

**INDEPENDENT PRICING AND
REGULATORY TRIBUNAL
(IPART)**

Special Rate Variation Application

Wollongong City Council 2014-15

**Attachment 16
Rate Hardship Policy**

COUNCIL POLICY

BACKGROUND

The *Local Government Act, 1993* provides Council with three (3) options for providing assistance to ratepayers who are finding it difficult to pay their rates and charges because of financial hardship. A summary of the options is as follows –

Section 601 LGA, 1993

Any ratepayer who incurs a rate increase in the first year following a revaluation of land values can apply to Council for rate relief if the increase in the amount of rates payable would cause them substantial hardship.

Council has a discretion to waive, reduce or defer the payment of the whole or any part of the increase in the amount of the rate payable.

Council can set the period of time for when applications can be made under this Section.

Applications under Section 601 LGA, 1993 must be made during the first year a new land value is used for rating purposes. Where an application is made in the first year, an application can also be made in subsequent years of the valuation base date.

Section 582 LGA, 1993

Council can provide assistance to Pensioners under this Section. Council may defer payment of all or part of the rates and charges payable after rebates have been deducted.

Rates and charges deferred under this Section will be interest free and will become a charge against the land.

Sections 564 and 567 LGA, 1993

Council can enter into payment agreements with ratepayers, who cannot meet their normal instalment payments as provided by the LGA, 1993, and may write off interest charges.

OBJECTIVE

To provide assistance to ratepayers, suffering substantial financial hardship, with the payment of their rates and charges.

To provide an administrative process to determine applications quickly.

POLICY STATEMENT

Any ratepayer who cannot pay their rates or charges for reason of financial hardship can apply to Council for assistance at any time.

Each individual case will be considered on its merits.

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.
- The amount of rates levied compared to the average rate of the rate category.
- Income from all sources.
- Living expenses.
- Reason for financial hardship.
- Length of occupancy.

The assistance provided will be determined under the legal requirements of the *Local Government Act, 1993*.

STATEMENT OF PROCEDURES

DEFINITIONS

LGA, 1993 – refers to *the Local Government Act, 1993*.

Pensioner – means an eligible pensioner as defined in Clause 134 of the Local Government (General) Regulations 2005.

Application Form – Council’s application form for the purpose of applying for assistance under this policy.

Hardship Committee – Committee delegated by Council to review hardship applications.

HARDSHIP PROVISIONS

- Council will provide an application form for the purpose of applying for assistance.
- The Hardship Committee will review the application and recommend to the Chief Executive Officer any offer of assistance as provided by the *Local Government Act, 1993* having regard to the circumstances of the applicant.
- The Chief Executive Officer can approve or not approve the Committee’s recommendation.
- The ratepayer will be informed of Council’s decision in writing and if not satisfied with the outcome can request the Council to reconsider its decision.
- After the Council reconsiders the application and makes a decision the ratepayer has no further right to appeal.
- Delegated Officers of Council can enter into payment agreements with ratepayers and write off interest charges (Sections 564 and 567 LGA, 1993).

SUMMARY SHEET

RESPONSIBLE DIVISION	Finance
DATE ADOPTED ON BEHALF OF COUNCIL	28 August 2002
DATE OF PREVIOUS ADOPTION(S)	Not applicable
DATE FOR REVIEW	July 2012