

Financial Hardship Policy - Rates

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Responsible Officer:	General Manager Corporate & Development
Relevant Legislation:	<i>Local Government Act 1999</i> <i>Local Government (Financial Management) Regulations 2011</i> <i>Valuation of Land Act 1971</i>
Related Policies:	Rating Policy

1. Introduction

- 1.1 The City of Burnside is committed to assisting ratepayers who are experiencing financial hardship to manage their rates bills on an ongoing basis, make payments in a manner that is mutually acceptable, and with the aim to clear their outstanding and ongoing rates debt in a planned and efficient manner.

2. Strategic Plan Desired Outcomes

- 2.1 A financially sound Council that is accountable, responsible and sustainable.

3. Our Approach

- 3.1 The aim of this policy is to outline 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 ratepayers to see an accredited financial counsellor, or negotiate a flexible long-term debt repayment arrangement. Assistance does not include rate rebates or remissions.

4. Legislative Requirements and Corporate Policy Context

- 4.1 *Local Government Act 1999:*
- 4.1.1 *Section 177* – advises that rates imposed on land are a charge on the land.
- 4.1.2 *Section 178* – advises that liability for the rates charged on the land is the responsibility of the principal ratepayer (owner).

- 4.1.3 *Section 182* – outlines Council's power to grant relief of rates due to hardship or extenuating circumstances by way of remission or postponement of rates.
- 4.1.4 *Section 183* – determines the priority of which payments are to be allocated to a ratepayer's debt.
- 4.1.5 *Section 184* – allows Council may sell the land if rates has been in arrears for three years or more.

5. Interpretation

- 5.1 For the purpose of this policy:
 - 5.1.1 "Act" means the *Local Government Act 1999*
 - 5.1.2 "Council" is the local government entity known as City of Burnside
 - 5.1.3 "Ratepayer" means a person who owes amounts for rates, fees or other charges due and payable to the Council
 - 5.1.4 "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.
 - 5.1.5 "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.
 - 5.1.6 "Guidelines" means the Hardship Guidelines
 - 5.1.7 "Assistance" means support available for ratepayers

6. Policy

- 6.1 This policy ensures that all residents and ratepayers will be treated fairly and equally regarding assessing financial hardship and assistance offered.
- 6.2 This Policy covers financial hardship assistance and recognises that there may be extenuating circumstances in certain cases (eg pandemics, natural disasters) where special arrangements need to be made to assist Ratepayers. These instances have not been included in the Policy and will be made at the time under the delegation of the CEO and made available publicly to the ratepayers.

Financial Hardship Assistance

- 6.3 A ratepayer experiencing financial hardship is someone who is identified by themselves, by Council, by an accredited financial counsellor, or welfare agency as having the intention, but not the financial capacity, to make required payments in accordance with Council's payment terms.
- 6.4 Hardship assistance required will be determined by either an accredited financial counsellor or Council's assessment process.
- 6.5 Details of hardship assistance is available in the Hardship Policy Guidelines.
- 6.6 There are two types of financial hardship - ongoing and temporary. Depending on the type of hardship being experienced, hardship ratepayers may have different needs and require different solutions.

- 6.7 Ratepayers who are identified as experiencing ongoing hardship may require ongoing assistance and are generally on low or fixed incomes such as:
 - 6.7.1 aged pension
 - 6.7.2 disability pension
 - 6.7.3 carers pension
 - 6.7.4 single parenting pensions
- 6.8 Ratepayers who may be experiencing temporary hardship may require short term assistance and are generally experiencing short-term change in circumstances, such as:
 - 6.8.1 loss or change in income due to unemployment or reduced employment
 - 6.8.2 separation, divorce or other family crisis
 - 6.8.3 serious illness, injury, or bereavement in the family
 - 6.8.4 unexpected accident, incident, unexpected bills, or some other temporary financial difficulty
 - 6.8.5 impacts of natural disaster
- 6.9 Council will advise the ratepayer of assistance available including
 - 6.9.1 Payment plans and extensions of time to pay
 - 6.9.2 Referral to an Accredited Financial Counsellor
 - 6.9.3 Postponement of rates (and Seniors Postponement of rates)
 - 6.9.4 Direct debit payment options

Completion of hardship assistance

- 6.10 Council will advise the ratepayer when they have paid all outstanding arrears and are no longer receiving hardship assistance and provide options to continue making ongoing payments towards their current council rates based on their historical annual rates.

Removal of hardship assistance

- 6.11 Council will advise the hardship customer and requirements:
 - 6.11.1 To continue receiving hardship assistance or
 - 6.11.2 Should they re-seek assistance having failed to fulfil their previous obligations under an existing hardship arrangement

Debt recovery

- 6.12 The details of suspension of debt recovery, when council may recommence debt recovery and the obligations of ratepayers to ensure collection proceedings are deferred are detailed in the Hardship Guidelines.

Rights and obligations

- 6.13 Rights and obligations of customers receiving hardship assistance are detailed in the Hardship Guidelines.

Hardship Postponement

- 6.14 Where applicants satisfy the requirements for relief from rates due to hardship or extenuating circumstances the Council may grant relief in the form of postponement of rates in whole or in part for such period as the Council thinks fit or remit the rates in whole or in part.

Postponement for Seniors

- 6.15 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.

Complaints and appeals

- 6.16 Complaints and appeals will be considered in accordance with Councils complaints and grievance procedures and sections 270 and 271 of the Local Government Act 1999. A copy of the Complaint Handling Policy can be found at www.burnside.sa.gov.au.
- 6.17 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.

7. Availability

- 7.1 The Policy is available to be downloaded, free of charge, from Council's website www.burnside.sa.gov.au
- 7.2 The Policy will be available for inspection without charge at the Civic Centre during ordinary business hours and a copy may be purchased at a fee as set annually by Council.

City of Burnside Civic Centre
401 Greenhill Road, Tusmore SA 5065

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