

1. BACKGROUND AND PRINCIPLES

Council acknowledges that some pensioners are experiencing serious hardship and as a result are unable to pay their rates and charges.

2. SCOPE

This policy applies to those ratepayers within the Whitsunday Regional Council who Council accepts is experiencing serious hardship and as a result are unable to pay their rates and charges and who are in receipt of an Australian Government Pension with additional household income of all occupants of less than \$5,000 per annum.

The policy applies only to residential property where the property is the ratepayer's principal place of residence and no commercial benefit is derived from the property and where all registered owners of the property are eligible pensioners.

3. POLICY OBJECTIVES

The objective of this policy is to establish a policy framework to allow applications from ratepayers experiencing difficulties with the payment of their rates to be assessed to determine the most appropriate assistance to be given.

4. POLICY STATEMENT

- 4.1 Applicants requesting assistance with the payment of their rates and charges account must be able to show, to the satisfaction of Council, that the payment of the full amount owed would entail "serious hardship" because of the following:
- (a) any recent adverse change in their financial position that has left them unable to meet their basic needs;
 - (b) the quantum of the annual rate levy; and
 - (c) where the payment of the rates and charges would leave the ratepayer unable to meet reasonable needs for food, clothing, medicine, accommodation, education for children and other basic requirements;
- 4.2 Applications will only be accepted for owner occupied single unit dwellings.
- 4.3 The financial standing of other family members, who are resident at the property, will be taken into account when determining eligibility for assistance.

Level of Relief for Eligible Pensioners

- 4.4 In accordance with Section 125-126 of the *Local Government Act Regulations 2012*, the relief will take the form of a deferral of a portion of the General Rate, thereby reducing the General Rate levy payable immediately, to an amount equivalent to the Minimum General Rate levy of the first (lowest) band of the Residential Owner Occupier Category in the relevant rating period(s) i.e. for **2017/18** year the amount equivalent to the **Minimum General Rate Category 1 Residential Owner Occupier A**, being **\$948.00**.
- 4.5 This Minimum General Rate amount and all other rates and charges appearing on the rates notice must be paid in full by the due date for the deferral arrangement to remain current.
- 4.6 In cases where arrears occur following commencement of the agreement, the continuation of the deferral arrangement will be by negotiation. Where the applicant has existing arrears of rates, entry into the deferral arrangement is also by negotiation. In each situation, the arrears may be deferred or an instalment schedule commenced.
- 4.7 The amount of general rate in excess of the Minimum General Rate, will be deferred for the life of the pensioner, or until the property is sold or otherwise transferred from the name(s) of the pensioner(s) or to some other agreed date.
- 4.8 In accordance with Section 125 3) and components of the *Local Government Regulation 2012*, a premium applies to any deferred rates equal to an amount of interest calculated at a rate equivalent to 50% of the current interest charged on rates from the date that the deferred rates would have been due.
- 4.9 The amount of the premium will also be deferred on the same basis as the deferred General Rates. The deferred rates and premium will remain as a charge on the land.

Application Process

- 4.10 Applicants must complete an Application for Rate Assistance for Eligible Pensioners form giving information regarding their financial position under a Statutory Declaration and provide any additional documentation, (including certified copies of Income Tax Assessments or statements from Centrelink verifying the financial position of the applicant/s) to substantiate the information supplied.
- 4.11 If insufficient information is received to enable an assessment or the information supplied is unclear the applicant will be contacted in order to provide additional information and/or clarification prior to a decision being made.
- 4.12 Following an initial assessment by Council Officers, it is recommended that a meeting occur

with the applicant and/or a member of their family, next of kin or representative prior to the application being referred to the Chief Executive Officer (or Delegate) to decide.

- 4.13 In the event of an applicant being dissatisfied with an initial decision of a Council Officer, they may access rights of review in accordance with Council's Administrative Action Complaints Policy.
- 4.14 The discretion to provide rates relief for those experiencing hardship is ultimately a decision of Council and if a decision is made by the full Council, that decision will be final.
- 4.15 Advice of the decision will be provided to the applicant.

Methodology of Deferral

- 4.16 Payment of the deferred amount will become immediately due and payable from the estate of the owner, or at an agreed date, or upon cancellation of the deferral arrangement by either party, or upon sale of any part or interest in the property, except in the following circumstances:
- (a) If the property is transferred into the name of a spouse who continues to reside on the property and is eligible for deferral of the General Rate in their own name, then application can be made to Council to continue the deferral arrangement begun under the previous owner's name.
 - (b) If the property is transferred into the name of any progeny aged 65 years or over who has resided on the property for a minimum of the preceding five years and will continue to do so, an application can be made to Council to continue the deferral arrangement begun under the previous owner's name where the progeny;
 - (i) is solely responsible for payment of all rates and charges;
 - (ii) is the holder of an Australian Government Pension and; and
 - (iii) will complete a financial statement to demonstrate that payment of the rate will cause financial hardship.
- 4.17 Where a person who is approved for a deferral arrangement is required, due to reasons of ill health or infirmity, to reside some or all of the time in alternative accommodation such as a nursing home or with a relative, the residence shall continue to be regarded as owner-occupied as long as it is not tenanted on a paid tenancy basis during the absence of the approved person. If the home is tenanted, the deferred arrangement shall be cancelled and the amount deferred will become due and payable from the date of tenancy.

4.18 Once a deferral arrangement is entered into, the approved person shall be eligible for a discount on prompt payment of the Minimum General Rate and all other rates and charges appearing on the rates notice in accordance with Council's Revenue Policy.

5. RELEVANT LEGISLATION

Local Government Regulations 2012 Chapter 4 Part 10

6. DEFINITIONS

Australian Government Pension holder means a person/s who is the holder of:

- Queensland Pensioner Concession Card issued by the Department of Human Services or Department of Veterans Affairs; or
- Queensland Repatriation Health Card – For all Conditions or a Gold Card issued by the Department of Veterans Affairs

7. RELATED DOCUMENTS

Pensioner Rate Subsidy Policy

Hardship Policy

Interest on Overdue Rates Policy

8. DATE REVIEWED

June 2017

9. NEXT REVIEW

June 2018