



HARDSHIP POLICY

INTENT OF POLICY

This Policy provides a framework for responding to applications from ratepayers experiencing genuine hardship with the payment of their rates, annual charges and fees.

POLICY STATEMENT

Council recognises that ratepayers may experience hardship in some circumstances in paying rates, annual charges, and fees. The Local Government Act 1993 (the Act) provides for the following assistance to ratepayers and customers:

- Periodical payment arrangements for overdue rates and charges [Section 564];
- Writing off or reducing interest accrued on rates or charges [Sections 564 & 567];
- Waiving, reducing or deferring the payment of the increase in the amount of rate payable because of hardship resulting from general revaluation of land (Section 601);
- Waiving, or reducing rates, charges and interest of eligible pensioners. [Sections. 575, 582]
- Waiving or reducing Council fees when the inability to pay is due to hardship [Section 610E]

Each application for assistance will be considered on its merits. A ratepayer may be eligible for consideration for assistance in the payment of overdue rates, annual charges, interest, and fees, where:

- the person is unable to pay due rates, charges fees or accrued interest when due and payable for reasons beyond the persons control; or
- payment when due would cause the person hardship.

In determining eligibility a request made in writing to the General Manager, should provide reasonable proof of financial hardship. Details of assets, income and living expenses, and such other information required to make an assessment may also be requested. The ratepayer may also be requested to attend an interview to assist in understanding the issues causing hardship.

The criteria for assessment will be, but is not limited to, the following:

- the amount of any rate increase when compared to the average rate increase for the rate category,
- income from all sources,
- living expenses,
- reason for financial hardship, and
- length of occupancy.

ASSISTANCE TO ELIGIBLE PENSIONERS

1. Council will provide a rebate of rates to eligible pensioners who are granted a mandatory pensioner concession under Section 575 of the Act.
2. Council will provide assistance to eligible pensioners who are experiencing financial difficulties, by offering alternative payment arrangements and reasonable extension to payment timetables. All payment arrangements must pay the balance owing within a reasonable timeframe, not exceeding 2 years from the date of the arrangement being made, and should include future rates and charges which will be levied during the arrangement period.
3. Under Section 577 of the Act in order to avoid hardship, Council may extend the pensioner concession to ratepayers who jointly occupy a dwelling and are jointly liable for rates and charges with an eligible pensioner, if it considers proper to do so.

HARDSHIP ASSISTANCE BY PERIODICAL PAYMENT ARRANGEMENTS

1. Council may enter into a formal agreement with a ratepayer eligible for alternative periodical payment arrangements for due and payable rates, and charges. Council or the ratepayer may initiate a proposal for a periodical payment agreement. In accordance with Section 568 of the Act, payments will be applied towards the payment of rates and charges in the order in which they became due. Council will provide information on the amounts due and payable on relevant notices.
2. Council may also write off or reduce the accrued interest and costs on rates by debt recovery, if the person complies with the periodical agreement (Section 542(2)). If the ratepayer fails to make the periodical payment in accordance with the agreement, the payment plan may be cancelled. Full payment of the amount outstanding will be due immediately or the matter transferred to external debt recovery agency.

HARDSHIP ASSISTANCE BY WRITING OFF ACCRUED INTEREST AND COSTS

Council applies interest rates to the maximum allowable under Section 566 of the Act. However Council may write off accrued interest and costs on rates or charges payable by a person under Section 567 of the Act and the Local Government (General) Regulation 2005 where:

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

HARDSHIP ASSISTANCE DUE TO CERTAIN VALUATION CHANGES

Under Section 601 of the Act any ratepayer who incurs a rate increase following a new valuation of land values may apply to Council for rate relief, if the new rate payable causes the ratepayer to suffer substantial hardship.

Council will encourage aggrieved ratepayers to make an appropriate application under the appeal provisions of the NSW Valuation of Land Act 1916. Council may provide assistance, by offering alternative payment arrangements and reasonable extension to payment timetables. All payment arrangements must pay the balance owing within a reasonable time frame, not exceeding two years from the date of the arrangement being made, and should include future rates and charges which will be levied during the arrangement period.

HARDSHIP ASSISTANCE DUE TO IMPACT OF SPECIAL RATE VARIATIONS

Any ratepayer who incurs a rate increase resulting from the implementation of a special rates variation can apply for assistance if the increase in the amount of rates payable would cause them substantial hardship.

WRITING OFF OF RATES, CHARGES AND INTEREST

In the cases where an assessment determines to write off rates, charges or interest, the General Manager shall write off debts to the maximum amount allowable under Council Delegation. Any amount above that may only be approved by a Council resolution.

PRIVACY AND CONFIDENTIALITY

Council staff will conduct themselves with courtesy and respect when dealing with ratepayers and shall maintain the privacy and confidentiality of all ratepayers' personal circumstances.

Approving Authority	Oberon Council
Contact	Finance & Community Services Director
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