



**roxby**council  
young vibrant community

## Hardship Policy

for

## Municipal Ratepayers

30 November 2016

## Introduction

- 1 Council provides a range of Municipal Services under the provisions of the Local Government Act 1999 as modified by the provisions of the Roxby Downs (Indenture Ratification) Act 1982 (Indenture). Funding for many of these are provided under the rating provisions contained within the Local Government Act with rates levied being the responsibility of the property owner.
- 2 These rating provisions make it a requirement that fines and interest on late payments are applicable for late payments of rates. These cannot be waived but may be written off if Council is convinced that extreme hardship circumstances apply.
- 3 All charges remain a charge on the land and if not paid in normal circumstances are recoverable at the time of the sale of the property. Statutory provisions give Council the authority to sell a property to pay for long outstanding charges, a practice that would only be followed as a last resort when all other avenues of debt recovery have been exhausted.
- 4 For the purposes of this policy **ratepayer** means a person or legal entity who owns land in relation to which under the provisions of the Local Government Act 1999 are deemed to be a Council the ratepayer who is legally responsible for the payment of rates declared by Council.

## Purpose

- 5 Roxby Council is committed to assisting **ratepayers** who are experiencing **financial hardship**, to manage their payments in a manner that best suits the individual ratepayer.
- 6 The purpose of this **policy** is to identify **ratepayers** who are experiencing payment difficulties due to **hardship**, and assist those to better manage their bills on an ongoing basis.
- 7 This **policy** sets out:
  - (a) processes to identify **ratepayers** experiencing payment difficulties due to **hardship**, including identification by us, self-identification by a **ratepayer**, identification by an **accredited financial counsellor**, or welfare agency, and
  - (b) an outline of a range of processes or programs that we will use, or apply, to assist **our ratepayers** who have been identified as experiencing payment difficulties.

## Identifying ratepayers experiencing financial hardship

- 8 A **ratepayer** experiencing **financial hardship** is someone who is identified by themselves, by **us**, by an **accredited financial counsellor**, or by a welfare agency as having the intention, but not the financial capacity, to make required payments in accordance with **our** payment terms.
- 9 There are two types of **financial hardship**: ongoing and temporary. Depending on the type of **hardship** being experienced, **hardship ratepayers** will have different needs and will require different solutions.
- 10 **Ratepayers** who are identified as experiencing ongoing **hardship** are generally those on low or fixed incomes. These **ratepayers** may require ongoing assistance.
- 11 **Ratepayers** who may be identified as experiencing temporary **hardship** are those who have experienced a short-term change in circumstances, such as serious illness, disability or death in the family, loss or change in income, separation, divorce or other family crisis, a loss arising from an accident, or some other temporary financial difficulty. These **ratepayers** generally require flexibility and temporary assistance, such as an extension of time to pay or an alternative payment arrangement.

- 12 The extent of **hardship** will be determined by either **our** assessment process or by an external body, such as an **accredited financial counsellor**.
- 13 Where we assess a **Ratepayer's** eligibility for **hardship** assistance, we **will** consider indicators including (but not limited to) whether:
  - (a) the **ratepayer** is on a Centrelink income and holds a Pensioner Concession Card or holds a Centrelink Low Income Health Care Card
  - (b) the **ratepayer** is eligible for a South Australian Government concession
  - (c) the **ratepayer** has been referred by an **accredited financial counsellor** or welfare agency
  - (d) the **ratepayer** advises they have previously applied for emergency relief (irrespective of whether or not their application was successful)
  - (e) the **ratepayer's** payment history indicates that they have had difficulty meeting their rates obligations in the past
  - (f) the **ratepayer**, through self-assessment, has identified their position regarding their ability to pay.
  - (g) where the **ratepayer** is the owner of an investment property the taxable income of that **ratepayer**.

### Assisting ratepayers who are experiencing financial hardship

- 14 We will inform a **Ratepayer** of this **ratepayer hardship policy** where:
  - (a) it appears to **us** that non-payment of a rates bill for **retail services** is due to the **ratepayer** experiencing payment difficulties due to **hardship**, or
- 15 Where a **ratepayer** has been identified as experiencing **financial hardship**, we will offer the **ratepayer**, as soon as is reasonably practicable, flexible and frequent payment options that have regard to the **hardship ratepayer's** usage, capacity to pay and current financial situation. These options will include the following:
  - (a) an interest and fee free payment plan that complies with clauses 25 to 29,
  - (b) Centrelink's Centrepay service (only where available), or
  - (c) other arrangement, under which the **ratepayer** is given more time to pay a bill or to pay in arrears (including any disconnection or restriction charges),recognising that some **ratepayers** have a short-term **financial hardship** issue that may be resolved in the near to medium-term, where others may require a different type of assistance for ongoing financial issues.
- 16 We will engage in discussion with the **hardship ratepayer** to determine a realistic payment option in line with the **ratepayer's** capacity to pay.
- 17 We will work with a **hardship ratepayer's financial counsellor** to determine the payment arrangement and instalment amount that best suits the **ratepayer** and their individual circumstances.
- 18 Where a **hardship ratepayer's** circumstances change, we will work with the **ratepayer**, and their **financial counsellor**, to re-negotiate their payment arrangement.
- 19 We will also offer the **hardship ratepayer**:
  - (a) where appropriate, information about the right to have rates redirected to a third person, as long as that third person consents in writing to that redirection
  - (b) information about, and referral to, Commonwealth and South Australian Government concessions, rebates, grants and assistance programs
  - (c) information about, and referral to, accredited financial and other relevant counselling and support services, particularly where a **ratepayer** is experiencing ongoing **financial hardship**.

- 20 Where a **hardship ratepayer** requests information or a redirection of their bills, we will provide that information or redirection free of charge.
- 21 We will also explain to the **hardship ratepayer** that they will be removed from our **hardship program**, and be returned to our standard collection cycles, including debt recovery, should they cease to make payments according to the agreed payment arrangement or fail to contact us for a period of greater than 90 days.
- 22 We will not take any action to remove a **ratepayer** from our **hardship program** until we have sent the **ratepayer** a written notice, allowing them 10 working days from the date of the notice to contact us to re-negotiate their re-entry into the program.

## Retail services provided by Councils

- 23 Council charges are made up of **retail services** (as defined in this policy) and non-retail services, for example refuse collection.
- 24 If you are a **ratepayer** in receipt of a **retail service** provided by council and you are experiencing **financial hardship**, then only the **retail service** element of the council charges will be subject to the terms of this **hardship** policy. All or any other sums that are due to the council for non-retail services may be dealt with under the council's existing **hardship** policies. The council may exercise its discretion to apply this hardship policy to other sums due.

## Payment plans

- 25 Our payment plan for a **hardship ratepayer** will be established having regard to:
  - (a) the **ratepayer's** capacity to pay and current financial situation
  - (b) any arrears owing by the **ratepayer**, and
- 26 The payment plan will also include an offer for the **hardship ratepayer** to pay their **rates** in advance or in arrears by instalment payments at a frequency agreed with the **ratepayer** (e.g. weekly, fortnightly, monthly or as otherwise agreed with the **ratepayer**).
- 27 Where a payment plan is offered to a **hardship ratepayer**, we will inform the **ratepayer** in writing, within 10 business days of an agreement being reached, of:
  - (a) the duration of the plan
  - (b) the amount of each instalment payable under the plan, the frequency of instalments and the date by which each instalment must be paid
  - (c) if the **ratepayer** is in arrears – the number of instalments to pay the arrears, and
  - (d) if the **ratepayer** is to pay in advance – the basis on which instalments are calculated.
- 28 We will waive any fees for late payment of a bill for a **hardship ratepayer**.
- 29 Where a **hardship ratepayer** is seeking assistance in accordance with this **policy**, but has failed to fulfil their obligations under an existing hardship arrangement, we will require them to sign up for direct debit deductions or Centrepay (where available).

## Debt recovery

- 30 We will suspend debt recovery processes while negotiating a suitable payment arrangement with a **hardship ratepayer**.

- 31 We will not engage in legal action or commence proceedings for the recovery of a debt relating to a **hardship ratepayer** if:
- (a) the **ratepayer** has agreed to a payment arrangement and continues to adhere to the terms of that arrangement, or
  - (b) we have failed to comply with the requirements of this **ratepayer hardship policy**.

## Rights of ratepayers experiencing financial hardship

- 32 Every **ratepayer** experiencing **financial hardship** has the right to:
- (a) Be treated respectfully on a case-by-case basis, and have their circumstances kept confidential.
  - (b) Receive information about alternative payment arrangements, this **ratepayer hardship policy**, and government concessions, rebates, grants and assistance programs.
  - (c) Negotiate an amount they can afford to pay on a payment plan or other payment arrangement.
  - (d) Consider various payment methods, and receive written confirmation of the agreed payment arrangement within 10 business days.
  - (e) Renegotiate their payment arrangement if there is a change in their circumstances.
  - (f) Receive information about free and independent, accredited **financial counselling services**.
  - (g) Receive a language interpreter service at no cost to the ratepayer.
  - (h) Be shielded from legal action and additional debt recovery costs, whilst they continue to make payments according to an agreed payment arrangement.
  - (i) Not have **retail services** restricted or disconnected as long as they have agreed to a payment arrangement and continue to make payments according to an agreed plan.

## General provisions

- 33 We will ensure **ratepayers** have equitable access to this **ratepayer hardship policy**, and that this **policy** is applied consistently.
- 34 We will ensure appropriate training of staff dealing with **ratepayers** in **hardship** to enable them to treat **ratepayers** with respect and without making value judgements. Training will also assist staff in the early identification of **hardship ratepayers**, with establishing payment plans based on a **hardship ratepayer's** capacity to pay, and include processes for referral to an **accredited financial counsellor** or welfare agency for assistance.
- 35 This **ratepayer hardship policy** is available on our website: [www.roxbydowns.com](http://www.roxbydowns.com)
- 36 We will also make a copy of this **policy** available to a **ratepayer**, upon request, and at no charge to the **ratepayer**, as soon as practicable following a request to do so.
- 37 This **ratepayer hardship policy** does not limit or prevent us from waiving any fee, charge or amount of arrears for the provision of **retail services** to **ratepayers** who are experiencing **financial hardship**.

## Confidentiality

- 38 Any information disclosed by a **ratepayer** is confidential and will not be used for any purpose other than the assessment of an application for assistance.

## Complaints handling

- 39 Details of **our** ratepayer complaints and dispute resolution process are available at **our** website: [www.roxbydowns.com](http://www.roxbydowns.com). **We** will also make a copy of this process available to a **ratepayer**, upon request, and at no charge to the **ratepayer**.
- 40 A **ratepayer** experiencing **hardship** has a right to have any complaint heard and addressed by **us**, and in the event that their complaint cannot be resolved, the **ratepayer** has the right to lodge a complaint with the State **Ombudsman**.

## Definitions and interpretation

- 41 In this **policy**:

in South Australia, **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

**Ombudsman** means the State Ombudsman

**ratepayer** means a person or legal entity who owns land in relation to which under the provisions of the Local Government Act 1999 are deemed to be a Council the ratepayer who is legally responsible for the payment of rates declare by Council.

**ratepayer hardship policy** means this **policy** that has been adopted by Council

**financial counsellor** means accredited financial counsellor

**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

**hardship** means financial hardship

**hardship ratepayer** means a **residential ratepayer** who has been identified under, accepted into, or is eligible for assistance under **our hardship program**

**hardship program** means an agreement between **us** and a **hardship ratepayer** for payment of outstanding sums due for **retail services**

**policy** means this **ratepayer hardship policy**