act 2002).

The amount of the discount will be 2% of the annual rates.

The discount rate may be reviewed annually as required, taking into consideration current borrowing interest rates and will be calculated to be fiscally neutral.

Payment plans

1. Those ratepayers who agree to pay all current rates plus arrears by the end of the subsequent rating year will have all additional charges struck within that period, waived by Council.
2. All rates receipts will be credited against each ratepayers account in the following order:
 - i. Court Costs
 - ii. Additional charges
 - iii. Previous rate arrears – oldest first
 - iv. Current rate arrears
 - v. Current instalment
3. A discount set at the June Council meeting each year be allowed where all rates are paid in full before the penalty date for the first instalment.

Outstanding Accounts Policy

Objective

1. To collect all rates, penalties on rates, outstanding rates and fees in a timely and efficient manner.
2. That the Chief Financial Officer be delegated full powers of the Local Government (Rating) Act 2002 to collect outstanding rates of Central Hawke's Bay District Council.
3. That the Chief Financial Officer be authorised to enter into arrangements with Rate Debtors and providing such arrangements are satisfactorily maintained, no legal action be initiated.
4. That in all cases where legal action brings Council to the point of Rating Sales all such instances shall be referred to Council for authorisation.

Appendix One: Rates Postponement - Financial Hardship Application Form

Applicant details:

Name of Ratepayer.....

Contact email:

Mobile phone/landline contact numbers.....

Date of Birth.....

Marital Status:

Married

De facto

Single

Occupation.....

If married or in a de facto relationship:

Partner's name.....

Address.....

Occupation.....

Your Property

Valuation Number (on rates invoice).....

Property Address.....

Mortgagee (if applicable).....

Eligibility

- | | |
|--|----------|
| 1. Is the property above your usual place of residence? | YES / NO |
| 2. Do you have at least 30% equity? (provide evidence) | YES / NO |
| 3. Do you have full property insurance cover? (provide evidence) | YES / NO |
| 4. Have you applied for a rates rebate? | YES / NO |

- 5. Do you own any other property? YES / NO
- 6. Do you or a family member have physical or mental disability, injury, or illness that impacts your ability to work? (If yes, please provide further information) YES / NO
- 7. Have you attached a letter of support from an accredited budget/financial planner YES / NO

Please provide financial details below.

I/We do solemnly and sincerely declare that the particulars supplied are correct in every detail and I make this solemn declaration conscientiously believing the same to be true and by virtue of the Oaths and Detention Act 1957

Declared at.....this.....day of20.

Before me.....
 (Solicitor Justice of the peace or other person authorised to take a statutory declaration)

Signatures of Applicants.....

Appendix Two: Rates Postponement - Emergency Event

Applicant details:

Name of Ratepayer.....

Contact email:

Mobile phone/landline contact numbers.....

Date of Birth.....

Your Property

Valuation Number (on rates invoice).....

Property Address.....

Mortgagee (if applicable).....

Eligibility

- | | |
|--|----------|
| 1. Is the property above your usual place of business? | YES / NO |
| 2. Do you have at least 30% equity? (provide evidence) | YES / NO |
| 3. Do you have full property insurance cover? (provide evidence) | YES / NO |

If you answered “No” to any of the 4 questions you are not eligible.

If eligible, please provide financial details below.

I/We do solemnly and sincerely declare that the particulars supplied are correct in every detail and I make this solemn declaration conscientiously believing the same to be true and by virtue of the Oaths and Detention Act 1957

Declared at.....this.....day of20.

Before me.....
(Solicitor Justice of the peace or other person authorised to take a statutory declaration)

Signatures of Applicants.....