Smart Finance Committee

10 September 2026

Report for Agenda Item | Rīpoata moto e Rāraki take [6]

Department: **Assurance, Finance & Risk**

Title | Taitara: **Rating Remission and Postponement Policy Review for Long Term Plan**

Purpose of the Report | Te Take mō te Pūroko

The purpose of this report is to obtain agreement of the Rating Remission and Postponement Policy review direction prior to moving to the Long Term Plan (LTP) Steering Group workshop.

Recommendation | Kā Tūtohuka

That the Smart Finance Committee:

1. **Note** the contents of this report;
2. **Agree** the direction of the Rating Remission and Postponement Policy review; and
3. **Recommend** that a draft Rating Remission and Postponement Policy be shared at a future LTP Steering Group workshop.

Prepared by:	Reviewed by:	Authorised by:
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Context | Horopaki

1. Section 102 of the Local Government Act 2002 requires councils to adopt policies on rates remissions and rates postponements, providing a framework through which councils may, at their discretion, reduce rates liabilities or defer the payment of rates for eligible ratepayers.

2. This is separate from and unrelated to Schedule 1 of the Local Government (Rating) Act 2002, which prescribes classes of land that are either non-rateable or partially non-rateable. These statutory exemptions and reductions recognise that certain properties provide significant public, community, cultural, educational, religious, or environmental benefits, and accordingly warrant relief from some or all rates liability.

3. Rates Remission and Postponement Policies provide councils with a formal, transparent, and legally robust framework for granting rates relief in appropriate circumstances.

4. The policies are intended to promote fairness and equity, support community outcomes, provide financial assistance where appropriate, recognise the special status of certain land, and support Council's strategic objectives.

5. A rates remission extinguishes all or part of a rates liability, while a rates postponement delays payment without removing the underlying obligation to pay.

6. The Rates Remission and Postponement Policy adopted as part of the 2024–2034 Long Term Plan is included as Attachment A.

7. Councils are required to review their Rates Remission and Postponement Policies at least once every six years.

8. As part of Council's 2027–2037 Long Term Plan process, the policy will be reviewed to ensure it remains fit for purpose and aligns with current legislative requirements, Council objectives, and administrative practices.

9. As part of the policy review process, officers are identifying opportunities to improve clarity, consistency, administrative efficiency, and alignment with current legislation.

10. The review includes benchmarking the current policy against comparable policies adopted by other councils to identify sector practice and potential improvements.

11. The proposed review direction focuses on the following areas:

    - Whether each existing provision is correctly categorised as a remission or a postponement;

    - Whether any existing policies are no longer required or are inconsistent with current legislation, practices, or Council objectives; and

- Whether approval and decision-making authorities remain appropriate.

12. The proposed changes are intended to improve clarity for ratepayers, support consistent decision-making and application, and reduce administrative complexity. Attachment A summarises the provisions under review and the proposed direction for each.

13. Current utilisation of the policy is limited. The table below summarises the remission currently recorded for community, sporting and other organisations.

Remission Policy	No of Properties	Total Remission Value (Inc GST)
Community Sport & Other Org	38 (WAN 17, QT 21)	$132,844

14. The revised Rates Remission and Postponement Policy will have all references to water services removed, reflecting the transfer of responsibilities to the Water Services Council-Controlled Organisation.

15. The policy will be reviewed again following completion of the Revenue and Financing Policy review to ensure the two policies remain aligned before adoption of the 2027–2037 Long Term Plan.

16. The next steps are to present the proposed review direction at an LTP Steering Group workshop, prepare a marked-up draft policy (including the rationale and financial implications for each substantive change), and obtain legal review before the revised policy is included in the 2027–2037 LTP consultation and subsequently adopted.

Analysis and Advice | Tatāritaka me kā Tohutohu

17. This report identifies and assesses the reasonably practicable options for determining the next stage of the review, as required by section 77 of the Local Government Act 2002.

18. Option 1 Do nothing

Advantages:

- Additional time to assess the effectiveness of the current policies.

Disadvantages:

- Delays the review and implementation of policy improvements.
- Extends reliance on a policy framework that has identified operational limitations.

19. Option 2 Agree the direction of the policy review, and progress to LTP Steering Group workshop for further discussion.

Advantages:

- Supports the development of a clear, well-documented policy framework that enhances operational effectiveness and consistency.
- Results in a policy that is practical, accessible, and responsive to the needs of ratepayers.
- Provides an opportunity for elected members to consider the policy direction as part of broader Long Term Plan discussions.

Disadvantages:

- Requires elected-member and officer time for an LTP workshop and subsequent policy development.

18. This report recommends **Option 2** because it enables the review to proceed within the required review cycle while allowing elected members to test the proposed policy direction before detailed amendments are prepared.

Consultation Process | Hātepe Matapaki

Significance and Engagement | Te Whakamahi I kā Whakaaro Hiraka

19. This matter is of low significance, as determined by reference to the Council's Significance and Engagement Policy 2024 because the report provides a direction and does not seek decisions that materially change levels of service and no strategic assets, community facilities, or service levels are affected.

20. The persons who are affected by or interested in this matter are:

    a. Residents and ratepayers of the Queenstown Lakes District;

    b. Elected Members, given their governance role in overseeing Council's funding and financial policies; and

    c. Internal business units whose activities relate to rates and rating policy application.

21. The Council will include the revised policy in the 2027–2037 Long Term Plan Consultation.

Māori Consultation | Iwi Rūnaka

22. The Council has not specifically consulted iwi on the matters contained in this report.

Risk and Mitigations | Kā Raru Tūpono me kā Whakamaurutaka

23. This matter relates to the Regulatory/Legal/Compliance risk category. It is associated with RISK10014 Ineffective Financial Strategy within the QLDC Risk Register. This risk has been assessed as having a moderate residual risk rating.

24. Approval of the recommended option will allow Council to retain the risk at its current level.

Financial Implications | Kā Riteka ā-Pūtea

25. There are no operational and capital expenditure requirements or other budget or cost implications resulting from receiving this report.

Council Effects and Views | Kā Whakaaweawe me kā Tirohaka a te Kaunihera

26. The following Council policies, strategies and bylaws were considered:

    a. Long Term Plan 2024–2034 and Financial Strategy;

    b. Rates Remission and Postponement Policy; and

    c. Revenue and Financing Policy.

Legal Considerations and Statutory Responsibilities | Ka Ture Whaiwhakaaro me kā Takohaka Waeture

27. The principal statutory considerations are section 102 of the Local Government Act 2002 and the relevant provisions of the Local Government (Rating) Act 2002.

Local Government Act 2002 Purpose Provisions | Te Whakatureture 2002 o te Kāwanataka ā-Kīaka

28. Section 10 of the Local Government Act 2002 states the purpose of local government is (a) to enable democratic local decision-making and action by, and on behalf of, communities; and (b) to promote the social, economic, environmental, and cultural well-being of communities in the present and for the future.

29. The recommended option:

    - Is consistent with the Council's plans and policies; and

    - Would not significantly alter the intended level of service provision for any significant activity undertaken by or on behalf of the Council or transfer the ownership or control of a strategic asset to or from the Council.

Attachments | Kā Tāpirihaka

A	LTP 2027-2037 Rates Remissions & Postponement Policy Review Summary
B	Adopted LTP 2024-2034 Rates Remission & Postponement Policy