

SPECIAL MEETING OF COUNCIL

MINUTES

20 JANUARY 2016

at 4:00 PM

Apollo Bay Senior Citizens Centre



COLAC-OTWAY SHIRE SPECIAL COUNCIL MEETING

20 JANUARY 2016

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RIVER-JAMIESON TRACK FIRE**

MINUTES of the SPECIAL MEETING OF COUNCIL OF THE COLAC-OTWAY SHIRE COUNCIL held at the Apollo Bay Senior Citizens Centre on 20 January 2016 at 4:00pm.

1. OPENING PRAYER

Almighty God, we seek your blessing and guidance in our deliberations on behalf of the people of the Colac Otway Shire. Enable this Council's decisions to be those that contribute to the true welfare and betterment of our community.

AMEN

2. PRESENT

Cr Frank Buchanan (Mayor)
Cr Brian Crook
Cr Michael Delahunty
Cr Stephen Hart
Cr Lyn Russell
Cr Chris Smith
Cr Terry Woodcroft

Sue Wilkinson, Chief Executive Officer
Mark Lyons, General Manager Corporate Services
Ingrid Bishop, General Manager Infrastructure and Leisure Services
Brydon King, General Manager Development and Community Services
Jenny Wood, Manager Governance & Customer Service
Alison Richardson, Governance Officer
Ashley Roberts, Manager Financial Services
Sandra Wade, General Manager Bushfire Recovery

3. APOLOGIES

Nil

4. MAYORAL STATEMENT

Colac Otway Shire acknowledges the original custodians and law makers of this land, their elders past and present and welcomes any descendants here today.

Colac Otway Shire encourages community input and participation in Council decisions. Council meetings provide an opportunity for the community to ask Council questions, either verbally at the meeting or in writing.

Please note that Council may not be able to answer some questions at the meeting. These will be answered later.

Council meetings enable Councillors to debate matters prior to decisions being made. I ask that we all behave in a courteous manner.

All Council and Committee meetings are audio recorded, with the exception of matters identified as confidential items in the Agenda. This includes the public participation sections of the meetings.

Audio recordings of meetings are taken to facilitate the preparation of the minutes of open Council and Committee meetings and to ensure their accuracy.

In some circumstances a recording will be disclosed to a third party. Those circumstances include, but are not limited to, circumstances, such as where Council is compelled to disclose an audio recording because it is required by law, such as the Freedom of Information Act 1982, or by court order, warrant, or subpoena or to assist in an investigation undertaken by the Ombudsman or the Independent Broad-based Anti-corruption Commission.

Council will not use or disclose the recordings for any other purpose. It is an offence to make an unauthorised recording of the meeting.

Thank you. Now 30 minutes is allowed for question time. Please remember, you must ask a question. If you do not ask a question you will be asked to sit down and the next person will be invited to ask a question. This is not a forum for public debate or statements.

1. Questions received in writing prior to the meeting (subject to attendance and time)
2. Questions from the floor.

5. QUESTION TIME BEGAN AT 4:03 pm

Questions Received in Writing Prior to the Meeting

NIL

Questions Received Verbally at the Meeting

Sheryl Smith – Wye River

1. I'm here representing most of the 116 people who have lost houses in Wye River who have lost houses in Wye River and firstly will applaud council for looking at the possibility of rate relief as a way of helping our communities. My question is, if the permanent residents of Wye and Sep take longer than 12 months to actually get their houses built, will the rate relief extend past the 12 months?

General Manager Corporate Services responded that the Council issues rates for a financial year and at this stage council is limited to making a decision in relation to that financial year, so in terms of future rate relief that would have to be made post 30 June when Council considers its budget.

2. One of the people whose houses were lost in the fire has made some enquiries and has been told that his previously bell rated 29 property is now flame zone. Is the bell rating going to change for our properties because of the fire.

General Manager Development & Community Services responded that at this stage there is an opportunity where there will be, there's the potential opportunity for a broader settlement based reassessment of bells to be done, that's being explored and what actually happens with the bell rating out of that will need to be considered through these works. So, it's something we will have to take on notice, but yes, being sensitive to the issues about how a rebuild happens, looking at that in a holistic way for the whole town, might be able to frame up something that makes it more effective to help the rebuild. We'll have to do that work along with the State Government to see if we can clarify how that might happen, how the bell ratings will be defined.

The CEO responded that what's happening at the moment is the State Government is looking at all the planning controls that apply to Wye River and Separation Creek that were affected by the bushfire and I know that what they're doing is that they are assessing the bell assessments as well as geotech and the waste water. We haven't yet been formally consulted on that thinking. When we have been we will be able to answer that question but it's very much a work in progress, it's occurring by the State Government, so they'll actually be the ones that determine the fire level assessment and at this stage we don't know when that will be.

General Manager Development & Community Services Question took the question on notice.

6. DECLARATION OF INTEREST

NIL

7. CIRCUMSTANCES PREVENTING AT LEAST 7 DAYS NOTICE OF SPECIAL MEETING OF COUNCIL

The public notice for this Special Meeting was published in the Colac Herald on Friday 15 January, 2015 and also placed on Councils website and facebook page. It is noted that this did not provide the preferred notice period of 7 days for official notice of meetings. The Wye River-Jamieson Track fire has significantly impacted the townships of Wye River and Separation Creek and an urgent decision was required to provide ratepayers with certainty on how Council may assist in minimising the hardship experienced as a result of the Natural Disaster. In addition Rate Instalment notices were due for issue by the 3rd Week of January and an urgent decision was required prior to issue of these notices. In the circumstances, and in the interest of supporting our community in a time of need, it was considered reasonable to provide less than 7 days notice.

OFFICERS' REPORTS

CORPORATE SERVICES

SC162001-1 RATE RELIEF FOR COMMUNITIES AFFECTED BY THE
WYE RIVER-JAMIESON TRACK FIRE 7

Sue Wilkinson
Chief Executive Officer

**SC162001-1 RATE RELIEF FOR COMMUNITIES AFFECTED BY THE WYE RIVER-
JAMIESON TRACK FIRE**

AUTHOR:	Ashley Roberts	ENDORSED:	Mark Lyons
DEPARTMENT:	Corporate Services	FILE REF:	CLF11/42

Purpose

This report outlines options to provide assistance to ratepayers affected by the Wye River-Jamieson Track fire and to update Council policies relating to the provision of hardship assistance to ratepayers.

Declaration of Interests

No officer declared an interest under the *Local Government Act 1989* in the preparation of this report.

Background

The bushfire that affected the Wye River and Separation Creek Townships on Christmas Day 2015 destroyed 116 properties (based on current available data). Given the significant hardship being experienced by these property owners, it is recommended that Council provide assistance in relation to rate relief.

The majority of the destroyed properties were rated under the 'Residential – Balance of Shire' differential category with some properties rated under the 'Holiday Rental' differential category. In addition all properties attract the standard Municipal Charge and charges for Waste Collection services. Each property would also be subject to the Fire Services Property Levy in accordance with *Fire Service Property Act 2012*.

The total rates and charges levied on the 116 destroyed properties for 2015-2016 was approximately \$270,000 (average \$2,344). Payment arrangements utilised by property owners with destroyed properties include a mixture of advance payment, instalment payments and due date payment arrangements (due date being 15 February, 2016).

Council has two existing rate hardship policies being:

- 11.1 Rates Assistance to Community Groups; and
- 11.4 Assistance to Rates Debtors in Hardship.

These policies, in their current form, do not provide the mechanisms to manage the provision of rate relief in large scale natural disaster events.

Council Plan / Other Strategies / Policy

Good Governance

Means we care about and are responsive to the community, encourage democratic participation and involve people in decisions that affect them. We strive for excellence in financial management and council services, and always look for better ways to do things.

Our Goal:

Ensure transparency of governance practices, the capability of our organisation and effective resource management.

Issues / Options

Under Section 171(1)(b) of the Local Government Act 1989:

- (1) *The Council may waive the whole or part of any rate or charge or interest in relation to - ...*
- b) any other class of persons determined by the Council for the purpose of waiving rates or charges on the grounds of financial hardship.*

Under Section 172(3) of the Local Government Act 1989:

- (3) *A Council may exempt any person from paying the whole or part of any interest either generally or specifically.*

A tiered approach to providing assistance is recommended as follows to assist ratepayers with developed property (vacant land is not included in this definition). It is important to note that damage assessments remain ongoing and the number of properties identified in each of the categories below may vary as more detailed information is made available.

Destroyed Properties

It is recommended that Council consider waiving all rates levied on developed properties identified as destroyed in the Wye River-Jamieson Track fire for the 2015-2016 financial year (currently estimates identify 116 properties in this category). With the impact of the fires affected owners will be experiencing significant hardship, including financial hardship given the unexpected and substantial loss of property. If property owners have paid in advance they will be offered a direct refund or a credit placed on their rate account. The total value of assistance being provided would be approximately \$ 270,000. If supported this would occur automatically and ratepayers notified accordingly.

Restricted Access Properties

There are an estimated 80 additional developed properties, which whilst not destroyed by the fire, have had or currently have access restrictions in place as a result of post fire risk management arrangements. It is recommended that Council consider waiving rates from 25 December 2015 to 30 June 2016. If property owners have paid in advance they will be offered a direct refund or a credit placed on their rate account. The total value of assistance to be provided would be approximately \$ 115,000. If supported this would occur automatically and ratepayers notified accordingly.

For properties that are owner occupied as a principal place of residence, the waiver will apply if the property has been subject to restricted access from 25 December 2015. If the property is not owner occupied, (i.e holiday rental or holiday house), the waiver will apply if access to the property remains restricted after 20 January 2016. Current data indicates there are approximately 8 principal places of residences included in this category. In all instances interest on current financial year rate levies will be waived until 30 June 2016.

There are also approximately a further 61 vacant properties with restricted access. At this point in time vacant land has not been directly impacted to the point of generating significant hardship and it is recommended that the proposed arrangements not apply to vacant land.

Other Affected Property Owners

The entire communities of Wye River and Separation Creek other indirect impacts as a result of the fire. The impacts for each property owner will vary in order to support recovery in the community and provide time for ratepayers to establish normal life it is recommended that all property owners in the townships of Wye River & Separation Creek have interest waived up to 30 June 2016 on current financial year rates. This is to allow each property owner extra time to pay and in effect defers the need for ratepayers to make any further rate payments until 30 June 2016. The total value of assistance to be provided would be approximately \$ 8,000 and if supported this would occur automatically.

It is also understood that there may be impacts on individual property owners that may not become evident immediately and to support ratepayers in these circumstance Council is able to consider individual hardship applications in accordance with supporting policies in this report.

Hardship Policies

It is also recommended that Council update two existing policies to simply the process for ratepayers to lodge hardship requests it is recommended that the two existing related Council policies be updated.

Council Policy '11.4 Assistance to Rates Debtors in Hardship' currently only provides provision to assist owner occupiers of residential properties. It is proposed to add a clause to this policy to provide flexibility to apply the intent of the policy on a broader basis when property owners are affected by Natural Disaster/Emergency events.

Likewise Council Policy '11.1 Rates Assistance to Community Groups' does not provide the ability to vary assistance provided in the event of Natural Disaster/Emergency events. It is proposed to add a clause to this policy to provide flexibility to allow increased assistance when property owners are affected by Natural Disaster/Emergency events.

To further support the recovery process it is recommended that Council defer legal action against any destroyed or restricted property owner, who was in arrears prior to the event, for a period of 12 months.

Fire Service Property Levy

Council does not have the authority to waive the Fire Service Property Levy as it is a State Government Levy collected by Council on the State Revenue Office's behalf. Council officers have contacted the State Revenue Office to enquire as to their intentions regarding this levy and we are currently awaiting a response. The total Levy charged on the 116 properties destroyed in the fire event is approximately \$ 20,700.

Proposal

It is proposed that Council approve the following:-

1. Waive rates levied for the 2015-2016 financial year on the developed destroyed properties.

2. Waive rates levied for developed restricted access properties from 25 December, 2015 to 30 June, 2016.
3. Exempt all properties in the township of Wye River & Separation Creek from paying interest on rates levied in the 2015-2016 financial year which has the benefit of effectively deferring rate payments until 30 June 2016.
4. Amend policies '11.1 Rates Assistance to Community Groups' and '11.4 Assistance to Rates Debtors in Hardship' to provide improved flexibility to consider hardship requests as a result of Natural Disaster/Emergency events.
5. Defer legal action on rate arrears for destroyed and restricted access properties for a period of 12 months.
6. Pursue a waiver of the Fire Service Property Levy from the State Government for the 116 destroyed properties.

Financial and Other Resource Implications

Providing rate waivers and remissions has a direct effect on the financial position of Council and while Council should do everything in its power to provide assistance in these circumstances it must do so in a financially responsible manner. It is understood that there may be other support schemes available to affected owners and residents and Council will assist wherever possible to minimise impacts.

Taking into account the total rate levy applicable to affected properties it is anticipated the recommended approach will require the waiver of approximately \$ 393,000 in rates for the 2015-2016 financial year. This represents approximately 1.7% of Council's budgeted rate and charges income for 2015-2016. With the possibility of individual hardship assistance it is anticipated that the total financial support provided by Council could reach approximately \$ 405,000.

In addition to this direct support, there are indirect costs arising from changes in cash flows from a delay in receipting income. This could reduce interest revenue for the financial year by up to \$ 20,000.

Management has reviewed the 2015-2016 operating and capital budgets to identify cost savings that could offset the reduction in income. The items identified include:

- \$ 200,000 from the Colac CBD Streetscapes project as a result of Council being unsuccessful in obtaining National Stronger Regions Fund (NSRF) support for the project. This budget was originally identified as a matching contribution to the NSRF application and could be redirected.
- \$ 225,000 from operational savings during the financial year.

The medium/longer term impact of the fire event will see a significant devaluation in the Capital Improved Value of affected properties (i.e effectively property values will revert back to Site Value). Preliminary estimates indicate this valuation change could be in the vicinity of \$50 million. Council is making arrangements for its contract valuer to review all valuations as soon as it is practical to do so.

The reduction in Capital Improved Value will have two effects in future years:

- Firstly, it will mean that Council's rate revenue will reduce in 2016-2017 on these properties; and
- Council's rate base, for the application of the rate cap in 2016-2017, will be reduced. This will effectively reduce Council's Average Rate on which the cap indexation is based.

Council is aware of these implications and will prepare future years budget estimates with this constraint in mind. Council officers are also in contact with Local Government Victoria to understand how these impacts can be minimized or mitigated.

Risk Management & Compliance Issues

There are no direct Risk Management issues arising from waiving of rates and charges in this instance. The recommendations are compliant with the *Local Government Act 1989*.

It is prudent that Council make amendments to Council Policies '11.1 Rates Assistance to Community Groups' and '11.4 Assistance to Debtors in Hardship' to ensure the policies provide flexibility in relation to Natural Disaster/Emergency events.

Environmental and Climate Change Considerations

There are no direct Environmental and Climate Change considerations directly arising from the waiving of rates and charges in this instance.

Community Engagement

The community engagement strategy follows the recommendations of the Colac Otway Shire Council Community Engagement Policy of July 2013, which details five levels of engagement – inform, consult, involve, collaborate and empower.

The method selected would be to inform and consult via communicating the decision to waive rates and charges to all affected property owners.

The public notice for this Special Meeting was published in the Colac Herald on Friday 15 January, 2015 and also placed on Councils website and facebook page. It is noted that this did not provide the preferred notice period of 7 days for official notice of meetings. The Wye River-Jamieson Track fire has significantly impacted the townships of Wye River and Separation Creek and an urgent decision is required to provide ratepayers with certainty on how Council may assist in minimising the hardship experienced as a result of the Natural Disaster. In addition Rate Instalment notices are due for issue by the 3rd Week of January and an urgent decision is required prior to issue of these notices. In the circumstances, and in the interest of supporting our community in a time of need, it is considered reasonable to provide less than 7 days notice.

Implementation

The due date for full payment of rates is 15 February 2016 and the due date for those on instalment plans is 28 February 2016. Mail delivery will be a challenge as a result of the fire impact and while alternative address information is held for most affected ratepayers, notices will be placed on local noticeboards and customer service staff will also maintain a presence in the Wye River and Separation Creek area to discuss options with ratepayers. Given the challenging nature of the conditions in the area the final determination on the effects on an individual property basis may take some time. Council will remain in constant contact with affected ratepayers and adjust the level of assistance as required.

Conclusion

The communities of Wye River and Separation Creek have experienced a devastating natural disaster and it is appropriate for Council to provide assistance to affected ratepayers in these circumstances. Council has the opportunity to assist the communities by providing rate relief to affected property owners, with the estimated direct assistance package valued at approximately \$ 405,000. In addition it is recommended that Council update its policies that relate to providing hardship assistance to ratepayers to improve flexibility and streamline approval processes.

Attachments

1. Draft Review Assistance to Rates Debtors in Hardship
2. Draft Review Rates Assistance to Community Groups

Original Recommendation

That Council:

1. ***In accordance with Section 171 of the Local Government Act 1989, waive all Council rates and charges levied for the 2015-2016 financial year for all developed properties identified as destroyed (currently estimated to be 116 properties) in Wye River-Jamieson Track fire to alleviate financial hardship.***
2. ***In accordance with Section 171 of the Local Government Act 1989, waive all Council rates and charges levied from 25 December 2015 to 30 June 2016 for all developed properties identified as restricted access (currently identified to be 80 properties) affected by the Wye River-Jamieson Track fire to alleviate financial hardship on the following basis:***
 - ***For owner occupied properties which are the principal place of residence of the ratepayer, the waiver apply if the property was subject to restricted access from 25 December 2015; and***
 - ***For non-owner occupied properties and for owner occupied properties which are not the principal place of residence of the ratepayer, the waiver will apply if the property is subject to restricted access after 20 January 2016.***
3. ***In accordance with Section 172 of the Local Government Act 1989, exempt all properties within Wye River and Separation Creek from the payment of interest on unpaid rates levied during the 2015-2016 financial year and consider individual hardship applications.***
4. ***Advocate to the State Revenue Office to waive the Fire Service Property Levy on all properties destroyed in Wye River-Jamieson Track fire.***
5. ***Adopt Council Policy 11.1 Rates Assistance to Community Groups as amended and in accordance with Section 98 of the Local Government Act 1989 delegate to the Chief Executive Officer the power to approve applications under Sections 170, 171 and 172 of the Local Government Act 1989, in accordance with the policy.***
6. ***Adopt Council Policy 11.4 Assistance to Rates Debtors in Hardship as amended and in accordance with Section 98 of the Local Government Act 1989 delegate to the Chief Executive Officer the power to approve applications under Sections 170, 171 and 172 of the Local Government Act 1989, in accordance with the policy.***
7. ***Defer legal action on rate arrears for destroyed and restricted access properties for a period of 12 months.***

FORMAL MOTION - MOVED Cr Michael Delahunty seconded Cr Chris Smith that:

The report lay on the table until the end of the fire season

LOST 2 : 5

DIVISION called by Cr Delahunty

For the Motion: Cr Chris Smith, Cr Michael Delahunty

Against the Motion: Cr Stephen Hart, Cr Brian Crook, Cr Lyn Russell, Cr Frank Buchanan, Cr Terry Woodcroft

ALTERNATIVE MOTION - MOVED Cr Chris Smith seconded Cr Michael Delahunty that:

All properties affected by the Wye River-Jamieson track fire by the loss of property or restricted access be informed that no interest or penalty will be applied for unpaid rates up until the 30th of June 2016 until Council properly investigates rate relief for all properties across the shire that may be affected by wildfire events.

LOST 2 : 5

DIVISION called by Cr Smith

For the Motion: Cr Chris Smith, Cr Michael Delahunty

Against the Motion: Cr Stephen Hart, Cr Brian Crook, Cr Lyn Russell, Cr Frank Buchanan, Cr Terry Woodcroft

ALTERNATIVE MOTION - MOVED Cr Stephen Hart seconded Cr Lyn Russell that:

That Council:

- 1. In accordance with Section 171 of the Local Government Act 1989, waive all Council rates and charges levied for the 2015-2016 financial year for all developed properties identified as destroyed (currently estimated to be 116 properties) in Wye River-Jamieson Track fire to alleviate financial hardship.**
- 2. In accordance with Section 171 of the Local Government Act 1989, waive all Council rates and charges levied from 25 December 2015 to 30 June 2016 for all developed properties identified as restricted access (currently identified to be 80 properties) affected by the Wye River-Jamieson Track fire to alleviate financial hardship on the following basis:**
 - For owner occupied properties which are the principal place of residence of the ratepayer, and are located in the high impact zone, the waiver apply if the property was subject to restricted access anytime from 25 December 2015; and**
 - For non-owner occupied properties and for owner occupied properties which are not the principal place of residence of the ratepayer, and are**

located in the high impact zone, the waiver will apply if the property is subject to restricted access after 20 January 2016.

- 3. *In accordance with Section 172 of the Local Government Act 1989, exempt all properties within Wye River and Separation Creek from the payment of interest on unpaid rates levied during the 2015-2016 financial year and consider individual hardship applications.***
- 4. *Advocate to the State Revenue Office to waive the Fire Service Property Levy on all properties destroyed in Wye River-Jamieson Track fire.***
- 5. *Adopt Council Policy 11.1 Rates Assistance to Community Groups as amended and in accordance with Section 98 of the Local Government Act 1989 delegate to the Chief Executive Officer the power to approve applications under Sections 170, 171 and 172 of the Local Government Act 1989, in accordance with the policy.***
- 6. *Adopt Council Policy 11.4 Assistance to Rates Debtors in Hardship as amended and in accordance with Section 98 of the Local Government Act 1989 delegate to the Chief Executive Officer the power to approve applications under Sections 170, 171 and 172 of the Local Government Act 1989, in accordance with the policy.***
- 7. *Defer legal action on rate arrears for destroyed and restricted access properties, located in the high impact zone, until 1 March 2017 and further prior to action commencing after this date Council receive a report providing an update on the circumstances and the proposed future approach.***

CARRIED 5 : 2

DIVISION called by Cr Hart

For the Motion: Cr Stephen Hart, Cr Brian Crook, Cr Lyn Russell, Cr Frank Buchanan, Cr Terry Woodcroft

Against the Motion: Cr Chris Smith, Cr Michael Delahunty



Colac Otway
SHIRE

COUNCIL POLICY

Council Policy Title:	Assistance to Rates Debtors in Hardship
Council Policy ref. no:	11.4
Responsible Department:	Corporate Services
Date of adoption/review:	20 January 2016

1. INTRODUCTION

Council recognises that from time to time ratepayers may have difficulty in meeting their rate payment obligations due to financial hardship. The *Local Government Act* allows Council to provide assistance to ratepayers and Council recognises it is important to provide assistance where the payment of rates would cause significant hardship.

2. OBJECTIVES

The objective of the policy is to:

- (i) establish principles to apply when an application for assistance is received,
- (ii) identify the type of assistance that may be granted; and
- (iii) establish a procedure for assessment of applications received.

The policy is aimed to assist property owners that are experiencing medium to long term financial difficulty.

3. POLICY

3.1 Criteria and Guidelines

The following criteria and guidelines should be considered when assessing an application for rates assistance.

- (a) the rates payable must relate to the applicants primary place of residence unless the application relates to a Natural Disaster/Emergency event.
- (b) applications for rates assistance for residential investment, commercial or industrial properties will NOT be granted unless the application relates to a Natural Disaster/Emergency event.
- (c) applications for rates assistance for farms or commercial properties that are also used for residential purposes will NOT be granted, unless the residential part of the property is separately assessed for rates and/or the application relates to a Natural Disaster/Emergency event. The relationship of the applicant to the adjoining business activity and gross income generated by that activity will be taken into consideration.

- (d) the amount outstanding must be more than the current years rates and charges unless the application relates to a Natural Disaster/Emergency event in which case all applications will be considered on their merits.
- (e) the debtor must be experiencing demonstrated financial hardship.
- (f) the debtor must be able to demonstrate the requirement to pay the full amount outstanding would exacerbate existing financial hardship.
- (g) the debtor must show they are prepared to contribute towards the longer term payment of outstanding principal. To this end, a "Debt Finalisation Date" must be nominated by the debtor.
- (h) the debtor must demonstrate they are able to honour payment arrangements they have made.
- (i) Council expects that the debtor is making legitimate attempts to ensure money is available to make rates and charges payments.
- (j) Council requires the debtor to advise Council if they decide to sell the property before the Debt Finalisation Date. Interest on the outstanding balance may then be applied.
- (k) Council requires the debtor to provide a Statutory Declaration of all income and expenses, assets and liabilities and potential sources of income. This includes details of shares portfolios, business partnerships, joint ventures etc. Copies of documentary evidence (eg: Tax returns etc) may be required to be presented at the CEO's discretion.
- (l) Council may arrange for the information provided in (k) above to be assessed by independent professionals if considered necessary.
- (m) Council may require the debtor to meet with professionals involved in the assessment of the application.

All information received by Council or professionals engaged in the assessment process will be treated as strictly confidential.

3.2 Implementation

Applicants will be able to apply for assistance at any stage throughout the year.

All applications will be assessed on their merits and a flexible approach will be taken to assessing applications as some ratepayers may not be able to provide all information (eg records destroyed in a natural disaster).

Similarly, if an applicant does not meet the above principles/criteria but can provide overwhelming evidence why they should receive assistance, applications may also be considered at the discretion of the Chief Executive Officer.

If necessary, the application may be referred to Colac Area Health's Financial Counselling Service or a similar service, for independent assessment.

3.3 Level of Assistance to be Provided

Unless varied by resolution of Council the following may apply:

Non-Natural Disaster/Emergency events:

- Deferring the payment of rates and charges to a later date.
- Exempting the payment of interest charges. Interest may be exempted until the debt finalisation date while agreed arrangements are met.

Rates, Municipal Charge and Waste Management Charge and any other charges raised will be required to be paid.

Natural Disaster/Emergency events:

In addition in the case of a Natural Disaster/Emergency event Council may provide additional assistance to any affected ratepayer by:-

- Waiving up to a maximum amount of 50% of Council Rate, Municipal and Waste Management charges for the current financial year.

3.3 Fire Service Property Levy

Section 27 of the *Fire Services Property Levy Act 2012* permits the levy to be deferred in the same way that rates are deferred under the *Local Government Act 1989*. A deferral of the levy (and levy interest) is permitted for levy purposes only if a deferral is granted to the same land for rates and charges purposes.

3.3 Natural Disaster/Emergency Events

A Natural Disaster/Emergency event is defined as any event for which an Incident Control Centre (ICC) has been formally established.

In the case of a Natural Disaster/Emergency event Council may provide additional assistance to any affected ratepayer, in addition to that allowed in this policy, by resolution.

3.4 Delegation

The Chief Executive Officer shall have delegated authority to approve applications under this policy in accordance with Section 170, 171 & 172 of the *Local Government Act 1989* subject to the quantum of the relief being offered having no material impact on Council's overall budget.

4. REPORTING

The amount of rates and charges waived under this policy are to be reported to Council on an annual basis in the June Quarter financial report each year.

5. REVIEW

This policy is to be implemented by Council and is the subject of periodic review.

ADOPTED/AMENDMENT OF POLICY

Policy Review Date	Reason for Amendment
28 March 2007	Adopted by Council
25 November 2009	Review
24 July 2013	Review
20 January 2016	Review

Date Adopted: 20/1/16

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COUNCIL POLICY

Council Policy Title:	Rates Assistance to Community Groups
Council Policy ref. no:	11.1
Responsible Department:	Corporate Services
Date of adoption/review:	20 January 2016

1 INTRODUCTION

Colac Otway Shire is committed to developing and maintaining a strong and vibrant community. Community groups in all forms are an important part of achieving this outcome and in certain circumstances assistance may be required to ensure community groups remain financially viable.

2 OBJECTIVES

The objective of this policy is to provide consistent direction and guidance for determining eligibility of community groups to receive Council assistance with the payment of rates in accordance with the relief options available for Council to consider under the *Local Government Act 1989*.

3 POLICY

Community groups may be eligible for assistance where they:

- can demonstrate payment of rates and charges would cause financial hardship, and
- have a significant local membership base, and
- provide a benefit to the local community, and
- are actively working to generate sufficient income to remain viable, or
- have been adversely affected by Natural Disaster/Emergency events.

3.1 Principles

The following principles should be considered when assessing an application for rates assistance:

- (a) the organisation should be incorporated.
- (b) the applicant must be responsible for payment of rates and charges.
- (c) the organisation must demonstrate that it is viable and will continue to provide benefit to the community.

- (d) organisations applying for assistance must be able to demonstrate that payment of rates would (or be likely) to cause financial hardship.
- (e) the organisation must not be receiving assistance under the *Cultural and Recreational Lands Act* or any other assistance from Council.
- (f) the organisation should not receive more than 30% of their income from other levels of government or other agencies.
- (g) the organisation should have "significant" local (ie: within Shire) membership.
- (h) the organisation should not be simply a branch of a larger statewide/national organisation.
- (i) the organisation would have a limited capacity to pay rates and charges (eg: rates /charges payable are greater than 20% gross income).
- (j) the organisation must be able to demonstrate that it provides "significant" benefit to the Shire, local community or a particular organisation that would otherwise be disadvantaged if the organisation did not exist.
- (k) the group should have been in existence for a minimum of 12 months and be able to demonstrate they are likely to continue their existence in the future. (eg: whether by succession plans, junior development programs etc).
- (l) organisations that have a capacity to pay rates and charges (ie: they generate enough income to allow them to pay rates and charges and not be adversely affected) should not receive assistance from Council.

3.2 Implementation

Applicants will be able to apply for assistance at any stage throughout the year.

Applicants will be required to submit a formal application and provide the following supporting information:

- audited statement of accounts from the last two financial years
- membership statement
- business plan/statement

All applications will be assessed on their merits and a flexible approach will be taken assessing applications as some organisations may not be able to provide all information (eg if an organisation did not have a formal Business Plan, they would not be required to prepare one in order to obtain assistance. They will however be requested to provide the type of information that would be included in a Business Plan document).

Similarly, if an applicant does not meet the above principles/criteria but can provide overwhelming evidence why it should receive assistance, applications may also be considered.

3.3 Level of Assistance to Be Provided

Unless varied by resolution of Council the following may apply:

Non-Natural Disaster/Emergency events:

- Waiving up to a maximum amount of 50% of Council Rate and Municipal charges for the current financial year.

All organisations that receive a waste service must pay the Waste Management charge.

Natural Disaster/Emergency events:

In addition in the case of a Natural Disaster/Emergency event Council may provide additional assistance to an affected organisation by:

- Deferring the payment of rates and charges to a later date.
- Waiving Waste Management charges for the current financial year.
- Exempting the payment of interest charges. Interest may be exempted until the debt finalisation date while agreed arrangements are met.

3.4 Fire Services Property Levy

The *Fire Services Property Levy Act 2012* does not permit the levy to be deferred in respect of commercial, industrial, primary production, public benefit and vacant non-rateable liveable land.

3.5 Natural Disaster/Emergency Events

A Natural Disaster/Emergency event is defined as any event for which an Incident Control Centre (ICC) has been formally established.

In the case of a Natural Disaster/Emergency event Council may provide additional assistance to an affected organisation, in addition to that allowed in this policy, by resolution.

3.6 Delegation

The Chief Executive Officer shall have the delegated authority to approve applications under this policy in accordance with section 170, 171 & 172 of the *Local Government Act 1989* subject to the quantum of relief being offered having no material impact on Council's overall budget.

4. REPORTING

The amount of rates and charges waived under this policy are to be reported to Council on an annual basis in the June Quarter financial report each year.

5. REVIEW

This policy is to be implemented by Council and is the subject of periodic review.

ADOPTED/AMENDMENT OF POLICY

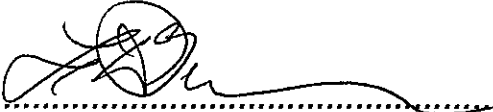
Policy Review Date	Reason for Amendment
24 May 2006	Adopted by Council
25 November 2011	Review
24 July 2013	Review
20 January 2016	Review

Date Adopted: 20/01/16

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The Meeting Was Declared Closed at 5.13 pm

CONFIRMED AND SIGNED at the meeting held on


.....MAYOR

