

POLICY

Policy name	Rates & Debtors Hardship
Responsible manager(s)	General Manager
Contact officer(s)	Director Finance and Business Development
Directorate	Finance and Business Development
Approval date	10 September 2013
Community Strategic Plan Objective	Objective 8: We work together to achieve our goals
Delivery Program	Finance and Governance
Operational Plan	6. Levying and collection of rates and charges

Purpose

This policy applies to Eurobodalla Shire Council and its ratepayers and debtors and provides a framework for responding to applications from owners/ratepayers experiencing genuine hardship with the payment of the rates and charges in accordance with the Local Government Act 1993 and the Local Government (General) Regulation 2005.

The policy aims:

- To promote a clear guideline for administering rate and debtor hardship provisions.
- To ensure consistency and fairness in the way Council deals with hardship provisions.
- To ensure compliance with legislative requirements and financial industry guidelines.
- To take such steps as are appropriate to minimise the impact of outstanding debts on Council's financial position.
- To make Council's policy and requirements regarding hardship readily accessible and understandable to the public.

Policy statement

1	<p>Application</p> <p>A ratepayer may be eligible for consideration for hardship assistance in the payment of overdue rates, annual charges, debtors and interest , where:</p> <ul style="list-style-type: none"> • The person is unable to pay rates or accrued interest when due and payable for reasons beyond the persons control (Section 567); or • Payment of the accrued interest would cause the person hardship (Section 567) • Periodical payment arrangements for overdue rates and charges. (Section 564) • Writing off or reducing interest accrued on rates or charges (Section 564 &567) • Waiving, reducing or deferring the payment of the increase in the amount of rate payable because of hardship resulting from the general revaluation of land in the Local Government Area (Section 601) • Waiving , or reducing rates, charges and interest for eligible pensioners (Section 575 & 582) <p>Council will consider applications for assistance in accordance with the following principles:</p> <ul style="list-style-type: none"> • Council will individually assess cases of financial hardship. • Council will not reduce rates or annual charges, but will consider alternative available approaches to dealing with cases of financial hardship. • Council will consider a scheme of periodical payment outside the due dates in cases of hardship or extenuating circumstance.
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2	<p>Legislation</p> <p>Eurobodalla Shire Council will comply with the <i>Local Government Act 1993</i> as follows ;</p> <p>Section 564(2): Arrangements</p> <p>This enables Council to write off or reduce interest accrued on rates or charges if the person complies with an agreement made with Council as to periodical payment of those rates and charges.</p> <p><i>The policy is not to write off interest on rates or charges as a result of a person complying with an arrangement or agreement unless a hardship application is approved pursuant to section 567 of the LGA. For the avoidance of any doubt this policy also applies to debtors for fees other than rates and charges.</i></p> <p>Section 567: Interest Charges</p> <p>This enables Council to write off accrued interest on rates or charges payable by a person if, in Council's opinion, the person is unable to pay "for reasons beyond the person's control" or payment of the accrued interest would cause the person "hardship".</p> <p>Section 582: Eligible Pensioners</p> <p>Enables Council to waive or reduce rates, charges and accrued interest due by any person prescribed by the regulations who is in receipt of a pension, benefit or allowance under the Social Security Act 1991. Thus, Council may, in its absolute discretion, further reduce on a voluntary basis (with no subsidy from the state government) rates and charges otherwise payable by an eligible pensioner.</p> <p>The council will waive all interest charges for eligible pensioners that pay their rates by the 30 June each year.</p> <p>Section 601: Valuations</p> <p>Any ratepayer who incurs a rate increase in the first year following a revaluation of land values can apply to council for rate relief if the increase in the amount of rates payable would cause them substantial hardship.</p> <p>Council has discretion to waive reduce or defer payment of the whole or any part of the increase in the amount of rate payable.</p> <p>Council can set the period of time for when applications can be made under this section. Applications must be made in the first year following the use of the new valuations used for rating.</p> <p>Local Government (General Regulation) 2005: Write offs requiring Council Resolution.</p> <p>This requires the Council to resolve the amount of an individual rate or charge above which a resolution is required to write off an individual amount. This amount then applies to all policies and codes of practice enabling write offs, not only this hardship policy.</p> <p><i>Rate, charges and fees can only be written off in accordance with legal and policy requirements. Individual fees, rates or charges above \$10,000 can only be written off by resolution of Council. Amounts of \$10,000 or less can be written off by order in writing of the Council's General Manager (or nominee/s).</i></p>
3	<p>Provisions</p> <p>All application for hardship must be submitted on councils prescribed application form (see Appendix 1). For applications to be given full consideration, evidence of hardship must be supplied by the applicant. This evidence may take the form of social security information, tax returns or workers compensation details.</p>

Hardship will only apply to the ratepayer's primary place of residence.
 If it is found that incorrect disclosures were deliberately made, Council reserves the right to cancel the agreement and collect any amount previously waved in accordance with this policy.

Implementation

Implementation steps		Responsibility
1	Coordination and Enforcement The Revenue Accountant (under Director, Finance and Business Development) is responsible for coordinating / enforcing the policy.	Revenue Accountant
2	Staff Under supervision, applicable Council staff will be responsible for ensuring that policies are implemented appropriately within their work area, after they have received relevant training to do so.	Council Officers
3	Concerns Concerns received regarding this policy will be recorded on Council's customer service request (CSR) or records system and handled in accordance with Council's Customer Service Policy. They will be used to analyse the history of concerns and requests and to help determine follow up actions.	Council Officers
4	Complaints Complaints received regarding this policy will be lodged with the Public Officer and handled in accordance with council's Complaints Policy.	Public Officer
5	Consultation Consultation regarding this policy will occur as relevant with key stakeholders and may include legislative bodies, other agencies, relevant legislation, industry guidelines, and public comment. Public submissions regarding this policy are invited for consideration during the policy exhibition period.	As required

Review

The policy will be automatically revoked at the expiration of twelve months after the declaration of the poll for the next general NSW local government election, unless council revokes it sooner. **Note:** *Automatic revocation of the policy is provided for by section 165(4) of the Local Government Act 1993. The next general local government election is expected to be held in September 2016.*

This policy may also be reviewed and updated as necessary when legislation changes; or when council's functions, structure or activities change; or when technological advances or new systems change the way that Council manages Hardship.

Reviews of the effectiveness of this policy could include the following:

Performance indicator	Data source(s)
Public Concerns, Customer Feedback Survey Responses	Council Records, Surveys
Audit (Internal or External)	Audit

Governance

This policy should be read in conjunction with any related legislation, codes of practice, relevant internal policies, and guidelines.

Related legislation and policies

Name	Link
Local Government Act 1993	www.austlii.edu.au/au/legis/nsw/consol_act/lga1993182/

Related external references

Name	Link
Office of Local Government	www.olg.nsw.gov.au/

Change history

Version	Approval date	Approved by	Min No	File No	Change
1	22 Sep 2009	Council	09/291	E09.3418	Policy commenced
2	10 Sep 2013	Council	13/272	E13.7095	Reviewed and updated.

Internal use

Responsible officer	General Manager		Approved by	Council	
Min No	13/272	Report no	O13/56	Effective date	10 Sep 2013
File no	E13.7095	Review date	Sep 2016	Pages	12

Appendix 1 -APPLICATION FOR HARDSHIP RATE RELIEF

Please answer all questions applicable to your situation, using block letters and ticking relevant boxes

RATES: RATE ASSESSMENT NUMBER:	COUNCIL REFERENCE NUMBER:
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I,
 (Full name in block letters)
 of

telephone number: ().....apply for hardship rate relief.

For the purposes of this application, I state the following information which I believe to be correct.

PERSONAL DETAILS

D.O. B:

Are you: Single Married De Facto

Current Address:

Telephone Number:

Time at above address:

Do you propose to change residence? Yes No

EMPLOYMENT DETAILS

Employer's Name:

Address:

Telephone:

Job Title:

SPOUSE DETAILS

Partner's Full Name:

of

Partner's Employment:
 (Name & Address details)

DEPENDANTS

Number of Dependants:Age/s:

PENSION/BENEFIT DETAILS

1. Do you receive any pensions or benefits? Yes No

If **YES**, state the pension or benefit received and how much received per week:

..... \$

..... \$

..... \$

2. Do you have a current Pensioner Concession Card? Yes No

If **YES**, state Card Number:

Date of grant of card:

OWNERSHIP OR RESIDENCY DETAILS

1. Is this property your sole or principal place of living? Yes No
2. Do you rent the property? Yes No
3. Do you own the property:
- i) by yourself? Yes No
- ii) with a spouse? Yes No
- iii) with other person/persons? Yes No

If answers at items (ii) and/or (iii) is **YES**, state name(s) and address(es) of other owner(s) and the proportion of ownership held by each person.

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(Please attach evidence of joint ownership)

4. Is the property owned as shares in a company title? Yes No
5. How many people live at the property?
- indicate by ticking**
- self
- spouse
- children (state ages)
-
- others - insert number**
-boarders
-relatives
-other (please specify)
-

6. Do you own or have an interest in any other land or buildings? Yes No
- If **YES** state address(es):

.....

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INCOME and ASSETS

State gross weekly amount received in dollars and cents	Self	Spouse
1. Net wage	\$.....	\$.....
2. How much do you receive in pensions and benefits?	\$.....	\$.....
3. How much do you receive in compensation, superannuation, insurance or retirement benefits?	\$.....	\$.....
4. State income derived from any other member of the family or other person residing at the property?	\$.....	\$.....
5. Other sources of your income (ie full/casual/ part-time employment etc):	\$.....	\$.....
6. Family allowance:	\$.....	\$.....
7. State name and current balance of any bank, building society, credit union, savings accounts:		
.....	\$.....	\$.....
.....	\$.....	\$.....
.....	\$.....	\$.....
(Please attach evidence of account balances)		
8. Interest from banks, credit unions, building societies, investments, etc:	\$.....	\$.....
9. Please indicate:		

Asset	Age	\$ Value	\$ Loan Amount
Your Property	\$.....	\$.....
Car	\$.....	\$.....
Caravan	\$.....	\$.....
Boat	\$.....	\$.....
Household goods	\$.....	\$.....
Furniture & Household effects	\$.....	\$.....
Electrical	\$.....	\$.....
Antiques/Art	\$.....	\$.....
Coins/Stamps	\$.....	\$.....
Other motor vehicle	\$.....	\$.....
Shares/Investments	\$.....	\$.....

OTHER DETAILS

What is the cause of financial hardship?

.....

How long have you experienced hardship?.....

OUTGOINGS/EXPENSES

State weekly amount spent in dollars and cents

1. Rent, board or home loan:

.....\$.....

(address of property)

2. Second and other mortgages:

.....\$.....

(address of property)

3. Personal Loans/Hire Purchase (not credit cards or charge cards):

.....\$.....

4. Health costs (where there is serious illness):

.....\$.....

5. Council rates and charges (amount now due)

.....\$.....

6. House Insurance:

.....\$.....

7. Do you have leased business premises? Yes No

OUTGOINGS/EXPENSES continued

8. Financial summary of regular expenses:

Rates - Council/Water	\$	Strata Levies	\$
Gas/Electricity	\$	Telephone	\$
Fares/Transport	\$	Petrol	\$
School Expenses	\$	Insurance contents	\$
Medical/Health	\$	Living Expenses:	
		Clothing	\$
		Personal	\$
		Cash	\$
		Entertainment	\$
Insurance/Other	\$	Car Maintenance	\$
Registration	\$	Food	\$
Superannuation	\$	Subscriptions	\$

9. Credit Cards/Personal Loans:

Credit Card:

Visa/Mastercard/Amex/Bankcard

Personal Loans:

Personal Loan/Car Loan

With:(Banking Institution)

With:(Banking Institution)

Card No:

Loan No:

Balance on card: \$.....

Balance on loan: \$.....

Other relevant information (to be completed if you feel it will assist your application)

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(attach a separate page if insufficient space)

AUTHORITY FOR INFORMATION TO CONFIRM ELIGIBILITY

I authorise the Council to receive, and Centrelink and/or the Department of Veterans' Affairs to give to the Council, the information which is necessary for the Council to decide whether I am eligible for a hardship rate relief in relation to the property, which I have given as my address.

.....SignedDate

PRIVACY AND PERSONAL INFORMATION PROTECTION ACT, 1998*Compliance with Section 10*

The information contained in this application form and any information requested for the purpose of assessing eligibility for a pensioner concession is required under the Local Government Act, 1993 and the *Local Government (Rates and Charges) Regulation 1999*. This information is required before your application for hardship rate relief can be processed.

The information in your application and any information the Council obtains for the purpose of assessing this application is private and confidential. The Council will hold this information.

The Council must not disclose your personal information to any person or body if it is not directly related to the purpose for which the information was collected.

If you have a complaint about the use of your personal information, please contact the Council's Privacy Contact Officer.

The information contained or referred to in this application form may be amended and updated by you, by contacting the Council.

You should now submit this application form to the Council for consideration. The Council will advise you of its decision as soon as practicable.

Each individual case will be considered on its merits in accordance with Council's Rates and Charges Hardship Assistance Policy.

For Council Use Only

APPLICATION IS / IS NOT APPROVED UNDER SECTION 577 of the Local Government Act, 1993 (extension of concession to avoid hardship).

Total average weekly income \$.....

Total Assets \$.....

Current Year's General Purpose Rating Category

Current Year's General Purpose Rates \$.....

Previous Year's General Purpose Rates \$.....

Increase in General Purpose Rates% \$.....

Average Annual General Purpose Rates in the above category \$.....

Average Annual Increase in General Purpose Rates in the above category% \$.....

Applicant advised (Date)