



8. FINANCE

Policy 8.6

HARDSHIP POLICY

Version 6

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OBJECTIVE:

To provide assistance to ratepayers suffering financial hardship, with outstanding debts due to council and to provide an administration process to determine applications promptly and effectively.

POLICY:

A debtor who cannot pay a debt due to Council for the reason of financial hardship can apply for assistance at any time.

Each individual case will be considered on its merits. The criteria for assessment is contained in the Hardship Application form, attachment 1, including but not limited to, the following:

- The amount of any rate increase when compared to the average rate increase for the rate category
- Income from all sources
- Living expenses
- Reason for financial hardship
- Length of occupancy

The assistance provided will be determined under the legal requirements of the Local Government Act 1993.

DEFINITIONS

- LGA, 1993 - refers to the Local Government Act 1993.
- Pensioner - means an eligible pensioner as defined in clause 135 of the Local Government (General) regulations 2005.
- Hardship Application form will be used for the purpose of applying for assistance under this policy.
- Hardship Committee will review hardship applications and will include the Finance Manager, Revenue Manager and Customer Service Supervisor.
- The Hardship Committee will make recommendations to the Chief Financial and Information Officer (CFIO) and prepare reports to Council if amounts exceed the General Manager's delegations.

HARDSHIP PROVISIONS

The Local Government Act 1993 provides Council with three (3) options for providing assistance to ratepayers who are finding it difficult to pay their rates and charges because of financial hardship. A summary of the options is as follows:

Section 601 LGA 1993

Any ratepayer who incurs a rate increase in the first year following a revaluation of land values can apply to Council for rate relief if the increase in the amount of rates payable would cause them substantial hardship.

Council has discretion to waive, reduce or defer the payment of the whole or any part of the increase in the amount of the rate payable.

Council can set the period of time for when applications can be made under this Section.

Applications under Section 601 LGA 1993 must be made during the first year a new land value is used for rating purposes. Where an application is made in the first year, an application can also be made in subsequent years of the valuation base date.

Section 582 LGA 1993

Council can provide assistance to pensioners under this Section. Council may defer payment of all or part of the rates and charges payable after rebates have been deducted.

Sections 564 and 567 LGA 1993

Council can enter into payment agreements with rate payers, who cannot meet their normal instalment payments as provided by the LGA 1993.

- Council will provide an application form for the purpose of applying for assistance.
- The Hardship Committee will review the application and recommend to the CFIO any offer of assistance as provided by the Local Government Act 1993 having regard to the circumstances of the applicant.
- The CFIO will consider the Committee's recommendation and determine the application.
- The ratepayer will be informed of Council's decision in writing and if not satisfied with the outcome can request the Council to review its decision
- The General Manager will review the decision within five working days of Council receiving the written request to review a hardship decision.

Following the General Manager's review of a decision, the rate payer may request a final review of the decision by Council.

Delegated Officers of Council can enter into payment agreements with ratepayers (Section 564 LGA 1993).

Accrued interest on rates and charges may be written off where payment of the accrued interest (Section 567 LGA 1993) would cause the person hardship. The Hardship Committee may request the ratepayer to come to an interview if it is necessary to understand the issues causing hardship.

HARDSHIP RESULTING FROM A GENERAL REVALUATION GOVERNMENT AREA

In accordance with Section 601 of the Local Government Act a rate payer that suffers substantial hardship as the consequence of the making and levying of a rate on the most recent valuation, may apply to Council for relief. Assistance is only available in the first year new valuations are used to calculate rates. The criteria used to determine eligibility are:

- The applicant must be an owner and an occupier of the property to which the rates relate and the dwelling must be the applicants sole or principle place of living.
- The ordinary rate increase must be more in percentage terms than the amount determined by Council at each revaluation. The ordinary rate increase is calculated as the ordinary rates payable for the new rating year (being the first year in which revaluations are used) minus the ordinary rates payable in the previous rating year increased by the allowed rate pegging increase for the year.
- The maximum amount of assistance in aggregate for all ratepayers is \$20,000.

Applications on the approved Hardship Application form, attachment 1, are preferred with certified supporting documentation which will be considered. Completed applications will be assessed within 10 working days from lodgement with Council. Applications will be considered by the Hardship Committee then determined by the CFIO. A ratepayer dissatisfied with a decision of the CFIO may have that decision reviewed by the General Manager. If an application is refused, the applicant will be provided with reasons for such refusal.

PRIVACY

Privacy in relation to any consideration of hardship will be preserved in accordance with Council's Privacy Management Plan.

ATTACHMENTS

- 1 Hardship Application Form

Maintained by Department:	Finance and Assets	Approved by:	Council		
Reference:	Dataworks: Policy Register	Council Policy No:	8.6	Effective Date:	23 October 2017
Min No:	V1 - 06-349 V2 - 008-165 V3 - 12-49 V4 - 14-367 V5 - 17-311 V6 - 19-232	Version No:	5	Review Date:	Feb 2013 Oct 2013 Sept 2014 Oct 2018 Aug 2019
Attachments:	Hardship Application Form				

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RATES & CHARGES HARDSHIP APPLICATION

I (Ratepayer Name)
of (Ratepayer Address)

hereby make application to council for relief from payment of rates and charges upon the basis of hardship with respect to the following property:

Property Address:

Property Number:

The relief I seek is as follows (set out the specific relief sought – examples include extension of time to pay and waiver/deferral of interest for a specified period):

The grounds relied upon for this application are:

- Financial (in which case complete the Financial Questionnaire that follows and provide council with supporting documents to include bank statements, annual tax return, Centrelink Statements or any other supporting documents);
- Non-financial (in which case provide the relevant information on the following page and provide council with supporting documents);
- Both financial and non-financial (in which case provide the information and documents for both categories above).

SIGNATURE OF RATEPAYER

The information contained in this application is true. I understand that information provided in this application will be better supported if I provide documents to council proving same and I have attached copies of all documents I want council to consider to this application.

Signature

Date of signature

Telephone

Email Address

Pensioner Allowance Information (if applicable)

Do you have a current Pensioner Concession Card (PCC) issued by the Commonwealth Government?

Yes

No

If 'Yes', type of pension or benefit

If 'Yes', PCC Number (attach copy)

Date of Grant

Have you claimed a Pension Concession on any other property this year in any other local government area?

Yes

No

If 'Yes', state the address of the property

Information for Non-financially Based Applications (if applicable)

I put forward the following information for Council's consideration

(if there is not enough space please attach further information as desired)

Financial Questionnaire for Financially Based Applications (if applicable)

INCOME (weekly unless otherwise stated)

Your average weekly income after tax from salary or wages	\$
Social security benefits/pensions (include family payments etc)	\$
All other income (eg self-employed income, interest, dividends, rent or trust distributions)	\$
TOTAL	\$
Income of your spouse or partner	\$

EMPLOYMENT DETAILS

What is the name of your principal employer?

What is the address of your principal employer?

SUBURB POSTCODE

What is the institution name, branch, BSB and account number of the account into which your salary or wage is paid by your employer (if applicable)?

PROPERTY OWNED BY YOU

Home	Property Address	CURRENT VALUE
		\$
	Value of equity, if any	\$
Other property	Property Address	\$
	Value of equity, if any	\$
Funds in banks/ financial institutions, including funds held in off-set accounts	Institution, branch, BSB and account number	\$
	Institution, branch, BSB and account number	\$
	Name and type of investment	\$
Investments		\$
Motor vehicle	Year Make	\$
	Model Registration	\$
Household contents	Description	\$
Other personal property	Description and location	\$
TOTAL VALUE OF PROPERTY OWNED BY YOU		\$

LIABILITIES

Average weekly expenses:

ITEM	WEEKLY AMOUNT
Food	\$
Household supplies	\$
Mortgage/rent	\$
Gas	\$
Electricity	\$
Heating fuel	\$
Rates/levies	\$
Telephone	\$
Motor vehicle	
• Petrol	\$
• Maintenance	\$
• Registration/insurance	\$
Medical/hospital funds	\$
Other insurance (specify)	\$
Fares	\$
Clothing and shoes	\$
Entertainment/hobbies	\$
Education/childcare expenses, including fees and levies	\$
Medical/chemist /pharmaceutical	\$
Hire purchase payments	\$
Credit cards	\$
Other necessary commitments, including weekly payments on other liabilities, listed above (specify)	\$
TOTAL WEEKLY EXPENSES	\$

Other liabilities:

LIABILITIES	NAME OF BANK/INSTITUTION	TOTAL AMOUNT OWED
Home mortgage		\$
Other loans		\$
Credit cards		\$
Credit cards		\$
Other liabilities (specify)		\$
TOTAL		\$

Does anyone contribute to paying these liabilities (eg your spouse/partner)? If yes, give the person's details:

Name of person

Amount of contribution per week

Do you have any dependants? If yes, give details:

ADDITIONAL QUESTIONS REGARDING FINANCIAL CIRCUMSTANCES

Do you have any income, assets or liabilities not disclosed in this financial questionnaire?

Yes

No

If you answered yes to the previous question, give details of the other income, assets (including their location) or liabilities.

What arrangements are you prepared to make to pay council?

Additional Information for consideration by council

PRIVACY AND PERSONAL INFORMATION PROTECTION NOTICE

By completion of this form you may be providing Council with personal information. Council will collect the information only for a lawful purpose directly related to the function of Council. Information provided to Council may be used in conjunction with any of Council's business operations. We will take reasonable care not to disclose personal information. Exempt documents may come under the Government Information (Public Access) Act 2009.