

Rates Hardship Policy



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Responsible Officer	Director of Corporate & Financial Services
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1. Purpose

Mid Murray Council is committed to assisting ratepayers who are experiencing financial hardship to manage their 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. Definitions

Add definitions to a numbered list if required as below.

- 2.1 A **Council staff member** means any person that is employed full-time, part-time or casually by Council who receives remuneration for their work.
- 2.2 The **Act** is the *Local Government Act 1999*.
- 2.3 **Council** is the local government entity known as Mid Murray Council.
- 2.4 **Ratepayer** means a person who owes amounts for rates, fees, or other charges due and payable to the Council.
- 2.5 **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.
- 2.6 **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.
- 2.7 **Policy** means this Hardship Policy
- 2.8 **Assistance** means support available for ratepayers
- 2.9 **Short term** means less than 12 months

3. Policy

This Policy outlines 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 the ratepayer to see an accredited financial counsellor, or negotiate a flexible debt repayment arrangement. **Assistance does not include rate rebates or remissions.**

Delegated officers will use their discretion in regards to the implementation of this Policy.

3.1 Financial Hardship Assistance

- 3.1.1 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.
- 3.1.2 Hardship assistance required will be determined by either an accredited financial counsellor or Council's assessment process requiring the completion of a Rates Financial Hardship Application form and the supply of any other requested information unless a satisfactory short term payment arrangement has been negotiated.
- 3.1.3 Depending on whether the hardship experienced is ongoing or temporary, ratepayers may have different needs and require different assistance.
- 3.1.4 Ratepayers who are identified as experiencing ongoing hardship may require ongoing assistance and are generally on low or fixed incomes;
- Aged pension
 - Disability pension
 - Carers pension
 - Single parenting pensions
- 3.1.5 Ratepayers who may be experiencing temporary hardship may require short-term assistance and are generally experiencing a short-term change in circumstances, such as;
- Loss or change in income due to unemployment or reduced employment
 - Separation, divorce or other family crisis
 - Serious illness, injury, or bereavement in the family
 - Unexpected accident, incident, unexpected bills, or some other temporary financial difficulty.
- 3.1.6 Council will advise the ratepayer of assistance available including:
- Payment plans and extensions of time to pay
 - Referral to an Accredited Financial Counsellor
 - Centrelink's Centrepay service, or direct debit payment options (when available).
- 3.1.7 **Completion of hardship assistance**
- Council will advise the customer 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.
- 3.1.8 **Removal of hardship assistance**
- Council will advise the hardship customer the requirements:
- To continue receiving hardship assistance; or
 - Should they re-seek assistance having failed to fulfil their previous obligations under an existing hardship arrangement.
- 3.1.9 **Rights and obligations**
- Every customer experiencing financial hardship has the right to:
- Be treated respectfully on a case-by-case basis, and have their circumstances kept confidential.
 - Receive information about alternative payment arrangements, this customer hardship process and government concessions, rebates, grants and assistance programs.
 - Negotiate an amount they can afford to pay on a payment plan or other payment arrangement.
 - Consider various payment methods and receive written confirmation of the agreed payment arrangement within 10 business days.

- Renegotiate their payment arrangement if there is a change in their circumstances.
- Receive information about free and independent, accredited financial counselling services.
- Receive a language interpreter service at no cost to the customer.
- Be shielded from legal action and additional debt recovery costs, whilst they continue to make payments according to an agreed payment arrangement.

3.2 Hardship Postponement

- 3.2.1 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. The remittance of rates raised in whole or part, is not covered by this policy and is only possible by a resolution of Council.
- 3.2.2 A hardship postponement will be assessed and determined by either an accredited financial counsellor or through Council's assessment process.

3.3 Senior Postponements

- 3.3.1 If Council is satisfied from a ratepayer's application 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 if:
- The ratepayer holds a current State Seniors Card issued by the State government, or qualifies to hold such a card and has applied for the card but has yet to be issued with the card; and
 - The person is a prescribed ratepayer, or is the spouse of a prescribed ratepayer; and
 - The rates are payable on land that is the principal place of residence of the prescribed ratepayer; and
 - The land is owned by the prescribed ratepayer or their spouse; and
 - No other person has an interest (as owner) in the land.
 - Eligible ratepayers are required to pay a minimum of \$500 per year toward their Council rates with payment of the remaining balance postponed for an indefinite period, until their property is sold or eligibility ceases.
- 3.3.2 Ratepayers can opt to pay:
- One lump sum of \$500
 - Quarterly payments of \$125 or
 - Fortnightly Centrepay deductions of \$20
 - Senior applicants should be referred to an accredited financial counsellor for assistance with their postponement application.
- 3.3.3 Applications for the postponement of rates are to be made on Council's postponement application form and accompanied by the requested supporting documentation.
- 3.3.4 Under the *Local Government Act 1999*, and detailed in the Mid Murray Rating Policy, amounts over \$500 can be postponed subject to the prescribed interest rate.
- 3.3.5 **Penalties**
- 3.3.5.1 Reference is also made to Sections 182A (8) and 182A (9) of the *Local Government Act 1999*, which outlines that if a person has applied for the benefit of a senior's postponement of rates, and entitlement to that postponement ceases to exist, the owner of the land must inform the Council in writing of that fact (unless the liability to the relevant rates has been extinguished).
- 3.3.5.2 If a person fails to comply with the above requirement to inform Council of a change in circumstances, that person is guilty of an offence under the *Local Government Act 1999* with a maximum penalty of \$5,000.
- 3.3.5.3 A person must not make a false or misleading statement or representation in an application made for seniors postponement of rates, with a maximum penalty of \$10,000.

- 3.3.5.4 Any rates applicable on the grounds that the rebate was no longer applicable become due and payable immediately.

3.4 Responsibilities

- 3.4.1 The Mid Murray Hardship policy and Rates Postponement application forms are the responsibility of the finance department.

3.5 Complaints and Appeals

- 3.5.1 Complaints and appeals will be considered in accordance with Council's complaints and grievance procedures and sections 270 and 271 of the *Local Government Act 1999*. A copy of the Complaints Handling Policy can be found at www.mid-murray.sa.gov.au.
- 3.5.2 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.

4. Policy Responsibility

The Director – Corporate and Financial Services is responsible for ensuring the proper operation of this Policy.

5. Availability/Accessibility

- 5.1 This Policy and Council's Fees and Charges Register are available to be downloaded free of charge from Council's website: www.mid-murray.sa.gov.au.
- 5.2 This Policy is available for inspection at Council's principal office during ordinary business hours. Hard copies, for a fee in accordance with Council's schedule of Fees and Charges, can be provided upon request.

6. Legislative Framework / Other References

[Local Government Act 1999](#)

- Section 177 advises that rates imposed on land are a charge on the land.
- Section 178 advises that liability for the rates charged on the land is the principal ratepayer (owner).
- Section 182 advises of Council's power to grant relief of rates due to hardship or extenuating circumstances by way of remission or postponement of rates.
- Section 183 determines the priority of which payments are to be allocated to ratepayers debt.
- Section 184 advises Council may sell the land if rates has been in arrears

7. Document History

This Policy shall be reviewed at least every four (4) years or more frequently if legislation or Council requires.

Version	Adopted	Minute	Description of Change
1	21 April 2020	20926/4	Policy Adopted
	January 2024		Policy changed to new template
2	20 February 2024	C02-24/021	Added requirement to complete a Financial Hardship Application Form unless an assessment has been made by an accredited financial counsellor or have entered into a satisfactory payment arrangement