



Hardship Policy

POLICY OBJECTIVE

To provide assistance to ratepayers suffering substantial financial hardship with the payment of their rates, water, and annual charges.

LEGISLATIVE PROVISIONS

Local Government Act 1993 Section 601

POLICY STATEMENT

Ratepayers who cannot pay their rates, water and sewer charges for reason of financial hardship can apply to Council for assistance. Ratepayers are required to complete a hardship application. Where a property has more than one legal owner, all legal owners as stated on the property are required to complete a hardship application and all owners will need to satisfy all hardship requirements.

Each individual case will be considered on its merits by Council staff.

- Council staff will review the application and recommend to the Chief Executive Officer any offer of assistance having regard to the circumstances of the ratepayer.
- The Chief Executive Officer can approve the recommendation.
- The Ratepayer will be informed of the decision in writing. If the ratepayer is not satisfied with the outcome a request can be made to Council in writing to review the outcome in Closed Session at the next available Council meeting.
- After Council reviews the application and makes a decision the ratepayer has no further right to appeal or enter into any further arrangements until the debt is paid in full.
- Should a ratepayer default on the approved/agreed hardship repayment plan without notifying Council, legal action will commence or a water flow limiting device (where applicable) will be placed on the water meter without further notice.

Rates and Charges (current and future charges)

Nominated Officers of Council can enter into the following payment arrangements.

- Hardship due to a revaluation - rates that increase by more than 15% can be deferred interest free until the second quarter of the following financial year. This will require the owner, as a minimum, to pay instalment amounts equivalent to the previous financial year. Under the provisions of the Local Government Act 1993, this form of hardship relief is only available in the year immediately following the revaluation.
- Pensioners suffering hardship not due to a revaluation - arrangements can be made to clear debt over a maximum period of 3 years.
- All other ratepayers suffering hardship not due to a revaluation - arrangement can be made to clear debt over a maximum period of 2 years.

Special Rate Variation Provisions

To address potential hardship caused by the special rate variation, nominated officers of Council can enter into the following payment arrangements during the implementation period of the SRV.

- Arrangements can be made to clear the debt over a three-year period. Any arrangement should be in the form of regular fortnightly/monthly payments, preferably through a direct debit arrangement or through Centrepay
- The amount of regular payments will be reviewed annually to ensure that the three-year repayment can be achieved

- While the arrangement is being adhered to, interest will not accrue on the outstanding debt (interest will only cease to accrue from the date the Hardship Application is accepted and will not be backdated)

Water and Sewer Charges (current and future charges)

- Pensioners suffering hardship - arrangements can be made to clear debt over a maximum period of 3 years.
- All other ratepayers suffering hardship - arrangements can be made to clear debt over a maximum period of 2 years.

Clarification: Clear debt means the account will have a zero balance at the end of the agreed timeframe.

- Interest will continue to accrue on all overdue notices. The criteria for assessment will be, but is not limited to, the following:
 - The amount of any rate increase caused by a revaluation when compared to the average rate increase for the rate category.
 - Income from all sources.
 - Expenses from all sources.
 - Reason for financial hardship.
 - Length of occupancy.
 - Repayment history.
 - Previous defaults and arrangements.
 - High water accounts due to water leakage, unexplained water use, or equipment failure.

Version	Council Meeting Date	Resolution	Adoption Date	Effective From
1	23 June 2009	09/369	23 June 2009	23 June 2009
2	15 March 2011	11/73	15 March 2011	15 March 2011
3	21 May 2013	13/179	21 May 2013	5 July 2013
4	17 June 2014	14/287	17 June 2014	22 August 2014
5	16 May 2017	17/163	16 May 2017	16 June 2017
6	2 August 2022	2022/261	2 August 2022	30 August 2022
7	21 November 2023	2023/267	21 November 2023	12 January 2024
All policies can be reviewed or revoked by resolution of Council at anytime.				

DIRECTORATE: Corporate & Community Services

BUSINESS UNIT: Finance