

Name:	Rate Concession Policy		
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Owner:	Chief Executive Officer		
Responsible Officer:	Finance Manager		
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1 PURPOSE

The City of Palmerston is committed to transparent and accountable decision making. As per Part 11.7 and Part 11.8 of the Local Government Act, Council has the ability to provide a concession for rates and/or remission of interest accrued on overdue rates.

This policy outlines the process for application and consideration of rate concessions other than rate concessions stipulated by the Northern Territory Government. In addition, it outlines assistance for ratepayers for rates/charges levied on their principal place of residency/principal place of living or institutions that fall under Section 167 Local Government Act.

2 PRINCIPLES

Policies of the City of Palmerston are guided by principles of sustainability, good governance, advocacy, regulation and service provision. More guidance is provided in Council and Administrative policies, procedures and guidelines, the Municipal Plan, Asset Management Plans and other relevant documents.

The City of Palmerston is committed to providing a transparent, impartial and consistent process of recognition and consideration of applications for rate concessions and/ or remission of interest accrued.

3 DEFINITIONS

For the purposes of this Policy, the following definitions apply:

Term	Definition
Rate concession	A rate concession can be a deferment of payment and/or waiver of rates and/or waiver of legal fees and/or remission of interest accrued on overdue rates. Rate concessions can be granted as a singular concession or as a recurring concession. The rate payer applying for a rate concession has to identify the scope of the concession in the application.
Ratepayer	This policy outlines assistance for ratepayers for rates/charges levied on their principal place of residency/principal place of living or institutions that fall under Section 167 Local Government Act. Rates/charges payable on rental residential properties are excluded from assistance.
Deferment	A deferment of payment can be provided in whole or in part and can be for a specified period and subject to any conditions determined.
Waiver	A waiver removes the liability to pay and may be offered to include the whole or part of rates and/or legal charges.

Relevant interest rate	The relevant interest rate is a rate of interest fixed by the council as the relevant interest rate and outlined in the Fees and Charges in line with Section 162 (3) Local Government Act.
Remission	A remission of interest is a waiver of interest wholly or in part as per Section 163 Local Government Act.
Financial Hardship	Financial hardship is defined as a situation where a customer is found to be unable, because of illness, unemployment or other reasonable cause, to discharge their financial obligations towards the City of Palmerston. Financial hardship can be of limited or long term duration. Financial hardship basically involves an inability of the rate payer to pay rates, rather than an unwillingness to do so. Situations where a customer is simply experiencing temporary payment difficulties would not necessarily be addressed by this policy. Financial hardship shall be proven by providing evidence from an approved Financial Counsellor of such circumstances.
Public Benefit Concessions	As per Section 167 council may grant a rate concession if satisfied that the concession will advance one or more of the following purposes: <ul style="list-style-type: none"> a) Securing the proper development of its area b) Preserving buildings or places of historical interest c) Protecting the environment d) Encouraging cultural activities e) Promoting community health or welfare f) Encouraging agriculture g) Providing recreation or amusement for the public.

4 POLICY STATEMENT

- 4.1 Remission of Interest accrued on overdue rates**
- 4.1.1 As per Section 162 Local Government Act council charges a relevant interest rate daily on overdue rates. The complete annual Rates fall overdue if an instalment date is not met.
- 4.1.2 Ratepayers may request a remission of interest under Section 163 of the Local Government Act.
- 4.1.3 Council officers can consider applications for remission of interest for administrative reasons and errors or omissions which caused or significantly contributed to the failure to pay rates in a timely manner.
- 4.1.4 Council may grant a rate concession for proven financial hardship - Ratepayers must enter a feasible payment schedule and maintain such agreement.
- 4.2 Deferment of Rates**
- 4.2.1 As per Section 164 (1) (b) Local Government Act a rate concession can be a deferment in whole or part of an obligation to pay rates or a component of rates.
- 4.2.2 Ratepayers may have rates and charges, or part thereof, postponed although rates and charges will continue to be levied subject to compliance with the following conditions:
- a) The ratepayer must be experiencing undue and unavoidable hardship.

- b) An application in writing must be submitted to the Finance Manager by the ratepayer or the ratepayer's representative providing evidence from an approved Financial Counsellor of such circumstances referred to in a) above. A confidential report will be presented to Council for consideration.
 - c) The postponement can be on a fixed or on an ongoing basis until the property is disposed of or sold.
- 4.2.3 Interest on postponed rates will be levied at 50% of the relevant interest rate.
- 4.3 **Waiving of Rates, Charges or Legal Fees**
- 4.3.1 As per Section 164 Local Government Act a rate concession can be a waiver in whole or part of rates or a component of rate.
- 4.3.2 Council may grant a rate concession unconditionally or on conditions determined by the council. If the ratepayer fails to comply with a condition, the council may by notice to the ratepayer withdraw the concession and require the ratepayer to pay an amount, on or before a date specified in the notice, to neutralise any benefit to the ratepayer of the rate concession.
- 4.3.3 Any waiver of rates, charges or legal fees (other than that waived under delegation in accordance with the policy) will be presented to Council for consideration in a confidential report. Applications are to be submitted in writing.
- 4.3.4 Any waiver is a one-off waiver in response to circumstances presented at the time.
- 4.4 **Correction of anomalies**
- 4.4.1 As per Section 166 Local Government Act council may grant a rate concession to a ratepayer or ratepayers of a particular class if satisfied that it is necessary to do so in order to correct anomalies in the operation of the rating system.
- 4.4.2 Council may grant a rate concession on the council's own initiative or on application by an affected ratepayer.
- 4.4.3 Application in writing must be submitted to the Finance Manager by the ratepayer or the ratepayer's representative outlining the anomaly.
- 4.5 **Public Benefit Concessions**
- 4.5.1 As per Section 167 council may grant a rate concession if satisfied that the concession will advance one or more of the following purposes:
- a) Securing the proper development of its area
 - b) Preserving buildings or places of historical interest
 - c) Protecting the environment
 - d) Encouraging cultural activities
 - e) Promoting community health or welfare
 - f) Encouraging agriculture
 - g) Providing recreation or amusement for the public.
- 4.5.2 Any rate concession will be presented to Council for consideration in a report. An Application for a rate concession requires a written submission.
- 4.5.3 Sporting and Community groups cannot apply for a rates concession on a property that caters for gambling.
- 4.5.4 Community Groups must provide with their application a copy of the most recent audited financial statements and constitution of the organisation. The Constitution

must clearly state prohibitions on any member of the organisation making a private profit or gain, either from ongoing operations or as a result of distributions of assets if the organisation is wound up.

- 4.5.5 To be considered for rates concessions Sport and Recreation Community Groups must provide substantial community benefit; at least two of the following criteria must be met:
- The facility is regularly used for junior development.
 - The facility is regularly used by members of the public other than members of the organisation at no charge.
 - Where unrestricted/free access is not possible due to the type of facility, the organisation must provide 'pay as you play' type activities.
 - Where unrestricted or un-supervised access is not possible to the facility due to the type of facility, organisations must demonstrate other methods of encouraging community access through open days, come and try events etc.
- 4.5.6 Sport and Recreation Community Groups are considered for rates concessions in three different categories:
- Category 1: Organisations that undertake sporting or recreational activities and rely on player fees and community fundraising only can apply for up to 100% rates concession;
 - Category 2: Not for profit organisations that undertake sporting or recreational activities and do not hold a liquor license can apply for up to 75% rates concession;
 - Category 3: Not for profit organisations that undertake sporting or recreational activities that hold a liquor license can apply for up to 50% rates concession.

4.6 Confidentiality

- 4.6.1 Any information provided regarding individuals will be treated as strictly confidential. Information will be securely retained by the involved officers with the decision only being presented to the Rates Officer and the Debt Recovery Officer.
- 4.6.2 Documentation relating to dealings with organisations will be provided in the confidential session of Council meetings.

5 ASSOCIATED DOCUMENTS

- 5.1 City of Palmerston Finance Policy
- 5.2 City of Palmerston Financial Delegations Policy
- 5.3 City of Palmerston Internal Controls Policy
- 5.4 City of Palmerston Fraud Protection Plan

6 REFERENCES AND RELATED LEGISLATION

- 6.1 Northern Territory
- 6.2 Northern Territory Local Government (Administration) Regulations
- 6.3 Northern Territory Local Government (Accounting) Regulations
- 6.4 Ministerial Guidelines