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From: Dave Tombs
Sent: Friday, 13 July 2018 8:48 a.m.
To: Lee Vandervis <lee@vandervision.co.nz>
Cc: Sharon Bodeker <Sharon.Bodeker@dcc.govt.nz>
Subject: RE: Rates anomalies - LGOIMA info request

Morning Councillor

Our response to your query of 29 June is below. Please let me know should you have any other queries regarding this.

Regards
Dave

The 'criteria' for rating is specified in the Local Government (Rating) Act 2002 (LGRA) and in the Funding Impact Statement which is adopted by the Council each year as part of the 10 year plan or Annual plan process.

The LGRA gives some land a legal exemption, either wholly or partly, from paying rates. Specifically, Section 8 of the LGRA specifies certain categories of land as non-rateable, Schedule One lists land that is either fully non-rateable or 50% non-rateable. A copy of Schedule One of the LGRA is attached.

The term non-rateable can be misleading, as many categories of non-rateable land pay some rates. Section 9 of the LGRA states that non-rateable land is to pay targeted rates set solely for water supply, sewage disposal or refuse collection.

The Funding Impact Statement sets out the rating policy of the Council including the individual rates and charges, the differential categories and mechanism for charging rates.

Civic Centre Building

The Civic Centre building pays full commercial rates.

The tenants are on 'net leases' which means that expenses set out in the lease are recovered from the tenants. Each lease permits a different combination of recoverable expenses, for example rates may be recovered from some tenants and not others due to the specific terms in the lease.

Columba College and St Hilda's Collegiate

Schools are a category of land which must be treated as non-rateable in accordance with

Schedule One of the LGRA. In the case of Columba College and St Hilda's Collegiate the school buildings and hostels are charged rates for services only including drainage, fire protection and kerbside recycling. In addition to the school and hostel, St Hilda's Collegiate owns two residential properties which are charged full residential rates.

From: Lee Vandervis

Sent: Friday, 29 June 2018 8:50 p.m.

To: Sandy Graham <Sandy.Graham@dcc.govt.nz>; Dave Tombs <Dave.Tombs@dcc.govt.nz>

Subject: Rates anomalies - LGOIMA info request

Hi Sandy and Dave,

For some time now I have had complaints of inconsistent/incompetent rates demands from the DCC.

The number of rate-exempt properties seems to grow every time I look and there seems to be no consistency to them.

I had understood that these anomalies were being sorted last year, but it seems that there are a lot of them and many still persist. Why the differences e.g. between rates for Columba College and St Hildas?

Even more concerning are the long-standing anomalies in rates charged for tenants in our own Civic Centre Building which seems to be rates exempt.

What are the criteria for DCC rates exemption? [the criteria for the Stadium seems to have been 'anything and everything we can dream up to make the stadium books look good']

Which Dunedin properties currently have a complete or partial rates exemption?

Cheers,
Lee



New Zealand Legislation

Local Government (Rating) Act 2002

- Warning: Some amendments have not yet been incorporated

Schedule 1 Categories of non-rateable land

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Part 1 Land fully non-rateable

- 1 Land forming part of—
 - (a) a National Park under the [National Parks Act 1980](#);
 - (b) a reserve under the [Reserves Act 1977](#);
 - (c) a conservation area under the [Conservation Act 1987](#);
 - (d) a wildlife management reserve, wildlife refuge, or wildlife sanctuary under the [Wildlife Act 1953](#).

- 2 Land vested in the Crown and forming part of—
 - (a) a flood ponding area;
 - (b) *[Repealed]*
 - (c) *[Repealed]*
 - (d) the bed of any navigable lake or navigable river.

Schedule 1 Part 1 clause 2(b): repealed, on 1 April 2011, by [section 128](#) of the Marine and Coastal Area (Takutai Moana) Act 2011 (2011 No 3).

Schedule 1 Part 1 clause 2(c): repealed, on 1 April 2011, by [section 128](#) of the Marine and Coastal Area (Takutai Moana) Act 2011 (2011 No 3).

- 3 Land that is—
 - (a) owned by a society or association of persons (whether incorporated or not); and
 - (b) used for conservation or preservation purposes; and
 - (c) not used for private pecuniary profit; and
 - (d) able to be accessed by the general public.
- 4 Land used by a local authority—
 - (a) for a public garden, reserve, or children's playground;
 - (b) for games and sports (except galloping races, harness races, or greyhound races);
 - (c) for a public hall, library, athenaeum, museum, art gallery, or other similar institution;
 - (d) for public baths, swimming baths, bathhouses, or sanitary conveniences;
 - (e) for soil conservation and rivers control purposes, being land for which no revenue is received.

- 5 Land owned or used by, and for the purposes of,—
- (a) Heritage New Zealand Pouhere Taonga:
 - (b) the Queen Elizabeth the Second National Trust:
 - (c) the Museum of New Zealand Te Papa Tongarewa Board:
 - (d) the charitable trust known as Children's Health Camps—The New Zealand Foundation for Child and Family Health and Development:
 - (e) the Royal New Zealand Foundation of the Blind, except as an endowment.

Schedule 1 Part 1 clause 5(a): replaced, on 20 May 2014, by [section 107](#) of the Heritage New Zealand Pouhere Taonga Act 2014 (2014 No 26).

Schedule 1 Part 1 clause 5(e): amended, on 30 April 2003, by [section 28\(1\)](#) of the Royal New Zealand Foundation of the Blind Act 2002 (2002 No 3 (P)).

- 6 Land owned or used by, and for the purposes of,—
- (a) a special school established under [section 98\(1\)](#) of the Education Act 1964:
 - (b) an educational establishment defined as—
 - (i) a state school under [section 2\(1\)](#) of the Education Act 1989:
 - (ii) an integrated school under [section 2\(1\)](#) of the Private Schools Conditional Integration Act 1975:
 - (iii) a special institution under [section 92\(1\)](#) of the Education Act 1989:
 - (iv) an early childhood education and care centre under [section 309](#) of the Education Act 1989, excluding any early childhood centres that operate for profit:
 - (v) a school under [section 35A](#) of the Education Act 1989, excluding any registered schools that operate for profit:
 - (vi) a partnership school kura hourua (within the meaning of [section 2\(1\)](#) of the Education Act 1989), excluding any partnership school kura hourua that operates for profit:
 - (c) an institution under [section 159\(1\)](#) of the Education Act 1989.

Schedule 1 Part 1 clause 6(b)(iv): amended, on 1 December 2008, by [section 60\(1\)](#) of the Education Amendment Act 2006 (2006 No 19).

Schedule 1 Part 1 clause 6(b)(vi): inserted, on 13 June 2013, by [section 47](#) of the Education Amendment Act 2013 (2013 No 34).

- 7 Land owned or used by, and for the purposes of, an institution for the instruction and training of students in theology and associated subjects, being land that does not exceed 1.5 hectares for any one institution.
- 8 Land owned or used by a district health board and used to provide health or related services (including living accommodation for hospital purposes and child welfare homes).
- 9 Land used solely or principally—
- (a) as a place of religious worship:
 - (b) for a Sunday or Sabbath school or other form of religious education and not used for private pecuniary profit.
- 10 Land that does not exceed 2 hectares and that is used as—
- (a) a cemetery, crematorium, or burial ground, within the meaning of [section 2\(1\)](#) of the Burial and Cremation Act 1964 (except a burial ground or crematorium that is owned and conducted for private pecuniary profit):
 - (b) a Māori burial ground.
- 11 Māori customary land.
- 12 Land that is set apart under [section 338](#) of Te Ture Whenua Māori Act 1993 or any corresponding former provision of that Act and—
- (a) that is used for the purposes of a marae or meeting place and that does not exceed 2 hectares; or
 - (b) that is a Māori reservation under [section 340](#) of that Act.
- 13 Māori freehold land that does not exceed 2 hectares and on which a Māori meeting house is erected.

Māori freehold land that is, for the time being, non-rateable by virtue of an Order in Council made under [section 116](#) of this Act, to the extent specified in the order.

- 15 Machinery, whether fixed to the soil or not, but excluding, in the case of a hydro-electric power station, everything other than the turbines, generator, and associated equipment through which the electricity produced by the generator passes.
- 16 Land that is specifically exempt from rates under the provisions of any other enactment, to the extent specified in the enactment.
- 17 Land vested in the Crown or a local authority that is formed and used for a road, limited access road, access way, or service lane.
- 18 Land vested in and occupied by the Crown, or by any airport authority, that is—
 - (a) within the operational area of an aerodrome; and
 - (b) used solely or principally—
 - (i) for the landing, departure, or movement of aircraft; or
 - (ii) for the loading of goods and passengers on to or from aircraft.
- 19 Land occupied by the New Zealand Railways Corporation, or by a railway operator, that is—
 - (a) part of the permanent way of the railway, being land on which is sited any railway line together with contiguous areas of land that are occupied incidentally and not otherwise used; or
 - (b) used, solely or principally, for the loading or unloading of goods or passengers on to or from trains situated on the railway line.
- 20 Land used as a wharf.
- 21 Land used or occupied by, or for the purposes of, an institution that is carried on for the free maintenance or relief of persons in need, being land that does not exceed 1.5 hectares for any one institution.
- 22 Land on which any vice-regal residence or Parliament building is situated.
- 23 The common marine and coastal area, including any customary marine title area, within the meaning of the [Marine and Coastal Area \(Takutai Moana\) Act 2011](#).
 Schedule 1 Part 1 clause 23: added, on 1 April 2011, by [section 128](#) of the Marine and Coastal Area (Takutai Moana) Act 2011 (2011 No 3).
- 24 The bed of Te Whaanga Lagoon in the Chatham Islands.
 Schedule 1 Part 1 clause 24: added, on 1 April 2011, by [section 128](#) of the Marine and Coastal Area (Takutai Moana) Act 2011 (2011 No 3).
- 25 Structures that are—
 - (a) fixed to, or under, or over any part of the common marine and coastal area; and
 - (b) owned, or deemed to be owned, by the Crown under [section 18](#) or [19](#) of the Marine and Coastal Area (Takutai Moana) Act 2011; or
 - (c) owned by the Crown, Te Urewera Board, or the trustees of Tūhoe Te Uru Taumatua under the [Te Urewera Act 2014](#), but subject to note 2.
 Schedule 1 Part 1 clause 25: added, on 1 April 2011, by [section 128](#) of the Marine and Coastal Area (Takutai Moana) Act 2011 (2011 No 3).
 Schedule 1 Part 1 clause 25(b): amended, on 28 July 2014, by [section 138](#) of the Te Urewera Act 2014 (2014 No 51).
 Schedule 1 Part 1 clause 25(c): inserted, on 28 July 2014, by [section 138](#) of the Te Urewera Act 2014 (2014 No 51).

Notes:

- 1 For the purposes of this Part, unless the context otherwise requires,—

aerodrome has the same meaning as in [section 2](#) of the Civil Aviation Act 1990

airport authority has the same meaning as in [section 2](#) of the Airport Authorities Act 1966

persons in need means persons in New Zealand who need care, support, or assistance because they are orphaned, aged, infirm, disabled, sick, or needy

railway line has the same meaning as in [section 4\(1\)](#) of the Railways Act 2005

railway operator has the same meaning as in [section 2\(1\)](#) of the New Zealand Railways Corporation Restructuring Act 1990

wharf—

- (a) means any quay, pier, jetty, or other land or premises in, on, or from which passengers or goods are taken on board or landed from vessels; but
 - (b) does not include land that is used primarily or exclusively for private recreational or personal transport purposes.
- 2 For the purposes of [clauses 1](#) and [2](#), **land** does not include land that is used primarily or exclusively for private or commercial purposes under a lease, licence, or other agreement.
- 3 For the purposes of [clauses 3](#), [9](#), and [10](#), land must not be treated as being used for private pecuniary profit solely because charges are made for the admission to, or use of, that land if the net proceeds of the charges are applied,—
- (a) in the case of a local authority, as part of the local authority's revenues:
 - (b) solely for the purposes of the society, organisation, association, or administering body of a reserve that makes those charges, and no part of the charges is distributed as profit to any individual.
- 4 For the purposes of [clause 6](#), land must be treated as being used for the purposes of a school, institution, or centre described in that clause if—
- (a) it is used solely or predominantly as residential accommodation for any principal, teacher, or caretaker; and
 - (b) it is let at a discounted or subsidised rent.
- 5 For the purposes of [clauses 18 to 20](#), **land** does not include land that is used—
- (a) for administrative purposes; or
 - (b) for the purposes of parking, the storage of freight or machinery, maintenance, cleaning, freight consolidation, passenger waiting areas, and the buying and selling of tickets.
- 6 For the purposes of [clause 21](#), an institution must be treated as being carried on for the free maintenance and relief of the persons to whom that clause applies if—
- (a) those persons are admitted to the institution regardless of their ability to pay for the maintenance or relief; and
 - (b) no charge is made to those persons or any other persons if payment of the charge would cause those persons to suffer hardship.

Schedule 1 Part 1 note 1 **railway line**: substituted, on 20 July 2005, by [section 103\(3\)](#) of the Railways Act 2005 (2005 No 37).

Part 2

Land 50% non-rateable

- 1 Land owned or used by a society incorporated under the [Agricultural and Pastoral Societies Act 1908](#) as a showground or place of meeting.
- 2 Land owned or used by a society or association of persons (whether incorporated or not) for games or sports, except galloping races, harness races, or greyhound races.
- 3 Land owned or used by a society or association of persons (whether incorporated or not) for the purpose of any branch of the arts.

Notes:

For the purposes of this Part, unless the context otherwise requires,—

land does not include land used for the private pecuniary profit of any members of the society or association

land, in [clause 2](#), excludes land in respect of which a club licence under the [Sale and Supply of Alcohol Act 2012](#) is for the time being in force.

Schedule 1 Part 2 Notes **land**: amended, on 18 December 2013, by [section 417\(1\)](#) of the Sale and Supply of Alcohol Act 2012 (2012 No 120).

Compare: 1988 No 97 Schedule 1, Schedule 2

