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RATES AND CHARGES HARDSHIP ASSISTANCE POLICY

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Purpose

To provide a framework for determining assistance to ratepayers of Residential Rating Categories who are suffering genuine financial hardship with the payment of rates and charges, including pensioners.

Scope

Burwood Local Government Area ratepayers who meet the criteria for genuine hardship and eligible pensioners.

Principles

Council is committed to the following principles when considering an application of financial hardship with regard to the payment of rates and charges:

- Application of the principles of social justice, fairness and integrity
- Compliance with relevant statutory legislation
- Respect for the privacy of individuals

Definitions

Interest – a charge raised in relation to unpaid rates and charges in accordance with Section 566 of the Act

Pensioner – person solely liable, or a person jointly liable with one or more other persons, for a rate or charge levied on land (that is their principal or sole place of residence) who is in receipt of a pension, benefit or allowance under the *Social Security Act 1991* or the *Veterans' Entitlement Act 1986* who are entitled to a pensioner concession card

Deferment – the deferral of payment of the rates and charges for no more than 15 years from the original year of levy

Eligibility for Hardship Assistance

A ratepayer may be eligible for consideration for Hardship Assistance in the payment of overdue rates, annual charges, interest, and fees, where:

- the person is unable to pay due rates and charges or accrued interest when due and payable for reasons beyond the person's control
- payment when due would cause the person hardship

In determining eligibility, Council will use the information that is provided in the application form found at Appendix 1.

The applicant or Council staff may request an interview to assist in the understanding of the issues causing hardship.

Available Assistance

General:

Council recognises that ratepayers may experience hardship in some circumstances in paying rates and annual charges. The *Local Government Act 1993* (the Act) provides for the following assistance to ratepayers:

- Periodical payment arrangements for overdue rates and charges (Section 564)
- Writing off or reducing interest accrued on rates or charges (Section 564 and 567)

- Waiving, reducing or deferring the payment of the increase in the amount of rate payable because of hardship resulting from general revaluation of land in the Local Government Area (Section 601). This assistance is only available in the first year that the new valuations are used to levy rates
- Waiving, or reducing rates, charges and interest of eligible pensioners (Section 575 and 582)

Assistance to eligible pensioners:

Council recognises the number of pensioner ratepayers in the community, and is concerned with the difficulties some eligible pensioner ratepayers may have in meeting their rate payments.

Section 712 of the Act provides that proceedings for recovery of a rate or charge may be commenced at any time within 20 years from the date when the rate or charge became due and payable. The Office of Local Government Rating and Revenue Manual advises that councils have discretion to accrue rates, charges and applicable interest against a pensioner's estate. The Office of Local Government advises if councils wish to utilise this discretion, an agreement is required from the pensioner ratepayer.

Where the eligible pensioner requests a delay in recovery action to allow outstanding rates and charges, and interest to accrue against their estate, and is willing to enter into an agreement, Council will:

- Provide the eligible applicant pensioner ratepayer with a copy of the Hardship Rate Relief Application Form (refer Appendix 1) that will require the disclosure of relevant financial information. The ratepayer must complete the application in order to prevent proceedings commencing.
- Provide an annual rates notice of all outstanding rates and charges, and interest as well as appropriate instalment reminders.
- Not commence recovery action until there is a change in ownership of the property, either or both ratepayers leave the property (except where the pensioner is in a care facility on a temporary basis being less than 12 months) or either or both become ineligible for a concession. Should any of these events occur, rates and charges will become due and payable.
- However, given the constraints as set out in section 712 of the Act, Council will require pensioners to commence the payment of overdue rates and charges, such that their total debt to Council does not exceed 15 years.
- Should the pensioner be unable to adhere to the above, Council may commence recovery proceedings for any debt in excess of 15 years.

The following conditions will apply to Burwood Council's agreement to defer recovery action:

- Interest on overdue rates and charges continues to accrue and the interest rate may vary from year to year in accordance with the Minister for Local Government's determination.
- The application to allow accrual of rates against future estate or sale of the property must be in writing, signed by each owner or person having an interest in that land. A letter of confirmation is to be provided each financial year to ensure the ongoing agreement between the ratepayer(s) and the Council.
- An eligible pensioner ratepayer must notify Council if the pensioner no longer uses it as his/her principal place of living or rents it out. Notification must be provided by the pensioner within 30 days of vacating the premises.
- Deferment of rates and charges under this policy will be for no more than 15 years. Prior to the commencement of the 15th year periodic instalments are to be made to ensure that no more than 15 years remain outstanding at any one time. Council Officers will contact the ratepayer to arrange a satisfactory payment arrangement.
- Approved applicant(s) agree that all rates and charges will accrue against the estate and are to be paid in full upon finalisation of the estate.

- The rates and charges outstanding must be paid in full on settlement on the sale of the property.
- If the owner ceases to be an eligible pensioner at any time the rates and charges are required to be paid in full.

Process for Rate Relief

Criteria

- A pensioner must hold a concession card issued under the *Social Security Act 1991* or the *Veterans' Entitlement Act 1986*.
- The applicant(s) must have owned the applicable property for five years or more.
- Properties that are subject to a mixed development apportionment factor are not eligible.

Requirements

- Applications must be made on the Hardship Rate Relief Application Form and lodged with Council (refer Appendix 1).
- The pensioner must grant permission to Council Officers to confirm with Centrelink or Veterans' Affairs their pensioner eligibility.
- Council Officers must sight the original pension card.

Approval Process

- All applications received will be reported to Council in closed session for determination under Section 10A(2)(b) personal hardship of any resident or ratepayer of the Act.
- A copy of the application form is to be attached to the Council report.
- Applications that have been approved, will require the Pensioner to complete the Rates and Charges to Accrue to the Estate Settlement on Sale of the Property Form (refer Appendix 2).
- At each rate levy the Pensioner will be advised of the rates outstanding via a Council Rate Notice with a covering letter reaffirming that they are not payable until the 15th year, including the interest rate chargeable for the current year highlighted.
- No reminder notices or letters of demand will be sent to the Pensioner during the financial year.
- Applications that have not been approved will be advised accordingly and reasons provided.

Related Information

- *NSW Local Government Act 1993*
- Local Government (General) Regulation 2005
- *Social Security Act 1991*
- *Veterans' Entitlement Act 1986*
- *Privacy and Personal Information Protection Act 1998*
- *Environmental Protection & Assessment Act 1979*
- *Health Records and Information Privacy Act 2002*
- Burwood Council's Privacy Management Plan

Review

This policy will be reviewed every four years.

Contact

Financial Operations Accountant on 9911 9836

Appendix 1



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HARDSHIP RATE RELIEF APPLICATION FORM

APPLICATION FOR HARDSHIP RATE RELIEF FOR THE WHOLE OR PART OF THE YEAR COMMENCING 1 JULY 20__

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

Applicant Details

I, (full name)

Of (residential address)

Apply for concessional rate arrangement on the following grounds:-

.....
.....
.....

Amount Owing: \$

Property Rates Assessment Number:

For the purposes of this application, I give the following information, and that contained in the attached Statement of Position, which I believe to be correct.

1) Do you receive any pensions or benefits? Yes No

If No, proceed to Question 4.

If Yes, please provide type of pension and amount received per fortnight.

Pension: _____ Amount: \$ _____

2) Do you have a current Pensioner Concession Card issued by the Commonwealth Government?

PCC No. _____ Date Granted: _____

3) Have you claimed a pensioner concession on any other property this year:

If Yes, state the address of the property _____

4) Is this property your sole or principal place of living? **Yes** **No**

The property for which I am claiming has been my sole/principal place of living since _____

5) I am liable for the payment of rates and charges on this property, together with others as listed below. **(If no others, write "SOLE OWNER")** _____

Please provide details of all "other" persons indicated in Question 5. **(ALL OWNERS other than the applicant should be listed, including your spouse):**

Name Pension Type Pension

Name	Pension	Pension No	Date of Grant	Share (%) Ownership*

Evidence of joint ownership is attached/has been provided to council previously (circle whichever is applicable).

6) Is the property owned as shares in a company title? **Yes** **No**
If you do not own or rent the property, please explain why you are liable to pay the rates

7) Are there people living at the property other than those listed at Question 5? **Yes** **No**

8) Please indicate who these people are?

- Self
- Spouse
- Children (State ages _____)
- Boarders
- Relatives
- Other (please specify)

9) Do you own (either fully or partially) any other land or buildings? **Yes** **No**
If yes, list addresses.

10) How many children do you support? _____ State ages _____

11) What is the cause of financial hardship?

12) How long have you been experiencing hardship? _____

13) Please state gross weekly amount received in dollars and cents from the following sources of income:

a) Salary and Wages (after tax) \$ _____

b) Pensions and benefits \$ _____

c) Compensation, superannuation insurance or retirement benefits \$ _____

d) Spouse's income \$ _____

e) Income of other residents of the property \$ _____

f) Casual/part-time employment \$ _____

g) Family allowance \$ _____

h) Interest from banks/credit unions/building societies \$ _____

14) Please provide name and current balance of all bank, credit union or building society accounts held by you.

15) Please state details of fortnightly outgoings.

Outgoing Owed to Amount

• Rent/Home Loan \$ _____

• Other mortgages \$ _____

• Personal loans/Hire purchase \$ _____

• Health Costs \$ _____

• Council rates and other Service charges \$ _____

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

I hereby declare that the information provided is true and correct. **If you make a false statement in an application you may be guilty of an offence and fined up to \$2,200.**

Signature: _____ Date: _____

CUSTOMER CONSENT

For the sole purpose of authorising the council to confirm with Centrelink whether or not the detail I have provided to the council matches Centrelink or other Commonwealth portfolio department or agency records in relation to the current status of my Commonwealth Benefit:

I authorise the council to confirm with Centrelink the following details:

- Pension No.
- Name
- Address
- Postcode, and
- That I am a valid concessional card holder

I agree that, unless I revoke my consent, this Customer Consent record is a permanent consent, and may be relied on by the council until such time as I revoke it.

I may revoke this Customer Consent record at any time by giving the council **written** notice that my consent is revoked. I understand if I revoke this consent, I may not be eligible for the concession given by the council.

I acknowledge I have read and understood this Customer Consent record.

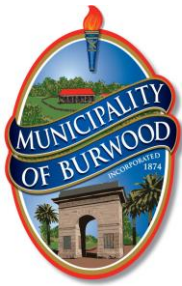
Signature: _____ Date: _____

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 pensioner concession is required under the *Local Government Act 1993* and the *Local Government (Rates and Charges) Regulation 2005*. This information is required before your application for a pensioner concession can be processed. The information 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.

Appendix 2



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RATES & CHARGES TO ACCRUE TO THE ESTATE – SETTLEMENT ON SALE OF PROPERTY - AGREEMENT

I/We: _____
(name/s)

Of: _____
(residential address)

Assessment Number: _____
(assessment number)

I/We understand that:

1. all rates and charges for the abovementioned property will accrue against my estate
2. the outstanding rates and charges are subject to interest in accordance with the *Local Government Act 1993* and may vary from year to year
3. upon transfer or sale of the above mentioned property the outstanding rates and charges will be paid to Council
4. if any rates and charges remain unpaid for a period of 15 years then I will commence payment of rates and charges by periodic instalments to ensure that no more than fifteen years rates and charges are outstanding at any one time
5. upon my death the outstanding rates and charges accrued to my Estate will be paid to Council upon finalisation of the Estate
6. if I/we cease to be an eligible pensioner the rates and charges are required to be paid in full

Signature of Applicant/s _____
(signature of applicant/s)

Dated this _____ day of _____ 20_____

Signature of Applicant/s taken and declared at in the State of New South Wales

Justice of the Peace _____ JP number _____

Dated this _____ day of _____ 20_____