

Proposed changes to the Rates Remission and Postponement Policy

We'd like to hear your thoughts on the addition to the Policy of a rates postponement to fund repairs to private stormwater and wastewater pipes.

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Summary of the proposal

We're looking to introduce an addition to our existing Rates Remission and Postponement Policy to provide financial assistance to ratepayers to fund repairs to private stormwater and wastewater pipes.

The amendment details the proposed changes to Porirua City Council's (the Council) Rates Remission and Postponement Policy and would allow eligible ratepayers to apply for postponement of a targeted rate, to fund repairs to private stormwater and wastewater pipes.

Have your say

Key dates

When	What
02/10/2020	Submissions open
01/11/2020	Submissions close
19/11/2020	Submitters present to Te Puna Kōrero
03/12/2020	Te Puna Kōrero deliberates, changes are agreed, and a recommendation made to the Council
16/12/2020	Council adopts the amended Rates Remission and Postponement Policy

Making a submission

Go online

The easiest way to make a submission is to go online to our [public consultation](#) page to share your views

Write to us

You can fill out the feedback form that accompanies this document and post it to us at Porirua City Council, PO Box 50218, Porirua 5240 or email your feedback form to submissions@porirua.govt.nz.

If you don't have access to a computer, you can call our Contact Centre on 04 237 5089 to request a hardcopy be posted to you.

In person

During normal business hours you can find copies of this proposal at all Porirua City libraries, and at our Front Counter, Ground Floor, 16 Cobham Court, Porirua City.

Your privacy

Please include your name and contact details and let us know if you would like to attend a hearing to speak in support of your submission (so that we can allocate you a speaking time).

All submissions are public information. This supports our drive to be as transparent as possible, but, if there are any personal details you don't want made public, please let us know.

Want to know more?

If you have any questions, or would like a little more information, you can contact Zach Morton-Adair (Commercial Manager) at zach.morton-adair@porirua.govt.nz or 04 237 5089.

The proposal

Background

The purpose of this Policy addition is to provide financial assistance to fund repairs to private wastewater and stormwater pipes that may be causing leaks, overflows and cross-connections.

Repairing pipes will improve people's health and safety and improve compliance with increasing levels of service relating to water quality from central and regional government agencies.

The proposed changes are targeted at assisting individual ratepayers by providing financial assistance and support to complete onsite repairs (by a registered drainlayer under the Plumbers, Gasfitters and Drainlayers Act 2006) allowing for repayment over time to provide relief from immediate financial burden. It also enables ratepayers to pay the full amount of the postponed voluntary targeted rate at any time, and for the postponed rate to become payable in the event a property is sold or transferred.

Reason for the proposal

Ratepayers are responsible for ensuring private stormwater and wastewater pipe related repairs are promptly addressed to minimise property damage, pollution and health and safety effects. All private pipes within a single property title, and serving only that property, shall be maintained by the ratepayers at their expense and effort.

As part of testing undertaken by Wellington Water within our City's network it has been recognised current problems exist on private land of inflow and infiltration in the wastewater and stormwaters networks. The size and scale of the problem needs to be further investigated.

The current Policy does not enable Council to provide financial assistance to property owners to undertake private repairs to pipes.

The proposed changes will enable property owners who elect to receive financial assistance, by way of targeted rate, to have access to a rates postponement scheme to enable repayment over time.

Where a ratepayer is notified that repairs and maintenance to private pipes are required the ratepayer may:

- organise and pay for the required repairs to meet the Building Code or
- authorise Council to undertake the works to meet the Building Code.

Where the ratepayer authorises Council to undertake the works on their behalf the following funding options are made available:

- the ratepayer pays directly to the contractor for the actual costs of repair; or
- the ratepayer elects to receive financial assistance from Council and volunteers to repay the amount by way of targeted rate.

The Policy is designed to be rates neutral as it will be fully self-contained and not place any cost on Council or ratepayers other than those who postpone rates under it.

Conditions and criteria

The postponement would apply to any rating units within the Group 01 – Residential Group 13 – Commercial, Group 15 – Motels or Group 16 - Shopping Plazas category who elect to utilise the scheme.

Eligibility for this postponement of rates is limited to ratepayers who:

- (a) have repairs to private stormwater and/or wastewater pipes on their land paid for by the Council; and
- (b) elect to be liable for a voluntary targeted rate which is used to fund the repairs by Council to the ratepayer's private pipes; and
- (c) sign the *Financial assistance private stormwater and wastewater repairs* contract and application form setting out the terms under which the Council will pay for the repairs.

Ratepayers seeking the benefit of the rates postponement policy need to enter into a contract recording the exact terms, obligations and assistance provided.

The postponement fee will be treated by Council as part of the rates on the relevant rating unit, in accordance with the Local Government (Rating) Act 2002.

Council may register a notice of charge over the relevant rating unit in respect of which the rates have been postponed until the postponed rates are paid.

Options

Option one

This Rates postponement policy will function as follows:

- The formal terms of the arrangement will include the following:
 - The wastewater and stormwater financial assistance targeted rate will be postponed in accordance with this Postponement Policy and the contract. The amount of the voluntary targeted rate will be the actual cost of undertaking the works for repairing the pipes to meet Building Code;
 - A postponement fee will be added to the postponed voluntary targeted rate which will be made up of two parts:
 - an establishment charge of \$250.00 plus GST to cover Council's administrative costs of the postponement; and
 - the financial costs to Council of the postponement (calculated using Council's average cost of borrowing at time of postponement).
- The contract entered into between Council and the ratepayer will also be the written application for postponement of rates under this policy as required by the Local Government (Rating) Act 2002.
- Option 1: The wastewater and stormwater financial assistance targeted rate plus the postponement fee will be payable in the first rating year as defined in the contractual terms and in accordance with the Council's Rating Policy except as described in this Policy. The wastewater and stormwater financial assistance targeted rate will be postponed except for the amount of \$500.00 plus GST per annum. This amount will be payable along with other rates assessed. Each year, another \$500.00 plus GST of the postponed wastewater and stormwater financial assistance targeted rate will become payable. If in any rating year the outstanding amount of rates postponed under this policy is less than \$500.00 plus GST, then the full outstanding amount will be payable in that rating year.
- The full amount of postponed rates will become payable in full if the relevant rating unit is sold or transferred.
- The postponement fee will be treated by Council as part of the rates on the relevant rating unit, in accordance with the Local Government (Rating) Act 2002.
- Council may register a notice of charge over the relevant rating unit in respect of which the rates have been postponed until the postponed rates are paid.

Where a property owner wishes to repay any amount in excess of the payable amount in any rating year, such repayment will be offset against any future payable amounts.

For the purposes of this Policy repairs to drinking water pipes are excluded and trade waste issues are covered by the Trade Waste Bylaw.

Option two

This Rates postponement policy will function as follows:

- The formal terms of the arrangement will include the following:

- The wastewater and stormwater financial assistance targeted rate will be postponed in accordance with this Postponement Policy and the contract. The amount of the voluntary targeted rate will be the actual cost of undertaking the works for repairing the pipes to meet Building Code;
- A postponement fee will be added to the postponed voluntary targeted rate which will be made up of two parts:
 - an establishment charge of \$250.00 plus GST to cover Council's administrative costs of the postponement; and
 - the financial costs to Council of the postponement (calculated using Council's average cost of borrowing at time of postponement).
- The contract entered into between Council and the ratepayer will also be the written application for postponement of rates under this policy as required by the Local Government (Rating) Act 2002.
- Option 2: The postponed Wastewater and stormwater financial assistance targeted rate will become payable over the next 5 to 10 rating years. The postponed wastewater and stormwater financial assistance targeted rate will be payable in 5 to 10 equal instalments. The balance of the postponed rates (which are not payable in any given rating year) will be postponed as part of terms outlined in the contract.
- The full amount of postponed rates will become payable in full if the relevant rating unit is sold or transferred.
- The postponement fee will be treated by Council as part of the rates on the relevant rating unit, in accordance with the Local Government (Rating) Act 2002.
- Council may register a notice of charge over the relevant rating unit in respect of which the rates have been postponed until the postponed rates are paid.

Where a property owner wishes to repay any amount in excess of the payable amount in any rating year, such repayment will be offset against any future payable amounts.

For the purposes of this Policy repairs to drinking water pipes are excluded and trade waste issues are covered by the Trade Waste Bylaw.

Supporting information

- Proposed changes to the Rates Remission and Postponement Policy

Submission form

We'd love your feedback on the proposed amendment to the Rates Remission and Postponement Policy to assist our Council in its decision-making.

Privacy

All submissions are public information. This supports our drive to be as transparent as possible, but, if there are any personal details you don't want made public, please let us know.

Your details

We'd like to know a little more about you

First name		Last name	
Organisation			
Physical address			
Suburb			
Email			

Presenting your submission in person

Would you like to come and talk to the Council about your submission?

Yes No

If yes, please provide a phone number so we can get in touch:

Your feedback

You can leave your feedback on the proposal here or complete the 'your details' section above and attach your feedback.

Please select your preferred option and provide some reasons why:

1. Do you support the proposed amendments to the Rates Remission and Postponement Policy?

Yes No Partially

Comments