

DRAFT GUIDANCE DOCUMENT FOR LOCAL AUTHORITIES REGARDING HARDSHIP CASES UNDER NPPR

The Department of the Environment Heritage and Local Government has issued guidelines to Local Authorities for dealing with cases of persons experiencing genuine hardship to facilitate the discharging of arrears of N.P.P.R. charges and associated late payment fees.

There is no provision to waive the N.P.P.R. Charge and/or any associated late payment fees incurred, however, a successful applicant may be permitted to discharge the outstanding debt by means of instalments where they prove that genuine hardship exists.

Fees are waived from date contact is made to request consideration as a hardship case until the discharge period expires. It is anticipated that the period from contact by the customer for consideration of hardship, the submission of appropriate documents and a LA's decision should be 4/6 weeks. If the applicant does not comply with the payment schedule agreed in accordance with circular LGF 05/12 the late fees will be reapplied effective from the date they were frozen.

Local authorities must take a consistent approach in dealing with hardship cases. An applicant makes one application to a local authority and all NPPR's are covered including ones in another LA's jurisdictions.

An NPPR declaration form listing all properties must be submitted by the applicant with other documentary evidence listed below. Contact should be made by the authority dealing with the applications with the other LA's to advise on the application, properties in the other LA area and also details of the agreement reached once an agreement is in place.

The application form and a cheque for the full payment will be forwarded to the bureau once the instalment period has expired and the terms of agreement to pay have been fulfilled.

It is envisaged that the outstanding N.P.P.R. charges (€200.00 per property/ per year outstanding) will be discharged by means of a lump sum payment with the accumulated penalty fees to be cleared by means of instalments, over a reasonable period of time. It is also envisaged that applicants being considered for hardship will have a minimum of 2 years arrears.

The payment facility may only be claimed where significant N.P.P.R. charges and late payment fees have accrued (two years in the case of a single N.P.P.R. liability).

Persons claiming genuine hardship will be required to submit an application form, copy attached, to the Local authority together with supporting evidential material and a completed NPPR registration form.

The decision of the Council in relation to an application will be based primarily on the supporting documentary evidence submitted and therefore applicants are advised to ensure that they provide sufficient and relevant documentary evidence to prove that genuine financial hardship exists.

Documents required in support of an application would include some or all of the following:-

1. Latest audited accounts from your Accountant
2. Statement of Affairs from your Accountant
3. Balancing Statement issued by The Revenue Commissions for the last relevant tax year.
4. Details of current household income from all sources including rental income
5. Bank or other Lending Agency Statements/Correspondence
6. Submission from Money Advice and Budgeting Service on behalf of applicant.
7. Details of any loan repayments on the property in question
8. Details of rental income from the property in question
9. Information regarding any similar application made to another public body.
10. Documentary evidence that hardship has been granted by another public body

This list is not exhaustive and an applicant may submit or a Local Authority may request other information relevant to the application that will assist in determining the outcome of the claim.

There is no definitive definition of 'hardship' therefore a judgement must be made by the deciding officer in each case. You would consider the gross position of the customer i.e. values of assets must be considered as well as liabilities. A customer may be cash poor and asset rich. A checklist for your consideration would include

- What disposable income has the customer
- Is he/she 6 months or more behind on mortgage payments for the NPPR
- Is the customer in receipt of mortgage interest supplement for NPPR
- Is there an arrangement with the bank to reduce payments on the mortgage of the NPPR
- Is the PPR mortgage in arrears
- Has the customer any other assets
- Was the NPPR bought or inherited
- How long is it in the ownership of the customer
- What income is generated from the NPPR
- Is MABS involved
- Has the customer hardship status with Revenue or any other public body

The rationale for determining hardship should be stated and it must be based on ability to pay. This is important as where hardship is not upheld an appeal may be submitted and the method of assessment of the case must be clear.