

<b>Policy Reference Number:</b>	1.54
<b>Classification:</b>	General
<b>Last Reviewed:</b>	October 2023 (Res. 128/2024)
<b>Next Review Date:</b>	October 2027
<b>Approved By:</b>	Council Resolution
<b>Responsible Officer:</b>	Manager Corporate Services
<b>Applicable Legislation:</b>	Local Government Act 1999 Local Government (Financial Management) Regulations 2011
<b>Relevant Policies, Procedures and Standards:</b>	Application for Hardship Assistance

### 1. POLICY OBJECTIVE

The objective of this Policy is to ensure that all applications for rate relief and debt management are considered in a consistent, equal and fair manner in line with the provisions set out under the Local Government Act 1999 (the Act) and this policy.

### 2. SCOPE

This policy outlines the options for ratepayers seeking relief from rates due to hardship or extenuating circumstances. Council may grant relief in the form of postponement of rates, refer the ratepayer to see an accredited financial counsellor, or negotiate a flexible long term debt repayment arrangement.

Sections 159 to 166 of the Act includes provisions applicable to the Council granting a rebate of rates to persons or bodies. Section 159(3) of the Act provides that the Council may grant a rebate of rates under the Act if it is satisfied that it is appropriate to do so.

The Act provides for a mandatory rebate of rates in specified cases and the amount of that mandatory rebate.

Pursuant to Section 166 of the Act, Council may provide a discretionary rebate of rates in the cases set out in that Section. Rates relief will only be considered in accordance with this policy.

### 3. DEFINITIONS

- **Act** is the Local government Act 1999
- **Ratepayer** means a person who owes amounts for rates, fees, or other charges due and Payable to the Council.
- **Rebates** is the reduction in rates in accordance with the rebate provisions of the Local Government Act 1999.
- **Accredited financial counsellor** means a person who holds a Diploma of Community Services (Financial Counselling), and who has worked at least 12 months as a financial Counsellor under the supervision of the South Australian Financial Counsellors Association.

- **Financial hardship** means a circumstance of experiencing a lack of financial means, that may be either ongoing or temporary, but does not include circumstances where a person chooses not to meet a liability for an unpaid debt.
- **Senior Postponement** means the delay of payment of rates until a future date for Seniors. Subject to interest charges, the annual rates payable are delayed and do not become payable until a future date.

#### 4. DEBT MANAGEMENT

Debtors are managed in accordance with Policy 1.18 'Debt Collection Policy'.

#### 5. REBATES

##### 5.1 Mandatory Rebates

Council must under sections 160 – 165 of the Act provide mandatory rebates in the following cases.

A mandatory rebate of 100% is applicable to:

- Land predominantly used for service delivery or administration by a hospital or health centre incorporated under the South Australian Public Health Act 2011;
- Land containing a church or other building used for public worship, or land used solely for religious purposes;
- Land being used for the purposed of a public cemetery;
- Land owned by, or under the care, control and management of the Royal Zoological Society of South Australia.

A mandatory rebate of 75% is applicable to:

- Land occupied by a government school under a lease or license and being used for educational purposes;
- Land occupied by a non-government school registered under the Education and Early Childhood Services (Registrations and Standards) Act 2011 and being used for educational purposes;
- Land being used by a University or University college to provide accommodation and other forms of support for students on a not-for-profit basis;
- Land predominantly used for service delivery or administration by a community service organisation as defined under Sections 161(3) & 161(4) of the Act;
- Land being predominantly used for supported accommodation that consists of accommodations for persons provided by housing associations registered under the South Australian Co-operative and Community Housing Act 1991.

##### 5.2 Discretionary Rebates

Council has the power under Section 166 of the Act to grant discretionary rate rebates in the following cases:

- The rebate is desirable for the purposes of securing the proper development of the Council area (or part thereof);
- The rebate is desirable for the purpose of assisting or supporting business within the Council area;
- The rebate will conduce to the preservation of buildings or places of historic significance;
- The land being used for educational purposes;
- The land being used for agricultural, horticultural or floricultural exhibitions;

- The land is being used for a hospital or health centre;
- Where the land is being used to provide facilities or services for children or young persons;
- Where the land is being used to provide accommodation for the aged or disabled;
- Where the land is being used for a residential aged care facility that is approved for Commonwealth funding under the Aged Care Act 1997 or a day therapy centre;
- Where the land is being used by an organisation which, in the opinion of the council, provides a benefit or service to the local community;
- Where the rebate relates to common property or land vested in a community corporation under the Community Titles Act 1996 over which the public has a free and unrestricted right of access and enjoyment;
- Where the rebate is considered by Council to provide relief against what would otherwise amount to substantial changes in rates payable by a ratepayer due to changes in the basis or structure of the Council's rates, or a change in the basis of valuation, rapid changes in valuation or anomalies in valuations.

## 6. FINANCIAL HARDSHIP ASSISTANCE

A ratepayer experiencing financial hardship is someone who is identified by themselves, by Council, by an accredited financial counsellor or a welfare agency as having the intention, but not the financial capacity, to make required payments following Council's payment terms.

Hardship assistance will be determined by either an accredited financial counsellor or Council's rates assessment process.

Depending on whether the hardship experienced is ongoing or temporary, ratepayers may have different needs and require various assistance.

Hardship indicators considered when determining appropriate assistance:

- receiving Centrelink income or low income
- holds or is eligible for a government concession
- the ratepayer's payment history
- previous recovery action
- previous assistance supplied
- the ratepayer is the owner /occupier of the property

### 6.1 Hardship assistance available

Council will inform the ratepayer of assistance available, including:

- A payment plan based on:
  - the ratepayers' capacity to pay and current financial situation
  - any arrears owing by the ratepayer
  - the ratepayer's likely debt needs over the following 12-month period
  - mutually agreed amount which addresses both arrears and new rates charges where possible
  - a frequency agreed with the ratepayer (e.g. weekly, fortnightly, monthly)
- an extension of time to pay where agreed
- availability of Centrelink's Centrepay service, or direct debit (when available)
- referral to an accredited financial counsellor
- confidential case management
- protection from debt recovery

## 6.2 Rights of Ratepayers

Ratepayers experiencing financial hardship have the right to:

- be treated respectfully, empathetically and have their circumstances kept confidential
- receive information about the Hardship Policy
- seek the assistance of an accredited financial counselling assistance
- negotiate a mutually acceptable payment arrangement
- consider various payment methods
- obtain written confirmation of the agreed payment arrangement
- renegotiate their payment arrangement if there is a change in their circumstances
- be protected from legal action and additional debt recovery costs, whilst they continue to make payments according to an agreed payment arrangement

## 6.3 Ratepayers' obligations

Ratepayers who have entered into a payment plan under this policy are obligated to:

- make the agreed scheduled payments
- update the Council on any changes to contact information, including correct postal address, phone numbers and email address
- advise the Council of any changes to their circumstances
- advise Council if the reasons of hardship assistance are no longer applicable
- maintain contact with the rates team
- treat council employees respectfully
- not make false or misleading statements in the application of assistance

## 6.4 Completion of hardship assistance

Completion of hardship assistance is when the ratepayer has paid all outstanding debt. Council will explain to the ratepayer that they will return to regular billing cycles after completing the hardship assistance.

Council will advise the ratepayer that they have completed their hardship payment arrangement and are given the option to continue making ongoing payments towards their current council rates based on their historical annual rates.

On successful completion of the hardship assistance Council may consider waiving overdue fines in whole or in part.

## 6.5 Removal of hardship assistance

Council will explain to the ratepayer that they will be removed from hardship assistance and return to Council's standard collection cycles, including debt recovery:

- should they cease to make payments according to the agreed payment arrangement
- fail to contact, or respond to, Council for a period of greater than 60 days

Council will advise the ratepayer that they have been removed from receiving hardship assistance for not meeting their obligations. Council will recommence debt recovery, which may include legal action.

Where a hardship ratepayer is re-seeking assistance but has failed to fulfil their previous obligations under an existing hardship arrangement, Council will require them to set up future payments by either:

- Centrepay or
- direct debit deductions

### **6.6 Debt recovery**

Council will suspend debt recovery processes while negotiating a suitable payment arrangement with a hardship ratepayer.

Council will not engage in legal action or commence proceedings to recover a debt of a hardship ratepayer if the ratepayer has agreed to a payment arrangement and continues to adhere to the terms of that arrangement.

Council can recommence legal proceedings for recovery of the debt once the ratepayer has been removed from hardship assistance due to failure of the ratepayer to meet their obligations.

## **7. SENIOR POSTPONEMENTS**

If council is satisfied on application of the ratepayer that payment of rates in accordance with Section 182 of the Local Government Act 1999 would cause hardship, then council may provide for the postponement of the payment of the prescribed portion of rates for the current or future financial year if:

- The ratepayer holds a current State Seniors Card issued by the state government, or qualifies to hold such a card and has applied for the card but has yet to be issued with the card; and
- The person is a prescribed ratepayer, or is the spouse of a prescribed ratepayer; and
- The rates are payable on land that is the principal place of residence of the prescribed ratepayer; and
- The land is owned by the prescribed ratepayer or his/her spouse; and
- No other person has an interest (as owner) in the land.

Eligible ratepayers are required to pay a minimum of \$500 per year toward their Council rates with payment of the remaining balance postponed for an indefinite period, until their property is sold or eligibility ceases.

Ratepayers can opt to pay:

- One lump sum of \$500
- Quarterly payments of \$125 or
- Fortnightly Centrepay deductions of \$20

Senior applicants will be referred to an accredited financial counsellor for assistance with their postponement application.

Applications for the postponement of rates are to be made on Council's postponement application form and accompanied by the requested supporting documentation.

Under the Act, and detailed in the District Council of Robe Rating Policy, amounts over \$500 can be postponed subject to the prescribed interest rate.

## 8. APPLICATIONS

### 8.1 Rate Rebate Applications

All Rate Rebate Requests are to be made to the Council in writing to the Chief Executive Officer.

### 8.2 Applications for Hardship assistance

Applications for rate postponement or hardship assistance are to be made on Council's application form and accompanied by the appropriate supporting documentation.

Applications for hardship assistance may be made by:

- by an accredited financial counsellor on behalf of the ratepayer or
- by the ratepayer direct with the rates team

Depending on the extent of the ratepayer's financial circumstances, Council may request that the ratepayer attend an appointment with an accredited financial counsellor.

Applicants attending financial counselling are required to complete a:

- hardship application form
- authority to act form for an accredited financial counsellor (if applicable)
- income and expenditure statement

On information on how to find a financial counsellor go to <https://www.safca.org.au/find-a-financial-counsellor.html>

Ratepayers seeking assistance directly with the rates team will be required to complete an assessment process to ensure staff can determine the required aid.

Payment arrangements are to:

- be based on capacity to pay
- include the arrears and ongoing council rates where possible
- be fair and reasonable timeframes to pay the debt
- be mutually negotiated and agreed

## 9. COMPLAINTS AND APPEALS

Complaints and appeals will be considered in accordance with Council's complaints and grievance procedures and sections 270 and 271 of the Local Government Act 1999. A copy of the Customer Requests for Service, Information and Complaints Policy can be found at [www.robe.sa.gov.au](http://www.robe.sa.gov.au)

If you are not satisfied with the outcome of your complaint you may contact the Ombudsman SA on 08 8226 8699 or [Ombudsman@ombudsman.sa.gov.au](mailto:Ombudsman@ombudsman.sa.gov.au)

## **10. FURTHER INFORMATION**

This policy will be available for inspection at the Council offices listed below during ordinary business hours and available to be downloaded, free of charge, from Council's internet site: [www.robe.sa.gov.au](http://www.robe.sa.gov.au)

Royal Circus, Robe SA 5276

Copies will be provided to interested parties upon request. Email [council@robe.sa.gov.au](mailto:council@robe.sa.gov.au)

Any grievances in relation to this policy or its application should be forwarded in writing addressed to the Chief Executive Officer of Council.

## **11. POLICY REVIEW**

This policy may be amended at any time and must be reviewed at least every four years since its adoption (or latest amendment).