
Financial Hardship – Collection of Rates and Service Charges Policy

Policy Owner: Manager Finance
Contact Person: Manager Finance
Date of Approval: 20 July 2020 (SCS04-07/20)

POLICY STATEMENT

The purpose of this policy is to allow flexibility for payment of overdue Rates and Service Charges for ratepayers in severe financial distress.

POLICY OBJECTIVE

The City recognises its responsibility in responding to the needs of ratepayers experiencing severe financial hardship. This policy establishes clear guidelines ensuring that they are treated with respect, dignity, fairness, equity and confidentiality.

- The level of relief applicants may receive will be based on the evidence of genuine financial hardship because of trauma/tragedy, level of income, reliance on social security, illness/disability, business failure or other factors considered relevant by the Chief Executive Officer (CEO).
- The City will determine the financial contribution amount an applicant may contribute to the reduction of the debt.
- If the CEO is satisfied that the contribution will exacerbate the level of financial hardship, then consideration may be given to grant a concession to all or part of the late payment interest incurred (excluding the late payment interest applicable to the Emergency Services Levy), to a maximum amount of \$400.00
- In the case of severe financial hardship, as determined by the CEO, the City will not impose additional charges or interest (excluding the late payment interest applicable to the Emergency Services Levy).
- The CEO is delegated the authority to determine alternative payment options based on individual circumstances. Subject to the arrangements agreed to being on the basis that the total debt outstanding will be extinguished 3 years from the date of the arrangement.

- The CEO:
 1. is delegated the authority to grant a \$100 concession on Council Rates;
 2. is delegated the authority to waive the administration fee (payment arrangement fee) of \$30; and/or
 3. may grant an interest moratorium for Council Rates, Charges and State Government Emergency Services Levy in accordance with the COVID -19 Ministerial Order 2020, gazetted on 8 May 2020.

in circumstances where the CEO is satisfied that the applicant(s) meets the criteria of experiencing severe Financial Hardship due COVID-19 Pandemic. The status of each approved application will be reviewed every 3 months to monitor the arrangement.

SCOPE

This policy applies to all ratepayers in financial distress.

IMPLICATIONS (Strategic, Financial, Human Resources)

Consideration is to be given to the following for all requests for financial hardship relief:

- Financial Implications to be considered with each case;
- Section 6.51 of the *Local Government Act 1995*;
- Section 6.12 of the *Local Government Act. 1995*;
- Section 6.47 of the *Local Government Act 1995*;
- Delegation 1.1.24 – Waiver, Grant of Concession or Write off of Monies Owing;
- Delegation 1.1.26 Agreement as to Payment of Rates and Service Charges; and
- Delegation 1.1.33 - Grant of Concession on Rates.

IMPLEMENTATION

There is currently a detailed Collection of Rates and Service Charges Management Procedure guiding the debt recovery process for overdue Rates and Service Charges. By the adoption of this Financial Hardship – Collection of Rates and Services Charges Policy, the key changes will be embedded into the management procedure and be actioned accordingly.

ROLES AND RESPONSIBILITIES

The implementation of this Financial Hardship – Collection of Rates and Services Charges Policy is delegated by Council to the CEO.

DISPUTE RESOLUTION

All disputes in regard to this policy will be referred to the Director Corporate Strategy & Performance in the first instance. In the event that an agreement cannot be reached, the matter will be submitted to the CEO for a ruling.

EVALUATION AND REVIEW PROVISIONS

This Financial Hardship – Collection of Rates and Service Charges Policy will be reviewed every five years or as required in the event of legislative changes. Where, as a result of amendment to legislation the CEO may initiate such variations as deemed necessary subject to the submission of a report to the Council advising of the changes implemented to the next ordinary Council meeting.

DEFINITIONS

Nil.

RELEVANT POLICIES/MANAGEMENT PROCEDURES/DOCUMENTS OR DELEGATIONS

This policy is supported by the following policies and/or delegations:

- Financial Hardship - Collection of Rates and Service Charges Management Procedure.
- Delegation to the CEO to determine alternative payment options.

REFERENCES

1. Local Government Act 1995.
2. Ombudsman Western Australia - Local Government collection of overdue Rates for People in situations of vulnerability: Good Practice Guidelines.

RESPONSIBILITY FOR IMPLEMENTATION

Manager Finance

Version	Next Review	Record No:
V1	April 2024	19/143532
V2	April 2023	19/143532[v2]