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|-------------------------|-----------------|-------------------------|
| <b>Rates Assistance</b> | Document No:    | SCS - 003               |
|                         | Approval Date:  | 24 July 2018            |
|                         | Approved By:    | Council                 |
|                         | Review Date:    | July 2021               |
|                         | TRIM Reference: | D18/88823               |
| Responsible Officer:    |                 | Coordinator Revenue     |
| Authorising Officer:    |                 | Chief Executive Officer |

## 1. Purpose

The purpose of this policy is to establish a framework by which the Surf Coast Shire Council can offer some form of relief measures to ratepayers who endure significant hardship in meeting rate and charges including special rate payments.

## 2. Scope

This policy will cover all requests from ratepayers seeking assistance with financial hardship situations.

## 3. Application

This policy will apply to all Council ratepayers.

## 4. Definitions

**“Deferral”** A deferral of payment can be provided in whole or in part for rates, charges and levies which are due and payable for a specified period and subject to any conditions determined by Council if it considers that an application submitted by a ratepayer shows that payment of rates, charges and levies would cause hardship to the ratepayer.

**“Waiver”** A waiver removes the liability from the eligible ratepayer to pay the whole or part of any rate, charge or levy by way of a Council resolution if it considers that an application submitted by a ratepayer shows that payment of rates, charges and levies would cause hardship to the ratepayer.

## 5. Policy

It is acknowledged at the outset that various ratepayers may experience financial hardship for a whole range of issues and that meeting rates, charges and levy obligations constitute just one element of financial difficulties that may be faced.

The purpose of this policy is to provide options for ratepayers facing financial difficulty to deal with the situation positively and reduce the strain imposed by financial hardship. Council's approach will be:

- to firstly offer a payment plan, or
- or if this is not possible then a deferral arrangement (as long as the application meets the eligibility criteria as outlined on the Rates & Charges Deferment Application) or
- finally, as a last resort, a waiver arrangement may be entered into with a resolution of Council.

Ratepayers experiencing financial difficulty paying rates or charges can contact Council's Revenue Department to confidentially discuss the alternative payment arrangements in this policy.

### 5.1 Rates and Charges Payment Plans

In addition to the following mechanisms, Council will offer to all ratepayers, irrespective of financial circumstances, the ability to negotiate a payment instalment plan for rates, charges and levies over a twelve month period (or longer if needs be), that suits the financial capacity of the ratepayer concerned.

Payment Arrangement Plans require an agreement to be entered into between the ratepayer and Council. Outstanding rates and charges will be subject to penalty interest rates as prescribed under the Penalty Interest Rates Act. Council will accept an application in the form of the Rates and Charges Payment Arrangement Application, or in writing, ensuring applicants acknowledge Council's terms and conditions for payment arrangements.

## 5.2 Deferral of Rates and Charges

Under Section 170 of the Local Government Act, Council may defer the payment of any rate or charge, allowing ratepayers an extended period of time to make payments or alternatively forestall payments on an indefinite basis until the ratepayer ceases to own or occupy the land in respect of which rates and charges are being levied.

Rate deferral agreements are not transferable with a change of ownership.

Deferral of rates, charges and levies are available to all ratepayers who satisfy the eligibility criteria found on the Rates and Charges Deferment Application. Where Council approves an application for deferral of rates and charges, interest will continue to be levied on the outstanding balance of rates and charges but at an interest rate fixed annually by Council (but not exceeding the Cash Rate plus 1% - refer RBA website). This deferred interest rate will typically be lower than the prescribed penalty interest rate levied by Council on unpaid rates and charges).

## 5.3 Waiving of Rates and Charges

Under Section 171 and 171A of the Local Government Act, Council may waive payment or part payment of any rate or charge, if it is satisfied that requiring full payment would cause undue hardship on the ratepayer. The waiving of rates may only be applied should a successful Council resolution be approved.

Council needs to be mindful in that in applying this section, any rates or charges foregone by way of rate waivers will essentially be passed onto the remaining ratepayers. It is therefore not considered to be an appropriate mechanism to waive rates and charges or special rates.

## 5.4 Unpaid Rates and Charges

Under Section 172 of the Local Government Act, Council may charge penalty interest at a rate prescribed under the Penalty Interest Rates Act on unpaid rates.

## 6. Records

Records shall be retained for at least the period shown below.

| Record                                                                                                                                                                                                                                                                                                                                                                                                                    | Retention/Disposal Responsibility | Retention Period                        | Location                                                                                                                           |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|-----------------------------------------|------------------------------------------------------------------------------------------------------------------------------------|
| Records relating to the exemption of rates payments due to exceptional circumstances. Includes records relating to the determination of individual circumstances for the application of Deferred Rates arrangements as well as records relating to the waiving of rates payments in drought or other exceptional circumstances and the establishment of rate deferral schemes for particular social or economic purposes. | Finance Department                | Destroy 7 years after action completed. | Surf Coast Shire or APROSS pending destruction.<br>Electronic records should be maintained in readable format pending destruction. |
| Records relating to the administration of rates management. Includes records related to applications for pensioner rebates as well as changes of address and other administrative records.                                                                                                                                                                                                                                | Finance Department                | Destroy 2 years after receipt.          | Surf Coast Shire or APROSS pending destruction.<br>Electronic records should be maintained in readable format pending destruction. |

## **7. Attachments**

Rates and Charges Arrangement Application and Rates and Charges Deferment Application

## **8. References**

Local Government Act 1989 - Sections 170, 171, 171A and 172

Management Policy and Procedure: MPP-004

Rates Assistance Council website ([www.surfcoast.vic.gov.au](http://www.surfcoast.vic.gov.au))

Centrelink website ([www.centrelink.gov.au](http://www.centrelink.gov.au))

## Rates & Charges Arrangement Application

Please complete and send this form to the Revenue Coordinator.

| Application                                                                                                                                          |                  |                |
|------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|----------------|
| I wish to apply for further time to pay the rates and charges (including the Fire Services Property Levy) outstanding on the following property/ies. |                  |                |
| Assessment No                                                                                                                                        | Property Address | Amount now due |
|                                                                                                                                                      |                  | \$ _____       |
|                                                                                                                                                      |                  | \$ _____       |
|                                                                                                                                                      |                  | \$ _____       |
| <b>TOTAL AMOUNT NOW DUE</b>                                                                                                                          |                  | \$ _____       |

| Declaration                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |  |                                |  |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|--------------------------------|--|
| I agree to pay a minimum of \$_____ <input type="checkbox"/> Weekly <input type="checkbox"/> Fortnightly <input type="checkbox"/> Monthly until the outstanding amount is paid in full, commencing from _____(date).                                                                                                                                                                                                                                                                                                                                                                                                         |  |                                |  |
| I understand the following conditions apply:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |  |                                |  |
| <ul style="list-style-type: none"> <li>• This agreement is for the total amount now due as shown above and will not apply to any future rates and charges.</li> <li>• Interest currently at the rate of 10% per annum will continue to be charged on the reducing balance, until paid in full.</li> <li>• If for any reason I am unable to pay the amount as promised, I am to contact the Customer Service Department immediately on telephone 5261 0600.</li> <li>• If I fail to do so I may be subject to legal action for recovery of the debt without further notice and a further agreement may be refused.</li> </ul> |  |                                |  |
| <b>Applicant Name<br/>(in block letters)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |  | <b>Applicant<br/>Signature</b> |  |
| <b>Postal Address</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |  |                                |  |
| <b>Home phone</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |  | <b>Mobile</b>                  |  |
| <b>Date</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |  |                                |  |

*Privacy Statement: The Surf Coast Shire considers that the responsible handling of personal information is a key aspect of democratic governance, and is strongly committed to protecting an individual's right to privacy. Council will comply with the Information Privacy Principles as set out in the Privacy and Data Protection Act, 2014. The information will be used for the primary purpose it was collected or any related purpose for which the individual would reasonably expect Council to use or disclose the information. The information will not be disclosed to any other party unless Council is required to do so by law.*

1 Merrijig Drive / P.O. Box 350, TORQUAY, VIC, 3228  
 Ph: 03 5261 0600 / 1300 610 600 / Fax: 52610525  
 Email: [info@surfcoast.vic.gov.au](mailto:info@surfcoast.vic.gov.au)



# Rates & Charges Deferment Application

Please complete and send this form to the Revenue Coordinator.

| Application                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                  |                |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|----------------|
| <p>I wish to defer the payment of the rates and charges (including the Fire Services Property Levy) owing in respect of my principal place of residence as described below</p> <p><input type="checkbox"/> for a period of time up until ____/____/____</p> <p><input type="checkbox"/> indefinitely</p> <p>I understand that if my application is approved, the outstanding balance of rates will be subject to a reduced penalty interest rate, at 2.5% pa (in 2018/19).</p> |                  |                |
| Assessment No                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Property Address | Amount now due |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                  | \$ _____       |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                  | \$ _____       |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                  | \$ _____       |
| <b>TOTAL AMOUNT NOW DUE</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                  | \$ _____       |

| Declaration                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |  |                                |  |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|--------------------------------|--|
| <p>In assessing applications for rate deferrals, the following criteria will apply:</p> <p>a) Applications must be lodged using Councils Application for Rate &amp; Charges Deferment form</p> <p>b) Applicants who meet the below definition are deemed to have an automatic qualification for rate deferral</p> <ul style="list-style-type: none"> <li>• Eligible pensioners under the State Concession Act</li> <li>• Card holders of the following identification cards: Health Care, Commonwealth Seniors, Department of Veteran Affairs, Repatriation specific.</li> <li>• The property is used exclusively for residential purposes by the applicant and is the person's sole or principal place of residence.</li> <li>• Ratepayers who can evidence (via Centrelink statement of earnings or ATO tax assessment) that they are of low income status with a maximum income of less than \$53,728. The amount of \$53,728 is the current Centrelink base rate threshold for the Family Tax Benefit Part A and this policy will be indexed by annual increases in this benchmark</li> </ul> <p>c) Applicants outside of this definition are required to provide documentary evidence from a financial planner evidencing that payment of rates will cause undue hardship</p> <p>d) Rate deferrals may be for either the full rate levy or for an agreed portion of the rates. (ie a ratepayer may elect to defer the amount of increased rates arising from a revaluation)</p> <p>e) Rate deferral ceases if Council in its discretion revokes the deferral agreement by providing the applicant with a 30 day notice period in writing or if the ratepayer ceases to own and occupy the subject property</p> <p>f) Copies of supporting documentation eg. concession card must be attached.</p> |  |                                |  |
| <b>Applicant Name<br/>(in block letters)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |  | <b>Applicant<br/>Signature</b> |  |
| <b>Postal Address</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |  |                                |  |
| <b>Home phone</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |  | <b>Mobile</b>                  |  |
| <b>Date</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |  |                                |  |

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