



Council Policy Manual

WEST WIMMERA SHIRE COUNCIL

COUNCIL POLICY							
FINANCIAL HARDSHIP POLICY	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; padding: 2px;">Policy No:</td> <td style="padding: 2px;"></td> </tr> <tr> <td style="padding: 2px;">Adopted by Council:</td> <td style="padding: 2px;">15 June 2022</td> </tr> <tr> <td style="padding: 2px;">Next review date:</td> <td style="padding: 2px;">July 2024</td> </tr> </table>	Policy No:		Adopted by Council:	15 June 2022	Next review date:	July 2024
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Senior Manager:	Director Corporate and Community Services						
Responsible Officer:	Revenue Manager						
Functional Area:	Corporate Services						
Introduction & Background	<p>The West Wimmera Shire Council raises rates and charges against properties in accordance with the Local Government Act 1989 (the Act) and provides a number of options through which payments can be made.</p> <p>Council is committed to the timely recovery of rates and charges in order to ensure adequate funding of the ongoing services and capital work projects it provides for community benefit, and to fulfil its broader business management and corporate governance responsibilities.</p> <p>West Wimmera Shire Council may provide alternative payment arrangements for rates debts to assist ratepayers. Additional financial hardship assistance options outlined within this policy are available to individuals experiencing genuine financial hardship due to factors including (but not limited to) loss of income, unemployment, serious illness or injury, and economic abuse associated with family violence.</p>						
Purpose & Objectives	<p>The key objectives of the Rate Recovery and Financial Hardship Policy are:</p> <ul style="list-style-type: none"> - to provide assistance to ratepayers experiencing financial hardship who are unable to make payments through the standard options provided. - to work with affected ratepayers to implement an acceptable resolution for both parties. All of our customers are to be treated with dignity, respect, sensitivity and an absence of value judgements as is necessary when working with customers experiencing financial hardship. Council has a social obligation to ensure that its vulnerable customers are treated fairly and that our actions will not add to the customer's burden. 						
Definitions	<p>Accredited Financial Counsellor means a person who holds a Diploma of Community Services (Financial Counselling), including not-for-profit financial counsellors.</p> <p>Financial Hardship means the inability to meet basic requirements (including food, clothing, medicine, accommodation, and children's education).</p> <p>Ratepayer means the party liable to pay Rates and Charges as defined by <i>Local Government Act 1989</i> s156.</p>						



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Policy Details	
1.	<p>GENERAL PRINCIPLES</p> <p>Council is committed to:</p> <ul style="list-style-type: none">- Assisting ratepayers who are experiencing financial hardship- Ensuring that the collection process is transparent- Treating all people fairly, consistently, respectfully and with sensitivity- Ensuring Council staff have the resources necessary to manage ratepayer financial hardship and special payment arrangement agreements effectively and consistently.- All collection matters under this policy are strictly confidential. <p>Where Council staff have identified that a ratepayer is experiencing financial hardship, outstanding rates and charges owed to the municipality shall be pursued in accordance with this policy.</p> <p>If the outstanding rates and charges have been referred to Council's debt collection agency for recovery prior to genuine financial hardship being identified, the referral will be withdrawn. Similarly, any ratepayer who reports genuine financial hardship to Council will not be referred to Council's collection agency.</p> <p>Where a Special Payments Arrangement or Financial Hardship Arrangement is in default Council may pursue Rate recovery in accordance with the Rate Recovery Policy.</p>
2.	<p>SPECIAL PAYMENT ARRANGEMENTS</p> <p>Where a ratepayer is unable to make their payments by any of the standard options available under the Rate Recovery Policy, a Special Payment Arrangement may be negotiated. These arrangements can be made at any time during the recovery process subject to the following conditions:</p> <ol style="list-style-type: none">1. Special Payment Arrangements may be agreed to via phone, in person, writing or email.2. Special Payment Arrangements that will clear arrears and current balances within 12 months can be approved by any rates officers or collection agent.3. Special Payment Arrangements that will clear all account balances (current and arrears) by the end of the current financial year will be eligible for an interest waiver while complaint with the arrangement. Interest incurred prior to the establishment of a payment arrangement will not be waived. Default on the arrangement will result in reinstatement of the standard interest policy.4. Special Payment Arrangements that extend further than 12 months will only be agreed to in circumstances of Financial Hardship and must be considered under section 3 of this policy.5. Once a Special Payment Arrangement is established, a letter will be sent via post or email to the ratepayer detailing the arrangement.



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	<p>6. Any default in the terms of the Special Payment Arrangement may, without further notice, result in legal action being instigated.</p>
3.	<p>FINANCIAL HARDSHIP</p> <p>Council recognises that our ratepayers may experience times of financial hardship due to circumstances beyond their control and therefore do not have the capacity to pay their rates.</p> <p>Financial hardship is a circumstance of experiencing a lack of financial means, which may be either ongoing or temporary. If you are facing financial difficulty and need to have special considerations applied to your rates account, a financial counsellor will need to be engaged and given authority to liaise with Council on your behalf in relation to your account. Links to options for local support services are available through Council's website and in section 4 of this Policy.</p> <p>Under section 170 of the Act, a person may apply to have the whole or part of any payment of a rate or charge deferred for a specified period. Council can grant that application, absolutely or subject to conditions, if it considers that payment would cause hardship to the applicant.</p> <p>Under section 171A of the Act, a person suffering financial hardship may make application to Council for a waiver of the whole or part of any rate, charge or interest. Council may grant that application.</p> <p>Where Ratepayers are unable to make their rate payments on time or at all, they can make application for deferral or waiver. If Council is satisfied that any applicant will suffer financial hardship, consideration will be given to deferral or waiver (or a combination of both).</p> <p>The intent of this section of the policy is that any benefit granted is not meant to be an ongoing benefit, but is to give the applicant time to reassess their financial situation.</p> <p>3.1 Eligibility</p> <p>Generally, it is Council's policy position that some form of assistance will only be considered:</p> <ol style="list-style-type: none">1. For a property used primarily for residential purposes or land classified as farmland, in circumstances where the applicant lives on the property, and it is their sole or principal place of residence; and2. The ratepayer has contacted an accredited financial counsellor (can be a not-for-profit accredited financial counsellor); and3. The ratepayer has authorised an accredited financial counsellor to liaise with Council on their behalf in relation to the outstanding rates and charges; and4. The accredited financial counsellor has assessed and provided Council with an independent assessment that the ratepayer is experiencing genuine financial hardship; and5. A realistic payment arrangement the ratepayer is able to meet. <p>3.1.1 <u>Special Circumstances</u></p> <p>Council acknowledges that special circumstances may exist where the applicant does not meet one or more of the above conditions. For example, where a large amount has been</p>



levied for a Special Charge Scheme, a natural disaster event, or where the applicant is suffering from ill health or injury.

Where special circumstances exist and not all the above conditions are met, the application is still able to be approved at the discretion of the Revenue Manager and/or Chief Finance Officer.

3.2 Assistance Provided

If deemed eligible for Financial Hardship assistance, the assistance will take the following form:

The Chief Executive Officer may grant assistance to a ratepayer under this policy of one or more of the following:

1. Suspension of court action or sale of land; and/or
2. An agreed payment arrangement outside the current debt recovery action; and/or
3. Subject to satisfactory completion of an agreed payment arrangement:
 - Reimbursement of interest already applied and charged; and/or
 - Reimbursement of interest charges accruing between the application, consideration, and completion of an agreed payment arrangement; and/or
4. Reimbursement of charges for costs to recover outstanding rates and charges (for which the court has ordered that the ratepayer pay costs).

3.3 Assessment of Financial Hardship

The Chief Executive Officer will assess requests for financial hardship concession under this policy.

Assessment will include consideration of:

1. Information received from an accredited financial counsellor; and
2. Ratepayer history; and
3. Information on the property's rate assessment including the value of the outstanding rates and charges, the period the rates and charges have been overdue, and related matters.

The Chief Executive Officer will operate within the budgetary limits allocated by Council each financial year.

3.4 Dispute of Failure to Comply

Normal debt recovery action will resume if:

1. The request for concession is refused by Council; or
2. The ratepayer;
 - Does not respond to the offer of assistance; or
 - Fails to wholly comply with the offer of assistance; or
 - Once an agreed payment arrangement is entered, fails to comply with the requirements of that agreed payment arrangement.

In circumstances where the ratepayer is on an agreed payment arrangement, Council will liaise with the ratepayer to determine if an amended payment arrangement can be agreed and met.



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	<p>If ratepayers are unsatisfied with the outcome of their application under this policy, they may seek a review of the decision in accordance with the Complaints Policy.</p>
<p>4.</p>	<p>EXTERNAL RESOURCES</p> <p>Council officers are able to direct ratepayers to financial information services.</p> <p>You can talk to a financial counsellor from anywhere in Australia by calling 1800 007 007 (Monday to Friday, 9.30 am – 4.30 pm). This number will automatically switch through to the service in the State or Territory closest to you, or you can visit the National Debt Helpline at www.ndh.org.au.</p> <p>To find a local service a location based search can be conducted here https://ndh.org.au/financial-counselling/find-a-financial-counsellor/</p> <p>Below are specific links, local to the West Wimmera Shire locality:</p> <p>Bethany Community Support – WDEA Horsham</p> <p>Financial Counselling and advocacy services for the Wimmera. Address: 31 Wilson Street, HORSHAM, VIC, 3400 Phone: 03 5278 8122 Email: fcsouthwest@bethany.org.au Website: https://www.bethany.org.au/financial-counselling/</p> <p>The Consumer Action Law Centre (http://consumeraction.org.au) is a not-for-profit provider of phone based and online financial counselling services. The financial counselling hotline can be reached on 1800 007 007. The free hotline is open from 9.30am to 4.00pm, Monday to Friday. The centre can also direct callers to their closest in-person service.</p> <p>Financial Counselling Australia has developed online resources at www.debtselphelp.org.au. The website provides letter templates, fact sheets, information on financial counselling services and a debt management self-help tool.</p> <p>Rural Financial Counselling Service Victoria West provides support for farmers and rural small business owners. Contact their office at Wembley Chambers, Office 5, 142 Baillie Street Horsham, phone 1300 735 578, email admin@wswrcs.com.au or visit their website at www.wswrcs.com.au.</p>
<p>5.</p>	<p>Review</p> <p>The Policy will be reviewed every two years.</p>



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