



Approved: By Council, 22 June 2017

Replaces:

Introduction

The purpose of this policy is to provide a mechanism for staff and Council to remit rates where a rating unit has been affected by the November 2016 earthquakes and related aftershocks. This policy will be applicable to properties where the rating value of the property has **not** been reassessed by QV due to the damage resulting from the earthquakes. This policy takes effect from 1 July 2017 and is applicable until 30 June 2018 or when the damage has been repaired and the property owner can resume occupation, whichever is sooner.

Properties where buildings have Section 124 notices issued by Council.

Where the Council has issued a notice under Section 124 of the Building Act that the building is dangerous, earthquake prone or insanitary, then the value of the damaged improvements shall be deducted from the Capital Value assessed in September 2016 to result in an amended rating value.

The amended rating value shall be used to recalculate an amended rates based on Capital Value.

Residential properties will also not be liable for any rates for services for Water, Sewer or Refuse Collection.

Example:

- *A property in Waiau has a Capital Value as at 1 September 2016 of \$215,000, of which the Improvement Value of \$147,000 and Land Value of \$68,000.*
 - *The Hurunui District council rates to be set for the property for the 2017/2018 year is \$1,365.18*
 - *Breakdown of rates are:*

○ Water	497.95
○ Refuse Collection	90.00
○ Sewer (not applicable in Waiau)	0.00
○ Other Capital Value Rates	249.33
○ Other Fixed Charge Rates	<u>527.90</u>
	1,365.18
 - *The dwelling is deemed inhabitable under section 124 of the Building Act; therefore, the amended rating value will be \$68,000 (Capital Value of \$215,000 less value of Damaged Improvements of \$147,000).*
 - *The adjusted rates will be:*

○ Water (no service)	0.00
○ Refuse Collection (no service)	0.00
○ Sewer (not applicable in Waiau)	0.00
○ Other Capital Value Rates	78.86
○ Other Fixed Charge Rates	<u>527.90</u>
	\$606.76
 - *The overall remission to be processed is \$758.42.*
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Other Damage to properties

For any properties that have been damaged but no Section 124 notice has been issued, the property owner is encouraged to request that Council review the circumstances on a case-by-case basis.

The property owners shall provide the following information:

- Full details of the damage to the property;
- whether the damage is temporary;
- when the property is expected to return to its former use in the future;
- an estimate of the time it will take the land to recover to a useable state and steps that the owner will take to achieve this.

The Council may ask for a report from a suitably qualified expert to ascertain the extent of the damage.

END OF POLICY