

# Rates, Charges and Fees - Financial Hardship Policy

## 1 Purpose

Council recognises there are cases of genuine financial hardship requiring respect and compassion in special circumstances. This policy establishes guidelines for the assessment of hardship applications applying the principles of fairness, integrity, appropriate confidentiality and compliance with relevant statutory requirements. It applies to all applications for waiving, deferment and alternative payment arrangements, or the writing off of rates, fees, charges and interest accrued on such debts.

The objective of Council's Rates, Charges and Fees – Financial Hardship Policy is to:

- Provide a framework for responding to applications from ratepayers and customers experiencing genuine hardship with the payment of their rates, charges and fees in accordance with local government legislation.
- Assess individual cases of financial hardship based on merit.

## 2 Policy

### 2.1 Rates & Charges (including Water Bills)

Council will not reduce rates or charges, but will consider alternative available approaches to dealing with cases of financial hardship.

Council will respond to requests for financial hardship assistance in writing within 10 working days from receipt of required information

A right of appeal against a determination for financial hardship assistance is available in which the Director Business Services (either directly or through delegated authority) will review the request and previous determination.

Any consideration for financial hardship assistance not pursuant with this policy will be determined by Council resolution.

### 2.2 Debtors

Council will write off administration fees for debts paid within a structured payment plan geared to clear the debt within a maximum twelve-month period.

Any consideration for financial hardship assistance not pursuant with this policy will be determined by Council resolution.

## 3 Hardship Assistance

### 3.1 Assistance by Periodic Payment Arrangements

Section 564 of the Local Government Act, 1993 provides that Council may enter into a formal agreement with a ratepayer eligible for alternative periodic payments for due and payable rates and charges. A periodic payment agreement will be offered in accordance with Council's Revenue Debt Recovery Policy.

In accordance with Section 568 of the Local Government Act, 1993 payments will be applied towards the payment of rates and charges in the order of which they become due.

### 3.2 Assistance by writing off accrued interest and costs

Accrued interest on rates or charges payable by a person may be written off under Section 567 of the *Local Government Act 1993*, if:

1. The person was unable to pay the rates or charges when they became due for reasons beyond the person’s control, or
2. The person is unable to pay accrued interest for reasons beyond the person’s control, or
3. Payment of the accrued interest would cause the person hardship.

### 3.3 Assistance to extend pensioner concession to avoid hardship

Section 577 of the *Local Government Act 1993* enables Council to make an order deeming 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.

## 4 Criteria for Assessment

The criteria for assessment will be, but is not limited to, the following:

- The applicant must be the owner or part owner of the property and be liable for the payment of rates and charges on the property
- Information relating to current levels of income and expenses
- The reason(s) for financial hardship
- Their compliance with any previous periodic payment arrangement

## 5 Definitions

**Financial:** To apply with means of payment

**Hardship:** A condition that bears hard upon one

**Administration Fees:** Standard flat fee as adopted by Council in the annual Fees and Charges

## 6 Key Responsibilities

Position	Directorate	Responsibility
Mayor	Council	To lead Councillors in their understanding of, and compliance with this policy.
General Manager	Executive	To lead staff (either directly or through delegated authority) in their understanding of, and compliance with this policy.
Directors	All Directorates	To communicate, implement and comply with this policy.
Section Leader – Financial Support	Business Services	Make determinations in accordance with this Policy. Outline responsibilities of person(s) whose role it will be to carry out most of the functions under the policy
All Council Officials	Council	To abide by and comply with this policy when considering development of flood prone land.

## 7 References

- Local Government Act, 1993 – Sections 564, 566, 567, 568, 577, 610E
- Local Government (General) Regulations 2005 (NSW)
- Rates, Charges and Fees – Hardship Procedure

## 8 Details of Approval and revision

- **Approval date:** 26/03/2020
- **Responsible Section:** Financial Support
- **Superseded policies/procedures:** 22 August 2013 GM 138/28 209
- **Next review date:** 22/06/2021

### Table of amendments

Amendment	Authoriser	Approval ref	Date
Council resolved to amend this policy to apply to non-residential properties	Council	2020/65	26/03/2020
Heading at point 2.1 changed to add clarity that Rates and Charges includes Water Bills			