

	<b>Rating Policy</b>
	<b>Strategic</b>

### 1. Purpose

The purpose of this policy is to ensure effective controls, policies and procedures are in place with respect to Council's rating function, collection of overdue rates, and the granting of pensioner concessions.

### 2. Objectives of the Policy

The objectives of this policy are to ensure that:

- all statutory requirements of the *Local Government Act 1993* (NSW) (hereafter the Act) are adhered to;
- collection of rates, charges and sundry debtors is carried out in a transparent manner and complies with the Act and other relevant state and federal acts;
- all applications for the statutory pensioner concession are managed equitably and in compliance with current legislation;
- ratepayers experiencing genuine financial difficulties are treated sensitively on a case by case basis and ratepayers are assisted in meeting their rate commitments by providing mutually agreeable alternative repayment plans;
- Council minimises the amount of money owed in respect of overdue rates and charges.

### 3. Policy Scope

This policy applies to Council's processing of rates and annual charges, debt collection for rates and annual charges, approval of pensioner rebates, and all other rates and annual charges related issues. This policy does not seek to incorporate the Emergency Services Levy or other fees and charges that may be included in but not part of the Council's revenue.

### 4. Background

Roughly 30% of Council's funding is derived from rates and annual charges, and this revenue is used in the provision of a variety of services to the residents of the shire. It is important that Council ensures that all statutory requirements of the Act are adhered to in Council's making and levying of rates, and that the collection of rates and annual charges is transparent, fair, effective and protected. As an important source of income to fund council's objectives the income from rates and annual charges should fairly imposed and be protected through a process of making payment processing accessible, deterring non payment and debt recovery without causing undue stress or hardship.

### 5. Associated Policies, Legislation and Documents

<b>ASSOCIATED POLICIES</b>	Debt Recovery and Financial Hardship Excessive Water Usage Reduction for Breakages
<b>ASSOCIATED LEGISLATION</b>	<ul style="list-style-type: none"> <li>• <i>Social Security Act 1991</i> (Cth)</li> <li>• <i>Veterans' Entitlements Act 1986</i> (Cth)</li> <li>• <i>Local Government Act 1993</i> (NSW)</li> <li>• <i>Local Government (General) Regulation 2021</i> (NSW)</li> </ul>

<b>ASSOCIATED DOCUMENTS</b>	Direct Debit Application Payment Arrangement form Pension Concession Criteria Pension Concession Rates Rebate form
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## 6. Definitions

N/A

## 7. Policy Statement

### 7.1 Making and Levying of Rates and Charges

Council levies Rates and Charges in accordance with the provisions of the Act and the *Local Government (General) Regulations 2021* (hereafter the Regulations), including but not limited to:

- Council must make and levy an ordinary rate for each year on all rateable land in its area (s.494),
- may make and levy a special rate in accordance with Act (s.495);
- make and levy an annual charge for domestic Waste Management (s.496);
- make an annual Stormwater Levy (s.496A);
- make and levy an annual charge for sewerage & drainage services (s.501);
- make and levy an annual charge for non domestic waste services (s.501);
- make and levy an annual charge for any service prescribed by the Regulations (s.501)

Council's current rating structure is determined in accordance with of the Act (s.497) being a rate based on land value, together with a Base Amount.

Council issues its annual rates notice to all rateable properties in the Council's area in July of each year for the financial year. Supplementary rate levies may also be issued during the year.

The General Rates notice currently includes but is not limited, to

- all ordinary rates,
- special rates (including the Stormwater levy) and
- annual charges
- State levied annual charges such as the Fire and Emergency Service Levy (and potentially others as yet unknown) as applicable.

Rates and annual charges may be paid by a single instalment or by quarterly instalments. If the payment is made by quarterly instalments, the instalments are payable as follows:

Instalment	Due Date
1	31 August
2	30 November
3	28 February
4	31 May

If the payment is made by a single instalment, the instalment is payable by 31 August of each year. Council issues instalment notices to those ratepayers who elect to pay by instalments and such notices are issued at least one month prior to the due date for the instalment. Where the Council levies rates and annual charges after an instalment was due, the amount payable is apportioned equally across the remaining instalments.

Council also issues a separate water notice which currently includes but is not limited to:

- access charges – water and sewer
- consumption charges - water, sewer and trade waste

Water notices are payable as follows:

<b>Water Notice</b>	<b>Due Date</b>
1	31 October
2	31 January
3	30 April
4	31 July

## **7.2 Payment of Rates**

The collection of rates and charges is to be carried out in a transparent manner, and in compliance with the Act and Regulations.

### **7.2.1 Recovery Action**

Recovery action will commence when rates and/or charges are not paid by the due date for each quarterly instalment unless arrangements have been entered into (in writing) to make periodical payments under of the Act (s.564).

Recovery action will commence if other debts (*other than amounts due from Government Departments*) are not paid within thirty (30) days unless arrangements have been entered into.

### **7.2.2 Agreements for Periodical Payments**

Ratepayers who are unable to pay rates and charges and/or water usage charges by the due date, either because of reasons beyond their control or because payment would cause hardship, may apply to enter into an agreement with Council to make periodical payments (hereafter the 'Agreement'). The payments made under this said agreement should adequately repay the rates and charges levy.

In order for such an agreement to be considered a 'Payment Arrangement' form is to be completed subject to mutual agreement of payment amounts. The ratepayer is to specify the dates and the amounts that are to be paid and an appropriate contact number and address must be supplied to Council. Verbal agreements shall not provide a reprieve from the debt recovery process.

If a ratepayer fails to meet the terms of an agreement, the agreement shall be terminated and the full amount of the outstanding rates and charges and/or water usage and accrued interest shall be due and payable immediately. Recovery action shall be taken immediately for recovery of the amount due and payable.

If a sundry debtor fails to meet the terms of an agreement, the agreement shall be terminated and the full amount of the outstanding sundry debt shall be due and payable immediately. Recovery action shall be taken immediately for recovery of the amount due and payable.

### **7.2.3 Use of Water Restrictors**

In the case of unpaid water and sewer rates and charges, Council may install a water flow restrictor. The use of a water flow restrictor shall be determined on the merits of each individual case. The lodgement and removal of a water restrictor will incur a fee as per the Revenue Policy.

### **7.2.4 Requests for Write off must be in writing**

All applications requesting the writing off of rates, charges, interest and legal fees must be made in writing and may be in either hard or soft copy.

### **7.2.5 Writing off of Rates, Charges, Interest and Legal Fees**

Applications for writing off or rates, charges, interest or Legal fees under the hardship provisions of the Act shall be determined on the merits of each individual case, on the basis of whether or not the hardship criteria have been satisfied by the applicant and a proper opinion can be formed.

#### **7.2.6 Writing Off by Resolution**

Rates and/or Charges (including accrued interest) or other debts can be written off by resolution of Council or by delegated authority.

#### **7.2.7 Sale of Land for Overdue Rates**

Should all avenues of recovery action be unsuccessful, Council is able, under the Act (s 713), to sell land for overdue rates and charges where the rates and charges remain unpaid for a period of more than five years.

#### **7.2.8 Change of Rating Categorization – date of**

Should the Rating categorisation be changed (for example from Business to Residential) then the effective date of the change will be the beginning of the next Rating Quarter.

The Act and the associated Regulations detail the procedures to be followed should Council choose to follow this course of action.

### **7.3 Pensioner Concessions**

Eligible pensioners are entitled to a statutory pensioner concession provided for under the Act (s. 575).

#### **7.3.1 Eligibility for Pensioner Concessions**

##### **7.3.1.1 Eligible Person**

An eligible person must be an eligible pensioner. Eligible pensioners are those who receive any of the following:

- A pension, benefit, or allowance under Chapter 2 of the *Social Security Act 1991* (Cth), and hold a pensioner concession card issued by or on behalf of the Commonwealth Government;
- A service pension under part III of the *Veterans' Entitlements Act 1986* (Cth) and hold a pensioner concession card issued by or on behalf of the Commonwealth Government;
- A pension from the Commonwealth Department of Veterans' Affairs, who are also eligible for a pensioner concession card from Centrelink;
- A general rate pension adjusted for extreme disablement under section 22(4) of the *Veterans' Entitlements Act 1986* (Cth), or a special rate of pension under section 24 of that Act.

##### **7.3.1.2 Other Conditions of Eligibility for Concession include**

The pensioner concessions are granted where a pensioner/owner or joint pensioner/ owners:

- Occupy a dwelling on the property, for which a concession is sought, as their sole or principal place of abode.
- Rebates are not granted for vacant or unoccupied land;
- Do not reside on the land subject to the rates in respect of which a rebate is claimed during periods of hospitalisation or convalescence (subject to eligibility reviews);
- Where an application is received for a rebate of rates payable on land held in joint ownership, the applicant pensioners are granted a rebate in accordance with the above and in accordance with the proportion of their interest in the premises;
- A rebate is granted to an eligible pensioner where the land is owned by the Estate of a deceased person and is occupied by the eligible pensioner, who is liable for the

payment of rates. This is subject to the granting of probate and the production of documentary evidence of a life tenancy agreement by the eligible pensioner.

### **7.3.1.3 Liable for the Payment of the Rates**

The eligible person must be solely liable, or a person jointly liable with one or more other persons for the rates and/or charges levied on that property.

## **7.3.2 Application for Concession**

### **7.3.2.1 Application Form**

The eligible person must fully complete the Pensioner Concession Application Form. Applicants must sign the customer consent, which allows Council to confirm with the appropriate Government agencies, the accuracy of the details provided by the applicant. Applicants who fail to sign this section will not be granted the rebate.

### **7.3.2.2 Evidence**

Evidence in the form of the Pensioner Concession Card provided by Centrelink must be produced as evidence when applying for the concession. A concession can only be provided for the "place of Residence" as listed on the Pensioner Concession Card. If a Pensioner Concession Card is not available then a letter from Centrelink supporting the applicant's eligibility is sufficient.

A rebate cannot be granted without providing sufficient evidence.

### **7.3.2.3 Confirmation**

Council will from time to time seek to confirm eligibility. Eligibility will be sought at least annually through use of the electronic Pensioner Confirmation Service provided by Centrelink.

## **7.3.3 Applying the Concession**

### **7.3.3.1 Date of Grant**

#### **After first day of current financial year**

If a person becomes an eligible pensioner after the first day of the current financial year, the amounts of the rebate will be proportioned to the number of full quarters remaining after the day on which the person becomes an eligible pensioner.

#### **Before the first day of current year.**

If a person had become an eligible pensioner prior to the start of the financial year they will be eligible only for the full annual rebate for the current financial year. A pensioner concession rebate cannot be back dated beyond the start of the current financial year.

### **7.3.3.2 Value of Rebate**

The amounts of the concession available on an annual basis (current as 1 July 2016) are:

- 1 Up to \$250.00 on all ordinary rates and domestic waste management service charges, and
- 2 Up to \$87.50 on the water supply service charge: and
- 3 Up to \$87.50 on the Sewer Access Charges.

### **6.3.3.3 Payment Options**

Under Council's policy, eligible pensioners have three payment options:

- Pay the full amount of rates as set out on the Rates Notice by the due date; Pay the full amount of the rates as set out on the Rates Notice by four instalments. Details of

this option and amounts payable each quarter and the due dates are included on the Rates Notice.

- Special payment arrangements can be made with Council whereby rates are paid over an extended period at an agreed amount. For example, a pensioner may request to pay their rates at \$50.00 per month, ensuring that the agreed amount paid will satisfy the total amount owing for rates.

### **Responsibilities**

Council's Financial Services Branch is responsible for the day to day application of the policy.

### **Getting Help**

The staff member who can assist with enquiries about the policy

Position: Supervisor of Finance Coolah

Department: Financial Services

### **Version Control**

Review Date: December 2023

Staff Member Responsible for Review: Chief Financial Officer

<b>Policy Name</b>	<b>Version</b>	<b>Resolution</b>	<b>Date</b>
Rating Policy	1	433	18 June 2009
Rating Policy	2	108/1314	19 September 2013
Rating Policy	3	216/1617	16 March 2017
Rating Policy	4	300/2324	16 May 2024