



PARKES SHIRE COUNCIL

RATING HARDSHIP POLICY

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CONTROLLED DOCUMENT INFORMATION

ECM Number	1118431		
Department	Corporate Services		
Position	Debt Recovery Officer		
Review Timeframe	Annual	Next Scheduled Review Date	September 2019
Adoption by Council	18.05.2021	Resolution/Minute Number	21-195

Version History

Version Number	Date Changed	Modified by	Details & Comments
0	Date Policy Created 21 August 2018	Debt Recovery Officer	Policy Created included special arrangements for the current declared drought conditions.
1	Date Policy Amended 15 April 2020	Revenue Accountant	included special arrangements for Drought Conditions and COVID-19.
2	11 March 2021	Revenue Accountant	Section 7 Section 9 & 10 removed New section 9 added Section 12

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1. Introduction

To establish guidelines for the General Manager and staff when dealing with Ratepayers suffering genuine financial hardship, with the payment of ordinary Rate & Charges, Water Charges & Consumption and Sundry Debtors. To fulfil the statutory requirements of the Local Government Act, 1993 with respect to the ability to grant provision and give special consideration to Ratepayers/Sundry Debtors subject to financial hardship.

2. Policy Statement

Council requires all Ratepayers/Sundry Debtors to pay their Rates & Charges, Water Charges & Consumption and Sundry Debtor accounts in full by the due date/s. However, Council recognises there are cases of genuine financial hardship requiring respect and compassion in special circumstances. This Policy establishes guidelines for assessment of a Hardship Application applying the principles of fairness, integrity, confidentiality and compliance with statutory requirement.

3. Privacy & Confidentiality

Council officers will conduct themselves with courtesy and respect when dealing with Ratepayers/Sundry Debtors and shall maintain the privacy and confidentiality of all Ratepayers/Sundry Debtors' personal circumstances. Personal information collected as a result of this Policy will only be used for the purpose of assessing eligibility under the Policy and will not be used for any other purpose, or disclosed to any person, unless required by law to do so, or authorised to do so by the person to whom that personal information relates.

Privacy will be maintained in accordance with the NSW Privacy and Personal Information Protection Act 1998.

4. Essential Eligibility Criteria

- 1) The Applicant must be the owner/spouse, or part owner of the property and be liable for the payment of the Rates & Charges, Water Charges & Consumption and Sundry Debtor accounts. Council will accept an Application from the Power of Attorney of the owner or part owner of the property.
- 2) The property for which the financial hardship relates to is the principal place of residency.
- 3) The financial hardship is genuine and can be displayed.
- 4) The property for which the Hardship Application applies must be categorized "Residential" for rating purposes and in the "Residential" portion of properties with an apportionment factor for mixed development land granted under Section 14X of the Valuation of Land Act 1916.
- 5) Properties categorized as "Farmland" and "Business" may apply under these hardship provisions for special Payment Arrangements under Section 564 (1) of the Local Government Act, 1993.
- 6) Other personal and family circumstances including age, physical and mental disability, injury and illness of the resident Ratepayer/Owner or family member living with him/her will be considered.

5. Application Process

The Application for Rating Hardship must be made on the approved form (appendix 1).

6. Supporting Documentation

The Application for Rating Hardship must be accompanied with supporting documentation as listed below, but is not limited to:

- + Reasons why the Applicant was unable to pay Rates & Charges and/or Water Charges & Consumption and/or Sundry Debtor accounts (where applicable) when they became due and payable.
- + Copy of Bank or Financial Institution Statements for all accounts.
- + Details of all income and expenditure.
- + Details of all assets and investments.
- + Letter from recognised Financial Counsellor or Financial Planner confirming hardship and advising what steps have been taken by the Applicant to resolve the reasons for financial hardship.
- + In cases of illness, a letter from a medical professional confirming medical condition causing hardship.

Applications that do not include the above documentation will be returned to the ratepayer as incomplete and hardship provisions will not apply until all documentation is received and assessed by Council.

7. Payment Arrangements

Hardship applications will be assessed on a case by case basis, however, a minimum payment is required separately to rates and water and must be applied to all properties.

The payment amount must be a minimum amount based on the current year's rates levy or annual water consumption and broken down into regular payments based on the customers requirement i.e; weekly, fortnightly or monthly.

In extreme circumstances where this payment arrangement cannot be made a maximum extension of two months will be granted where no payments are required.

Following this two month extension minimum payments must commence, failure to do so will activate debt recovery procedures.

8. Hardship Assistance to Ratepayers/Sundry Debtors

Council recognises that Ratepayers/Sundry Debtors may experience hardship in some circumstances in paying Rates & Charges, Water Charges & Consumption and Sundry Debtor Accounts. The Local Government Act, 1993 provides for the following assistance to Ratepayers:

- + Section 564 (1) - Council may accept payment of Rates & Charges, Water Charges & Consumption and Sundry Debtor Accounts due and payable by a person in accordance with an Agreement made with the person.
- + Section 564 (2) - Council may write off or reduce interest accrued on Rates & Charges and Water Charges & Consumption if the person complies with the Agreement.
- + Section 567 (c) - Council may write off accrued interest on Rates & Charges, Water Charges & Consumption payable by a person if, in its opinion payment of the accrued interest would cause the person hardship.
- + Section 568 - Money paid to a Council in respect of Rates & Charges, Water Charges & Consumption and or Sundry Debtor Accounts (if applicable) levied on land is to be applied towards payment of those Rates & Charges, Water Charges & Consumption or Sundry Debtor Accounts in the order in which they became due.

- + Section 575 (1) - If an eligible pensioner is the person solely liable, or a person jointly liable with one or more other persons, for Rates & Charges, Water Charges & Consumption or a Sundry Debtor Account (if applicable) levied on the land on which a dwelling is situated, the Rates & Charges, Water Charges & Consumption & Sundry Debtor Accounts is, on Application to the Council and on production to the Council of evidence sufficient to enable it to calculate the amount of the reduction, to be reduced in accordance with this Section.
- + Section 577 - Council may make an order deeming certain persons, who are jointly liable with an eligible pensioner/s or solely liable, but who are not themselves eligible, to be eligible pensioners for the purpose of a mandatory reduction in Rates & Charges, Water Charges & Consumption and Sundry Debtor Accounts.
- + Section 582 - Council may waive or reduce Rates & Charges, Water Charges & Consumption, interest and Sundry Debtor Accounts due by any person prescribed by the regulations who is in receipt of a pension, benefit or allowance under the Social Security Act 1991 of the Commonwealth.
- + Section 583 (1) - Council is to write off amounts of Rates & Charges, Water Charges & Consumption, Interest and Sundry Debtor Accounts which are reduced or waived under this Division.
- + Section 583 (2) - Council may not take proceedings to recover an amount so written off unless the amount has been written off because of a wilfully false statement in an Application under this Division or except as provided by Section 584.
- + Section 601 (1) - A Ratepayer who, as a consequence of the making and levying of a Rate on a Valuation 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.
- + Section 601 (2) - 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 Rates & Charges, Water Charges & Consumption, Interest and Sundry Debtor Accounts payable by the Ratepayer/Sundry Debtor in such circumstances, for such period and subject to such conditions as it thinks fit.
- + Section 712 (1) - Proceedings for the recovery of a Rates & Charge, Water Charges & Consumption and Sundry Debtor (if applicable) may be commenced at any time within 20 years from the date when the Rates or Charges became due and payable.
- + The Local Government (General) Regulation 2005 may specify circumstances, in addition to those for which provision is made in this Chapter, in which a Council may write off Rates & Charges, Water Charges & Consumption, Interest and Sundry Debtor Accounts accrued on unpaid Rates & Charges, Water Charges & Consumption, Interest and Sundry Debtor Accounts where applicable.
- + Council may refer Ratepayers or Customers to welfare agencies or financial advisors for assistance.
- + The Director Technology & Corporate Services will have the authority for the approval of any Hardship Application within his Delegation. For amounts over this Delegation, the decision must be by way of resolution of Council.

9. Extenuating Circumstances

In the event of a pandemic or natural disaster Council will provide a simplified application for any ratepayer affected by the circumstance. These applications are on a strictly case by case basis and assessed individually.

Hardships under these arrangements must be re-applied for each financial year regardless of the date of initial application and must do so until the special provisions no longer apply.

Extenuation circumstances will be granted upon Council resolution of the event, ie; COVID, drought and in line with any government assessments, such as Department of Primary Industries NSW Combined drought indicator map.

Minimum payment arrangements will be assessed and required for rates and water as separate payments and will apply to all properties in the application.

10. Exclusions

Council's Fees & Charges (excluding annual charges levied under the Local Government Act, 1993) are not covered by Council's Rating Hardship Policy. Waiver of Fees and Charges will be dealt with separately under Council's Donations, Sponsorships & Waiver of Fees & Charges Policy.

Rates & Charges, Water Charges & Consumption charged on rental properties are excluded from assistance as it is assumed that the rental income and taxation advantages associated with rental properties would cover Rates & Charges, Water Charges & Consumption used.

11. Cancellation of Financial Hardship Relief

The financial Hardship Arrangement may be cancelled as a result of the following:

- 1) The Ratepayer/Sundry Debtor has defaulted on the Hardship Payment Arrangement.
- 2) The Ratepayer no longer owns the land.
- 3) The Ratepayer/Sundry Debtor advises Council that financial hardship no longer applies.
- 4) Council receives information that the financial hardship no longer exists.
- 5) The Ratepayer/Sundry Debtor has made a wilful false statement in the Hardship Application Form.
- 6) The Ratepayer/Sundry Debtor is deceased.
- 7) Such cancellation will be at the discretion of the Chief Finance Officer.

12. Review Period

Rating Hardship Applications are to be reviewed within 12 months and Ratepayers/Sundry Debtors may be required to re-apply.

The Ratepayer/Sundry Debtor may advise Council if their circumstances change, and they are no longer eligible/suffering hardship.

13. Definitions

Interest - Interest raised in accordance with the Local Government Act, 1993 and as adopted by Council in the Revenue Policy.

Rateable Valuation - Land value used for rating purposes as supplied by the Valuer General in accordance with the Valuation of Land Act, 1916.

Rates & Charges, Water Charges & Consumption - Rates & Annual Charges, Water Charges & Consumption raised in accordance with the Local Government Act, 1993 and as adopted by Council in the Revenue Policy.

Eligible Pensioner - Means an eligible Pensioner as defined in Clause 134 of the Local Government (General) Regulation 2005.

Approved Form - Council's Hardship Application Form.

14. References

Local Government Act, 1993

Local Government (General) Regulation 2005

Valuation of Land Act, 1916

Social Security Act 1991

NSW Privacy and Personal Information Protection Act 1998

Council's Revenue Policy

Council's Debt Recovery Policy

Council's Water Restriction Policy

Council's Rates & Charges Pensioner Concession Policy

Council's Donations, Sponsorship and Waiver of Fees and Charges Policy

ANNEXURE Application Forms



HARDSHIP APPLICATION FOR RATES, WATER & OTHER CHARGES

(Hardship Financial Statement to be completed by each individual)

Full Name: _____

Residential Address:

Property ID: _____ Property Address:

Mobile Telephone: _____ Email: _____

[Please add an additional page, if necessary, so that all details of income, assets and liabilities are disclosed.]

All property owners are required to complete and income and liability statement and provide evidence of such.

INCOME (weekly unless otherwise stated)

Your average weekly income after tax from salary or wages	\$	_____
Social security benefits/pensions (include family payments etc)	\$	_____
All other income (e.g. self-employed income, interest, dividends, rent or trust distributions)	\$	_____
TOTAL	\$	_____

ASSETS OWNED BY YOU

Home - Address	\$
Other property - Address (if more than one please add additional page)	\$
Funds in banks/financial institutions, including funds held in off-set accounts	
Name of Bank & Branch	\$
Name of Bank & Branch	\$
Name of Bank & Branch	\$
Investments - please list separately	\$
Motor vehicle - make/model	\$
Household contents	\$
Other personal property	\$
TOTAL VALUE OF PROPERTY OWNED BY YOU	\$





HARDSHIP APPLICATION FOR RATES, WATER & OTHER CHARGES

EXPENSES - please provide details below

Rent	\$
Utilities & Rates (body corporate/strata fees, rates, taxes/levies, repairs/maintenance)	\$
Utilities & Rates - Investment Properties	\$
Telephone & Internet	\$
Groceries	\$
Recreation & Entertainment (alcohol, tobacco, gambling, restaurant)	\$
Clothing & Personal Care	\$
Medical & Health (excluding health insurance)	\$
Transport (public transport, parking, tolls, vehicle running costs)	\$
Education (school fees, books, uniforms)	\$
Childcare	\$
Insurance (health, life, income, home & contents, motor vehicle)	\$
Memberships/Subscriptions (Netflix, pay tv, Spotify)	\$
Other (anything else not included above)	\$
TOTAL WEEKLY LIVING EXPENSES	\$

OTHER LIABILITIES	NAME OF BANK/INSTITUTION & BRANCH	WEEKLY AMOUNT	TOTAL AMOUNT OWED (loans, credit cards)
Home mortgage		\$	\$
Other loans		\$	\$
Credit cards		\$	\$
Other liabilities (specify)		\$	\$
TOTAL		\$	





HARDSHIP APPLICATION FOR RATES, WATER & OTHER CHARGES

Yes No

Does anyone contribute to paying these liabilities (e.g. your spouse/partner)?

If yes, give the person's details:

Name of person		
Amount of contribution per week		

Do you have any dependants? Yes No

If yes, give details:

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Please attach one form of photo identification such as Driver's Licence, Passport etc.

Please supply a Statement of Reasons as to why you are making an application for Hardship:





HARDSHIP APPLICATION FOR RATES, WATER & OTHER CHARGES

I have read Parkes Shire Council Rating Hardship Policy

I understand I may be required to provide evidence of information provide above

I have met with a financial Counsellor to discuss my situation

I agree that by signing this Hardship Application I am authorising Parkes Shire Council to verify the information contained in this application by contacting my relevant financial institutions as listed above.

Date: _____

Signature

Printed Name

Signature

Printed Name

Please note - all property owners must sign completed hardship application form.





HARDSHIP RATE RELIEF APPLICATION FORM FOR BUSINESSES - EXTENUATING CIRCUMSTANCES

Approved by the Director General of the Department of Local Government in accordance with Clause 19 of the Local Government (Rates and Charges) Regulation 1999 under the Local Government Act, 1993.

APPLICATION FOR HARDSHIP RATE RELIEF FOR THE WHOLE OR PART OF THE YEAR COMMENCING | JULY 20__

Please answer all questions relevant to you using block letters and ticking appropriate boxes.

Full Name: _____

Business Name _____

ABN _____

Property No. _____ of _____ (Address)

Mobile Number: _____ Email Address: _____

I/We, wish to apply for a concession on the basis of financial hardship due to _____ conditions.

1. Are you applying for Rate/Water Relief? Yes No
2. Is this property your sole or principal place of living? Yes No
 - a. If yes, is this where business is conducted from. Yes No
3. Has your business closed due to _____? Yes No
4. Has your business seen a downturn (i.e., more than 30% of business) since the event? Yes
No
5. Are you eligible for any Government Assistance? Yes No
 - a. If Yes - please advise when these payments will commence and total expected amount?

Under Council hardship provisions effective 11 March 2021, a minimum payment arrangement will be required per week separately to rates and water must be applied to all properties. If you meet these required payment amounts at the end of the financial year Council will reverse any interest charged from the date of this application until 30th June for that financial year. Payment amount will be determined on a case by case basis.

Payment amount: _____ Payment start date: _____

Payment Frequency: _____ Payment method: _____



HARDSHIP RATE RELIEF APPLICATION FORM FOR BUSINESSES - EXTENUATING CIRCUMSTANCES

Please note this application is only relevant for the current financial year, **1 July 20__9 - 30 June 20__**. Should you wish to apply for hardship relief after 30 June 20__ you will need to request a separate application based on your circumstances at that time.

Please attach a separate page with any other relevant information you feel may assist your application.

Under this agreement with Council to provide rate relief to eligible property owners experiencing financial hardship due to _____, Council will provide an extension for your rates to be paid until **30 June 20__**. Should your situation extend past this date you are required to make separate application to Council to continue with any hardship provisions.

In line with the above payment amounts and frequency, if these requirements are met, all interest charges during this period will be waived. Should you fail to stick to the payment arrangement all interest charges will be payable.

If you require further information, please contact Councils Rates & Water Team on 02 6861 2333 or via email rates@parkes.nsw.gov.au to make such an arrangement.

Please be advised that each application for relief will be treated on an individual basis.

PRIVACY AND PERSONAL INFORMATION PROTECTION ACT 1998 COMPLIANCE WITH SECTION 10

The information contained in this application form and any information requested for the purpose of assessing eligibility for a hardship relief is private and confidential and council must not disclose the information to any person or body if it is not directly related to the purpose for which the information was collected.

If you have a complaint about the use of your personal information, contact the council's Public Officer. The information contained or referred to in this application form may be corrected and updated by you, by contacting the council.

Signature: _____ Date: _____

