

# Rates and Charges Hardship Assistance Policy (for ratepayers suffering from the effects of natural disasters)

## 1 Document Information

<b>Version Date</b> <i>(Draft or Council Meeting date)</i>	28 April 2020
<b>Author</b>	Director of Finance and Corporate Services
<b>Owner</b> <i>(Relevant director)</i>	Director of Finance and Corporate Services
<b>Status –</b> <i>Draft, Approved, Adopted by Council, Superseded or Withdrawn</i>	Adopted by Council
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<b>Minute number</b> <i>(once adopted by Council)</i>	20/04/12

## 2 Summary

To provide eligible ratepayers with assistance relating to rates and water and sewer charges.

Council recognises that from time to time certain ratepayers may have difficulty in paying their Council rates and water and sewer charges, and that there are cases of genuine financial hardship requiring special assistance.

## 3 Approvals

Title	Date Approved	Signature
General Manager		
Director of Finance and Corporate Services		

## 4 History

Minute No.	Summary of Changes	New Version Date
<b>20/02/11</b>	Policy accepted for public exhibition	<b>25/02/2020</b>
<b>20/04/12</b>	Policy Adopted by Council	<b>28/04/2020</b>

## 5 Reason

The purpose of this policy is to enable a person liable for rates and charges and experiencing hardship to make an application to Council for assistance relating to any unpaid rates or charges.

## 6 Scope

Applies to the Cabonne Local Government Area.

Any rate payer who is unable to pay their rates or charges due to hardship can apply to Council for assistance at any time.

## 7 Associated Legislation

Local Government Act 1993, sections 494, 566, 575, 577, 578, 582, 584.

Local Government Act (General) Regulations 2005 – Regulations 134, 135.

## 8 Definitions

**Ratepayer** – The person liable for payment of the rates and charges at the property.

**Rates and Charges** – Rates levied on property, water and sewer access charges – excluding water usage.

**Financial Hardship** - The inability of a ratepayer who wants to pay but cannot for financial reasons.

**Legal Costs** - The costs that are associated when recovering unpaid charges.

**Interest** - Charges that accrue daily on each overdue payment. Interest is charges at a statutory rate, currently 7.5%.

**Payment Arrangement** - An arrangement that allows ratepayers to pay overdue balances incrementally.

## 9 Responsibilities

The Senior Rates Officer in conjunction with the Director of Finance and Corporate Services are responsible for considering applications.

## 10 Related Documents

Document Name	Document Location
Rates and Charges Hardship Relief Application Form	
Office of Local Government Debt Management and Hardship Guidelines	

## 11 Policy Statement

- 11.1 Council empathises with rate payers suffering with financial hardship. It will therefore offer relief in the form of a payment plan or possibly temporary relief from interest charges.
- 11.2 When possible, Council will avoid debt collection and legal action for genuine cases.
- 11.3 This policy provides a framework to be followed in providing assistance to those ratepayers who are suffering genuine financial hardship due to the effects of a natural disaster.
- 11.4 The key objectives of this policy are to:
- 11.4.1 Provide a mechanism that enables people to feel comfortable in approaching Council about outstanding debts, so that debt does not become unmanageable.
  - 11.4.2 Reduce legal costs to Council and the ratepayer by reducing the amount of debt that is referred to debt collection agencies.
  - 11.4.3 Provide a policy that encourages a consistent and proactive approach in identifying and assisting ratepayers who may be experiencing difficulty paying their rates and charges.
  - 11.4.4 Enable more appropriate ways for Council to seek payment of rate arrears other than through the legal system.
- 11.5 A ratepayer may be eligible for consideration for hardship assistance in the payment of overdue rates, charges and interest when:
- The person is unable to pay rates or accrued interest when due and payable for reasons beyond the person's control: or
  - Payment when due would cause the person hardship.
- 11.6 Any rate payer who is unable to pay their rates or charges due to hardship can apply to Council for assistance at any time.
- 11.7 Council will not reduce rates or charges but will consider the following:
- Entering into a payment arrangement and not pursuing debt recovery.
  - Waiver of interest for a period of no longer than 12 months which will then be reviewed.

11.8 Interest may be waived for compassionate grounds, destitute circumstances or special circumstances where an application has been made. A waiver due to special circumstances is applied as a one-off event and not ongoing.

11.9 Council will assess each case of financial hardship on an individual basis.

### **Who is Eligible?**

Applications for hardship must be made in writing using the appropriate Rates and Charges Hardship Relief Form. Council may also request that the ratepayer attend an interview to assist Council in the understanding of the issues causing the individual hardship.

- The applicant must be the owner/spouse, part owner or lessee of the property and be liable for the payment of rates and charges on the property.
- The property to which the hardship application applies must be the principle place of residence or the principle place of business for the applicant.

This policy is restricted to:

- Rural property holders or lessees who are suffering from the effects of natural disasters.
- Commercial businesses that rely on the rural sector that may be experiencing hardship due to natural disasters.
- A ratepayer directly affected by a natural disaster or suffering from the effects of a natural disaster.



# Rates and Charges Hardship Relief Application Form

APPLICATION FOR HARDSHIP RATES AND CHARGES RELIEF FOR THE WHOLE OR PART OF THE YEAR COMMENCING 1 JULY 2019

I, \_\_\_\_\_

(Full name in block letters)

of \_\_\_\_\_

(Address)

telephone number \_\_\_\_\_

wish to apply for a concession on the basis of financial hardship due to the effects of a natural disaster and are the following:

- Rural Property Holder  Rural Business
- Other  Please specify.....

Is this property your sole or principal place of living? Yes  No

Is your property used as a farm or business? Yes  No

Please state your ABN.....

What is the nature of the farming/business activities carried out at the property?  
.....  
.....

Do you lease the property? Yes  No

What natural disaster has affected you financially?

- Flood  Drought  Fire
- Other  Please specify.....

How long have you been experiencing hardship? .....

Please attach a separate page with any other relevant information that you feel may assist your application.

Signature \_\_\_\_\_ Date \_\_\_\_\_