
POLICY TITLE:	HARDSHIP – RATES RELIEF	
FOLDER NUMBER:	F2007/00307	
POLICY OWNER / DIVISION:	Corporate Support Division	
POLICY OWNER / BRANCH:	Financial Services	
FUNCTION:	Rates	
RELEVANT LEGISLATION:	Local Government Act, 1993	
POLICY ADOPTION/AMENDMENT DATE:	28 June 2023	REPORT NUMBER: GM20/23
REVIEW YEAR:	2023	
AMENDMENT HISTORY:	12 April 2006 (Report CC20/06) 11 April 2007 (Report CC11/07) 13 June 2007 (Report CC52/07) 8 April 2009 (Report CC12/09) 20 April 2011 (Report CC10/11) 17 April 2013 (Report GM2/13) 8 April 2015 (Report CS6/15)	

SCOPE:

Council recognises that, because of genuine hardship some ratepayers in the community may have difficulty in meeting their commitments for the payment of residential Rates and Charges. Council offers assistance to these ratepayers experiencing genuine hardship through the various forms of relief allowable under the Local Government Act.

PURPOSE

1. To provide appropriate financial relief to ratepayers of Council experiencing genuine hardship in meeting commitments in paying Rates and Charges.
2. To fulfill the statutory requirements of the Local Government Act 1993 and other relevant legislation under sections 564, 566, 567 and 601 in the recovery of Rates and Charges.

POLICY STATEMENT

1. Council recognises there are cases of genuine hardship requiring respect and compassion in special circumstances.
2. Applications for Hardship Assistance may be completed on the application form available on Council's website.
3. Applications will be considered in relation to the special circumstances listed within this Policy.
4. An arrangement for Hardship Assistance will be offered for approved applications with the type of assistance offered dependent upon the nature of the special circumstances.
5. Hardship assistance is limited to a single property owned and occupied (jointly or not) by the applicant.

6. Further action to recover debt may be taken if the applicant does not adhere to the agreed arrangement with Council.
7. Due to the changing circumstances of ratepayers, who may move in and out of hardship conditions, Hardship applications are reviewed annually. Applicants are generally required to submit a Hardship Assistance form each financial year with up-to-date information.

SPECIAL CIRCUMSTANCES

This policy recognises that due to special circumstances ratepayers may at times encounter financial hardship, making it difficult for them to pay their rates and charges as they fall due, or adhere to a regular payment arrangement.

Special circumstances that will be considered by Council may include (but are not limited to) such matters as loss of employment, loss of income, illness, separation or divorce or recent bereavement, mental health, disability, family violence, carer responsibilities, impacts of natural disasters and other such unforeseeable events, significant changes to rates and charges related to legislative and regulatory changes, or impacts following a general revaluation of land by the Valuer General (should the impact cause substantial hardship).

TYPES OF ASSISTANCE

The types of assistance that Council may offer are prescribed within the Local Government Act.

Assistance by Periodical Payment Arrangements

Section 564 of the Act provides that Council may accept payment of rates and charges due and payable by a person in accordance with an agreement made with the person and may write off or reduce interest accrued on rates and charges if the person complies with the agreement.

Deferral of Recovery Proceedings against Eligible Pensioners who are entitled to receive a Rebate of Rates and Charges

Where, in Council's opinion, payment of Rates and Charges would cause hardship, eligible pensioners over the accepted retirement age may be allowed to accrue Rates and Charges against their estate. Interest charges are to accrue on overdue Rates and Charges daily, in accordance with **Section 566** of the Act. Accrued interest is to be applied to assessments on a weekly basis.

Under **Section 712** of the Act, proceedings for the recovery of a rate or charge may commence at any time within twenty years from the date when the rate or charge became due and payable. The Local Government Rating and Revenue manual advises that Councils have discretion to accrue rates, charges and interest against a pensioner's estate. The Office of Local Government advises if Councils wish to utilise this discretion, agreement is required from the ratepayer. However, given the constraints set out in Section 712 of the Act, Council will require pensioners to commence payment of any such accrued Rates and Annual Charges such that their total debt to Council does not exceed twenty years.

Assistance to extend pensioner concession to avoid hardship

Under Section 577 of the Act, Council may make an order deeming certain persons who are jointly liable with an eligible pensioner(s) or solely liable, but who are not themselves eligible, to be eligible pensioners for the purpose of a mandatory reduction in rates and charges to avoid hardship.

Assistance by writing-off accrued interest and costs

Under **Section 567** of the Act, Council may write off accrued interest on rates or charges payable by a person if, in its opinion:

- The person was unable to pay the rates or charges when they became due and payable for reasons beyond the person's control, or
- The person is unable to pay the accrued interest for reasons beyond the person's control, or
- Payment of the accrued interest would cause the person hardship.

Assistance due to General Revaluation of Land in the Local Government Area and Changes to the Rating Category of Properties

Under **Section 601** of the Act, a ratepayer who, as a consequence of a revaluation by the NSW Valuer General suffers substantial hardship from an increase in rates, may apply to the Council for relief under this section.

Council has the discretion to waive, reduce or defer the payment of the whole or any part of the increase in the amount of the rate payable by the ratepayer in such circumstances, for such period and subject to such conditions as it thinks fit.

ASSESSMENT

Council will apply hardship assistance to ensure that the repayment of rates and charges does not cause further financial hardship to residents. Each application will be assessed on a case-by-case basis having consideration of the unique special circumstances that can vary from resident to resident. The types of assistance within this policy will be applied to suit the special circumstances of the applicant.

The Chief Financial Officer will oversee the assessment of applications and is responsible for ensuring that appropriate steps are taken to maintain confidentiality and that each application is assessed in a fair and equitable manner.

The hardship application form must be completed in a legible fashion and contain sufficient information for Council to assess the application. If the form is not legible and/or does not include sufficient information Council may reject the application and/or request clarification and/or further relevant information.

Ratepayers experiencing hardship are encouraged to seek their own independent financial advice from suitably qualified financial counsellors. Where relevant, a ratepayer may provide evidence of such advice to Council to assist with the assessment of their application.

RESPONSIBILITY

The Chief Financial Officer may delegate responsibility to the Management Accounting and Operations Manager to ensure proper procedural documentation is maintained at a level satisfactory to Council and as required by relevant legislation.

EXTERNAL SUPPORT

National Debt Helpline (ndh.org.au) – 1800 007 007

Lifeline 24/7 Crisis Support – 13 11 14