

Revenue Hardship Policy

Policy Number: POL18/77 • **Adopted:** 1/05/2008 • **Reaffirmed:** 23/04/2013 • **Amended:** 21/07/2015, 15/08/2017 • **Minute Number:** MIN13.363, D15/211230, MIN17.701 • **File:** 20962E • **Produced By:** Finance Corporate & Community Services Group • **Review Date:** 1/12/2020

1. PURPOSE

Shoalhaven City Council recognises that financial hardship can arise with some ratepayers and will consider application for financial relief in some instances.

2. STATEMENT

This document is to be used as an internal practice and guideline for administering rate hardship provisions.

3. PROVISIONS

Council has the option of writing off full or partial interest on rates and charges under Section 567 (c) of the Local Government Act 1993. Under Section 601 of the Local Government Act 1993, Council has a discretion to waive, reduce or defer the payment of the whole or part of the increase in the amount of the rate payable by the ratepayer experiencing hardship resulting from certain valuation changes.

The following criteria apply:

- a) A confidential statement must be submitted by the debtor as evidence that the payment of the outstanding rates and charges would cause hardship to that person(s).
- b) The confidential statement must be on Council's prescribed form and must be signed as a Statutory Declaration of the person's circumstances.
- c) Financial Hardship will only be applied to the primary place of residence.
- d) Financial hardship will not be applied to:
 - *Investment properties
 - *Commercial or Industrial properties
 - *Vacant land
 - *Small Lot Rural Subdivisions on which building is not permitted
- e) Pensioners who became eligible prior to 1 July 2015 have access to deferral of rates and, therefore, they may only apply for hardship if, in the Hardship Committee's opinion, extreme hardship exists. Interest will only be waived if the full year rates and charges are paid within the current 12 month rating period.

- f) The outstanding amount must exceed \$1,500 or be at least twelve (12) months overdue.
- g) Application covers current rating period from 1 July to 30 June only. A new application is required to be lodged for each rating period. Applications will not be accepted for a part of a rating year.

For the application to be given full consideration, evidence of hardship must be supplied by the person(s). This evidence may take the form of Social Security information, tax return or Workers Compensation details, etc.

If full disclosure is not made by the person(s) or it is found that incorrect disclosures were deliberately made, Council reserves the right to cancel the agreement and collect any interest previously waived.

Personal information will be treated confidentially and all assessments will be made on a case by case basis by the Hardship Committee. The Hardship Committee consists of the Revenue Management Supervisor, Accounts Receivable Officer, Debt Recovery Officer and Chief Financial Officer.

If Council, after review of the application, deems that the payment of any rates or charges would cause financial hardship, Council has the option of writing off full or partial interest on rates and charges under Section 567(c) of the Local Government Act 1993 for a specified period of time as determined by the Hardship Committee.

The interest free period is generally between three (3) to six (6) months only but may extend to twelve (12) months. In any event, the person(s) must maintain a strict regime of regular payments. The interest is only waived at the end of the period specified in order to ensure that the payments were/are maintained.

If Council, after review of the application, deems that the payment of any rates or charges would cause financial hardship, Council, under Section 601 of the Local Government Act 1993, has a discretion to waive, reduce or defer the payment of the whole or part of the increase in the amount of the rate payable by the ratepayer experiencing hardship resulting from certain valuation changes for the current rating year.

Upon receipt of the Hardship Application, a letter of acknowledgment is to be sent to the person(s) advising that a meeting will be scheduled in the near future. A report is then prepared for submission to the Hardship Committee and, upon determination, a letter is sent to the person(s) advising of the Hardship Committee's determination.

The Hardship Committee's determination is then entered onto Council's rating system, coded as 'Hardship' along with the account review date for monitoring by the Debt Recovery Officer.

3 IMPLEMENTATION

The Finance Corporate & Community Services Group will administer these guidelines.

4 REVIEW

The Finance Corporate & Community Services Group will review this Policy within one year of the election of every new council or earlier should circumstances arise to warrant revision.

5 APPLICATION OF ESD PRINCIPLES

Apply Council's ESD principles in determining hardship applications with regard to unemployment, low income households, pensioners and residents who are suffering financial hardship.

6 RELATED POLICIES

- Revenue - Pensioner Rates and Charges – Arrears and Interest
- Rates Revenue – Overdue Interest Rate
- Rates and Other Monies – Delegation of Authority to Write Off
- Small Lot Rural Subdivisions – Transfer of Land in Lieu of Dealing with Unpaid Rates and Charges
- Jerberra Payment Relief Policy

7 ATTACHMENTS

Application for Hardship Relief.

APPLICATION FOR HARDSHIP RELIEF

Council has the option of writing off interest on Rates and Charges under the Local Government Act. The following criteria must apply for this to occur:

1. Payment of such accounts in full is made difficult because of reasons beyond the ratepayers control
2. Payment of such accounts in full would cause the person hardship
3. The property concerned is the applicant/s **primary** place of residence
4. The completion in full of this application form
5. Provision of proof of income/expenses
6. **Suitable** arrangements for **regular** payments on the account

Privacy Notification

Shoalhaven City Council, for Hardship Relief purposes, is collecting the information requested on this form. The information will be used solely by Council officials for the purpose mentioned or a directly related purpose and will not be disclosed to any other parties. The applicant understands that this information is provided on a voluntary basis and they may apply to Council for access or amendment of the information at any time.

My application is for the payment of \$_____ per week/fortnight/month toward reduction of the outstanding amount.

You should ensure you contact Council promptly if your circumstances change. This will ensure that Council does not take action to recover the amount outstanding if you do not adhere to the arrangement. Additionally, you may not be entitled to relief under the new circumstances. If any information supplied is found to be false or misleading this agreement becomes null and void.

When answering the following questions please use block letters and tick the appropriate box.

Property ID: _____

Name: _____

Address: _____

Postal Address: _____

Telephone: Home: _____

Work: _____

Mobile: _____

Email: _____

Property Address: _____

(if different to above)

Do you own the property?

- By Yourself
 - With another person/s (spouse etc)
List any other people who reside with you _____
 - Other - Please indicate details _____
-

Is the property:

- Residential Home
 - Vacant Land
 - Rural Land
 - Your Sole or Principal Place of Living Since: _____
 - Other - Please indicate details _____
-

Value of House\Land \$ _____

Mortgage \$ _____

Do you have interest in any other properties?

Details including any rental collected _____

Are you currently employed?

- No. Go to next question
- Full time
- Part time/casual _____ hours per week
- Name of employer _____

Do you receive a pension or benefit?

- No. Go to next question
- Yes
Pension Number _____
Pension Type _____

Do you have a health benefits card?

No. Go to next question

Yes

Card Number _____

Do you have any dependants?

Yes. How many and what ages

Income Details

Wages/Salary after Tax	\$ _____	per week
Pension/Benefit	\$ _____	per week
Income (Spouse)	\$ _____	per week
Pension/Benefit (Spouse)	\$ _____	per week
Maintenance received	\$ _____	per week
Family Allowance	\$ _____	per week
Other (Give details)	\$ _____	per week
	\$ _____	per week
	\$ _____	per week

Total: \$ _____ per week

Bank/Building Society Accounts

Name of Bank/Branch	Balance
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____

Total \$ _____

Regular Expenses

Mortgage repayments	\$ _____	per week
Rent/Board	\$ _____	per week
Food	\$ _____	per week
Electricity	\$ _____	per week
Rates (Council & Water)	\$ _____	per week
Repayments Total (A)	\$ _____	per week
Vehicle expenses inc petrol	\$ _____	per week
Private Medical Insurance	\$ _____	per week
Telephone	\$ _____	per week
Maintenance payments	\$ _____	per week
School expenses	\$ _____	per week
Insurance/Superannuation	\$ _____	per week
Other	\$ _____	per week
	\$ _____	per week
	\$ _____	per week

Total: \$ _____ per week

Surplus/Deficit \$ _____ per week

Debts/Liabilities

(Personal loans, credit cards)

Owing To:		Balance:
_____	\$ _____ p/w	\$ _____
_____	\$ _____ p/w	\$ _____
_____	\$ _____ p/w	\$ _____
_____	\$ _____ p/w	\$ _____
_____	\$ _____ p/w	\$ _____
Total (A)	\$ _____ p/w	\$ _____

Please give details of reasons or circumstances that have led you to make this application:

The information provided in this application is strictly confidential and will not be disclosed to any other organisation.

Statutory Declaration

OATHS ACT 1900, NSW, EIGHTH SCHEDULE

I,, do solemnly and sincerely declare that
[name of declarant]

that the information contained in this application is true and correct

and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the *Oaths Act 1900*.

Declared at: on
[place] *[date]*

.....
[signature of declarant]

in the presence of an authorised witness, who states:

I,, a,
[name of authorised witness] *[qualification of authorised witness]*
– *JP number if applicable*

certify the following matters concerning the making of this statutory declaration by the person who made it: *[* please cross out any text that does not apply]*

1. *I saw the face of the person OR *I did not see the face of the person because the person was wearing a face covering, but I am satisfied that the person had a special justification for not removing the covering, and
2. *I have known the person for at least 12 months OR *I have not known the person for at least 12 months, but I have confirmed the person's identity using an identification document and the document I relied on was

[describe identification document relied on]

.....
[signature of authorised witness]

.....
[date]