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72 **FINANCIAL HARDSHIP – LOOSE FILL ASBESTOS INSULATION**

File Reference No: 25.138.1

Strategic Outcome: Supported and engaged communities

Date of Adoption: 18/05/2016

Date for Review: 20/05/2020

Responsible Officer: Director Corporate Services

1. **POLICY STATEMENT**

The NSW government investigation into loose-fill asbestos has revealed several properties in Berrigan Shire affected by loose-fill asbestos insulation

Loose fill asbestos insulation is hazardous and deadly. In addition to health hazards, owners of these properties are likely to experience significant financial hardship associated with maintenance costs, finding alternate accommodation and/or loss of rental income, and costs associated with rebuilding.

The main agency responsible for providing relief for affected property owners is the NSW government. Assistance provided by the NSW government includes:

1. Free Testing program
2. Relocation assistance
3. Home contents assistance
4. Independent legal advice
5. Stamp Duty concession
6. Counselling services
7. Co-ordination of assistance from utility providers and financial institutions.

The NSW government has also implemented a Voluntary Purchase and Demolition Program for affected properties.

2. **PURPOSE**

This policy has two separate but linked aims:

Firstly, it is to give eligible owners of properties affected by loose fill asbestos insulation (also known as Mr Fluffy asbestos) relief from rates and other charges



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relating to their affected property. It is designed to complement the other measures put in place by the NSW government to ease the financial burden on owners of affected properties.

While the Council has an existing Financial Hardship Policy, the policy does not suitably address the circumstances of owners of affected properties, either in terms of eligibility or the relief offered.

In this policy the Council's intention is to target relief at those owners who can demonstrate financial hardship relating to their ownership of an affected property, and not to provide relief in general to all owners of affected properties.

Secondly, the Council wishes to see affected sites rebuilt upon as soon as possible; to maintain its existing level of housing stock and to avoid large numbers of vacant lots sitting idle in the residential areas of its towns.

The Council seeks to maintain confidence in the future of its towns and sees an opportunity in this otherwise unfortunate situation to update its stock of residential dwellings.

The Council's intention is to waive development and construction fees and charges for rebuilding work on affected properties to encourage owners and/or developers to rebuild as soon as possible and to prioritise development of these infill sites as opposed to new development on greenfield sites.

3. SCOPE

This policy is applicable to:

1. eligible owners of properties in Berrigan Shire
 - a. on the NSW Register of Homes Affected by Loose Fill Asbestos, and
 - b. eligible for the NSW Government Voluntary Purchase and Demolition Program, or
2. eligible owners of properties in Berrigan Shire where the building on the property was demolished and the site rehabilitated via the NSW Government's loose-fill asbestos Voluntary Purchase and Demolition Program

4. OBJECTIVE

This Policy has been developed to assist the Council with Delivery Plan Objectives

2.2.2.3 Coordinate Council Investments, financial management, financial operations & processing.



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3.1.4 *Coordinate and facilitate the delivery of potable water, public health and safety services*

3.1.4.2 *Monitor, control and report upon environmental contaminants and public health hazards, - water, fire, refuse, buildings and air*

1.1.1.3 *Process and approve / refuse development applications in accordance with relevant legislation, codes and policies*

5. DEFINITIONS

Affected Home - Means any single residential-use dwelling or any form of multi-unit residential-use dwelling (including flats, townhouses, units, dual occupancy or the like) which has at one time or another had loose fill asbestos insulation installed at those premises. Commercial properties are specifically excluded

Affected property – The parcel of land containing the affected home

Applicant – A person lodging a development application on an affected property

Rates and charges relating to the affected property – This charges are defined as:

- Rates charged under Chapter 15 of the *Local Government Act* 1993
- Utility charges such as Water Connection, Sewer and Domestic Waste
- Water Consumption charges
- Stormwater charges
- Contributions to Footpath and Kerb-and-Gutter schemes made under Part 13, Division 3 of the *Roads Act* 1993
- Interest charged on any of the above charges in line with the relevant legislation

6. POLICY IMPLEMENTATION

6.1. Rates and charges relief

6.1.1. Eligibility

To be eligible for relief from rates and changes associated with the affected property, under this policy,

- the affected home must be on the NSW Register of Homes Affected by Loose Fill Asbestos; and
- The owner must be able to demonstrate financial hardship.



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The property will remain eligible for relief until the property is either:

- Sold or otherwise transferred to a new owner (including a transfer via the NSW Government's loose-fill asbestos Voluntary Purchase and Demolition Program), or
- Declared fit by the relevant NSW Government authority for a building to occupy the site, or
- The property owner is no longer suffering from financial hardship, or
- Until otherwise determined by the Council.

6.1.2. Application

Property owners seeking relief from rates and charges associated with their Affected Home will be required to:

- Submit an application using the Council Financial Hardship Application Form, and
- Provide evidence of hardship as per the Council's Financial Hardship Policy.

The property owner must also provide evidence of the property's listing on the NSW Register of Homes Affected by Loose Fill Asbestos.

The applications will be determined as per the Council's Financial Hardship Policy. The Enterprise Risk Manager will be added to the review panel to assess the applications.

6.1.3. Relief

Under this policy, relief will consist of the following:

For the period in which the owner of an affected property meets the eligibility criteria, the owner may defer any payment to the Council for any rates and charges relating to the affected property.

This includes amounts owing at the time of application and subsequently charged against the property.

It should be noted:

- All applicable rates and charges will continue to be charged to the property throughout the eligibility period.
- Interest on rates and charges relating the affected property will continue to be charged to the affected property
- All rates and charges relating to the affected property will remain attached to the property and will be required to be paid once the affected property is no longer eligible for relief



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6.1.4. Reporting

A register of all applications received by Council will be kept.

Reports to Council will be provided on a quarterly basis outlining the shortfall in Council income as a result of assistance provided.

6.1.5. Privacy

As per the Council's Privacy Management Plan, Personal information collected as a consequence of this policy will only be used for the purpose of assessing eligibility under the policy and will not be used for any other purpose or disclosed to any person unless the Council is required by law to do so or authorised to do so by the person whom the personal information relates.

6.2. Exemption from development fees and charges

6.2.1. Eligibility

To be eligible for exemption from Council development fees and charges associated with the affected property, under this policy,

- the building on the property must have been demolished and the site rehabilitated via the NSW Government's loose-fill asbestos Voluntary Purchase and Demolition Program, and
- the applicant must be rebuilding a **residential dwelling** on the property.

The applicant may be the previous property owner, or a new owner, or a third party..

6.2.2. Application

An applicant seeking exemption from Council fees and charges must apply when lodging the development application.

The applicant must provide the Council with evidence that the previous building on the site was demolished and the site rehabilitated via the NSW Government's loose-fill asbestos Voluntary Purchase and Demolition Program.

Applications and eligibility for exemption will be determined by the Development Manager.

6.2.3. Relief



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Under this policy, the Council will exempt the eligible applicant from the following fees and charges **directly** related to the rebuilding of a residential dwelling on the affected site:

1. Construction certificate charge
2. Inspection fees
3. Occupation certificate charge
4. Complying Development Certificate

The applicant will not be exempt from fees and charges that the Council is required to pass on to third parties, including but not limited to:

1. PlanFIRST levy
2. Long Service Levy

Eligibility for exemption from water and sewer connection charges and works in the road reserve (i.e. driveways etc.) will be determined on a case-by-case basis by the Development Manager – with consideration given to achieving the aims of this policy.

6.2.4. Reporting

A register of all applications received by Council will be kept. Fees and charges waived by the Council under this policy will be separately identified in the Council's budget and ledger.

Reports to Council will be provided on an annual basis outlining the shortfall in Council income as a result of fees and charges waived. This information will also be included in the Council's Annual Report.

7. RELATED POLICIES

7.1. Legislation

- *Local Government Act 1993*
- *Local Government Regulation 1994*
- *Privacy and Personal Information Act 1998*
- *Roads Act 1993*
- *Environmental Planning and Assessment Act 1979*

7.2. Policies

- Berrigan Shire Council Social Justice Framework
- Asbestos Policy



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- Revenue Policy
- Financial Hardship Policy
- Privacy Management Plan

7.3. Other

- [Office of Fair Trading - Loose-Fill Asbestos - Assistance for Owners and Tenants](#)
- [Office of Fair Trading - Loose-Fill Asbestos - Voluntary Purchase and Demolition Program](#)