

## 12. REMISSION OF RATES – ST JOHN OF GOD HEALTH AND DISABILITY SERVICES – COMMUNITY HOMES, 36 & 42 PARADE COURT

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The purpose of this report is to submit an application for the remission of rates on two community homes owned by the above organisation at 36 and 42 Parade Court, Addington.

### BACKGROUND

St John of God Hospital Trust Board, which has had a hospital in Halswell since 1968, operates as a charitable trust, and specialises in the care of people under 65 years with severe physical and neurological disabilities. This is in keeping with the philosophy of their parent organisation, the Hospitaller Order of St John of God, to provide care for those most marginalised and for whom few options exist.

Over the last five years the organisation has been investigating community housing as a means of providing a more normal type of lifestyle, without compromising the high standard of physical care these people require. In 1998 the decision was made to build two community homes and in May 1999 10 wheelchair user residents, with severe physical disabilities, moved into them. These are the first community houses specifically for physically disabled in Christchurch.

The object of this particular project was to move to a model of care that embraces the concept of normality for disabled people, empowers them to take back responsibility for their lives and provides care in a way that supports them to do this.

### LEGAL SITUATION

The hospital run by the Order at Halswell has Non-Rateable status under Clause 5 of Part II of the First Schedule to the Rating Powers Act 1988 being *“land used and occupied by or for the purposes of a charitable institution, not being an institution or separate institution within the meaning of the Hospitals Act 1957 ---- which is carried on for the free maintenance or relief of orphans, or of the aged, infirm, physically or mentally disabled, sick, or needy, but not exceeding 1.62 hectares in respect of any one such institution”*. Land in excess of the 1.62 hectares exemption (the property at Halswell encompasses a total area of 6.2 hectares) is fully rated.

Because of the 1.62 hectare limitation imposed by the Act *“in respect of any one such institution”*, the land at Addington on which the two community houses have been built remains fully rateable. However, because of the nature of the work undertaken by St John of God, it qualifies for remission of rates under Clause (k) of Part I of the Second Schedule. This clause covers land *“owned or occupied by or in trust for and used by any charitable institution (not being an institution or separate institution within the meaning of the Hospitals Act 1957 ----) which is carried on for the free maintenance or relief of orphans, or of the aged, infirm, physically or mentally disabled, sick, or needy, being land, in excess of the area that pursuant to Section 6 of the Act is not rateable”*.

### PRESENT POLICY

The Council has no fixed policy in relation to the granting of applications for remission, tending to consider each application on its individual merits. However, the practice has been to approve a one-third remission for organisations similar to St John of God. Examples of these are Cerebral Palsy (Hostel); SPELD (Seabrook/McKenzie Centre); Child Cancer Foundation (Family Unit) and the South Island Bone Marrow Transplant Unit (Ranui House).

The valuation of the community homes as at 1 September 1998 was Capital Value \$605,000, Land Value \$170,000, Value of Improvements \$435,000. As these properties would not become fully rated until 1 July 2001, I have estimated the 2000/01 rates at \$3,459.45.

**Recommendation:** That the Council approve a  $33\frac{1}{3}$  per cent remission of rates in respect of the above property under the provisions of Section 179 of the Rating Powers Act 1988 from 1 July 2001.

**Chairman's  
Recommendation:** That the above recommendation be adopted.