

Financial Hardship Policy - Rates



District Council
of Cooper Pedy

Policy No. TBA	Version No: 1	Date of Current Version: 14 December 2021
Resolution Number:		Council or CEO Policy: CEO
Last Reviewed: N/A		Next Review Date: December 2022
Policy Type: Finance		
Related Legislation: <ul style="list-style-type: none">• <i>Local Government Act 1999 (SA)</i>		
Related Policies: N/A		
Related Procedures: N/A		

1. OBJECTIVE

This policy is to assist customers of the District Council of Coober Pedy who are experiencing temporary or ongoing financial hardship regarding payment of rates which are currently outstanding or will be due and payable at a future date.

2. SCOPE

2.1 This policy applies to all ratepayers who are experiencing temporary and/or ongoing financial hardship.

2.2 This policy applies to ratepayers' primary place of residence only.

3. DEFINITIONS

TERM	DEFINITION
Accredited Financial Counsellor	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.
Council	District Council of Coober Pedy
Debt	Rates are a tax on property owners based on the value of their properties. Rates are calculated on the land valuation of a property which is multiplied by a 'rate in the dollar'. The land value is provided to Council by the Valuer-General, a State Government authority.
Payment Plan	An agreement between Council and a Ratepayer to repay an amount of money within a timeframe according to an agreed schedule. Dependent on the individual situation of the ratepayer, the payment plan could be considered under a short term and/or long-term arrangement.
Policy	Financial Hardship Policy
Ratepayer	A person or legal entity that is liable to pay rates on an owner-occupied property who has a rate notice raised on that property.

4. LEGISLATION AND REFERENCES

These include, but are not limited to:

- *Local Government Act 1999 “The Act”* sets out legislative requirements for Councils to follow.

5. POLICY

In formulating this policy, Council is committed to the following principles:

- Assisting ratepayers experiencing hardship to manage their payments;
- Creating an informative, respectful and engaging environment where ratepayers requiring support can identify themselves to staff;
- Utilising relevant industry and community expertise to assist with hardship circumstances.

What is financial hardship?

1. Financial hardship is when a ratepayer is willing but unable to meet their debt obligations because of unexpected events or unforeseen changes outside of their control that impacts their financial means, for example:
 - (a) changes in income or expenditure;
 - (b) changes in employment status (such as losing a job or having hours reduced);
 - (c) significant life events such as a relationship breakdown or death in the family;
 - (d) injury or illness; and
 - (e) emergency events, pandemics, or natural disasters.
2. Financial hardship does not include circumstance where a person chooses not to meet an unpaid financial obligation for which they are liable for.
3. Temporary Financial Hardship - Ratepayers who have been identified as experiencing temporary hardship are those who are suffering from a short-term (i.e. 12 months) change in circumstances. These ratepayers generally require flexibility and temporary assistance, such as extension of time to pay or an alternative payment plan.
4. Ongoing Financial Hardship - Ratepayers who have been identified as experiencing ongoing hardship are those who are suffering from a change in circumstances and one in which they do not expect to recover from within the next 12 months. These ratepayers may require ongoing assistance from Council.

5. Where it is determined a ratepayer may be eligible for hardship assistance, consideration will be given but not limited to the following:

- The ratepayer is on Centrelink income and holds a pensioner concession card or holds a Centrelink low-income health care card;
- The ratepayer is eligible for a South Australian Government concession;
- The ratepayer has been referred by an accredited financial counsellor or welfare agency;
- The ratepayer advises they have previously applied for emergency relief (irrespective of whether or not their application was successful);
- The ratepayer's payment history indicates that they have had difficulty meeting their rate notices invoices in the past;
- Other personal circumstances that the applicant(s) may choose to disclose to support their application.

Information Provision

Council shall provide information regarding the avenues available to ratepayers to assist them to meet their obligations.

Information regarding this policy shall also be made available to appropriate social advocacy organisations and financial counsellors.

Respect and Engagement

Council shall establish contact points with financial counselling organisations to minimise customer anxiety.

Council shall respect the advice of financial counsellors regarding the assessment of the customer's capacity to pay.

Council's nominated financial counsellors include, but are not limited to:

Centacare Catholic Country SA P: 08 8641 1731 www.ccsa.org.au	Uniting Country SA P: 08 8633 9095 www.uksa.org.au	Australian Red Cross P: 08 8100 5400 www.redcross.org.au
--	---	---

Fines and Interest Exemptions

Subject to Council and the ratepayer reaching agreement on a payment plan, fines and interest will be waived against a ratepayer's primary place of residence (only). Any such agreement will be subject to payment plans being adhered to. Any exemption from incurring fines and interest is valid for 12 months. If a payment plan is required beyond the initial 12-month period then the exemption can be reapplied.

Fines and interest exemptions will be assessed and approved by the Senior Revenue Officer.

Default on Payment Plan

Where a customer defaults on a payment plan, Council will attempt to make contact with the ratepayer by letter, phone and/or in person. Council will also inform the relevant financial counselling service with a view to recommence the arrangement. A ratepayer defaulting on more than one payment plan will result in the reinstatement of fines and interest and the commencement of a debt collection process.

Application Procedure

In the cases of hardship, a customer must request assistance from Council in writing. The customer must provide complete details of the circumstances preventing them from meeting their financial obligation to Council.

An initial “needs” assessment will be performed by Council officers to determine the level of support and services that may need to be engaged to assist the customer including but not limited to financial counselling and interpretive services.

Debt recovery

Council will place on hold and/or suspend debt recovery process while negotiating a suitable payment plan with a customer who has applied and been accepted under this Financial Hardship policy.

For rating purposes, the Act provides for Council to sell a property where the rates have been in arrears for three years or more. Council (or its agents) must notify the owner(s) of the land of its intention to sell the land if payment of the outstanding amount is not received within one month. Once this notice is served this policy will no longer apply. However, Council will not commence debt collection processes where a customer has agreed and is maintaining a payment plan in accordance with this Financial Hardship Policy.

6. POLICY MATTERS

Staff Training

Council staff will undertake hardship and cultural awareness training. Training will be targeted at customer service and finance staff and management.

Review

This policy will be reviewed annually.

Availability

This Policy can be found on the District Council of Coober Pedy website at: <https://www.cooberpedy.sa.gov.au/council-information/council-documents/policies>