

Attachment 7: Rates Assistance Mechanisms

Rate Relief options available to City of Newcastle ratepayers

a) Rate Relief in accordance with s601 of the Local Government Act, 1993;

Council's eligibility criteria are:-

- i. The rateable property must be the principal place of residence; and
- ii. The ordinary rates payable must be more than 5% of gross household income.
- iii. The increase in ordinary rates payable must be greater than the Council adopted percentage increase in Notional General Income.

Financial assistance up to \$200 is available in the year a new land valuation is used.

b) Deferral of rates and charges against the estate;

Council's eligibility criteria are:-

- i. The property must be the ratepayer's principal place of residence; and
 - ii. The rates payable must be more than 5% of the gross household income.
- Council currently defers just over \$770,000 in rates and charges.

c) Welfare Agency support;

The current eligibility criteria requires the applicant to reside at the property and meet the welfare agency's own criteria.

A ratepayer may make application to one of the following local welfare agencies for rate relief:-

- i. The Salvation Army;
- ii. Newcastle Legacy;
- iii. St.Vincent de Paul; and
- iv. The Samaritan Foundation.

In the event that the ratepayer is deemed eligible for assistance, a \$65.00 voucher is issued and can only be redeemed either by mailing it to Council or by presentation at the cashiers. One voucher per instalment is available to a ratepayer. This equates to a \$260 per annum reduction in rates payable and is in addition to the mandatory pension rebate provided by Council of \$250 per annum.

Each of the local welfare agencies also supplies financial planning advice to each applicant.

d) Eligible pensioners do not pay interest on overdue rates and charges

Eligibility Criteria:

Council does not raise interest on accounts owned by eligible pensioners where rates and charges are paid within the current year or suitable arrangements are made. This is supported by Council's Debt Management Policy.

e) Write-off of accrued interest

Eligibility Criteria:

- i. Ratepayers who enter into an arrangement and abide by the set terms do not pay any interest; and
- ii. Where it can be proven that financial hardship will result from payment of interest.

Each ratepayer must submit an application for consideration detailing how they will suffer hardship if they had to pay interest.

f) Negotiation of special arrangements to pay rates and charges

Eligibility Criteria:

Eligibility is determined by the ability of the ratepayer to pay the rates outstanding by the end of the financial year. The hardship experienced must be genuine and determined by each ratepayer submitting an application form. Given the diverse range of circumstances each application is considered on its own merits with factors such as past payment history taken into account.