

<b>TITLE:</b>	Rates Concession Policy		
<b>DIVISION:</b>			
<b>ADOPTED BY:</b>	Council		
<b>DATE OF ADOPTION:</b>	19 March 2015	<b>DATE OF REVIEW:</b>	1 November 2018
<b>MOTION NUMBER:</b>	63/15		
<b>POLICY NUMBER:</b>	CP000038		
<b>AUTHORISED:</b>	Chief Executive Officer		

**THIS POLICY APPLIES TO:**

All employees of the Barkly Regional Council and Elected Members

**PREAMBLE**

The aim of all policy is for Councillors to provide strategic input into the effective operational framework of the organisation under S.11 of the Local Government Act

**SUMMARY**

The Policy sets out the circumstances under which consideration will be given to granting a rate concession (that is, a reduced or deferred payment). It provides guidelines for Council Officers in the exercise of delegated authority. Concessions may be granted in instances of financial hardship, to correct anomalies in the rating system or where there is some public benefit.

**OBJECTIVES**

To establish the circumstances under which applications for concession or exemption from rates and charges may be granted.

The authority to levy rates on property is vested in the Council by the *Local Government Act*. In some circumstances it may be considered appropriate for the payment of rates to be deferred or for a rates concession to be granted. Efficient administration of the Council's rating system requires that officers have the authority to act on Council's behalf and this policy sets out the framework under which this delegated authority may be exercised.

**BACKGROUND**

The *Local Government Act* (Part 11.8) provides that a Council may grant a rate concession unconditionally or on conditions determined by the Council. This concession may be in the form of a waiver of all or part of rates payable or in the form of a deferment.

A concession may be granted:

- On the grounds of financial hardship on application by a person who establishes to the Council's satisfaction that the person will suffer financial hardship if the concession is not granted. (Section 165)
- To correct anomalies in the operation of the rating system: The 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. A concession of this type may be granted on the Council's own initiative or on application by an affected ratepayer. (Section 166)

- For the purpose of public benefit: The Local Government Act provides that the Council may grant a rate concession under this section on its own initiative or on application by a ratepayer if satisfied that the concession will advance one or more of the following purposes:
  - Securing the proper development of its area;
  - Preserving buildings or places of historical interest;
  - Protecting the environment;
  - Encouraging cultural activities;
  - Promoting community health or welfare;
  - Encouraging agriculture;
  - Providing recreation or amusement for the public.

However, a rate concession of this type may only be granted if authorised under a policy formally adopted by resolution of the Council and is subject to limitations and conditions specified in that policy. (Section 167)

## POLICY STATEMENT

The *Local Government Act* (Part 11.8) provides that under certain circumstances a Council may grant a rate concession unconditionally or on conditions determined by the Council. Discretionary rebates are reviewed on a case-by-case basis and may only be granted where applicants meet at least one of the prescribed eligibility criteria set out in the *Local Government Act*.

Applications must be made in writing, explaining the need for financial assistance. Sufficient information and supporting documentary evidence so as to satisfy the statutory and assessment criteria must be included.

### **Financial Hardship**

Barkly Regional Council recognises that individuals can experience difficulty in meeting their responsibilities for the payment of rates and that it may be appropriate where financial hardship has been demonstrated to grant a concession in respect to the payment of rates. The concession granted can be either a waiving of rates levied (i.e. abandonment), or a deferment (for recovery at a later time).

Relief from payment of rates on the grounds of financial hardship will only apply to a natural person(s) who use the rated property as their principal place of residence.

Relief from payment of rates on the grounds of financial hardship will not apply to:

- Self-employed persons operating their business from their place of residence
- Businesses
- Clubs or organisations that hold a licence to sell liquor and/or operate gaming machines

The concession granted will be either a waiving of rates levied, or a deferment.

- Rates waived will not be recovered at a future time;
- Rates deferred will be recovered at a future time - either when the ratepayer's circumstances change or when the property is sold. Until paid, deferred rates remain a charge against the land.

Where it is considered that a concession in respect of financial hardship is not warranted the Council may allow property owners who are unable to pay their rates by the due date to enter into an arrangement to pay by instalments according to an agreed schedule, with no interest being charged or recovery action being undertaken while the arrangement is being maintained.

## **Rating Anomalies**

Barkly Regional 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. A concession of this type may be granted on the Council's own initiative or on application by an affected ratepayer.

Rates waived will not be recovered at a future time.

## **Public Benefit**

Barkly Regional Council will give consideration to granting a rate concession on its own initiative or on application by a ratepayer if satisfied that:

- 1 The ratepayer is a *community services organisation* defined as an organisation that
  - Is incorporated on a not-for-profit basis for the benefit of the public; and
  - Provides community services without charge or for a charge that is below the cost to the body of providing the services; and
  - Does not restrict its services to persons who are members of the body.
- 2 The concession will advance one or more of the following purposes:
  - Securing the proper development of its area;
  - Preserving buildings or places of historical interest;
  - Protecting the environment;
  - Encouraging cultural activities;
  - Promoting community health or welfare;
  - Encouraging agriculture;
  - Providing recreation or amusement for the public.

The quantum of any concession will be decided on a case-by-case basis depending on the circumstances of the organisation with the maximum concession to be 75% of the applicable rate.

Where it has been decided that a concession would be appropriate this will be achieved in the following manner;

The rate payer will pay the rates before the due date and upon receipt the Council will donate to the organisation an amount equivalent to 75% of the rates paid by the organisation as a community grant. The intent of this procedure is to provide transparency. To be eligible for a concession rates must be paid before the due date.

## **Community Associations and Crown Leases**

Council recognises that incorporated community associations which have been granted tenancy of a property by way of a Crown Lease for a specific purpose, may experience difficulty in meeting their responsibilities for the payment of rates whilst in the process of substantially achieving the purpose of that Crown Lease.

Council Policy is that where the specific purpose of the Crown Lease satisfies the requirements of Part 11.8 of the *Local Government Act*, Council will waive (abandon) all rates until such time as the associations concerned have substantially achieved the purpose of the relevant Crown Lease and are therefore deemed to be in occupation of the parcels of land in question.

## **Council Budgets**

From the adoption of this Policy the annual budget of the Council will provide an estimated amount to allow for the refund of rates where a concession has been granted on the grounds of public benefit.

Note: Section 144 of the *Local Government Act* contains a list of land that is exempt from rates under that Act. This list includes:

- Land belonging to a religious body consisting of:
  - a church or other place of public worship; or
  - a place of residence for a minister of religion associated with a church or other place of public worship; or
  - a place of residence for the official head in the Territory of the religious body; or
  - an institution for religious teaching or training;
- A public hospital;
- Land used for a non-commercial purpose by a public benevolent institution or a public charity;
- A kindergarten, pre-school, school, university or other tertiary educational institution;
- Land recognised by the council as a youth centre;
- A public library or public museum

## **Fees and Charges**

Garbage and other charges are essentially a fee for service provided and will not be waived.

## **LEGISLATION, TERMINOLOGY AND REFERENCES**

NT *Local Government Act*

## **IMPLEMENTATION AND DELEGATION**

The CEO has delegated authority to implement this policy and to make decisions in relation to rates concessions, deferred payments and the waiver of interest and other penalties which may be applicable.

## **EVALUATION AND REVIEW**

This Policy is to be reviewed every four (4) years, and may be reviewed at other times at the discretion of Chief Executive Officer.