

POLICY

RATES DEFERMENT FOR DROUGHT AFFECTED RATEPAYERS



Approved: Council, 25 June 2024

Introduction	<p>The purpose of this policy is to provide rates relief for property owners in cases of extreme hardship as a result of the declared drought.</p> <p>Deferment of Rates means that the rates for the property must still be paid in the future when the ratepayer is in a position to meet their obligations to pay outstanding rates or a date determined by Council.</p>
Criteria	<p>Only the owner of the property, or their authorised agent, may make an application for the deferment of rates, for extreme financial circumstances.</p> <p>The Council will consider, on a case-by-case basis, all applications received that meet the above criteria. The Council has delegated authority to a subcommittee consisting of the Chief Financial Officer (or Chief Executive Officer as alternate) and the Mayor (or the Chair of the Audit and Risk Committee as alternate) with appropriate input from the local Councillor, to approve applications for rates deferment.</p> <p>Before approving an application, the subcommittee must be satisfied that the applicant is unlikely to have sufficient funds left over after the payment of rates: for normal health care; proper provision for maintenance of his/her home and chattels at an adequate standard; as well as providing for normal day to day living expenses.</p>
Timeframe	<p>The period in which the ratepayers are able to apply is within 12 months after the drought declaration has been lifted.</p> <p>The ratepayer may defer rates for up to 24 months at which stage a repayment arrangement suitable to the subcommittee is determined.</p>
Deferment Fee	<p>Ratepayers will qualify for a deferment will have until 24 months from acceptance of the application to clear all outstanding rates without incurring any further changes.</p> <p>A qualifying ratepayer may apply to extend the period of deferment for a further 12 months but will incur a deferment fee set at the internal interest rate applicable for the additional period, calculated on a daily basis. As at 25 June 2024, the internal interest rate is 6.28%.</p>
Security	<p>No additional security is required (other than the normal provisions Council has to collect rates), therefore no need to register the debt on the title of the property.</p>
Reporting	<p>As part of the monthly Rates Arrears Report to the Council, details of the number of deferments and the total value of deferments will be provided. A detailed report shall be provided to the Public Excluded section of the Audit and Risk Committee agenda.</p>

END OF POLICY