



# policies (summaries only)

# Policies

## WHAT ARE POLICIES?

Policies:

- ▶ inform the community of Council's position on specific policy issues
- ▶ assist elected members to make consistent and fair decisions
- ▶ provide staff with clear direction on how decisions are to be implemented.

Under the Local Government Act 2002, Council must include all funding and financial policies in its Long Term Council Community Plan. A brief description of each policy is provided here. The complete policies are included in full in Volume 2: Council Policies. This is available on request or online [www.gdc.govt.nz](http://www.gdc.govt.nz).

## Significance Policy

The Significance Policy must set out Council's general approach to determining the significance of proposals and decisions in relation to issues, assets, or other matters.

Council's Significance Policy considers seven factors:

1. Is the decision inconsistent with other significant decisions which have already been made?
2. Is the net operating cost more than \$250,000 or the net capital cost more than \$1,000,000?
3. Does the decision have a very great impact on certain members of the community?
4. Is the matter controversial?
5. If a decision is made, are the effects irreversible?
6. Is the decision-making process unreasonably complex or unreasonably slow?
7. Precaution: Is Council unclear about the significance of any aspect of the decision?

If the answer to any of these questions is "Yes" then the matter is significant. If the answer is "maybe" then the matter is probably significant under the precautionary principle (No 7).

The Significance Policy also contains a list of Strategic Assets. A decision to construct, replace, or abandon a strategic asset can only be taken if the decision has been explicitly provided for by a statement of proposal in the Council's Ten Year Plan.

## Revenue and Financing Policy

Council's Revenue and Financing Policy determines:

1. In relation to each activity to be funded –
  - ▶ the community outcomes to which the activity primarily contributes
  - ▶ the distribution of benefits between the community as a whole, any identifiable part of the community, and individuals
  - ▶ the period in or over which those benefits are expected to occur
  - ▶ the extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity
  - ▶ the costs and benefits including consequences for transparency and accountability of funding the activity distinctly from other activities.
2. The overall impact of any allocation of liability for revenue needs on the current and future social, economic, environmental, and cultural wellbeing of the community.

These costs and benefits directly translate into the actual rates charged to each property. Council has identified 80 funding streams which are analysed independently to determine the extent to which they apply or do not apply to any specific rating unit, and the rates which apply are the accumulation of the components of those 80 funding streams.

These are listed on the Rates Invoices under the general headings "General Rates", "Targeted Rates" and "Uniform Annual Charges".

## Liability Management Policy

The objective of the Liability Management Policy is to provide a framework for managing the Council's borrowing.

Key elements are that:

- ▶ borrowings are maintained at a prudent level
- ▶ borrowing provides a basis for intergenerational equity
- ▶ borrowings are done efficiently and to support the Council as a whole.

## Investment Policy

The Investment Policy sets the framework for managing Council's investments. The objective is to ensure that these investments are managed in a prudent and competent manner. Overall the policy requires Council to manage its investments to optimise value and returns in the medium to long term.

## Development Contributions Policy

Development contributions are contributions of money and/or land required on granting of building consent, resource consent or service connection. The contributions are used to help fund Council infrastructure and therefore reduce pressure on rates.

The Development Contributions Policy sets out how and when development contributions are assessed in the Gisborne district. It also provides a summary of the separate provisions in the Combined Regional Land and District Plan relating to charging of financial contributions on resource consents.

## Partnerships with the Private Sector Policy

The Partnership with the Private Sector Policy outlines the circumstances in which Council will consider entering into public-private sector partnerships (PPPs), when consultation would be undertaken prior to such a partnership, what conditions might be imposed on such partnerships, their risk management, and reporting on the funding and outcomes of any such partnerships. For statutory requirements, refer to section 107 of the Local Government Act 2002 (LGA 2002).

## Policy on the Remission and Postponement of Rates on Māori Freehold Land

### Whenua Rahui – Remission and Postponement of Rates

The criteria to determine eligibility for applications to the Whenua Rahui Register are as follows.

- ▶ The land listed on the application must be Māori Land or Māori Freehold Land as defined in the Te Ture Whenua Māori Land Act 1993.
- ▶ The land must be “unoccupied” by any persons ie, no dwellings or any other use made of the land.
- ▶ The land must be of historical, ancestral or cultural significance. If the land has been purchased instead of being inherited then it must be purchased for its ancestral or cultural significance and not as a saleable asset.

Burden of proof for eligibility is on the owner(s) of the property.

## Rates Remission/Postponement Policies

Gisborne District Council has a number of remission, postponement and rates relief policies discussed here in summary. Applications for remission must be made on the prescribed form (available from customer services).

### RATES REMISSION: Community, Sporting and Other Organisations

This policy applies to land occupied by a not for profit organisation, which is used principally for sporting, recreation, or community purposes. The policy does not apply to organisations operated for private pecuniary profit, or which charge fees of any kind (membership subscriptions are not regarded as fees).

### RATES REMISSION: Building Consent Refusal

This remission applies if Council would not allow you to build on your property.

### RATES REMISSION: Very Low Value Properties

A ratepayer who owns multiple properties may apply for remission of all or part of the Uniform Annual General Charges on properties with a CV of less than \$6,001.

### RATES REMISSION: High Capital Value Industrial Properties

This applies to properties with a Land Use classification “Industrial” with a CV/LV ratio greater than 8.88. A 50% remission on the General Rate and Rooding Rate Components will apply.

### RATES REMISSION: Natural Heritage

Council will grant rating remissions for identified natural heritage values.

### RATES REMISSION: Permanent Crops

All horticultural blocks no matter where they are located in the district are automatically eligible for a partial rates remission if the value of the permanent crops is included in the valuation of the rating unit.

### RATES REMISSION: General Land in Exceptional Circumstances

Where land has become unusable because of severe erosion, land formation changes such as slips or where ownership has become indeterminate (such as Club becoming defunct and it is inadvisable to leave the rates as a charge on the title).

### RATES REMISSION: Penalties

Remission will be considered where payment has been late due to significant family disruption.

### RATES REMISSION: Penalties Suppression

Council will allow penalties not to be charged if there is an agreement to pay the full amount of rates owing by regular weekly/fortnightly/monthly payments, by the end of the current rating year and the agreement is kept to.

### RATES REMISSION: Uniform Annual General Charges: Contiguity

In certain circumstances, Council will consider the remission of Uniform Charges on nearby properties used for a common purpose.

### RATES REMISSION: Residential Uniform Annual General Charges and Certain Targeted Rates on Multiple Residential Properties

In the case where a rating unit contains several residential dwelling units, flats, apartments or self-contained sleeping accommodation, Council may apply a discretionary remission of one or more UAGC charges and/or Pan Charges, Water Rates or Refuse Collection Rates.

This remission will apply where there are multiple dwellings recorded but they are not used as dwellings, multiple dwellings used by direct family members or caregivers in certain instances and accommodation on the same rating unit as a business where the dwelling is essential to the running of the business (such as Motels).

### **RATES REMISSION: Rates and Penalties on Māori Land in Special Circumstances**

Before any property is eligible for this remission, Council must have exhausted all reasonable attempts to recover the rates and penalties owing on the property, without success. A prospective lessee must undertake to be responsible for all future rates on the property in question, while he/she has tenure. The matters listed in Schedule 11 of the Local Government Act 2002 will be taken into account. Council, or a committee delegated by Council, may remit part or all unrecoverable penalties and rates up to but not including the effective date of the new lease's tenure.

### **RATES REMISSION: Fragmented or Uneconomic Rural Land**

Where rural land has a valuation in excess of its economic use (ie, where the land is valued based on its coastal value, but is used for grazing purposes); or where multiple rating assessments, which can each support a housing site, are used for grazing purposes, application can be made to have all subject assessments valued as if they were one contiguous farm property.

### **RATES REMISSION OR POSTPONEMENT: Extreme Financial Circumstances / Hardship**

Council will consider remitting or postponing rates to a subsequent period in certain conditions of severe hardship. Even if rates are postponed, as a general rule the ratepayer will be required to pay the first \$500 of the rate account.

### **RATES POSTPONEMENT: Optional Rates Postponement**

This policy gives ratepayers over 65 years or older a choice between paying rates now or later, subject to the full cost of postponement being met by the ratepayer and provided certain criteria is met.

### **Developing Māori Capacity to Contribute to Decision-Making**

Council has a long-standing history of working closely with Māori and Tāngata Whenua of the Tairāwhiti region. A number of mechanisms are in place for consultation purposes and to involve Māori and Tāngata Whenua in Council decision-making processes. These include:

- ▶ Code of Partnership and Participation
- ▶ standing orders providing for Tangata Whenua delegations to address Council and Committee meetings
- ▶ consultation processes including distribution of resource consent applications to affected Tāngata Whenua
- ▶ direct information-sharing via regular programmes on Māori radio talkback
- ▶ formal relationship documents.