



Rates Hardship Policy

Classification:	Council Policy
Version Number:	4
Review Frequency:	Annually
Last Reviewed:	June 2023
Review Due:	June 2024
Responsible Officer:	Chief Executive Officer Director Corporate Services Rates & Property Officer
Applicable Legislation:	<ul style="list-style-type: none"> • Local Government Act 1999 • Local Government (Financial Management) Regulations 2011 • Local Government (General) Regulations 2013
Related Policies/Procedures:	<ul style="list-style-type: none"> • Rating Policy • Debt Management Policy • Hardship Policy for Residential Customers of Minor & Intermediate Retailers

1. PURPOSE:

The Kingston District Council (Council) understands that members of the community sometimes face challenging times. The purpose of the Rates Hardship Policy (the Policy) is to enable ratepayers who are experiencing financial hardship the ability to make application to Council for assistance relating to rates and charges levied on a property under the Local Government Act 1999.

This Policy sets out:

- processes to identify ratepayers experiencing payment difficulties due to hardship, including identification by rating staff, self-identification by a ratepayer, identification by an accredited financial counsellor, or welfare agency, and

- an outline of a range of processes or programs that Council will use, or apply, to assist our ratepayers who have been identified as experiencing rate payment difficulties.

2. LEGISLATIVE CONTEXT:

Local Government Act 1999
 Local Government (Financial Management) Regulations 2011
 Local Government (General) Regulations 2013
 Essential Services Commission of South Australia

3. SCOPE:

The management and recovery of outstanding revenue is an important aspect of Council's financial management function. Rates are a form of taxation and are levied under the Local Government Act 1999. This Policy recognises that there may be circumstances where the value of the property does not indicate the ratepayer's capacity to pay and allows Council to consider applications for temporary relief from rates based on financial hardship.

This Policy does not apply to liability associated with the provision of the Community Wastewater Management System (CWMS), which is considered in the Hardship Policy for Residential Customers of Minor & Intermediate Retailers, which has been established with the Essential Services Commission of South Australia (ESCOSA).

This Policy will apply to all rateable assessments within the Council district.

This Policy does not limit or prevent Council officers from exercising their existing delegated authority to remit fines, interest or other charges (as appropriate) for those ratepayers who are experiencing financial hardship.

4. DEFINITIONS:

<i>Accredited Financial Counsellor or Financial Counsellor</i>	A financial counsellor 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.
<i>Policy</i>	Rates Hardship Policy
<i>Ratepayer</i>	A person determined as being financially responsible for a rateable property in the Council area.
<i>Council</i>	Kingston District Council
<i>Ongoing</i>	Continuing hardship and/or assistance through an agreed arrangement.
<i>Temporary</i>	A short-term period of less than 3 months.

5. FINANCIAL HARDSHIP DEFINED:

A ratepayer experiencing financial hardship can be identified by themselves, by rating staff, by an accredited financial counsellor, or by a welfare agency, as having the intention but not the ongoing financial capacity, to make required payments in accordance with our payment terms.

This Policy acknowledges that a ratepayer may not be able to meet their debt obligations because of unexpected events or unforeseen changes that impacts their cash flow, for example:

- Changes in income or essential expenditure;
- Changes in employment status (such as losing a job or having hours significantly reduced);
- Significant life events such as a relationship breakdown or death in the family;
- Personal injury or illness;
- Emergency events or natural disasters.

An important consideration to acknowledge is that a person in financial hardship can reasonably be expected to recover their financial position if appropriate assistance or arrangements are provided. Financial hardship assistance is intended to bridge the time between when a person's circumstances change and the time when they can start paying their debt in full – either because the original financial situation is restored (e.g. a person is re-employed after a period of unemployment) or because a new repayment arrangement is agreed which the person can meet.

Financial hardship does not include circumstance where a person chooses not to meet an unpaid financial obligation for which they are liable for.

All claims for and the extent of hardship will be determined by either our assessment process or by an external body, such as an accredited financial counsellor.

Where Council assess a ratepayer's eligibility for hardship assistance, Council will consider indicators including (but not limited to) whether the ratepayer:

- is on a Centrelink income and holds a Pensioner Concession Card or Low-Income Health Care Card;
- is eligible for a South Australian Government concession;
- has been referred by an accredited financial counsellor;
- have previously applied for state or federal emergency relief;
- payment history indicates that they have had difficulty meeting their rate bills in the past;
- through self-assessment, has identified their position regarding their ability to pay.

6. ASSISTING RATEPAYERS WHO ARE EXPERIENCING FINANCIAL HARDSHIP:

Where a ratepayer has been identified as experiencing financial hardship, Council will offer, as soon as is reasonably practicable, flexible and frequent payment options that have regard to capacity to pay and current financial situation. These options may include (but not limited to) the following:

- an interest free payment plan; or
- other arrangement under which the ratepayer is given more time to pay.

Council will engage with the ratepayer or their financial counsellor to determine a realistic payment option in line with their capacity to pay.

Where a ratepayer's circumstances change, Council will work with them, or their financial counsellor, to re-negotiate their payment arrangement.

Council will also offer the ratepayer:

- where appropriate, information about the option to have their rate notices redirected to a third party (such as their financial counselling service), if that third-party consents in writing to that redirection,
- information about, and referral to, Commonwealth and South Australian Government concessions, rebates, grants and assistance programs,
- Information about, and referral to, accredited financial and other relevant counselling and support services, particularly where a ratepayer is experiencing ongoing financial hardship.

An arrangement under this Policy will be considered as 'ongoing' and will be reviewed periodically, until such time as there is a change in circumstances of the ratepayer or if the ratepayer defaults from the agreed payment arrangement.

7. RATEPAYERS EXPERIENCING FINANCIAL HARDSHIP:

Every ratepayer experiencing financial hardship will:

- Be treated respectfully on a case-by-case basis, and have their circumstances kept confidential;
- Receive information about alternative payment arrangements, government concessions, rebates, grants and assistance programs;
- Negotiate an amount they can afford to pay on a payment plan or other payment arrangement;
- Renegotiate their payment arrangement if there is a change in their circumstances;
- Receive information about free and independent, accredited financial counselling services;
- Not incur fines or interest or be subject to debt recovery costs/legal action, whilst they continue to make payments according to an agreed payment arrangement.

8. DELEGATED AUTHORITY

Delegations are in place for the waiving of fines and/or interest incurred under Section 181(9) to the Chief Executive Officer, Director Corporate Services and Rates and Property Officer.

9. AVAILABILITY OF THE POLICY:

This Policy will be available for inspection at the Council's principal office, 29 Holland Street Kingston SE, during ordinary business hours and on Council's website: www.kingstondc.sa.gov.au. Copies will also be provided to interested members of the community upon request, and upon such payment of the fee set by Council.