

DRAFT FOR CONSULTATION NOVEMBER 2024

Rates Remission Policy Excerpt

Note: This is a draft excerpt for the Masterton District Council [Rates Remission Policy](#) to support the Council's proposed water meter charging approach.

Purpose

The purpose of the Rates Remission Policy is to state the circumstances where Masterton District Council (MDC) will consider a rates reduction.

Rates Remission

MDC will apply rates remissions for the rating units or circumstances detailed in the table below, if the conditions described within this policy are met.

Ratepayers seeking remission should apply in writing, taking into account the relevant conditions and criteria. Approved remissions will be effective from the rating year immediately after the year in which application is made, unless otherwise stated.

No.	Rating Unit/Circumstance	Remission
13	Remission for households experiencing financial hardship who have incurred high volumetric water charges	Up to 100% of the water supply volumetric charges
14	Temporary financial assistance for households experiencing financial hardship for repair of water leaks	Up to \$300 per rateable property
15	Remission for excess consumption due to water leak	Up to 50% of the difference in charge between the estimated consumption and the actual consumption. Consumption will be estimated in accordance with the Water Supply Part of the Wairarapa Consolidated Bylaw.

Rates assistance associated with volumetric water charging

This section sets out the circumstances in which the Council will offer financial assistance to those experiencing financial hardship and/or to those who have received high volumetric water charges due to excess consumption.

Three remissions are provided for in this section:

1. Water remission for households experiencing financial hardship who have incurred high volumetric water charges:
 - a. Ratepayers who own their own home
 - b. Ratepayers who own rental properties, who are applying jointly with and on behalf of a tenant facing difficult financial circumstances.
2. Temporary financial assistance for households who are experiencing financial hardship and require support to repair a water leak.
3. Water remission for excess consumption due to a water leak.

1) Households experiencing financial hardship who have incurred high volumetric water charges

Objective

To support households experiencing financial hardship who have incurred high volumetric charges.

Conditions and Criteria

Applications are open from 1 May each year until 30 June, or until the available Council funding under the Rates Remission Policy is fully subscribed, whichever occurs first.

The Council may remit volumetric water charges where the Council is satisfied that financial hardship would be caused or made worse by requiring payment of the whole or part of the charges and all of the following apply:

Ratepayer: owner of property – water meter volumetric charge paid by property owners:

- the property is metered and is used for personal residential purposes;
- the applicant owns the property (with or without a mortgage);
- the applicant resides at the property at the time of application;
- the applicant provides evidence that Council deems appropriate to support the claim of financial hardship¹; and
- the total metered water volume from 1 July to 30 April has exceeded the amount which is 5/6th of the bulk allocation set for that year multiplied by 2.

¹ Note: Community feedback is invited on how the Council defines financial hardship as part of consultation on the draft Policy.

Landlord and tenant: water volumetric charge paid by landlord and on- charged to tenant

- the property is metered and is used for residential purposes;
- the tenant has a rental agreement for no less than six months and a copy of the rental agreement is provided to the Council;
- the tenant resides at the property at the time of application;
- the tenant provides evidence that Council deems appropriate to support the claim of financial hardship²;
- the total metered water volume from 1 July to 30 April has exceeded the amount which is 5/6th of the bulk allocation set for that year multiplied by 2; and
- the landlord makes the application with, and on behalf of the tenant, and agrees to adjust any on-charged water volumetric charge to the tenant by the amount remitted by the Council. Should the landlord receive the remission and then not pass on the remission to the tenant, the amount of the remission will be subsequently charged to the relevant rateable property.

A remission will only be granted for consumption that is ordinary use for domestic purposes as defined by the Water Supply Part of the Wairarapa Consolidated Bylaw. The Council must also be satisfied that the high water use is genuine and is not caused by an ongoing undetected water leak.

The assistance for any particular property will only be granted once in a three-year period.

Remission

Refer category 13 in the table above.

² Note: Community feedback is invited on how the Council defines financial hardship as part of consultation on the draft Policy.

2) Temporary financial assistance for households experiencing financial hardship repair of water leaks

Objective

To provide relief for ratepayers who are experiencing financial hardship caused or made worse by one-off expenditure to repair a water leak.

Policy conditions and criteria

Applications may be made throughout the year and will be considered until the available Council funding under the Rates Remission Policy is fully subscribed.

A ratepayer who has incurred one-off expenditure may be eligible for assistance through a remission of rates if they meet the following criteria:

- the applicant is the owner of the property;
- the applicant resides at the property at the time of application;
- the applicant provides evidence that Council deems appropriate to support the claim of financial hardship³;
- the applicant has also applied for the Government Rates Rebate Scheme and is receiving all relevant funding;
- one-off expenditure has been incurred in relation to repairs for a water leak within the same financial year and proof of expenditure and reasons for expenditure are provided; and
- the expenditure occurred on a property connected to the urban water supply.

Costs to repair a water leak includes costs for essential repairs or maintenance to the private water supply side and costs associated with essential civil repairs.

The assistance for any particular property will generally only be granted once in a three-year period, unless the property has had a change of ownership or extenuating circumstances apply.

Remission

Refer category 14 in the table above

³ Note: Community feedback is invited on how the Council defines financial hardship as part of consultation on the draft Policy.

3) Remission for excess consumption due to water leak

Objective

To provide relief where a water leak has been detected on a ratepayers property resulting in excess consumption, and prompt remedial action to repair the leak has been undertaken.

The ratepayer remains responsible for water leaks, the pipes and the usage of water on their property in accordance with the Water Supply Part of the Wairarapa Consolidated Bylaw.

Conditions and Criteria

The Council may remit volumetric water charges for properties where all of the following apply:

- the application is made within three months of the invoice date;
- the leak occurred on a metered water property;
- the Council is satisfied that the leak on the property has caused excess water consumption;
- 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 is provided to the Council.

The remission is limited to the last invoice and the period between:

- the date of leak identification and the date of repair; or
- the date of leak notification by the Council to the ratepayer and the date of repair.

The remission for any particular property will generally only be granted once in a three-year period, unless the property has had a change of ownership or extenuating circumstances apply. In the event of a recurrence of a water leak on a particular property, the Council may require the ratepayer to get a condition assessment of the pipes on the property at the property owners' expense prior to any decision to consider a subsequent remission.

Remission

Refer category 15 in the table above.

Delegations

The Chief Executive is delegated the authority to exercise all discretions available within this policy. Further delegations are made to the Manager Finance and Revenue Manager as per the table below.

Policy reference	Chief Executive	General Manager Finance	Revenue Manager
Households experiencing financial hardship who have incurred high water meter volumetric charges	✓	✓	
Temporary financial assistance for households experiencing financial hardship who have one-off expenditure to repair a water leak.	✓	✓	
Excess water consumption due to water leak	✓	✓	

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