

STAFF REPORT

TO: Chairman & Members, Corporate Services Committee

FROM: Murray Staite

DATE: 26 June 2007

SUBJECT: Consideration of 2007/2008 Rate Remissions

INTRODUCTION

In its LTCCP, Council has included a policy under which it will consider remission of general rate and UAGCs at the start of each year. Generally Council undertakes this process by communicating directly with those organisations who have previously received a rates remission, together with those from whom application for consideration of a rates remission have been received during the previous 12 month period.

A letter and application form were forwarded to these groups asking for information on:

- Organisation objectives
- Details of membership
- Current financial information
- Any other relevant information

Today's meeting will consider those responses that have been received with remissions being considered against the provisions of Section 85 of the Local Government (Rating) Act 2002 and Council's policy on remissions for sporting, recreation and community groups.

Current Council Practice – Discretionary Remissions

a) Halls and Libraries

Halls are deemed to be providing a service at no cost to Council. None of the halls listed on the attached schedule are owned by Tasman District Council.

b) Promotion of arts, recreation, health and education

Again Council's policy has been to provide relief on privately owned facilities which are offered for general use to the public at no cost to Council. Further consideration is given where it is perceived that there may be some financial pressure placed on the owners of such facilities if rates were collected in accordance with the amount directly levied.

c) Games and sports

Clubs operating from Council reserves generally pay a lease to Council but receive no separate rating charge. In an attempt to equalise the position of sports clubs within the district it has been past practice to provide those clubs who either own their own property or who under the terms of their independent leases are responsible for rates, a 25 per cent remission.

d) Agricultural and Pastoral Societies

Council policy has been to acknowledge the work of A & P Associations in a district with a significant rural economy.

e) Free maintenance and relief of persons in need

Council recognises organisations which provide a free service to those in need in the community. While there are many organisations providing services in the district they mainly operate from non rateable premises. Organisations which rely on volunteers and donations may be given some rate relief at Council's discretion.

Local Government (Rating) Act 2002 and Council's LTCCP

Section 85 of the Local Government (Rating) Act 2002 – Remission of Rates, states:

- 1) *A local authority may remit all or part of the rates on a rating unit (including penalties for unpaid rates) if:*
 - a. *The local authority has adopted a Remission Policy under Section 122XA of the Local Government Act 1974, and*
 - b. *The local authority is satisfied that the conditions and criteria in the policy are met.*
- 2) *The local authority must give notice to the ratepayer identifying the remitted rates.*

This section of the Act specifically refers to Council's policy on Remissions for Sporting, Recreation or Community Organisations – a copy of which is attached to this report. These are the statute and policy against which remissions will be considered at today's meeting.

Committee members should note that today's discussion and subsequent recommendation is specific to discretionary remissions only. Statute provides some mandatory remissions and these are noted in the schedule. Should the Committee agree with staff recommendations, the amount of remissions to be granted will be \$40,555.00 (not including the six new applications).

Responses Received and Levels of Remission

We have included response details from those organisations seeking a rate remission for the 2007/2008 financial year. These are numbered in accordance with the application number indicated on the rate remission schedule. Financial details have been withheld from the public portion of this agenda but specific information can be tabled at the meeting, in committee, if requested.

Please note that the proposed rates may also include wastewater and water charges which are not eligible for any remission.

New Applicants

There are six new applicants this year:

- Murchison Theatre
- St Johns
- Pigeon Valley Steam Museum
- 1st Karori Scouts – St Arnaud
- Nelson Badminton Association
- Te Wharerangi Trust (Golden Bay Community Gardens)

Staff will provide background information to these applicants at today's meeting.

Open Space QEII Covenants

Concurrent to the annual rate remission exercise, Council is also required to pass a resolution to acknowledge the granting of rate remissions specific to registered QEII Covenants. A schedule of those applicants, totalling \$2,804.20, is attached to the back of this report.

Recommendation

That:

- a) Remissions in accordance with Council's Policy on Remissions for Sporting, Recreation or Community Organisations for the 2007/2008 financial year, as per the schedule contained in the agenda, be approved.**
- b) Remissions for Open Space QEII Covenants for the 2007/2008 financial year, as per the schedule contained in the agenda be approved.**

Murray Staite
Corporate Services Manager

Anthea Campbell
Rates Officer

