



**Western  
Bay of Plenty**  
District Council



**Mā tō tātou takiwā  
For our District**

Statement of Proposal  
– Water Rates  
Remission Policy 2021  
and Remission of Rates  
Penalties Policy

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# 1. Introduction

As part of its Long Term Plan 2024–2034 review process Council has reviewed its rates remission policies with it being agreed that proposed amendments should be made for the following two policies:

## Water Rates Remission Policy 2021

The Water Rates Remission Policy 2021 is attached to this proposal as Attachment A. The purpose of this policy is 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.

It also aims to provide fair and reasonable relief to ratepayers who have excessive water consumption due to leakage and to encourage customers to get all leakage repairs in a reasonable timeframe.

## Remission of Rate Penalties Policy

The Remission of Rates Penalties Policy is attached to this proposal as Attachment B. The purpose of this policy is to enable Council to act fairly and reasonably in its consideration of penalties for overdue rates, due to circumstances outside the ratepayer's control or where there is limited financial impact on Council.

# 2. Reason for the proposal

Section 102 of the Local Government Act gives local authorities the power to set rates postponement and remission policies. A local authority may amend a policy adopted under this section at any time after consulting on the proposed amendments in a manner that gives effect to the requirements of section 82 of the Act.

Therefore, for Council to amend either of the above mentioned policies it is required to undertake consultation on the proposed amendments pursuant to section 82 of the Act.

This consultation will run concurrently with the formal consultation period for the 2024–34 Long Term Plan. Details of this are set out in section three.

## Summary of proposed changes

Policy	Proposed amendment
<b>Water Rates Remission Policy 2021</b>	Amend wording from:  <i>Only one remission will be granted in any five year period per rating unit. However, where a rating unit has a change of ownership, Council may consider an application from the new owner(s) within the five year period.</i>

	<p>To:</p> <p><i>Up to two remissions will be granted in a five year period per rating unit. Where a rating unit has a change of ownership, Council may consider an application from the new owner(s) within the five-year period.</i></p> <hr/> <p>Delete current wording set out at section 6.3 of the policy <i>Remissions under \$5,000 can be approved by the Finance Manager. Remissions in excess of \$5,000 must be approved by the Chief Executive</i></p> <p>Replace with the following statement</p> <p><i>Decisions under this policy will be delegated to officers in accordance with Council's delegations register.</i></p>
<p><b>Remission of Rates Policy</b></p>	<p>Amend wording from:</p> <p><i>Council shall have regard to excellent payment history, with no penalties incurred within the previous five years.</i></p> <p>To:</p> <p><i>Council shall have regard to excellent payment history. In the instance where a penalty has been incurred within the previous five years staff have the discretion to assess this on a case-by-case basis</i></p>

The proposed changes listed above are set out as tracked changes in each respective policy at Attachment A and Attachment B of this Statement of Proposal.

### **3. Have Your Say**

**We need your feedback by 5pm, 17 June 2024.**

Please tell us your thoughts on the proposed changes. You can do this by:

- Entering it online at: <https://haveyoursay.westernbay.govt.nz>
- Posting it to: Have Your Say, Western Bay of Plenty District Council, Private Bag 12803,

Tauranga 3143.

- Emailing it to: [haveyoursay@westernbay.govt.nz](mailto:haveyoursay@westernbay.govt.nz)
- Delivering it to:
  - Western Bay of Plenty Barkes Corner Office, 1484 Cameron Road, Greerton
  - Te Puke Library and Service Centre, 130 Jellicoe Street, Te Puke
  - The Centre – Pātuki Manawa, Katikati Library, Service Centre and Community Hub, 21 Main Road, Katikati
  - Waihī Beach Library and Service Centre, 106 Beach Road, Waihī Beach
  - Ōmokoroa Library and Service Centre, 28 Western Avenue, Ōmokoroa

Feedback forms are available online, at our service centres listed above, or through calling the Council (07 571 8008) to request a hard copy.

### **Giving effective feedback**

Online and hard copy submission forms provide the opportunity to express your views on the proposed changes.

Feedback on matters outside the scope of the rates penalties policies cannot be considered by the Council as part of this review process.

Period for feedback opens: Friday 17 May 2024

Period for feedback closes: Friday 17 June 2024

Opportunity to speak: In person consultation events will be held during the above named period at 12 neighbourhood locations across the district. Details of these events will be made available on Council's website.

## **4. What happens next?**

Council will acknowledge in writing or by email (if provided) the receipt of your feedback and all feedback will be considered through Council's deliberations process.

All submitters who provide email or postal details will be notified of our decisions.

## 5. Attachment A – Water Rates Remission Policy

### Council Policy

#### Water Rates Remission Policy

##### 1. Relevant Legislation

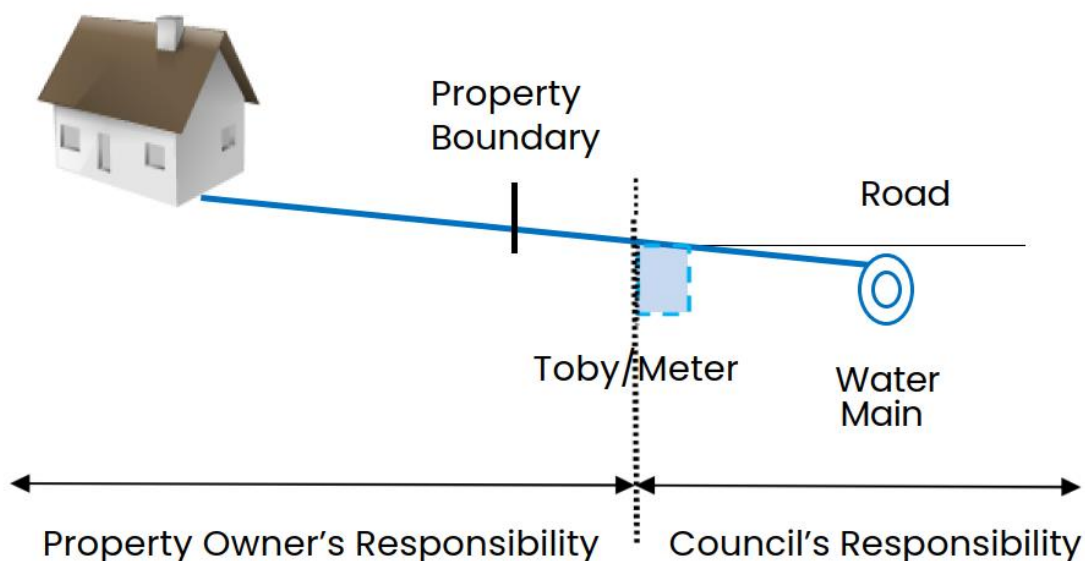
- Local Government Act 2002
- Local Government (Rating) Act 2002

##### 2. Definitions

**Estimated average consumption** means the consumption for the period since the previous reading of the meter based on the average of the previous four or six billing periods charged to the customer in order to account for seasonal variations (fewer billing periods may be used if meter history is not available).

**Excessive water consumption** means a significant increase in consumption of water, based on the estimated average consumption that is directly attributable to leaks in the internal reticulation (water supply) of a rating unit connected to the Council's water supply network.

**Internal reticulation** means any pipes, plumbing and fittings that are the rating unit owner's responsibility past the point of supply (see the Western Bay of Plenty District Council Water Supply System - Terms and Conditions for the Supply of Water for further detail) –The figure below is indicative.



##### 3. Policy Objective

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.

#### **4. General Obligations**

Council has no obligation to pay for water losses within private properties. It is the rating unit owner's responsibility to maintain the plumbing and fittings and to pay for any repairs to the internal reticulation serving a private rating unit.

However, Council has resolved to assist customers with a remission if they have had the leak repaired and have not made a remission request within the previous five years.

Customers have a responsibility to ensure the condition of their dwelling does not contribute to a failure of the plumbing system.

Where a dwelling or rating unit is left vacant for an extended period of time owners/occupants should consider shutting off the water supply and draining all pipes and appliances.

#### **5. Conditions of Application**

Council will accept applications for remission of excessive water consumption charges from a metered Council water supply provided that:

- 5.1 The application must be made in writing and signed by the owner(s)
- 5.2 The application for remission must be made within 6 months of the invoice date.
- 5.3 The ratepayer must supply to Council evidence that the excessive water consumption is a result of a leak at the rating unit.
- 5.4 Ratepayer must supply satisfactory evidence to Council that:
  - a. a leak has been repaired (plumbers receipt and/or photographs);
  - b. the leak was repaired as soon as possible once it was discovered; or
  - c. the leak was repaired as soon as possible once advised of the excessive water consumption.

#### **6. Conditions of Remission**

~~6.1 Only one remission will be granted in any five year period per rating unit. However, where a rating unit has a change of ownership, Council may consider an application from the new owner(s) within the five year period.~~

Up to two remissions will be granted in a five year period per rating unit. Where a rating unit has a change of ownership, Council may consider an application from

the new owner (s) within the five year period.

6.2 The maximum remission will be 50% of the cost of the difference between the estimated average consumption and the actual water consumption for that billing period.

~~6.3 — Remissions under \$5,000 can be approved by the Finance Manager. Remissions in excess of \$5,000 must be approved by the Chief Executive.~~

Decisions under this policy will be delegated to officers in accordance with Council's delegations register.

6.4 A record of the remission, as evidence of a previous failure in the internal reticulation, will be placed on the Property File of the rating unit.

## **7. Estimating Consumption**

7.1 For the purpose of establishing actual water consumption and estimated average consumption Council may need to estimate consumption as per the WBOPDC Terms and Conditions for the Supply of Water.

## **8. When the Policy doesn't apply**

This Policy does not apply where:

- 8.1 The circumstances do not meet the conditions of Sections 5 or 6 above:
- 8.2 usage above the customer's average monthly consumption is due to seasonal usage such as watering of gardens, filling swimming pools or spas, washing vehicles or similar as this describes water supply knowingly used by the customer;
- 8.3 water loss is due to theft, vandalism, or construction damage as the responsibility to resolve these issues lies with the customer.
- 8.4 the leak was caused by a third party from whom the customer is able to recover their costs.

## **9. Associated Council Policies and Procedures**

- Western Bay of Plenty District Council's Long Term Plan
- Western Bay of Plenty District Council's Annual Plan
- Western Bay of Plenty District Council Water Supply System – Terms and Conditions for the Supply of Water
- Western Bay of Plenty District Council Water Supply System Bylaw



<b>Group</b>	Corporate Services	<b>Contact</b>	Finance Manager
<b>Supersedes</b>	2014		
<b>Creation Date</b>	2008	<b>Resolution Reference</b>	C26.8
<b>Last Review Date</b>	2019	<b>Resolution Reference</b>	C21-9.14
<b>Review Cycle</b>	Review every 6 years	<b>Date</b>	2026
<b>Authorised by</b>	Council	<b>Date</b>	29 June 2021

## 6. Attachment B – Remission of Rates Penalties Policy

### Council Policy

### Remission of rates penalties

### Relevant Legislation

Local Government (Rating) Act 2002, section 85

Local Government Act 2002, section 109

### Objective

To enable Council to act fairly and reasonably in its consideration of penalties for overdue rates, due to circumstances outside the ratepayer's control or where there is limited financial impact on Council.

### Eligibility criteria

Where there are circumstances outside the ratepayer's control:

Remission of one penalty will be considered in anyone rating year where payment has been late due to significant disruption to the ratepayer's circumstances. Each application will be considered on its merits and remission will be granted where it is considered just and equitable to do so.

Remission will be considered in the case of death, illness, or accident of a family member, within 60 days of the due date for payment of rates.

Council shall have regard to:

- Excellent payment history, ~~with no penalties incurred within the previous five years;~~ and/or In the instance where a penalty has been incurred within the previous five years staff have the discretion to assess this on a case-by-case basis.
- Whether 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.

Where there is limited financial impact:

At its sole discretion and without application by the ratepayer, Council may suppress penalties:

- Where trivial amounts are owing due to incorrect payment being made; or
- Where demonstrable progress is being made to pay both current rates and arrears (e.g. a fortnightly direct for a regular sum and period of time has been agreed with Council).

## Policy procedures

Decisions under this policy will be delegated to officers in accordance with Council's delegations register.

<b>Group</b>	Corporate Services	<b>Contact</b>	Finance Services Team Leader
<b>Supersedes</b>	Confirmed with adoption of the Annual Plan 2021-2022		
<b>Creation Date</b>		<b>Resolution Reference</b>	
<b>Last Review Date</b>	June 2016	<b>Resolution Reference</b>	
<b>Review Cycle</b>	LGA s109 requirement to review at least once every 6 years	<b>Date</b>	14 June 2028
<b>Authorised by</b>	Policy Committee	<b>Date</b>	14 June 2022