

**TASMAN'S 10 YEAR PLAN 2021**

# RATES REMISSION POLICY – CONSULTATION INFORMATION

# CHANGES TO THE RATES REMISSION POLICY

## RATES REMISSION POLICY

*Policies with proposed changes*

### POLICY ON REMISSION OF UNIFORM CHARGES ON NON-CONTIGUOUS RATING UNITS OWNED BY THE SAME OWNER

Non-contiguous pieces of land will only be eligible if they have the same owner.

### POLICY ON REMISSION OF RATES ON LOW VALUED PROPERTIES

Increase the threshold for low valued properties to qualify for rates remission from \$7,000 to \$7,500.

Clarify what Council means by 'isolation' strips (which are not eligible for remission).

### POLICY ON REMISSION OF RATES FOR LAND OCCUPIED BY A DWELLING THAT IS AFFECTED BY NATURAL DISASTER

Clarify that remission is only available to dwellings and not to other land uses.

### POLICY ON REMISSION OF PENALTIES

Applications will only be accepted within 12 months of the penalty date.

### POLICY ON REMISSION OF EXCESS METERED WATER RATES

Non-residential ratepayers will be eligible for remissions for leaks larger than 1,000 cubic metres, if they supply a record of monthly meter readings

Leaks anywhere on a ratepayer's property will become eligible for remission.

Residential ratepayers with second leaks larger than 1,000 cubic metres, will pay at the marginal costs of water.

### POLICY ON REMISSION OF RATES ON ABANDONED LAND

Will apply where rates have not been paid for three years or more and it is uneconomic for Council to sell the land.

## WHAT IS THE PURPOSE OF THE RATES REMISSION POLICY?

The rates remission policy is made up of a series of policies that describe the circumstances in which the Council can provide rates remissions. Each policy outlines objectives the Council seeks to achieve by the remission of rates and the conditions and criteria applicants need to meet to receive a rates remission. The Council cannot make any rates remissions that are inconsistent with this Policy.

## POLICIES WITH PROPOSED CHANGES

Policy	Proposed Change
Policy on Remission of Uniform Charges on Non-Contiguous Rating Units Owned by the Same Owner	<ul style="list-style-type: none"> <li>Clarify that non-contiguous land is only eligible for rates remission if it has the same owner.</li> </ul>
Policy on Remission of Rates on Low Valued Properties	<ul style="list-style-type: none"> <li>Increase the threshold for low-valued properties to qualify for rates remission from \$7,000 to \$7,500.</li> <li>Clarify what we mean by 'isolation strips' (which are not eligible for remission).</li> </ul>
Policy on Remission of Rates for Land Occupied by a Dwelling that is Affected by Natural Disaster	<ul style="list-style-type: none"> <li>Clarify that remission is only available to dwellings and not to other land uses.</li> </ul>
Policy on Remission of Penalties	<ul style="list-style-type: none"> <li>Limit eligible applications to those received within 12 months of the penalty being applied</li> </ul>
Policy on Remission of Rates on Abandoned Land	<ul style="list-style-type: none"> <li>Policy applies when it is uneconomic for the Council to sell the land.</li> </ul>
Policy on Remission of Excess Metered Water Rates	<ul style="list-style-type: none"> <li>Non-residential ratepayers are eligible for remissions for leaks larger than 1,000 cubic metres, IF they supply a record of monthly meter readings. This would only apply for up to two remission applications within a five-year period of the first application.</li> <li>Leaks anywhere on a ratepayer's property become eligible for remission.</li> <li>Residential ratepayers pay at the marginal costs of water for second leaks larger than 1,000 cubic metres and pay fully for the first 1,000 cubic metres leaked.</li> </ul>

## POLICIES WITH NO PROPOSED CHANGES

Policy on Remission of Rates for Land Subject to Council Initiated Zone Changes
Policy on Remission of Rates for Sporting, Recreation or Community Organisations
Policy on Remission of Rates for School Wastewater Charges

## CLARIFY THAT NON-CONTIGUOUS LAND IS ONLY ELIGIBLE FOR RATES REMISSION IF IT HAS THE SAME OWNER

### OPTION A - WHAT ARE WE PROPOSING?

Non-contiguous land, i.e. parcels of land that don't have adjoining boundaries, are only eligible for rates remission if it has the same owner.

### WHY ARE WE PROPOSING THIS CHANGE?

The existing Policy does not clearly differentiate between the owner of a property and the ratepayer. There are situations where the owner and the ratepayer are different people e.g., where land is subject to a long-term lease and the lessee pays the rates on the property.

Our intention is to offer rates remission to ratepayers on two non-contiguous properties that have the same owners, but not where they have different owners. The current policy states that rating units must be held in identical ownership to receive a remission, however other clauses use the word "ratepayer" which has caused a lack of clarity.

The objective of the Policy is to provide rates relief from uniform charges for rural land:

- which is non-contiguous,
- farmed as a single entity, and
- owned by the same owner.

In this policy the definition of farming does not extend to rating units used fully or partially for forestry.

### WHAT ARE THE ADVANTAGES OF THIS CHANGE?

The existing wording is unclear. The change in wording better conveys the Council's purpose for this Policy. The Council's intention for this policy has not changed.

Non-contiguous land farmed as a single unit and in different ownership will no longer be eligible for remission. This change will ensure that the rates liability for two pieces of non-contiguous land being farmed as one unit is not lower than for two similar pieces of adjoining land being farmed as one unit.

This change could potentially result in the Council receiving higher rates revenue, by making less remissions.

### WHAT ARE THE DISADVANTAGES OF THIS CHANGE?

There may be some situations where non-contiguous rural land is farmed as a single entity, but has two or more owners. Rates will have to be paid in these situations, as this land will no longer be eligible for rates remission.

### WHAT OTHER OPTIONS WERE CONSIDERED?

#### OPTION B - STATUS QUO: RETAIN THE EXISTING WORDING

I.e. the ownership of the pieces of non-contiguous land is not a relevant criterion for eligibility for rates remission, only who is paying the rates for the non-contiguous land.

#### Advantages and Disadvantages

- The wording in the Policy will not convey our intention well.
- The Policy may lead some ratepayers to think they are eligible for rates remission, which is not Council's intention.
- Non-contiguous property being farmed may receive more favourable rating treatment than land that is contiguous.

See the full draft of this Policy with the changes on page 7 at [www.LTP.tasman.govt.nz](http://www.LTP.tasman.govt.nz)

## INCREASE THE THRESHOLD VALUE FOR ELIGIBLE LOW VALUED PROPERTIES AND CLARIFY WHAT WE MEAN BY 'ISOLATION STRIPS'

### CHANGE 1: THRESHOLD LEVEL

#### OPTION A - WHAT ARE WE PROPOSING?

To increase the threshold for low valued properties to qualify for rates remission from \$7,000 to \$7,500.

#### WHY ARE WE PROPOSING THESE CHANGES?

We are proposing to increase the value of land that qualifies for remission to keep pace with rising property values in the Tasman District.

#### WHAT ARE THE ADVANTAGES OF THESE CHANGES?

Increasing the threshold value for eligibility for this rates remission helps keep pace with increasing property values. It also means that more people with low value land qualify for the rates remission, than if the threshold remains at its existing level.

#### WHAT ARE THE DISADVANTAGES OF THIS CHANGE?

We may collect less rates revenue than if the threshold remains unchanged.

#### WHAT OTHER OPTIONS WERE CONSIDERED? WHAT ARE THEIR ADVANTAGES AND DISADVANTAGES?

##### OPTION B - STATUS QUO: RETAIN THE THRESHOLDS AT THE EXISTING LEVEL I.E. \$7,000.

###### Advantages and Disadvantages

- Fewer people with a low value property qualify for rates remissions (as the relative value of qualifying land compared with property values generally falls), potentially increasing the Council's rates revenue.
- No change required to the Council's administrative processes.

##### OPTION C: INCREASE THE THRESHOLD TO A HIGHER LEVEL SUCH AS \$8,000 OR \$9,000.

###### Advantages and Disadvantages

- More people with a low value property qualify for the rates remission, potentially lowering the Council's rates revenue.
- The value of properties eligible for this rates remission keep pace or potentially increases relative to property values.
- Higher administrative costs from processing more rates remissions.

##### OPTION D: DECREASE THE THRESHOLD TO A LOWER LEVEL SUCH AS \$6,000.

###### Advantages and Disadvantages

- Fewer people with a low value property qualify for rates remissions (as the relative value of qualifying land compared with property values generally falls), potentially increasing the Council’s rates revenue.
- The value of properties eligible for this rates remission do not keep pace or reduce relative to property values.
- Lower administrative costs from processing fewer rates remissions.

See the full draft of this Policy with the changes on page 8 [www.LTP.tasman.govt.nz](http://www.LTP.tasman.govt.nz)

## **CHANGE 2: CLARIFYING ISOLATION STRIPS**

### **OPTION A - WHAT ARE WE PROPOSING?**

To clarify what the Council means by ‘isolation strips’ (which are not eligible for remission).

An isolation strip is a narrow strip of land which separates land from a road. For the avoidance of doubt, this includes any land owned by a central government agency, including Waka Kotahi/ New Zealand Transport Agency.

### **WHY ARE WE PROPOSING THESE CHANGES?**

In the existing Policy, isolation strips are not eligible for the remission but isolation strips are not defined in the Policy. We also want to be clear that an isolation strip includes land owned by a central government agency, such as Waka Kotahi/New Zealand Transport Agency.

### **WHAT ARE THE ADVANTAGES OF THESE CHANGES?**

Defining isolation strips helps people understand the Council’s intention about what types of land are eligible for this rates remission. This could help reduce Council administration costs in considering applications for rates remission that do not meet the criteria.

### **WHAT ARE THE DISADVANTAGES OF THIS CHANGE?**

Defining isolation strips could mean that some pieces of land that may have had rates remissions in the past will not be eligible.

### **WHAT OTHER OPTIONS WERE CONSIDERED? WHAT ARE THEIR ADVANTAGES AND DISADVANTAGES?**

#### **OPTION B - STATUS QUO: NO DEFINITION OF ISOLATION STRIPS**

##### **Advantages and Disadvantages**

- Some ratepayers may believe they are eligible for rates remission and apply, only to find that they are not eligible.
- Council administrative costs could be higher from processing ineligible applications for rates remission.

#### **OPTION C – DEFINE ISOLATION STRIPS IN ANOTHER WAY**

#### Advantages and Disadvantages

- Depends on how else isolation strips are defined. For example a more restrictive definition may result in even less properties being eligible, whereas a broader definition would potentially result in more properties being eligible. There will be higher administrative costs if there are more applications.

See the full draft of this Policy with the changes on page 8 [www.LTP.tasman.govt.nz](http://www.LTP.tasman.govt.nz)



## THE POLICY ON REMISSION OF RATES FOR LAND OCCUPIED BY A DWELLING THAT IS AFFECTED BY NATURAL DISASTER ONLY APPLIES TO DWELLINGS, NOT OTHER BUILDINGS OR LAND USE.

### OPTION A - WHAT ARE WE PROPOSING?

Clarify that remission is only available to dwellings affected by natural disasters and not to other types of buildings nor land damage.

### WHY ARE WE PROPOSING THIS CHANGE?

Our intention is to offer rates remissions only for dwellings that become uninhabitable because of natural disaster. The wording of the existing Policy is inconsistent as it requires eligible properties to have a dwelling occupied by the ratepayer prior to the natural disaster, but also indicates that buildings other than dwellings and land uses may be eligible for the remission.

### WHAT ARE THE ADVANTAGES OF THIS CHANGE?

This change will clearly articulate our intention to offer rates remission only to dwellings following a natural disaster.

### WHAT ARE THE DISADVANTAGES OF THIS CHANGE?

The ratepayers for some properties that are not dwellings could previously have argued that they are eligible for the remission when this is not our intention.

### WHAT OTHER OPTIONS WERE CONSIDERED? WHAT ARE THEIR ADVANTAGES AND DISADVANTAGES?

#### OPTION B - STATUS QUO: RETAIN THE EXISTING INCONSISTENT WORDING IN THE POLICY.

Advantages and Disadvantages
<ul style="list-style-type: none"><li>• Our intention to offer rates remission only to dwellings following a natural disaster is not clear.</li><li>• Ratepayers for some properties that are not dwellings could argue they are eligible for the remission when this is not the Council's intention.</li></ul>



#### OPTION C – MAKE THE REMISSION AVAILABLE TO RATEPAYERS OF OTHER BUILDINGS (THAT ARE NOT DWELLINGS) AND/OR OTHER LAND USE.

Advantages and Disadvantages
<ul style="list-style-type: none"><li>• More ratepayers eligible for rates remission following a natural disaster.</li><li>• Council could potentially receive lower rates revenue.</li><li>• We could potentially have higher administrative costs for processing rates remission applications.</li></ul>



See the full draft of this Policy with the changes on page 10 [www.LTP.tasman.govt.nz](http://www.LTP.tasman.govt.nz)

## LIMIT ELIGIBLE APPLICATIONS TO THOSE RECEIVED WITHIN 12 MONTHS OF THE PENALTY BEING APPLIED

### OPTION A - WHAT ARE WE PROPOSING?

That applications for remission of rates penalties will only be accepted within 12 months of the penalty date.

### WHY ARE WE PROPOSING THIS CHANGE?

Council is introducing this change to improve administrative efficiency.

### WHAT ARE THE ADVANTAGES OF THIS CHANGE?

It will be less costly to process applications for remission of penalties that are comparatively recent.

### WHAT ARE THE DISADVANTAGES OF THIS CHANGE?

Some ratepayers that have been invoiced for a penalty may miss out on the remission if they do not apply for it within 12 months.

### WHAT OTHER OPTIONS WERE CONSIDERED? WHAT ARE THEIR ADVANTAGES AND DISADVANTAGES?

#### OPTION B - STATUS QUO: RETAIN THE EXISTING POLICY WITH NO TIME LIMIT ON WHEN APPLICATIONS FOR REMISSION CAN BE MADE.

Advantages and Disadvantages
<ul style="list-style-type: none"><li>Provides flexibility for affected ratepayers to apply for remission several years after Council imposed a rates penalty.</li></ul>



#### OPTION C – INTRODUCE A LONGER OR SHORTER TIME LIMIT.

Advantages and Disadvantages
<ul style="list-style-type: none"><li>If the period is longer, ratepayers have more time to submit an application for a remission. This could lead to more ratepayers applying on time and potentially Council making more rates remissions. Having a longer period available for people to apply for remissions is likely to make it more administratively complex and costly for Council to process the applications if we have to go back into past financial years.</li><li>If the period is shorter, ratepayers have less time to submit an application for remission. This could lead to fewer ratepayers applying on time for remissions and potentially Council making fewer rates remissions. Ratepayers may feel that Council has been unfair by not allowing them sufficient time to apply for a remission.</li></ul>



See the full draft of this Policy with the changes on page 12 [www.LTP.tasman.govt.nz](http://www.LTP.tasman.govt.nz)

## MAKE ABANDONED LAND THAT IS UNECONOMIC FOR THE COUNCIL TO SELL ELIGIBLE FOR A RATES REMISSION

### OPTION A - WHAT ARE WE PROPOSING?

Council can sell or lease land where rates have not been paid for three years or more and the ratepayer is either:

- unknown, or
- cannot be found after due inquiry, or
- deceased and has no personal representative, or
- where the owner has told Council that he/she intends to abandon the land.

The Rates Remission Policy makes abandoned land that has either failed to be sold, or is unlikely to sell, eligible for full rates remission.

Council is proposing to broaden the criteria for abandoned land where rates are fully remitted to include abandoned land where it is uneconomic for Council to sell the property. For example, very small pieces of low valued landlocked land.

### WHY ARE WE PROPOSING THIS CHANGE?

Council is proposing this change to avoid the necessity to pay costs to run sale processes if it is likely that the costs of selling the property would outweigh the revenue that would be generated.

### WHAT ARE THE ADVANTAGES OF THIS CHANGE?

Reduced administration costs for Council.

Avoid Council having to sell abandoned land where the costs to sell would be uneconomic.

### WHAT ARE THE DISADVANTAGES OF THIS CHANGE?

There are no disadvantages.

### OPTION B - STATUS QUO: DO NOT PROVIDE RATES REMISSION WHERE IT IS UNECONOMIC FOR COUNCIL TO SELL ABANDONED LAND

Advantages and Disadvantages
<ul style="list-style-type: none"><li>• Council may have to sell land where the cost of the sale process are greater than the revenue from the sale proceeds which will result in higher rates overall paid by the ratepayer.</li></ul>



See the full draft of this Policy with the changes on page 14 [www.LTP.tasman.govt.nz](http://www.LTP.tasman.govt.nz)

## EXTEND ELIGIBILITY TO NON-RESIDENTIAL RATEPAYERS; EXTEND ELIGIBILITY FOR LEAKS ANYWHERE ON A RATEPAYER'S PROPERTY; AND CHANGE WHAT RATEPAYERS PAY FOR A SECOND LEAK

There are three changes to this Policy.

### **CHANGE 1: EXTEND ELIGIBILITY FOR RATES REMISSION TO NON-RESIDENTIAL RATEPAYERS**

#### **OPTION A - WHAT ARE WE PROPOSING?**

Council currently offers rates remission only to residential ratepayers who have excess water rates due to a water leak in the property's external reticulation.

Council proposes that non-residential ratepayers become eligible for remissions for leaks larger than 1,000 cubic metres (in the same way as residential ratepayers), IF they supply a record of monthly meter readings. This would only apply for up to two remission applications within a five-year period of the first application.

#### **WHY ARE WE PROPOSING THIS CHANGE?**

We aim to encourage the efficient use of water supply by charging for excess water use. However, we do not intend to cause financial hardship to ratepayers who have experienced a water leak. Council's costs of supplying water is the same to both residential and non-residential properties. We are proposing this rates remission to avoid unnecessary financial hardship for non-residential ratepayers for larger leaks, recognising that non-residential ratepayers do have tax deductibility and other advantages not available to residential ratepayers.

Non-residential ratepayers are required to supply a record of monthly meter readings as an incentive for these ratepayers to regularly monitor their water use and to maintain the reticulation on their property to avoid water leaks. Some non-residential ratepayers use substantially more water than residential ratepayers do. If they have a leak, much more water can be lost than for residential situations.

#### **WHAT ARE THE ADVANTAGES OF THIS CHANGE?**

Non-residential ratepayers will become eligible for some rates remissions on excess-metered water charges if leaks are in excess of 1,000 cubic metres and they have been taking water readings at least monthly.

Council will recover the costs of supplying the water lost through leaks.

This change will help non-residential ratepayers who may otherwise be facing financial hardship from such water leaks.

An incentive remains for both residential and non-residential ratepayers to monitor the condition of their water reticulation systems and to fix leaks as soon as possible.

#### **WHAT ARE THE DISADVANTAGES OF THIS CHANGE?**

Council could have to process more rates remission applications and potentially collect less rates revenue.

## **WHAT OTHER OPTIONS WERE CONSIDERED? WHAT ARE THEIR ADVANTAGES AND DISADVANTAGES?**

### **OPTION B - STATUS QUO: CONTINUE TO APPLY THIS RATES REMISSION TO RESIDENTIAL RATEPAYERS ONLY.**

Advantages and Disadvantages
<ul style="list-style-type: none"><li>• It could be inequitable to offer the remissions to residential ratepayers and not non-residential ratepayers, when the cost to supply water to both types of property is the same.</li><li>• Non-residential ratepayers experiencing water leaks can experience financial hardship from the scale of excess-metered water use charges.</li><li>• Council may have to process fewer rates remission applications and potentially collect more rates revenue.</li><li>• Non-residential ratepayers do have some tax deductibility and other advantages not available to residential ratepayers</li></ul>

See the full draft of this Policy with the changes on page 15 [www.LTP.tasman.govt.nz](http://www.LTP.tasman.govt.nz)

## **CHANGE 2: EXTEND ELIGIBILITY FOR LEAKS ANYWHERE ON RATEPAYERS' PROPERTY**

### **OPTION A - WHAT ARE WE PROPOSING?**

Council proposes to make the remission available for leaks in any water supply pipe on the ratepayer's property. The existing Policy only provides remissions for leaks between the point of supply (generally at the water meter) and the dwelling.

### **WHY ARE WE PROPOSING THIS CHANGE?**

The costs for Council to supply water to properties is the same regardless of where on the property any leak takes place. Making leaks in all parts of ratepayers' reticulation systems eligible reduces uncertainty about which leaks qualify for the remission and provides relief for large leaks, which may have occurred in a non-qualifying location.

### **WHAT ARE THE ADVANTAGES OF THIS CHANGE?**

It helps ratepayers who may be facing financial hardship if water leaks occur on their property in a location which was previously not eligible. This change helps avoid disputes about eligibility for remissions by not stipulating where in the property owner's system a leak must have taken place to qualify. Reducing the number of disputes reduces administration costs for Council, and time and cost for ratepayers.

### **WHAT ARE THE DISADVANTAGES OF THIS CHANGE?**

There may be more rates remission applications and Council's revenue from excess-metered water rates may reduce.

## **WHAT OTHER OPTIONS WERE CONSIDERED? WHAT ARE THEIR ADVANTAGES AND DISADVANTAGES?**

### **OPTION B - STATUS QUO: ONLY PROVIDE REMISSIONS FOR LEAKS BETWEEN THE POINT OF SUPPLY AND THE DWELLING**

#### Advantages and Disadvantages

- It could be considered inequitable to only offer the remissions for water leaks in some parts of ratepayers' properties when the costs for Council to supply water is the same regardless of where on the property any leak takes place.
- Some ratepayers may face financial hardship if their water leaks occurred in areas of their property which are not eligible for a remission.
- There could be continued uncertainty about which leaks qualify for the remission.
- Potentially fewer leaks qualify for remission and Council's revenue from excess-metered water rates would be higher than under the proposal.

### **OPTION C - DO NOT OFFER ANY REMISSIONS FOR EXCESS METERED WATER RATES**

#### Advantages and Disadvantages

- There is a strong financial incentive for ratepayers to monitor the condition of their water reticulation systems and to fix leaks as soon as possible.
- Substantial financial hardship could be created for ratepayers, some of whom may not be aware they have a water leak for a long time, as water meters are generally read every six months.
- Council would receive full payment for metered water supplied to a property with a water leak resulting in higher revenue from excess-metered water rates.

See the full draft of this policy with the changes on page 15 [www.LTP.tasman.govt.nz](http://www.LTP.tasman.govt.nz)

## **CHANGE 3: CHANGE THE REMISSION CALCULATION FOR A SECOND LEAK**

### **OPTION A - WHAT ARE WE PROPOSING?**

Council proposes that where there is a second application for remission within five years of a first application from a residential or non-residential ratepayer, the first 1,000 cubic metres water leaked will not be eligible for remission. All ratepayers are required to pay for the first 1,000 cubic metres of any leak. For larger second leaks, the remission will be calculated on leaked volumes greater than 1,000 cubic metres so that the ratepayer is liable for a net amount at the approximate marginal cost of water for the quantity of the leak in excess of 1,000 cubic metres. This is estimated to be 6% of the volumetric water rate.

In the existing Policy, the residential ratepayer will pay an additional charge of 75% of the difference between the maximum consumption at any one time charged for that rating unit in the past three years and the actual metered consumption during the leak period.

The proposed change is expected to increase the level of the remission in the case of large leaks with high excess-metered water rates.

## WHY ARE WE PROPOSING THIS CHANGE?

Council is proposing the change to reduce the financial hardship on ratepayers experiencing two water leaks within five years.

## WHAT ARE THE ADVANTAGES OF THIS CHANGE?

The cost of excess metered water rates for ratepayers experiencing two water leaks within five years can be reduced through remissions where the second leak is large and the costs are high.

There remains an incentive for ratepayers to monitor the condition of their water reticulation systems and to fix leaks as soon as possible.

## WHAT ARE THE DISADVANTAGES OF THIS CHANGE?

Council may receive less revenue in excess-metered water rates.

## WHAT OTHER OPTIONS WERE CONSIDERED? WHAT ARE THEIR ADVANTAGES AND DISADVANTAGES?

### OPTION B - STATUS QUO: RETAIN THE EXISTING (LOWER) LEVEL OF REMISSIONS FOR SECOND LEAKS

Advantages and Disadvantages
<ul style="list-style-type: none"><li>• The cost of excess-metered water rates for ratepayers experiencing two water leaks within five years will remain high where the second leak is large and costs are high. Financial hardship may be caused.</li><li>• There is an incentive for ratepayers to monitor the condition of their water reticulation systems and to fix leaks as soon as possible.</li><li>• Council may receive more revenue from excess metered water rates than under the proposed change.</li></ul>

### OPTION C – CREATE AN ALTERNATIVE METHODOLOGY FOR CALCULATING THE RATES REMISSIONS FOR SECOND LEAKS

Advantages and Disadvantages
<ul style="list-style-type: none"><li>• Depends on the methodology used.</li></ul>

### OPTION D – HAVE NO RATES REMISSION FOR SECOND LEAKS

Advantages and Disadvantages
<ul style="list-style-type: none"><li>• The cost of excess-metered water charges for ratepayers experiencing two water leaks within five years will fall entirely on the ratepayers with the leaks. Financial hardship may be caused.</li><li>• There is a strong financial incentive for ratepayers to monitor the condition of their water reticulation systems and to fix leaks as soon as possible, especially after suffering a first leak.</li></ul>

- Council will not have to process rates remission applications for second leaks and not pay out rates remissions for them and therefore reduce administration costs
- Council may receive more revenue from excess metred water rates

See the full draft of this Policy with the changes on page 15 [www.LTP.tasman.govt.nz](http://www.LTP.tasman.govt.nz)

## TELL US WHAT YOU THINK OF OUR PLANS TO CHANGE THE RATES REMISSION POLICY

There are many ways to provide your views

- Tell us face to face at one of the consultation events
- Online – there are lots of options for providing feedback at [www.LTP.tasman.govt.nz](http://www.LTP.tasman.govt.nz) or email [LTP@tasman.govt.nz](mailto:LTP@tasman.govt.nz)
- In writing – complete the LTP consultation document submission form and drop it in any Tasman District Council office or library or post it for free to the following address

Freeport Authority No: 172255, Tasman District Council, 189 Queen Street, Private Bag 4, Richmond

**SUBMISSIONS ARE OPEN FROM 9.00 AM ON 4 MARCH 2021 UNTIL 5.00 PM ON 6 APRIL 2021**

The Council will inform all submitters that supply their contact details of the final decisions it makes on the Rates Remission Policy.

Submitters have the opportunity to present their feedback on this Policy verbally to councillors, at the same time as feedback on the Long Term Plan 2021 – 2031. These hearings will take place between 19 – 22 April 2021.