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NAMBUCCA SHIRE COUNCIL RATES HARDSHIP POLICY

Our Vision

Nambucca Valley ~ Living at its best

Our Mission Statement

'The Nambucca Valley will value and protect its natural environment, maintain its assets and infrastructure and develop opportunities for its people.'

1.0 Policy objective

- 1.1 To provide assistance to ratepayers experiencing genuine substantial financial difficulties with the payment of rates and charges, and
- 1.2 To provide an administrative process to determine applications for financial hardship concessions.
- 1.3 To fulfil the statutory requirements of the NSW Local Government Act 1993 and NSW Local Government (General) Regulation 2005

2.0 Related legislation

The Local Government Act 1993 (the Act) provides Council with the following options to assist ratepayers with financial hardship:

1. Section 564 – Periodical Payment Agreements.

(a) A Council may accept payment of rates and charges due and payable by a person in accordance with an agreement made with that person.

(b) The Council may write off or reduce interest accrued on rates and charges if the person complies with the agreement.

2. Section 567 – Writing off of Accrued Interest.

The Council may write off accrued interest on rates and charges payable by a person if, in its opinion:

(a) the person was unable to pay the rates and charges when they became due and payable for reasons beyond the person's control, or

(b) the person is unable to pay the accrued interest for reasons beyond the person's control, or

(c) payment of the accrued interest would cause the person hardship.

3. Section 577 – Extension of Concession to Avoid Hardship

This section deals with eligible pensioners and Council currently has an existing policy regarding the extension of the Pensioner Rate Rebate (concession) and it is not proposed to alter such policy.

4. Section 601 – Hardship Resulting from Certain Valuation Changes

(a) A ratepayer who, as a consequence of the making and levying of a rate on a valuation

DRAFT

having a later base date than any valuation previously used by a Council for the making and levying of a rate, suffers substantial hardship, may apply to the Council for relief under this section.

(b) The Council has discretion to waive, reduce or defer the payment of the whole or any part of the increase in the amount of the rate payable by the ratepayer in such circumstances, for such period and subject to such conditions as it thinks fit.

Every three (3) years the Land and Property Information provide Council with a general revaluation of all properties within the shire for rating purposes, and this may result in substantial variations in the land value of properties.

3.0 Impact of Options Available to Council

It is not possible to determine the number of applications for financial assistance that Council would receive in any given year.

Any option provided in Council's Hardship Policy that involves the writing off of interest or rates will have an impact on Council's revenue for that year.

4.0 Hardship Policy

Part 1 – Hardship Committee

All applications for hardship will be reviewed by a hardship committee. The hardship committee will comprise Council's Assistant General Manager - Corporate, Rates Officer and Finance Officer - Revenue.

Applicants dissatisfied with the decision of the Committee may request a review by Council's General Manager.

Part 2 – Periodical Payment Agreements (Section 564)

Council may agree to periodical payment arrangements for rates and charges, including water consumption, from the owner of any rateable property and provided the arrangement is maintained the Council will not commence legal action for recovery of overdue rates and charges.

Part 3 – Writing off of Accrued Interest (Section 567)

Whilst Council's Debt Recovery Procedure includes various options in regard to arrangements, ratepayers may apply for further assistance in respect to rates levied on their principal place of residence.

Ratepayers suffering from genuine substantial financial hardship may apply to Council to have interest charges waived if they maintain payments in accordance with an arrangement.

Council will only waive interest charges accruing from the date of the arrangement and within the current rating/financial year. Interest charges previously raised will not be written off and must be paid in accordance with the arrangement.

Eligibility Criteria

DRAFT

1. Available to ratepayers of land categorised for rating purposes within the residential category only.
2. The property subject to the application must be the sole or principal place of residence of the owner/ratepayer.
3. Ratepayers eligible for a pension concession rebate must have applied for the concession before a hardship application will be considered.

All payments received will be applied towards payment of those rates and charges in the order in which they became due, in accordance with Section 568 of the Local Government Act.

Part 4 – Increase in Rates Due To Valuation Increases (Section 601)

Any ratepayer satisfying the eligibility criteria set out below may apply to Council for assistance in payment of the current ordinary rate.

Council will provide assistance in the form of an extended arrangement for the payment of rates and charges and provided payments are maintained in accordance with such arrangement Council will waive interest charges in respect to such rates.

Eligibility Criteria

1. Available to ratepayers of land categorised for rating purposes within the residential category only.
2. The rated property must be the sole or principal place of residence of the owner/ratepayer.
3. The percentage change in valuation for the property must be ten percent (10%) greater than the average percentage change for all properties in that sub-category subject to that rate. (eg, if the average increase in valuation for all properties subject to the Residential Town rate is fifteen per cent (15%) the increase on a single property will need to be Twenty five per cent (25%) or more to be eligible.)
4. The maximum amount of relief under this section is \$200.00

Ratepayers seeking assistance under this Policy will be required to complete an application form and supply all information requested. The application form is available for download from the Council's website (www.nambucca.nsw.gov.au) or can be collected from the Council's administration office or mailed out.

All applications will be considered by Council's Hardship Committee on a case by case basis.



Function: Corporate Services
Area: Finance

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Adopted: