



Ashfield Council

RATES HARDSHIP POLICY

This policy will be reviewed triennially by: Chief Financial Officer
Next review date: 3 November 2016

Adopted February 2015

Title:	Hardship Policy
Summary:	
Record Number:	H /001
Date of Adoption:	10 February 2015
Approval:	General Manager
Version Control:	Ver 1
Contact Officer:	Chief Financial Officer
Relevant References:	
Main Legislative or Regulatory References:	Local Government Act 1993
Applicable Delegation of Authority:	
Related Ashfield Council Policy:	Rates and Charges Policy Pensioner Rebates Policy Debt Recovery Policy
Related Ashfield Council Procedure:	

Policy Background

The Local Government Act 1993 contains provisions that enable councils to assist ratepayers experiencing hardship. Ashfield Council takes a reasonable and compassionate approach to assisting ratepayers with financial hardship.

Council is able to:

- Enter a payment arrangement (to extend payment terms)
- Defer the payment of rates and charges (in certain circumstances)
- Waive, reduce or defer payment of rates in the first year following a revaluation of land value where this causes substantial hardship

Policy Purpose

The policy aims to:

- ensure consistency and fairness in the way Council deals with hardship provisions.
- make Council's policy and requirements regarding hardship readily accessible and understandable to the public.
- ensure compliance with legislative requirements and industry guidelines.
- promote a clear guideline for administering rates.

Policy Objectives

Payment arrangements – residential ratepayers

Council will consider a payment arrangement from any ratepayer experiencing hardship upon request.

Requests must be made in writing.

Each request will be considered on its merits having regard to:

- the amount of rates outstanding
- the timeframe that rates have been outstanding or overdue
- the particular hardship circumstances
- the ratepayer's payment history.

Except in exceptional circumstances, Council will agree to any reasonable payment arrangement that enables the rates to be paid within the financial year to which they apply.

In limited circumstances Council may also write off interest charges that accrue during the period of a payment arrangement/plan (Sections 564 and 567 LGA 1993).

Council may cancel or revoke a payment arrangement where the ratepayer fails to comply with the terms of the payment arrangement.

Deferral of payments – pensioners only (Section 582 LGA, 1993)

Council will consider a request from a pensioner ratepayer who is experiencing financial hardship to defer the payment of rates and charges (in full or in part) upon request.

Requests must be made in writing.

Each request will be considered having regard to the following:

- the amount requested for deferral
- reasons for financial hardship
- income from all sources
- living expenses
- length of occupancy
- any other relevant information

Council will consider each case on its merits and may defer payment of all or part of the rates and charges payable after rebates have been deducted.

Rates and charges deferred under this Section will be interest free and will become a charge against the land.

Waive, reduce or defer payment of rates in the first year following a revaluation of land value (Section 601 LGA, 1993)

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.

Requests must be made in writing.

Each request will be considered having regard to the following:

- the amount of the rate increase when compared to the average rate increase for the category
- the amount of rates levied compared to the average rate of the rate category
- reasons for financial hardship
- income from all sources
- living expenses
- other relevant information

Council will consider each case on its merits and has a discretion to waive, reduce or defer the payment of the whole or any part of the increase in the amount of the rates payable.

Applications under this provision must be made within 30 days of the issue of the rates notice.

Applications under Section 601 of the Act must be made during the first year a new land value is used for rating purposes. Where an application is made in the first year, an application can also be made in subsequent years of the valuation base date.

Implementation and access

Any ratepayer who cannot pay their rates or charges for reason of financial hardship can apply to Council for assistance at any time.

Each individual case will be considered on its merits in accordance with the above policy objectives.

The assistance provided will be determined having regard to the legal requirements of the Local Government Act 1993.

Administration and Delegation

Council will provide an application form for the purpose of applying for assistance.

Applications will be determined within 21 days.

The ratepayer will be informed of Council's decision in writing and if not satisfied with the outcome can request an internal review of the decision.

Function	Delegated Officer	Notes
Assess and determine a request for a payment arrangement	<ul style="list-style-type: none"> Revenue Coordinator Chief Financial Officer Director Corporate & Community Services 	
Assess and determine a request for deferral of rates payment (s582)	<ul style="list-style-type: none"> Revenue Coordinator Chief Financial Officer Director Corporate & Community Services 	The concurrence of two Delegated Officers is required.
Assess and determine a request to waive, reduce or defer payment of rates in the first year following a revaluation of land value (s601)	<ul style="list-style-type: none"> Revenue Coordinator Chief Financial Officer Director Corporate & Community Services 	The concurrence of two Delegated Officers is required.
Authority to write off interest charges (s564, s567)	<ul style="list-style-type: none"> Revenue Coordinator (amounts less than \$500) Chief Financial Officer (amounts less than \$2,000) Director Corporate & Community Services (amounts \$2,000 or more) 	The Revenue Coordinator must keep a register of all interest written off, including the amount, reasons and approving delegate.
Conduct an internal review of a decision	<ul style="list-style-type: none"> Chief Financial Officer Director Corporate & Community Services General Manager 	A delegate involved making the original determination on a request cannot conduct an internal review of the request.



Definitions

LGA, 1993 – refers to the Local Government Act, 1993.

Pensioner – means an eligible pensioner as defined in Clause 134 of the Local Government (General) Regulation 2005.

Application Form – Council's application form for the purpose of applying for assistance under this policy.