Shire of Peppermint Grove

Financial Policies - 3.10 Financial Hardship Policy

Policy	Financial Policies – 3.10 Financial Hardship Policy
Purpose	To give effect to our commitment to support the Shire community to meet the financial hardship need of ratepayers in The Shire. This Policy is intended to ensure that we offer fair, equitable, consistent and dignified support to ratepayers suffering hardship, while treating all members of the community with respect and understanding at this difficult time.
Status	Administrative - Statutory

Policy

This policy applies to:

1. Outstanding rates and service charges as at the date of adoption of this policy; and
2. Rates and service charges levied for the financial year.

This Policy is only intended to provide rate relief to ratepayers who are not able to evidence financial hardship, and the statutory provisions of the Local Government Act 1995 and Local Government (Financial Management Regulations 1996) will apply.

Payment difficulties, hardship and vulnerability

Financial hardship occurs where a person is unable to pay rates and service charges without affecting their ability to meet their basic living needs, or the basic living needs of their dependents. This policy is intended to apply to all ratepayers experiencing financial hardship regardless of their status, be they a property owner, tenant or business owner.

Financial Hardship Criteria

While evidence of hardship will be required, we recognise that not all circumstances are alike. We will take a flexible approach to a range of individual circumstances including, but not limited to, the following situations:

- Recent unemployment or under-employment
- Sickness or recovery from sickness
- Low income or loss of income
- Unanticipated circumstances, such as caring for and supporting extended family

Ratepayers are encouraged to provide any information about their individual circumstances that may be relevant for assessment. This may include demonstrating a capacity to make some payment and where possible, entering into a payment proposal. We will consider all circumstances, applying the principles of fairness, integrity and confidentiality whilst complying our statutory responsibilities.

Payment Arrangements

Payment arrangements facilitated in accordance with Section 6.49 of the Act are of an agreed frequency and amount. These arrangements will consider the following:

- That a ratepayer has made genuine effort to meet rate and service charge obligations in the past;
- The payment arrangement will establish a known end date that is realistic and achievable;
- The ratepayer will be responsible for informing the Shire of Peppermint of any change in circumstance that jeopardizes the agreed payment schedule.

The Shire will not charge instalment establishment charges, interest on instalments or interest on overdue rates for those ratepayers receiving financial hardship relief.

Deferment of Rates

Deferment of rates may apply for ratepayers who have a Pensioner Card, State Concession Card or Seniors Card and Commonwealth Seniors Health Care Card registered on their property. The deferred rates balance:

- remains as a debt on the property until paid;
- becomes payable in full upon the passing of the pensioner or if the property is sold or if the pensioner ceases to reside in the property;
- may be paid at any time, BUT the concession will not apply when the rates debt is subsequently paid (deferral forfeits the right to any concession entitlement); and
- does not incur penalty interest charges.

Debt recovery

We will suspend our debt recovery processes whilst negotiating a suitable payment arrangement with a debtor. Where a debtor is unable to make payments in accordance with the agreed payment plan and the debtor advises us and makes an alternative plan before defaulting on the 3rd due payment, then we will continue to suspend debt recovery processes.

Where a ratepayer has not reasonably adhered to the agreed payment plan, then for any Rates and Service Charge debts that remain outstanding on 1 July of any year, we will offer the

ratepayer one further opportunity of adhering to a payment plan that will clear the total debt by the end of the financial year.

Rates and service charge debts that remain outstanding at the end of the financial year, will then be subject to the rates debt recovery procedures prescribed in the Local Government Act 1995.

Review

We will establish a mechanism for review of decisions made under this policy and advise the applicant of their right to seek review and the procedure to be followed.

Communication and Confidentiality

We will maintain confidential communication at all times and we undertake to communicate with a nominated support person or other third party at you request.

We will advise ratepayers of this policy and its application, when communicating in any format (i.e., verbal or written) with a ratepayer that has an outstanding rates or service charge debt.

We recognise that applicants for hardship consideration are experiencing additional stressors and may have complex needs. We will provide additional time to respond to communication and will communicate in alternative formats where appropriate. We will ensure all communication with applicants is clear and respectful.

Adopted/Amended/Reviewed	April 2020; 22 September 2026