

6.06.1 (a) Financial hardship assistance – disaster/pandemic

Directorate	Business and Governance
Responsible Officer	Director

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Introduction

Council recognises there are cases of genuine financial hardship requiring respect and compassion in special circumstances.

This procedure is in addition to Council's Procedure 6.06.1 Financial Hardship assistance; and outlines specific assistance during times of declared emergencies.

The procedure outlines guidelines for assessment of hardship applications applying the principles of fairness, integrity, appropriate confidentiality, and compliance with relevant statutory requirements.

It applies to all applications for waiving, deferment, alternative payment arrangements, and writing off rates, fees, annual charges and interest accrued on such debts, during or following natural disasters or pandemics.

This procedure provides a framework for responding to applications from owners/ratepayers and customers experiencing genuine hardship with the payment of their rates, annual fees and charges in accordance with the *Local Government Act 1993 (NSW)* "the Act" and the *Local Government (General) Regulation 2005 (NSW)*.

Term	Definition
Fees and Charges	Rates, Fees and charges represent the process where Council recovers the cost of providing its services for land within the Shire boundaries.
Financial hardship	Ratepayers or customers experiencing financial hardship are identified either by themselves, Council or an independent accredited financial counsellor as having the intention but not the financial capacity to make required payments in accordance with Council's payment terms.
Ratepayer	<p>A ratepayer is the person liable under the Act to be liable for the payment of rates. In most instances this will be the owner of the property. This definition includes the Crown in respect to the following items:</p> <ol style="list-style-type: none"> 1. An owner in any case where the Act, provides that a rate is to be paid to the council by the owner, and 2. A holder of a lease in any case where the Act, provides that a rate is to be paid to the council by the holder of the lease. <p>A tenant of a property is not a ratepayer. Hardship assistance can only be applied for by the owner of the property and is not available to a tenant.</p>
Rates and charges	<p>Rates and charges levied on land under Chapter 15 of the Act:</p> <ul style="list-style-type: none"> • Ordinary rate – base rate (Section 498) • Ordinary rate – ad valorem (Section 499) • Water access charge (Section 501) • Sewer access charge (Section 501) • Urban stormwater charge (Section 496A) • Domestic base waste management charge (Section 496) • Domestic waste collection charges (Section 496) • Commercial base waste management charge (Section 501) • Commercial waste collection charge (Section 501) • On-site sewer management annual charge (Section 608 and 107A)
Sundry debts	Debts owing to Council other than those included in the definition of rates and charges.

Water consumption	Charges for actual use of Council’s water supply under section 502 of the Act. This also includes charges for sewer usage and liquid trade waste usage.
Disaster	A natural disaster is a major adverse event resulting from natural processes of the Earth. A manmade disaster is attributed in part or entirely to human intent, error, negligence, or involving a failure of a man-made system.
Pandemic	Pandemics are epidemics of disease that occur on a worldwide scale and are traditionally caused by infectious diseases such as coronavirus.
Drought	Drought in Australia is defined by the Australian Bureau of Meteorology as rainfall over a three-month period being in the lowest decile of what has been recorded for that region in the past.

Hardship provisions as per the Act

Council recognises that ratepayers/customers may experience hardship due to drought, disasters and pandemics which may impact their ability in paying rates, annual charges, and fees. In accordance with Section 564 of the Act, Council has resolved to offer hardship assistance in the form of periodical payment arrangements, waiver of interest charges and deferral of debt recovery action.

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

- 1.1 The person is unable to pay due rates, charges, fees or accrued interest when due and payable due to a disaster or pandemic which are beyond a person’s control
- 1.2 The person is unable to pay due rates, charges, fees or accrued interest while the Local Government Area (LGA) remains drought declared which is beyond a person’s control

Hardship assistance to ratepayers impacted by drought, disasters and pandemics

Council may enter into a formal agreement with a ratepayer eligible for alternative periodical payment arrangements for due and payable rates, fees and charges. Council or the ratepayer may initiate a proposal for a periodical payment agreement. In accordance with section 568 of the Act, payments will be applied towards the payment of rates and charges in the order in which they became due.

Rates and Charges

- a. Maximum period for approved payment arrangements extended to 24 months for drought, disasters and pandemics
- b. Interest charges to be waived for a period of 12 months from date of declared disaster or pandemic
- c. Recovery action deferred for a period of 6 months, determined by Council resolution for each event

Drought Assistance – Rates and Charges

- a. Applies to ratepayer/s responsible for any parcel of land that is categorised as Farmland rate category in the LGA, and which is liable for the payment of South East Local Land Services rates
- b. Applies to ratepayer/s responsible for any parcel of land that is categorised as Business rate category in the LGA, that directly supplies to the agriculture sector in the LGA

Disaster Assistance – Rates and Charges

- a. Applies to ratepayer/s responsible for any parcel of land listed in the BVSC Local Government Area identified in the Bushfire Impact Assessment schedule

- b. Applies to ratepayer/s responsible for any parcel of land that is categorised as Business rate category in the LGA, that relied directly on visitor trade traversing the Princess Highway

Pandemic Assistance – Rates and Charges

- a. Applies to residential ratepayer/s responsible for any parcel of land in the BVSC Local Government Area, whose employment ceased requiring access to Government JobSeeker or JobKeeper payments as a consequence of the pandemic crisis
- b. Applies to business ratepayer/s responsible for any parcel of land in the BVSC Local Government Area, whose business closed as a consequence of Government Orders during the pandemic crisis

Other Assistance – Drought and Disaster

- a. Subsidise private works on farm properties related to access and dams reinstatement, without charging the normal margin, where those works are within the capacity of normal programs.
- b. Waiving the waste disposal fees for waste transfer stations in the LGA for general building waste and debris generated as a direct result of bushfires, subject to that material not being contaminated with any form of asbestos matter and where the costs are not otherwise recoverable by the owner through insurance or other external funding sources.
- c. Subsidise DA/inspection fees for rebuilding of destroyed homes, structures and infrastructure.
- d. One-off rates rebate for all rates assessments where homes have been destroyed or rendered uninhabitable.

Other Assistance – Pandemic

- a. Waive or defer rents for commercial operators leasing Council property who can demonstrate financial distress due to the coronavirus, in line with Commonwealth/State Government codes
- b. Waive footpath hire and related fees for business.
- c. Provide and subsidise Council-initiated online training, marketing and other support programs to local business.

Applying for Financial hardship assistance

The process for applying Hardship Assistance to Ratepayers impacted by drought, natural disasters and pandemics is as follows:

1. Supporting evidence documentation must be provided when applying for financial relief under this procedure
2. Council will confirm in writing the agreed formal payment arrangements. This will be in the form of monthly payments via direct debits. Direct debits are only available from savings or cheque accounts and will be processed on the 15th of the month (or the next working day if the 15th falls on a weekend or public holiday). If a direct debit is defaulted more than once, the arrangement will be cancelled immediately, and the account will be subject to our direct debit dishonour fee
2. If formal payment arrangements are not adhered to, recovery action will commence once the deferral period has expired and the debt will be forwarded to Councils approved Debt Recovery agency. This will occur after a reminder notice for the debt has been issued from Council.