

THE NGĀ WHARE ORA TAIAO O NGĀMOTU (NEW PLYMOUTH SUSTAINABLE HOMES VOLUNTARY TARGETED RATE SCHEME) POLICY

Policy purpose

This policy provides parameters for the Council's *Ngā Whare Ora Taiao o Ngāmotu* scheme. *Ngā Whare Ora Taiao o Ngāmotu* is a voluntary targeted rate scheme which provides support to households to undertake a wide range of sustainability improvements to their house and property, and to repay the costs through a voluntary targeted rate over a five or nine year period.

Policy statements

Who may apply?

1. Funding may be applied for a residential rating unit¹ (**dwelling**), including a residential dwelling on farmland or small holding. Commercial/industrial properties are excluded from this Policy.
2. The owner² must not be in rates arrears, and must not have a history of late or non-payment of rates over the past three years. Owners that do not meet this criteria may be approved following a credit check to the satisfaction of the Council.
3. The owner is not eligible for funding if the dwelling has an existing voluntary targeted rate applying to it.
4. Rating unit comprising more than one separately used or inhabited part and where the rating unit is used for residential purposes: the owner may apply for only one funding loan unless Council agrees otherwise (considering the nature of the rating unit).

What can be applied for?

5. Owners can apply for a minimum of \$1,000 up to a maximum of \$10,000 (**funding**).
6. The funding can be used to undertake capital improvements to the dwelling that provide household sustainability improvements, including:
 - a. Home energy efficiency (including insulation, double glazing, draught sealing, and insulation of hot water cylinders and piping)

¹ **Rating unit** means a rating unit for the purposes of the Rating Valuations Act 1998

² **Owner** means the person who, whether jointly or separately, is seized or possessed of, or entitled to, any estate or interest in land constituting a rating unit (Local Government (Rating) Act 2002)

- b. Water conservation (including rain water collection systems, significant leak repairs, water efficient toilets [four or more stars in the Water Efficiency Labelling Scheme], low pressure systems, low flow shower heads and flow restrictors, grey water systems for gardens, and composting toilets [outside of wastewater reticulated areas only])
 - c. Replacement or upgrade of inefficient inbuilt heating and hot water systems (including solar hot water system, heat pump water heating, wetback system, efficient electric hot water system, and EECA-approved heat pump, wood burner and pellet burner)
 - d. Ventilation systems (including extractor fan and full-house ventilation systems) and ground vapour barriers
 - e. Energy conservation and generation systems (including solar photovoltaic panels and micro-hydro systems)
 - f. Lighting efficiency improvements (including LED lighting and sky lights)
 - g. Self-sustainability and food resilience measures (including green houses, edible garden and landscaping, raised bed systems, rainwater/greywater tanks irrigation, and home orchards), and
 - h. Electric vehicle charging infrastructure (including high voltage fast charger outlets in garages).
7. Council will determine appropriate suitable products that meet the above requirements.
8. The owner may apply for more than one type of capital improvement at one time, up to the total value of \$10,000. In this instance, Council will recommend the owner seek advice from a suitably qualified designer to ensure integration and efficiency of the products being chosen to optimise of the benefits of the scheme. For applications received before 30 June 2021 the Council will provide a 20 per cent subsidy of the designer's fee.
9. Insulation products must be listed as an accepted insulation product by the Energy Efficiency and Conservation Authority (**EECA**), and be installed in accordance with EECA standards. The owner shall not be granted funding for an EECA accepted clean heating product unless the dwelling is sufficiently insulated, or funding is also being sought for insulation.
10. Funding is provided directly to the supplier and not to the owner.

Who are the suppliers?

11. The Council will approve suppliers to provide the capital improvements.

12. Funding is not available for businesses that are not an approved supplier, or for 'do-it-yourself' owners.
13. Suppliers must enter into an agreement with the Council, and must meet the agreement's terms and conditions of that agreement. Under the agreement the supplier must follow good business practices. A breach, by the supplier, of the terms and conditions of the agreement will result in cancellation of the agreement by the Council.

How will the loan be repaid?

14. Applications pre 30 June 2021: the owner may choose one of two repayment options:
 - a. A nine year repayment term. Interest shall be charged 3.25 per cent per annum. The interest rate is fixed for the term of the loan.
 - b. A five year repayment term. No interest shall be charged for the five years of this loan.
15. Applications from 1 July 2021: the owner may choose to either repay through a five year term or a nine year term. In both cases, interest shall be charged at the Council's average rate of borrowing stated in the relevant Annual Plan year.
16. The interest rate is fixed for the term of the loan. The interest rate will not be lowered if the average rate of borrowing decreases, nor increased if the average rate of borrowing increases.
17. The owner must agree to pay all rates by direct debit.
18. Repayment of the loan will be through a targeted rate applied to the relevant separately used or inhabited part of the dwelling. That rate shall be set at:
 - a. For those repaying over 9 years, calculated at 11.11 per cent of the total borrowing (including interest) owed or
 - b. For those repaying over 5 years, calculated at 20 per cent of the total borrowing (including interest if applicable) owed.
19. The loan repayment will commence as an additional rate on the 1 July following acceptance, by the Council, of the application.
20. The owner may, at any time, repay the entire loan balance; however, partial lump sum payments cannot be accepted.
21. If the owner intends to sell the dwelling during the period after this agreement has been entered into and while the Targeted Rate is still being

assessed against the dwelling, the owner must, in writing, give notice of that intention to the Council, and advise the owner's solicitor and the prospective purchaser about the Targeted Rate and terms and conditions of the rate.

22. Upon sale of the property, either:
 - a. the balance must be settled at the point of sale, or
 - b. the Council may approve the transfer of debt to the new owner, in which case the terms and conditions of the loan must be listed on the sale and purchase agreement and signed by both parties.

Other matters

23. The Council may charge an application fee to cover administrative costs in accordance with the Council's schedule of fees and charges. The application fee may be added to the loan. No administration fee will be charged from adoption of this policy until 30 June 2021.
24. The owner is responsible for obtaining and paying all necessary resource consents, building consents, and meeting any other applicable legal requirements (**additional costs**).
25. The administration fee and additional costs may be added to the loan, so long as the total loan does not exceed \$10,000.

Policy contact

The policy holder is the Policy Development Team in the Strategy Group.

Policy review

This policy shall next be reviewed within six years of adoption.