



**ORDINARY RATES & ANNUAL CHARGES HARDSHIP  
POLICY NO: CS 14**

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*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.'

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**1.0 Policy objective**

- To provide assistance to ratepayers experiencing genuine financial difficulties with the payment of rates and annual charges, and
- To provide an administrative process to determine applications for financial hardship concessions.
- To fulfil the statutory requirements of the NSW Local Government Act 1993 and NSW Local Government (General) Regulation 2021
- Council is committed to considering applications of hardship on merit and by applying the principles of fairness, integrity, confidentiality and compliance with statutory requirements

**2.0 Related legislation**

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

**2.1. Section 564** – Periodical Payment Agreements.

- 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.

Nambucca Valley Council will ensure that such payment arrangement payments will be applied towards the payment of ordinary rates and annual charges in the order in which they became due.

**2.2. 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.

**2.3. 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.

#### **2.4. 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 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 Valley for rating purposes, and this may result in substantial variations in the land value of properties.

### **3.0 Impact of Options Available to Council**

Any option provided in Council's Hardship Policy that involves the writing off of interest or ordinary 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 Services, Chief Financial Officer and Rates Officer.

Applications will be considered by Council's Hardship Committee using the following criteria:

- i. The applicant must be the owner or part owner of the property and be liable for the payment of ordinary rates on the property.
- ii. The property for which the hardship application applies must be the principal place of residency of the applicant/s.
- iii. Ratepayers seeking hardship as a result of valuation changes are encouraged to seek appeal to the NSW Valuers General under the provisions of the Valuation of Land Act NSW 1916.

Ratepayers deemed to be suffering from financial hardship will be offered a payment arrangement that seeks to cover current ordinary rates and annual charges and, in the event there is outstanding debt, recover that also.

Applicants dissatisfied with the decision of the Committee may request a review by Council's General Manager in writing within 30 days of the rejection being advised.

Noting that failure to lodge a request for a review within the timeframe provided may result in application of the Debt Recovery – Policy where outstanding ordinary rates and annual charges exist.

#### **Part 2 – Periodical Payment Agreements (Section 564)**

Council may agree to a periodical payment arrangement for ordinary 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 ordinary rates and charges.

In the event the ratepayer meets the agreed payment arrangement in full, any interest charges accrued during the period will be waived. This option is not available where no payment arrangement exists, a payment arrangement exists but is not met, or where the Debt Recovery Policy has been applied to recover outstanding ordinary rates and annual charges.

Ratepayers who are experiencing difficulties in meeting their scheduled repayments should seek review by consulting a Financial Planner to provide assistance in determining a more manageable payment arrangement.

Payment arrangements must always include the provision to pay current ordinary rates and annual charges and any arrears due to Council. A payment arrangement that does not meet these requirements will not be accepted.

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

Ratepayers suffering from genuine financial hardship may apply to Council to have interest charges waived if they maintain payments in accordance with an arrangement under part 2 of this policy.

Council will only waive interest charges accruing from the date of commencement to the date of cessation of the arrangement provided all payments are made in accordance with the arrangement. Interest charges previously raised will not be written off.

#### *Eligibility Criteria*

1. The property subject to the application must be the sole or principal place of residence or business of the owner/ratepayer.
2. Ratepayers eligible for a pension concession rebate must have applied for the concession before a hardship application will be considered.

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

Council will not consider hardship applications under this provision, as valuations are independently determined by the NSW Valuer-General. Council will encourage aggrieved ratepayers to make an appropriate application under the appeal provisions of the NSW Valuation of Land Act 1916.

### **Hardship Application Form**

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 [here](#) 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.

## **5.0 History**

<b>Department:</b>	Corporate Services	<b>Last Reviewed</b>	<b>Resolution Number</b>
<b>Policy Category</b>	Organisational	11 Jan 2019	By AGMCS
<b>Endorsed By:</b>	AGMCS	17 April 20 to include business ratepayers	By AGMCS for GM
<b>Approval Authority</b>	General Manager	27 January 2022	37/22
<b>Policy Owner</b>	Rates Officer		
<b>Contact Officer</b>	Rates Officer		
<b>Document No.</b>	10613/2014		
<b>First Adopted</b>	24 April 2014		
<b>Resolution No:</b>	230/14		
<b>Review Date:</b>	January 2023		