



## Rates Postponement Policy

### Objective

The objective of this part of the policy is to assist elderly ratepayers with a fixed level of income to meet rates particularly, but not exclusively, resulting from increasing levels of rates.

### Conditions and Criteria

1. Postponement will only apply to elderly ratepayers on a fixed income.
2. Only rating units used solely for residential purposes will be eligible for consideration for rates postponement under this policy.
3. Only the person entered as the ratepayer, or their authorised agent, may make an application for rates postponement for financial hardship. The ratepayer must be the current owner of, and have owned for not less than five years, the rating unit which is the subject of the application. The person entered on the Council's rating information database as the 'ratepayer' must not own any other rating units or investment properties (whether in the district or in another district).
4. The ratepayer (or authorised agent) must make an application to Council on the prescribed form (copies can be obtained from the Council Office).
5. The Council will consider, on a case by case basis, all applications received that meet the criteria outlined under this section. The following factors will be considered – age, income source and level, annual rates payable, and equity in the property owned.
6. In considering the eligibility for and the period of postponement, the equity in the property and the amount of rates postponed will be important determinant factors. The Council will delegate authority to approve applications for rates postponement to the Director Corporate Services.
7. Applicants seeking rates postponement will be encouraged to seek independent advice before formally accepting any offer for postponement made by the Council.
8. As a general rule postponement will not apply to the first \$500 per annum of the rate account after any rates rebate has been deducted.
9. Where the Council decides to postpone rates the ratepayer must first make acceptable arrangements for payment of future rates, for example by setting up a system for regular payments.
10. Postponement will only apply on properties on which houses have been insured. Annual proof may be required that insurance has been maintained.
11. Where rates postponement is approved for a property with an outstanding mortgage, the mortgagee will be advised by Council that rates postponement has been negotiated with the ratepayer.
12. Any postponed rates will be postponed until:
13. The death of the ratepayer(s); or
  - Until the ratepayer(s) ceases to be the owner or occupier of the rating unit; or
  - Until the ratepayer(s) ceases to use the property as his/her residence; or
  - Until a date specified by the Council.
14. The Council will charge interest annually on the amount postponed. Interest will be calculated on the average amount of rates outstanding during the year, and will be charged at the average return on investments rate for Council for that year.
15. The Council may also charge an annual fee on postponed rates for the period between the due date and the date they are paid. This fee is designed to cover the Council's administrative costs and may vary from year to year. The amount of the fee is included in Council's Schedule of Fees and Charges.
16. Interest and fees payable will be added to the amount of postponed rates annually and be paid at the time postponed rates are paid.
17. The policy will apply from the beginning of the rating year in which the application is made although the Council may consider backdating past the rating year in which the application is made depending on the circumstances.
18. The postponed rates or any part thereof may be paid at any time. The applicant may elect to postpone the payment of a lesser sum than that which they would be entitled to have postponed pursuant to this policy.
19. Postponed rates will be registered as a statutory land charge on the rating unit title. This means that the Council will have first call on the proceeds of any revenue from the sale or lease of the rating unit. In addition to the annual fee and interest, Council charge any other costs or one-off fees incurred in relation to registration of the postponement.
20. This policy will not affect any rates postponed provisions approved prior to 1 July 2009, which will continue to apply in accordance with the conditions related to each case.
21. This policy does not apply to non-elderly ratepayers experiencing financial hardship.
22. Council will assist in the referral of any other ratepayer on a fixed income facing long term financial hardship to the appropriate agency.
23. Council will consider ways of assisting any ratepayer facing temporary financial hardship (e.g. resulting from redundancy) by temporary deferral of partial or full rates payments without penalty. Each case will be considered on its merits.