



DRAFT Rates Remission and Postponement Policy

Statement of Proposal

For Consultation - 16 March to 19 April 2026



Introduction

This is a proposal to amend Council's Rates Remission and Postponement Policy (Policy). The Policy is formed under section 102 and 109 of the Local Government Act 2002 (LGA) and section 85 of the Local Government (Rating) Act 2002.

Council is consulting on this Policy in accordance with section 82 of the LGA. This section of the LGA sets out the principles for consultation that we must follow.

We are asking the community for submissions to assess support/objections so that feedback can be considered and if necessary amendments made, before the Policy is adopted.

Background

Council's Rates Remission and Postponement Policy (Policy) sets out how and when Council can remit or postpone payment on rates. Council can only remit rates if they have adopted a rates remission policy under section 85 of the Local Government (Rating) Act 2002.

Remission of rates involves reducing the amount owing or waiving collection of rates altogether. Postponement of rates means that the payment of rates is not waived in the first instance but delayed for a certain time, or until certain events occur. The overall objective is to provide rates relief in situations to support both the fairness and equity of the rating system, and the overall wellbeing of the community.

We are required by legislation to review our Policy at least every six years. The Policy was last reviewed in 2024. Reviewing the Policy more regularly allows for changing requirements of legislation, Council and the community to be included.

What is included in the Policy?

The Policy provides Council with the legislative authority to fairly and consistently remit rates or penalties on rates, or to allow for the postponement on payment of rates in situations it has deemed appropriate.

Council's Rates Remission and Postponement Policy contains the following:

Part 1 – Remission of rates on land protected for conservation purposes

Part 2 – Remission of penalties on unpaid rates

Part 3 – Remission of rates – other categories

Part 4 – Remission of small rates balances

Part 5 – Remission of rates on Māori freehold land

Part 6 – Postponement of rates on Māori freehold land

Part 7 – Remission of metered water leaks

Part 8 – Remission of pan charge targeted rates based on water use

Part 9 – Remission of pan charge targeted rates for educational establishments

Part 10 – Remission of rates on abandoned land

Part 11 – Remission and postponement of rates for natural disasters and emergencies

Part 12 - Remission of additional kerbside collection targeted rates for small stand-alone dwelling

Part 13 – Delegations

What we're proposing

The most significant change proposed is the addition of Part 12, a remission of additional kerbside collection targeted rates for small stand-alone dwellings. In response to the Government changing the rules to make it easier for people to build granny flats, we want to avoid an unintended consequence, being that a granny flat (considered a separately used and inhabited part (SUIP) of a rating unit) would trigger an additional targeted rate for kerbside collection, when in many cases the additional dwelling may in fact cause no significant additional impact on the kerbside service. If no additional refuse and recycling bins are requested by the ratepayer following the completion of the additional small dwelling, then the Policy would allow staff to remove the additional rate.

Other minor changes proposed include:

- Adding a purpose and scope section to provide context to the reader
- Making provision for rates penalties to be remitted at the discretion of delegated staff where exceptional, compassionate, or otherwise compelling circumstances exist, that the Policy does not otherwise allow for (Part 2)
- Increasing the threshold for very low value properties where it is more economical to write-off the rates generated rather than collect them (Part 3)
- A new section and additional notes have been added to explain how the Policy will operate during the transition of water and wastewater services to Waikato Waters Limited (WWL). It clarifies that Council will continue setting and assessing water-related rates until 1 October 2026, and may temporarily continue billing on WWL's behalf after that date, but only as a billing agent. Once WWL's own charging and remission systems are in place, Council's rates remission and postponement provisions will no longer apply to WWL-issued charges, and ratepayers will need to apply directly to WWL for any financial assistance.

We want to know from you if you think any further changes are required to meet the needs of the community.

Analysis of reasonably practicable options

Council is proposing amendments to the Rates Remission and Postponement Policy. We've considered the options below and want your feedback on what we should do.

Option 1 – Adopt the draft Policy

This is Council's preferred option

Council would adopt the Policy as it has been proposed.

Advantages +	Disadvantages -
<p>Remissions/postponements generally remain the same and property owners may have come to expect that these would continue.</p>	<p>The new policy on the remission of additional kerbside collection targeted rates for small stand-alone dwellings could result in households intentionally avoiding requesting bins (even if needed) to benefit from the remission, leading to waste service misuse or bin sharing issues. Also the public could perceive the remission as indirectly encouraging SUIPs or intensification without corresponding contributions to service funding.</p>

Remissions/postponements generally remain the same and property owners may have come to expect that these would continue.	
The new policy on the remission of additional kerbside collection targeted rates for small stand-alone dwellings is expected to provide a fair and equitable outcome for ratepayers.	
The added wording clarifies how the Policy will function during the transition period and following the transfer of water and wastewater services to Waikato Waters Limited (WWL).	

Option 2 – Adopt the draft Policy with changes after community consultation

The Policy would be updated to reflect community consultation.

Advantages +	Disadvantages -
Changes may better reflect current circumstances.	Rates remission/postponement entitlements may change for some property owners.

Option 3 – Revoke the Policy

Council would revoke all or some of the Policies.

Advantages +	Disadvantages -
No one would be eligible for a rates remission, however Council may collect more in rates and penalties on late payments.	No one would be eligible for a rates remission, removing the ability to remit rates in certain circumstances where it would otherwise be reasonable to do so.
	Revocation of certain policies would be in breach of our role under section 102 of the Local Government Act 2002 that states that we are required to adopt a policy on the remission and postponement of Māori freehold land.

Statutory Requirements

Under section 102 of the Local Government Act 2002 Council must adopt a policy on the remission and postponement rates and must adopt a policy on the remission and postponement of rates on Māori freehold land. Section 102 is detailed below:

102 *Funding and financial policies*

- (1) *A local authority must, in order to provide predictability and certainty about sources and levels of funding, adopt the funding and financial policies listed in subsection (2).*
- (2) *The policies are—*
 - (a) *a revenue and financing policy; and*
 - (b) *a liability management policy; and*
 - (c) *an investment policy; and*
 - (d) *a policy on development contributions or financial contributions; and*
 - (e) *a policy on the remission and postponement of rates on Māori freehold land; and*
 - (f) *in the case of a unitary authority for a district that includes 1 or more local board areas, a local boards funding policy.*
- (3) *A local authority may adopt either or both of the following policies:*
 - (a) *a rates remission policy;*
 - (b) *a rates postponement policy.*

In amending this Policy, we must do so giving effect to section 82 of the Local Government Act 2002 - principals of consultation. Giving effect to section 82 requires Council to clearly present the issues and proposed changes, provide sufficient information for people to understand how the changes may affect them, and allow adequate time and support for people to provide feedback. It also requires Council to make sure that anyone who is interested in or affected by the Policy has a reasonable opportunity to be heard, and that all feedback received is considered with an open mind before decisions are made. Overall, the requirements of section 82 ensure that the proposed changes to the Policies are developed through a fair, informed, and inclusive consultation process.

More information

For more information about this proposal, and to see what else we are seeking feedback on go to mpdc.nz/letstalk

How to give your feedback

As part of the consultation process, we encourage everyone in the community to share their views. Feedback may be submitted in writing, and those who wish to speak to Elected Members will be offered a scheduled time to present their views, either in person or online. We also offer New Zealand Sign Language (NZSL) and other forms of support to make sure people can take part in a way that suits their needs. All submissions will be considered with an open mind before Elected Members make their final decision.

Want to speak to Council?

Anyone making a submission may also request the opportunity to speak to Council. Submitters can indicate this preference when providing their feedback. A meeting for submitters who wish to be heard will be held on 13 May (and 12 May if required) 2026. Council staff will contact those who have requested to speak to confirm a time and provide details about the process. Both in-person and online options will be available to support participation.

There are a number of ways you can provide feedback:

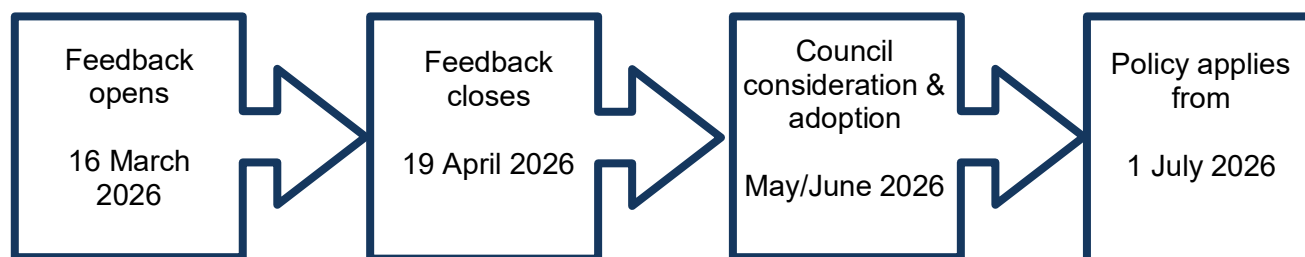
 **Online:** Go to mpdc.nz/letstalk to fill out the online form.

 **Mail to:** Matamata-Piako District Council, PO Box 266, Te Aroha 3342

 **Email:** info@mpdc.govt.nz

 **In person:** You can drop your feedback form into any of our Council offices or libraries.

Key dates



Feedback form – Rates Remission and Postponement Policy

Name/Organisation: _____

For individuals please simply write name/names, for organisations please write the full organisation name

Email: _____ **Phone:** _____

Address: _____

Town: Matamata Morrinsville Te Aroha Other: _____

Age: Under 18 18–24 25–34 35–44 45–64 65–74 75+

Would you like to speak to the Mayor and Councillors about your feedback?

If you would like to speak to your submission, Council will contact you after consultation closes to confirm the hearing date (expected 12/13 May 2026) and schedule a speaking time. In-person and online options will be available and accessibility support can be arranged if needed.

Yes, I would like to speak to my submission

No, I do not wish to speak to my submission

Privacy statement: Please be aware that feedback made to Council is public information. Feedback will be used and reproduced for purposes such as reports to Elected Members, which are made available to the public. Submitters will be able to access a summary of submissions and deliberations to understand how feedback has been considered and how decisions were reached.

Note that individual submissions will be made publicly available in full (including your name and any organisation you represent), unless you request confidentiality and this may be able to be accommodated under the Local Government Official Information and Meetings Act 1987.

For more information about how we collect, use, and protect personal information, please see MPDC's Privacy Policy on our website:

www.mpd.govt.nz/contact-us/privacy-policy

Rates Remission and Postponement Policy

Which of these options do you support?

Option 1: Adopt the draft Policy (this is Council's preferred option)

The Policy would be adopted as proposed to reflect proposed amendments.

Option 2: Adopt the draft Policy with changes after community consultation

The Policy would be updated to reflect community consultation.

Option 3: Revoke the Policy

Council would revoke all or some of the Policies

Option 4: Other

You may like to suggest a different option. Tell us what you think would work best.

Additional Comments to support the option chosen above:

Is there anything else you would like us to consider as part of this Policy amendment?

Please provide any further comments below

Please provide your feedback by 19 April 2026