
FINANCIAL HARDSHIP POLICY

1. PURPOSE

The purpose of this policy is to provide guidance to the community as to what council support is available should they be experiencing genuine financial hardship. The policy also provides a framework for the assessment of hardship applications.

2. SCOPE

This policy applies to all ratepayers of Clarence City Council, who are responsible for rates and charges on a property within the Clarence City municipality and also extends to tenants of council owned buildings who are experiencing financial hardship.

3. PRINCIPLES

In applying this policy, council will be guided by the following principles:

- compliance with relevant statutory requirements
- flexibility in providing payment options and processes that meet local needs and the special circumstance of those facing hardship
- fair, equitable and respectful treatment of all applicants facing financial hardship
- a 'stop the clock' approach to suspend debt recovery and/or legal action while a ratepayer's hardship application is awaiting determination, and subsequently if that application is approved, and
- respecting confidentiality such that information provided by applicants is treated as private and confidential and can only be used for the purposes of assessing the hardship application and not be made available to third parties (with the exception of referral to council's debt collection agency).

4. DEFINITIONS

The following definitions apply to this policy:

Council	means the Clarence City Council.
Genuine financial hardship	occurs when a ratepayer or tenant is genuinely unable to pay the rates and charges owed and unable to meet other financial obligations. <i>Refer further detail below.</i>
Policy	means this policy.
Ratepayer	means a person who is liable to pay rates on a property in Clarence. This may be the owner of the property or could also be the person renting the property if the rental agreement requires that person to pay rates.
Rates and charges	means the following council rates and charges that appear on a rates notice: <ul style="list-style-type: none"> ○ general rate ○ waste charges ○ stormwater charges, and ○ any interest or penalties that council can charge if the rates and charges are not paid on time (including any costs that council would charge for the recovery of overdue rates); but does not include the Fire Service Levy Charge.
Tenant	means a person who has a rental agreement with council for a council owned building/property that requires the payment of rent or rates and charges.

GENUINE FINANCIAL HARDSHIP

Genuine financial hardship does not arise where it is inconvenient to pay the amount of rates owed or it is subject to the timing of income; for example, holiday pay, dividends, lump sum payment.

Genuine financial hardship may occur in the following:

- loss or significant reduction in family income due to job loss or business closure (or both)
- serious illness resulting in incapacity to work
- death in the family, or
- any other factor that results in an unforeseen and substantial change in the ratepayer's capacity to meet their financial obligations.

5. RELATIONSHIP TO COUNCIL STRATEGIC PLAN

The following strategies are identified in council's Strategic Plan 2021-2031, under the goal area 'Governance and Leadership':

- 5.1 Responding to the changing needs of the community through leadership, advocacy and best practice governance; and
- 5.7 Providing equitable access to programs and services.

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6. STATUTORY REQUIREMENTS

Sections 125, 126 and 127 of the *Local Government Act 1993* (the Act) set out the circumstances in which a council can consider an application for postponement of payment of rates on the ground of hardship. Council's 'Rates and Charges Policy 2016' also applies and must be read in conjunction with the Act and does not take precedence over the Act requirements.

7. ELIGIBILITY

A ratepayer or tenant may be eligible for consideration for hardship assistance in the payment of overdue rates and charges where:

- they are unable to pay amounts when due and payable for reasons beyond their control, and
- payment when due would cause the person genuine financial hardship.

Any ratepayer or tenant who cannot pay their rates or charges due to genuine financial hardship may apply to council for assistance at any time. Ratepayers and tenants are encouraged to contact council to seek assistance as soon as practicable.

8. ASSISTANCE UNDER THIS POLICY

This policy provides the framework for the assessment of an application from a ratepayer or tenant of a council property who cannot pay their rates and charges payments as a result of experiencing genuine financial hardship.

A ratepayer who believes they are suffering genuine financial hardship can apply to council for either:

- waiver of interest, penalties, legal charges invoiced in respect of the Rates, in-part or in-full (i.e. not being required to pay any extra fees that council may have charged for the Rates not being paid on time); or
- deferral of the payment of rates (i.e. paying Rates after they would normally be due).

A ratepayer or tenant may apply for one or more of the above types of relief when making an application.

HARDSHIP ASSISTANCE IN RELATION TO COUNCIL FEES

Any application for hardship assistance in relation to council fees or charges will be assessed in accordance with the same eligibility criteria used to assess genuine financial hardship assistance in respect of rates and charges.

9. EVIDENCE OF GENUINE FINANCIAL HARDSHIP

If a person makes an application for relief in accordance with this policy, council may ask the person to provide evidence that they are suffering genuine financial hardship.

Evidence that council may ask for to assist with the assessment may include and is not limited to:

- written reasons detailing the circumstances in which the person is unable to pay the rates and charges when they fall due and payable
- documents that show the ratepayer or tenant has sought help from a financial counsellor (such as a receipt from a booking with a financial counsellor)
- a statutory declaration from someone who is familiar with the ratepayer's circumstances (family doctor, bank officer, welfare officer, Government agency)
- bank statements, medical certificates, or other documentary evidence that demonstrates the circumstances that have caused or are symptomatic of the ratepayer's genuine financial hardship
- evidence of loss of main source or sources of income, and
- evidence of any qualification for Federal Government assistance in response to their financial hardship.

If council staff require additional evidence to support an application by a ratepayer or tenant, they will explain exactly what they require and why they need it to determine the application.

10. APPLICATION PROCESS

Council's Rates Relief application form and evidence of financial hardship are to be submitted by the ratepayer or tenant in writing to the General Manager for assessment.

The provision of supporting evidence with the application will assist the prompt assessment of the application.

The application form will be available on council's website (www.ccc.tas.gov.au). Alternatively, a person may telephone council and ask that a form be posted to them.

Application forms may be submitted to Council by email (clarence@ccc.tas.gov.au) or posted to Clarence City Council, PO Box 96, Rosny Park 7018.

Council staff will contact the ratepayer or tenant once the application is received and provide advice regarding the assessment process, including if there is any other information required.

Council may refer an application to an independent accredited financial counsellor for assessment if it deems this to be necessary.

The application will be valid for a maximum period of 12 months from the date of approval. The ratepayer or tenant will be required to reapply prior to the end of each period and establish whether their circumstances have changed or not.

11. DELEGATED APPROVAL

Determination on applications in accordance with this policy will be subject to review and approval by:

- Rates Officers - where alternative payment arrangements result in the full payment of rates by 30 June of the application year
- Chief Financial Officer – for decisions up to \$2000, or
- General Manager for decisions over \$2000.

12. WHAT HAPPENS IF AN APPLICATION IS APPROVED?

Each application received in accordance with this policy will be reviewed and determined in accordance with the policy requirements. The ratepayer or tenant will be advised in writing of council's decision.

For each approved application, council staff will put in place necessary arrangements. Should there be any error or mis-calculation on a subsequent rates notice or other invoice, the ratepayer or tenant shall be entitled to rely upon the written advice provided in relation to the application.

13. ADMINISTRATIVE ARRANGEMENTS

TABLE OF AMENDMENTS

No.	Date	Brief Details

APPROVAL

COUNCIL APPROVAL DATE	
REVIEW	Every 5 years
RESPONSIBLE POSITION	Chief Financial Officer
ECM REFERENCE	