

2.33 Pensioner Concession

POLICY TITLE: PENSIONER CONCESSION

FILE REF: R10-055

EXPIRY DATE: WITHIN 12 MONTHS AFTER THE NEXT ORDINARY COUNCIL ELECTION

POLICY OBJECTIVES

To provide eligible pensioners (as defined by the Local Government Act 1993) with the statutory pensioner concession relating to rates and charges as specified in Section 575 of the Local Government Act 1993.

POLICY STATEMENT

This policy sets out the terms and conditions required to be met by eligible persons for a pensioner concession under the Local Government Act 1993, as well as the additional pensioner concessions provided by Lockhart shire Council.

INTRODUCTION

Under state legislation some pensioners are eligible for mandatory concessions off their rates and charges. The amounts of the concessions available on an annual basis are:

- Up to \$250 on all ordinary rates and charges for domestic waste management services.
- Up to \$87.50 on sewerage rates or charges.

ELIGIBILITY

An eligible pensioner in relation to a rate or charge levied on land which a dwelling is as defined in the dictionary in the Local Government Act 1993.

The property for which a pensioner concession is sought must be the applicant's sole or principle place of living. The allowable rebate is proportionate to the number of *jointly eligible occupiers* as per defined in the Local Government Act 1993

Where an owner becomes an eligible pensioner after the commencement of a quarterly instalment, the concession will commence from the start of the next quarterly instalment period.

Reversal of pensioner rebates will be made as required by section 584 of the Local Government Act 1993. If circumstances occur that cause a person's entitlement to a reduction of rates or charges to cease, the entitlement is taken to cease on the last day of the quarterly instalment period during those circumstances occurred. If a ratepayer is in receipt of a Pension Concession Card, currently receiving a pension rebate on a property considered to be their sole and principle place of residence and is then required to enter an aged care facility for health or care reasons, the pension rebate will continue to apply as long as the property is occupied by the spouse or is not being rented.

Council will confirm all pensioners' eligibility at least every 12 months with Centrelink. If at this time eligibility is not confirmed Council will remove any further concession. This removal will be advised in writing. Reinstatement of a concession will require reapplication.

In accordance with Section 577 of the Local Government Act 1993, Council will grant a rate concession where an eligible pensioner, not the owner of the property, has a life interest in the property and is responsible for payment of rates. Council requires confirmation in writing (preferably from a legal representative) with a copy of the will of a deceased estate, copy of the Certificate of Title (if the life tenancy is registered) or relevant documentation to validate a life tenancy agreement.

PROCESS

Pensioners requesting a concession are required to submit an application on the prescribed form (available from Council office and on its website) with the production of a current Pension Concession Card issued by Centrelink or the Department of Veterans' Affairs. The application must be signed by the applicant or a person with power of attorney for the applicant.

The application will be assessed, which will include verification of the information provided by Centrelink. The amount by which the rate and charges are reduced is determined by the ownership of the property. If the person making the application is an eligible pensioner who is solely liable or jointly liable with one or more jointly eligible occupiers but with no other person (jointly eligible occupier is the spouse or de facto partner of that eligible pensioner) then a full rebate is granted. Otherwise a percentage of the rebate is calculated in relation to percentage of ownership.

Any 'late claims' or backdating of the rebate will be limited to only the financial year prior to the financial year in which the application is made. Council will require evidence to support any claims in respect of 'late claims'.

Once assessed, the applicant will be notified in writing of Council's decision and the amount of rates and charges payable.

HARDSHIP

Further concessions in relation to rates and charges for pensioners suffering from financial hardship may be applied in accordance with Council's 'Hardship Policy'.

*Confirmed by Council 16 February 2015
Refer Minute No. 25/15*

*Confirmed by Council 17 August 2009
Refer Minute No. 283/09*

*Adopted by Council – 21 August 2006
Refer Minute No. 268/06*

1.12 Debt Recovery Procedures

POLICY TITLE: DEBT RECOVERY PROCEDURES

FILE REF: A15-010

EXPIRY DATE: UNLIMITED

OBJECTIVES

1. Ensure effective control over debts owed to Council.
2. Be sympathetic and helpful to those ratepayers and other debtors suffering genuine financial hardship.
3. Fulfill the statutory requirements of the Local Government Act with respect to the recovery of rates and other debts.
4. Maximise cash flow.

POLICY STATEMENT

1. OUTSTANDING RATES

- 1.1 Recovery action shall be instituted if current rates are not paid by the due date and the outstanding amount is over \$600.00 unless arrangements have been made for payment by instalments either pursuant to Section 562 of the Local Government Act (the "Act") or by mutual agreement with Council's Officers when payment of rates would cause hardship.
- 1.2 Recovery action shall also be instituted for the recovery of outstanding rates, where one month after service of the rate notice there remains an amount outstanding from previous rating years and the ratepayer has not entered into a mutual agreement with Council's Officers as referred to in paragraph 1.1 to reduce the liability.
- 1.3 Recovery action may include personal visits, letters, telephone calls, Reminder Notices or Notices of Demand, Summonses, Writs, Garnishee Orders, Section 569 Notices, Warrant of Apprehension, Notices to wind up a company and sale of land for overdue rates under Section 713 of the Act.

The process for the recovery of outstanding rates will consist of;

- i) An overdue notice from Council advising that the account is overdue and should be paid within seven days or legal action may be taken. The notice is to include an option to contact Council to make an arrangement in order to pay the account, should the ratepayer be experiencing difficulties meeting payments.

A similar notice is to be sent to pensioners. The notice will be termed a reminder notice and will carry appropriate terminology without referring to legal action at this stage. Refer to Policy Statement 3 for further information on recovery action for pensioners.

- ii) Should the account not be paid within the fourteen days a letter is to be sent advising that legal action will commence unless the amount is paid within 7 days.
- iii) Should the account not be paid within the seven days the account will be referred to one of Council's preferred Debt Collection Recovery Agencies or Council's Solicitors for Legal action to commence.
- 1.4 Ratepayers who because of hardship wish to enter into a mutual agreement with Council to pay rates by instalments, other than Section 562, shall supply to Council's Officers such information as is required by them to determine the matter.
- 1.5 Where a ratepayer who has made arrangements to pay rates in instalment by mutual agreement with Council's Officers does not meet their full obligations under the agreement, the agreement is terminated and legal action shall be immediately instituted for the recovery of any outstanding rates.
- 1.6 Any agreement entered into with a ratepayer for the payment of outstanding rates other than pursuant to Section 562 of the Act, shall endeavour to ensure that all rates outstanding are fully paid by 31st May of the rating years in which the agreement is entered into, and an agreement for payment of outstanding rates shall not extend beyond two years during which time all later levied rates shall be liquidated.

2. INTEREST CHARGES

- 2.1 Interest will be charged on overdue rates in accordance with Section 566 of the Act by the maximum allowable under the Act.

1.12 Debt Recovery Procedures (cont'd)

2.2 Extra charges may be written off in accordance with Section 567 of the Act by Council resolution or by delegation of authority to the General Manager.

3. REBATES/PENSIONERS

3.1 Eligible pensioners shall be required to pay the amounts of rates remaining following any statutory reduction in rates granted under the Act. Such amounts remaining may be paid by instalments pursuant to Section 562 of the Act.

3.2 Council's Officers shall take into account the limited income of eligible pensioners and may enter into a mutual agreement with them for the payment of rates by arrangement but within the rating years in which the rates were levied.

3.3 Where payment of rates is likely to cause extreme hardship to an eligible pensioner, the General Manager upon the recommendation of the Manager of Corporate Services may allow rates and interest charges to accrue against the property until the estate of the pensioner is settled.

Before allowing rates and interest charges to accrue against a property in accordance with paragraph 3.4, Council's Officers shall obtain from the ratepayer relevant financial and other details in order to determine that the payment of rates and interest charges would cause extreme hardship.

3.4 In relation to pensioners with outstanding debts, each case will be treated on its merits with a preference to deferring the debt given to the pensioner wherever possible.

4. SUNDRY DEBTORS

4.1 Monthly statements are to be forwarded to Sundry Debtors. Amounts outstanding for more than thirty days are to be regarded as overdue.

4.2 Where amounts are outstanding for more than thirty days credit or services may be stopped. Where it is not practicable to cease a service or credit, a letter (other than a statement) is to be forwarded to the debtor advising that legal action will commence should the debt not be finalised within fourteen days.

4.3 Where applicable recovery action is to be taken where amounts of \$300.00 or more are outstanding for more than sixty days. The account to be referred to one of Council's preferred Debt Collection Recovery Agencies or Council's Solicitors for Legal action to commence.

4.4 A monthly report on outstanding Sundry Debtor amounts to be provided to the Manager Corporate Services for review.

It be noted the use of external Debt Collection Agencies will only be utilised following Councils best internal efforts.

Confirmed by Council 20 July 2009

Refer minute 246/09