

## Council Policy

### Pensioners' Rates and Charges Concession Policy

#### Purpose

To provide a framework for the administration of concessions provided by Council to eligible pensioners on rates and annual charges and clear principles and guidelines for the granting of those concessions ensuring the requirements of Local Government Act 1993 ("Act") and the Local Government (General) Regulation 2005 ("Regulations") are satisfied.

#### Principles

- In managing Council's Rates and Domestic Waste Management Services (DWMS) Charge, it is important to ensure that a fair and equitable policy exists to support and assist particular sections of the community, who may experience difficulty in meeting the payment of these annual charges, without becoming a burden on other ratepayers.
  - The Act allows pensioners to obtain mandatory concessions in respect of the aggregated total of their ordinary rates assessment and their domestic waste management services charge: (Section 575).
  - Councils also have the discretion to provide voluntary concessions: (Section 582).
- Statutory pensioner concessions against ordinary rates and domestic waste management services charges must be managed in accordance with the requirements of Section 575 of the Act.
- Voluntary pensioner concessions against ordinary rates and domestic waste management services charges must be managed in accordance with the requirements of Section 582 of the Act.
- The concessions on ordinary rates and domestic waste management services charges will be shown on the annual rate notice and will be deducted from the total amount owing.
- To claim the concessions on rates, the pensioner must be responsible for payment of rates and occupy the dwelling to which they are paying rates as their sole or principal place of living.
- Regardless of how many lots of land the ratepayer owns, the council pensioner concession will only apply to the property occupied by the ratepayer as their sole or principal place of living.
- For the purpose of this policy, life tenants are deemed as owners.

#### 1. Statutory Pensioner Rates and Annual Charges Concessions

##### Eligible Pensioners

In relation to the rates or charges levied on land on which a dwelling is situated means a person who is a member of a class of persons prescribed by the Regulations (as detailed in points 1. (a) to (e)), and who occupies that dwelling as his or her sole or principal place of living.

- (a) persons who receive a pension, benefit or allowance under Chapter 2 of the Social Security Act 1991 of the Commonwealth, or a service pension under Part III of the Veterans' Entitlements Act 1986 of the Commonwealth, and who are entitled to a pensioner concession card issued by or on behalf of the Commonwealth Government,

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- (b) persons who receive a pension from the Commonwealth Department of Veterans' Affairs as:
- (i) a war widow or war widower within the meaning of the Veterans' Entitlements Act 1986 of the Commonwealth, or
  - (ii) the unmarried mother of a deceased unmarried member of the Australian Defence or Peacekeeping Forces, or
  - (iii) the widowed mother of a deceased unmarried member of the Australian Defence or Peacekeeping Forces,
- and do not have income and assets that would prevent them from being granted a pensioner concession card (assuming they were eligible for such a card),
- (c) persons who have received a lump sum mentioned in section 234(1)(b) of the Military Rehabilitation and Compensation Act 2004 of the Commonwealth or are receiving a weekly amount mentioned in that paragraph, and do not have income and assets that would prevent them from being granted a pensioner concession card (assuming they were eligible for such a card),
- (d) persons who receive a general rate of pension adjusted for extreme disablement under section 22(4) of the Veterans' Entitlements Act 1986 of the Commonwealth, or a special rate of pension under section 24 of that Act,
- (e) persons who receive, or who at some point in their life have been eligible for, a Special Rate Disability Pension under the Military Rehabilitation and Compensation Act 2004 of the Commonwealth.

### **2. Voluntary Pensioner Rates and Annual Charges Concessions**

#### **Eligible Pensioners**

##### **Rates**

In relation to a rate levied on land on which a dwelling is situated means a person who is a member of a class of persons as detailed in points 2. (a) to (e) below, and who occupies that dwelling as his or her sole or principal place of living.

- (a) persons who meet the requirements of 1. (a) to (e) and have not reached the accepted retirement age
- (b) persons in receipt of the blind pension
- (c) persons who have reached the accepted retirement age and continue to receive either the Carer Payment or Disability Support Pension from Centrelink
- (d) persons who receive either the Totally and Permanently Incapacitated (TPI) Pension or the Extreme Disablement Adjustment (EDA) Pension from the Department of Veteran Affairs.

#### **Domestic Waste Management Services Charge**

In relation to the domestic waste management services charge on land on which a dwelling is situated means a person who is a member of a class of persons as detailed in points 1. (a) to (e) above, and who occupies that dwelling as his or her sole or principal place of living.

### **3. Amount of Concessions**

- (a) In accordance with Section 575(3)(a) of the Act the amount of the Statutory Pensioner Rates and Annual Charges Concession is 50% of rate and charge up to a maximum of \$250, or such other amount determined by the NSW Government.

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- (b) The amount of Council's Voluntary Rates Pensioner Concession is a maximum of \$150 or as determined in Council's Annual Operational Plan.
- (c) The amount of Council's Voluntary Domestic Waste Management Services Charge Pensioner Concession is as determined in Council's Annual Operational Plan. This amount is adjusted annually in line with the percentage change in the domestic waste standard service charge.

### **4. Application Process**

- (a) Application for a pension concession must be made by completing the prescribed pensioner concession application form. All information must be provided before the application can be assessed including either a copy of the pension concession card or an electronic version of the pension concession card sighted and verified by a Council officer.
- (b) The application must be signed by the applicant or a person with power of attorney for the applicant.
- (c) The property must be the applicant's sole or principle place of living.
- (d) Once assessed, the applicant will be notified in writing of Council's decision and the amount of rates and charges payable.
- (e) The applicant(s) must hold a current Government issued Pensioner Concession Card. Senior's Cards and Health Care Cards are not accepted.

### **5. Date of Effect**

- (a) In accordance with Section 575 of the Act if a person becomes an eligible pensioner part way through the rating year, a proportional concession will apply based on the number of full quarters remaining for that financial year after the person became eligible. Accordingly, where a person becomes an eligible pensioner after the commencement of a quarterly instalment period, the concession will commence from the start of the next quarterly instalment period.
- (b) In accordance with Section 584 of the Act where a person ceases to qualify as an eligible pensioner, or sells the property to which the concession applies, the concession will cease at the end of that instalment quarter and be written back proportionally according to the number of full periods left in the rating year
- (c) In relation to Council's voluntary concessions, the proportionate concession and ending of concessions will apply in the same manner as the Act dictates for mandatory concessions.

### **6. Backdated concessions**

- (a) The pensioner's initial application for a pensioner concession should be made within one year of receiving the pensioner concession card. However, where due to an oversight the application is not received during the year, pensioner concessions will be granted in the year the application is made.
- (b) An eligible pensioner can only claim a maximum concession dating back to the 1st of July in the current rating year.

### **7. Verification of pensioner status**

- (a) Validation of eligible pensioner reference card holders will be carried out using Centrelink's Confirmation eServices (CCeS) when an application is lodged.

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- (b) We are not able to validate eligibility without first obtaining consent (each individual person requesting a concession must provide their consent) unless the eligible pensioner provides another acceptable form of proof from Centrelink or the Department of Veterans' Affairs confirming their eligibility to the concession (required each quarter where consent is not provided).
- (c) If a current pensioner applies for a concession and the name record held in Council's records differs to what is on the pension card, the person must provide Council with sufficient legible documentation to verify they are the legal owner. Such documents for example would be a marriage certificate, change of name certificate, birth certificate, divorce documents, a current driver's licence or a Centrelink name history report. Without such documents Council is unable to issue a pension concession.

### 8. Pensioner Concession Card Eligibility Changes

- (a) Council confirms all pensioners' eligibility annually in late May or early June. At this time if a pensioner's eligibility is not confirmed (no reason is given by Centrelink), Council is not able to grant a concession on their Rate Assessment issued in July.
- (b) Council may also confirm all pensioners' eligibility at other times during the year. If eligibility has ceased the entitlement is taken to cease on the last day of the quarterly instalment period during which those circumstances occur.
- (c) If the validation results in the eligibility not being confirmed, Council will remove any further concession. Reinstatement of a concession will require reapplication.
- (d) In these circumstances pensioners must re-apply upon issue of their new rate assessment. A common reason for rejection of a concession at the annual confirmation run is that the pensioner is overseas at the time of confirmation, and accordingly is ineligible to receive a Pensioner Concession Card (PCC). As part of the application process, it is required that in addition to the supply of a copy of their PCC card, information regarding their length of stay overseas in the form of a statutory declaration, will need to be given. If the pensioner is unable or unwilling to divulge such information, a check using the Centrelink online confirmation service will be made to confirm the eligibility status. Adjustments to any concession granted or about to be granted, will then be made.

### 9. Joint Owners

- (a) On land that is jointly owned and for which the liability for payment of the rates is shared with ratepayers who are not eligible pensioners, the concession amount will be calculated proportionally according to the percentage of ownership as prescribed by Land and Property Information NSW.
- (b) If joint owners are eligible for a pensioner concession and they are not spouses, a separate form will need to be completed by each owner to receive the maximum concession, otherwise only a partial concession will be granted. If the property is owned by a couple and their spouse's name appears on the same Pensioner Concession Card, a separate form should still be completed for each pensioner to provide consent.

### 10. Periods of absence from your home

- (a) Ratepayers remain eligible for concessions notwithstanding that they are required to leave their principal place of living for a temporary period for the purpose of receiving medical care, with an intention to return to their home subject, during the time of their absence, to the property being:
  - (i) unoccupied for a maximum period of one (1) year, or;

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(ii) occupied only by the ratepayer's spouse or an immediate family member.

(b) If a ratepayer is in receipt of a pension concession card, currently receiving a pension concession on the property considered to be their sole or principal place of living and is then required to enter an aged care facility for health or care reasons, the pension concession will continue to apply as long as the property is not being rented.

### **11. Accruing Rates and Charges**

In further supporting eligible Pensioners:

- (a) Where in Council's opinion the payment of Rates and Charges would cause hardship, eligible pensioners over the accepted retirement age may be allowed to accrue Rates and Charges against their estate or until the property is sold or the ratepayer no longer is an eligible pensioner.
- (b) Payment of the debt is to be made on the future sale or transfer of the property.
- (c) Interest charges are to accrue on overdue Rates and Charges on a daily basis in accordance with Section 566 of the Act. Accrued interest is to be applied to assessments on a weekly basis subject to procedures for issuing Notices.
- (d) Subject to paragraph (a) above, should an eligible pensioner move from their principal place of living, Council will allow such deferment to continue for up to one (1) year, provided that the property remains untenanted. Council may require evidence to support such deferment.

### **12. Assistance to extend pensioner concession to avoid hardship**

Section 577 of the Act, enables Council to make an order deeming:

- (a) certain persons who are jointly liable with an eligible pensioner(s) or solely liable, but who are not themselves eligible, to be eligible pensioners for the purpose of a mandatory reduction in rates and charges to avoid hardship.
- (b) An eligible pensioner, not the owner of the property, has a life interest in the property and is responsible for the payment of rates.

Council requires confirmation in writing with a copy of the will of a deceased estate, copy of the Certificate of Title if a life tenancy is registered, Deed of Agreement or relevant documentation to validate a life tenancy agreement.

### **13. Abandonment of Pensioners' Rates and Charges**

Under Section 582 of the Act Council may waive or reduce rates, charges and interest due by any person prescribed by the regulations who receives a pension, benefit or allowance under Chapter 2 of the Social Security Act 1991 of the Commonwealth and is the holder of a pensioner concession card issued by or on behalf of the Commonwealth Government.

### **14. Deferral of Recovery Proceedings against Eligible Pensioners that are entitled to receive a Concession on Rates and Charges**

Where in Council's opinion payment of Rates and Charges would cause hardship, eligible pensioners over the accepted retirement age may be allowed to accrue Rates and Charges against their estate. Interest charges are to accrue on overdue Rates and Charges on a daily basis in accordance with Section 566 of the Act. Accrued interest is to be applied to assessments on a weekly basis subject to procedures for issuing Notices.

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Council recognises the large number of pensioner ratepayers in the community and recognises the difficulties some pensioner ratepayers have in meeting their Rates and Annual Charges payments.

Under Section 712 of the Act proceedings for the recovery of a rate or charge may commence at any time within twenty years from the date when the rate or charge became due and payable. The Local Government Rating and Revenue manual advises Councils have discretion to accrue rates, charges and interest against a pensioner's estate. The Office of Local Government advises if Councils wish to utilise this discretion, agreement is required from the pensioner ratepayer.

Where the eligible pensioner requests a delay in recovery action to allow outstanding rates, charges and interest to accrue against their estate and is willing to enter into an agreement, Council will:

- (a) Provide an annual rates notice of all outstanding rates, charges and interest as it does for all ratepayers as well as instalment reminders.
- (b) Not commence recovery action until there is a change in ownership of the property, either or both ratepayers leave the property (except where the pensioner is in a care facility on a temporary basis) or either or both become ineligible for a concession. Should any of these events occur, rates and annual charges will become due and payable.
- (c) However, given the constraints set out in Section 712 of the Act, Council will require pensioners to commence payment of overdue Rates and Annual Charges such that their total debt to Council does not exceed twenty years.

### **15. Apportionment of statutory pensioner concessions between ordinary rates and domestic waste management services charge**

It is important that an accurate apportionment of pensioner concessions between rates and domestic waste management services charge is undertaken where the cost of providing the concessions is part of the reasonable cost calculations used when setting the domestic waste management services charge.

Accordingly, the apportionment is to be in the same proportions as the levels of rates and domestic waste management services charge. The pensioner concessions are treated as a cost of providing the domestic waste management service, consequentially, the amount of government reimbursement is to be deducted from the calculation of the cost of providing the pensioner concession.

### **Scope and application**

This Policy applies to ratepayers who meet pensioner eligibility requirements.

### **References and related documents**

- Local Government Act 1993
- Local Government (General) Regulation 2005
- Division of Local Government – Council Rating and Revenue Raising Manual
- Northern Beaches Council Strategic Community Plan
- Rates and Annual Charges Hardship Policy

### **Responsible Officer**

Chief Financial Officer

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### Review Date

The Policy will be due for review in four years.

### Revision History

Revision	Date	Change	TRIM Ref
1	March 2021	Adopted by Council 23 March 2021. Effective 1 July	2020/612046