

## Council Policy

### RATES AND CHARGES HARDSHIP ASSISTANCE POLICY

#### 1. INTRODUCTION

Council recognises that from time to time certain ratepayers may have difficulty in paying their Council rates and charges and believes it should work with some ratepayers to find alternative payment options.

Council is committed to reviewing ratepayer claims that may show a genuine inability to pay their rates and other charges in a timely manner.

#### 2. POLICY STATEMENT AND SCOPE

This policy applies to all ratepayers who hold a current Blue Pensioner Concession Card, and are eligible for the pension rebate. Other extenuating circumstances may be considered at the discretion of relevant Council officers.

It applies to rates, charges and interest accrued on such debts. In certain circumstances Council officers may consider extending this policy to certain related fees.

This policy provides a framework for responding to applications from ratepayers experiencing genuine hardship with the payment of their rates and charges in accordance with the NSW Local Government Act 1993 ("the Act") and the NSW Local Government (General) Regulation 2005.

The Act provides for the following assistance to ratepayers who may experience hardship in some circumstances in paying rates and charges;

- Periodical payment arrangements for overdue rates and charges (Section 564).
- Writing off or reducing interest accrued on rates or charges on compliance of any agreement (Section 564 & 567).
- Providing rate relief in the amount of rates payable because of hardship resulting from general revaluation of land in the Local Government Area (Section 601).

#### Hardship Rates and Charges Relief

Applications for Hardship Rate and Charges Relief must be made on the Hardship Relief Application Form, available from Council's website [www.pmhc.nsw.gov.au](http://www.pmhc.nsw.gov.au):

- The applicant must be the owner or part owner of the property and be liable for the payment of rates on the property.
- The property for which the hardship application applies must be categorised as "Residential" or "Farmland".
- The property for which the hardship application applies must be the principal place of residency of the applicant/s, in which they are currently residing.
- The applicant shall be the holder of a Blue Pension Concession Card, "TPI" Totally & Permanently Incapacitated Gold Card, "EDA" Extreme Disability Allowance Gold Card or "WW" War Widow Gold Card.
- The application for hardship must be accompanied with supporting documentation which may include but is not limited to:
  - Reasons why the person was unable to pay the rates and charges when they became due and payable;
  - Copy of recent bank statements for all accounts held by the applicants;

- Details of income and expenditure for all applicants;
  - Copy of Income Statement from Centrelink; and
  - Letter from a recognised financial counsellor or financial planner confirming financial hardship.
- The applicant will need to submit an application form each year with details of income, expenses and assets to ensure the applicant's circumstances have not altered.

#### **Hardship Assistance by periodical payment arrangements (Section 564)**

Council may enter into a formal agreement with an eligible applicant to repay the outstanding rates and charges by periodical payments on a payment arrangement.

When a scheduled repayment is missed, Council will reactivate interest charges from the last payment made in the repayment arrangement.

Council officers may also consider arrangements for certain fees where appropriate.

Council will contact the ratepayer in writing to advise of the default.

#### **Hardship Assistance by writing off Rates, Charges and interest charges (Section 567)**

Council may at their discretion write off rates, charges or interest, subject to this Policy. In accordance with Council's Instrument of Delegation the General Manager can approve the writing off of debts up to the amount of \$2,500.

Council officers may also consider writing off for certain fees where appropriate.

Requests to write off debt exceeding this amount must be approved by Council resolution.

#### **Hardship Assistance due to certain Valuation changes (Section 601)**

Under Section 601 of the Act, a ratepayer who incurs a rate increase following a new valuation of land may apply to Council for relief of the actual rates charged. The Act specifies that waiving, reducing or deferring any part of the rate payable is at the discretion of Council. Valuations are independently determined by the Valuer General. It is Council's view that waiving rates as a result of this valuation would generally impose an inequitable burden on other ratepayers.

Council will direct any valuation enquiries to the Valuer General and encourage aggrieved ratepayers to make an appropriate application under the appeal provisions of the Valuation of Land Act 1916.

#### **Hardship Assistance due to Impacts of Natural Disaster**

Council may at their discretion apply the provisions detailed above for property owners who have had a house, facility or outbuilding destroyed or damaged as a result of a natural disaster, where the criteria of destroyed or damaged is determined by the responsible government agency.

#### **Hardship Assistance due to Impacts of the COVID-19 Pandemic**

The above provisions apply to properties which are categorised as "Residential" or "Farmland". Council may at their discretion apply the provisions detailed above for non-residential property owners who been financially impacted by the COVID-19 pandemic.

#### **General**

All hardship applications will be determined following recommendation by Council's Rates & Revenue Co-ordinator.

All hardship applications shall be advised in writing of Council's decision.

Any applicants not satisfied with the determination, can lodge Council a written objection, stating the reasons for the objections. This will be reviewed with the outcome of the objection advised in writing.

Council will assess each application on its own merits and may, at their discretion, choose to allow a payment arrangement for rates payments or write off of interest charges, subject to this Policy.

Privacy will be maintained in accordance with the NSW Privacy and Personal Information Protection Act 1998.

### 3. RESPONSIBILITIES AND AUTHORITIES

The Rates & Revenue Co-ordinator and the Financial Operations Manager are responsible and accountable to the implementation and communicating of this policy.

The Chief Financial Officer is responsible for the monitoring compliance of this policy and ensuring this policy is reviewed and updated to meet external compliance.

### 4. REFERENCES

Making Council Policy

Local Government Act 1993 (NSW), as amended

Local Government Regulations 2005 (NSW)

Council Rating and Revenue Raising Manual Department of Local Government (2007)

Guidelines for a Council Rates Hardship Policy (August 2011)

Hardship Relief Application Form

### 5. DEFINITIONS

**General Manager** - A 1<sup>st</sup> tier management position and titled as such

**Director** - A 2<sup>nd</sup> tier management position and titled as such

**Group Manager** - A 3<sup>rd</sup> tier management position and titled as such

**Council officer** - A member of Council staff

**"Blue Pensioner Concession Card (PCC Card)"** - Entitlement card that has been issued by either Centrelink or the Department of Veteran Affairs.

**"TPI"** - Gold Card embossed with TPI meaning Totally & Permanently Incapacitated

**"EDA"** - Gold Card embossed with EDA meaning Extreme Disability Allowance

**"WW"** - Gold Card embossed with WW meaning a War Widow

### 6. PROCESS OWNER

Chief Financial Officer

### 7. AMENDMENTS

Changes that have been made in reference to the last version (ORD 25/05/2012) include:

- Transfer of content to a new template.
- Changes to Staff titles.
- Review of policy wording to meet 'plain English' requirements, where appropriate.
- Inclusion of wording "in which they are currently residing" within the scope of the property for which the hardship application applies. The policy states that the property must be the principal place of residency of the applicants, in which they are residing.
- Clarification that the requirement is that the applicant must be the holder of a Blue Pension Concession Card, "TPI" Totally & Permanently Incapacitated Gold Card, "EDA" Extreme Disability Allowance Gold Card or "WW" War Widow Gold Card applies to the entire policy.
- Inclusion of a sentence allowing extenuating circumstances to be considered.
- S601- Clarification of Council's view waiving rates as a result of land valuation would generally impose an inequitable burden on other ratepayers.

Changes made in reference to Council resolution (ORD 11/12/19, Item 10.07): added paragraph titled **“Hardship Assistance due to Impacts of Natural Disaster”**.

Changes made in reference to Council resolution (ORD 15/04/20, Item 10.03): added paragraph titled **“Hardship Assistance due to Impacts of the COVID-19 Pandemic”**.