



District Council of
ORROROO
CARRIETON

FINANCIAL HARDSHIP POLICY

Version 1.0

Financial Hardship Policy

Strategic Reference	
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Responsibility	Chief Executive Officer
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Applicable Legislation	Local Government Act 1999
Related Policies	Internal Review of Council Decisions Policy
Related Documents	

1 Purpose

This policy establishes guidelines for how the District Council of Orroroo Carrieton (the Council) will handle applications for requests for rates remission, rebates and postponements.

The objectives of this policy are to:

- a) Provide the community with assistance and options to pay their accounts in a timely and acceptable manner
- b) Ensure Council provides equitable treatment to all members of the community; and
- c) Ensure Council is maintaining legislative compliance

2 Legislative framework and other references

The following legislation of the Local Government Act 1999 applies to this policy:

A Council may remit or postpone the payment of rates, on the application of the ratepayer, if the payment of the rates would impose hardship on the ratepayer (Section 182):

182 - Remission and postponement of payment

- (1) If a council is satisfied on the application of a ratepayer that payment of rates in accordance with this Act would cause hardship, the council may-
 - (a) postpone payment in whole or in part for such period as the council thinks fit; or
 - (b) remit the rates in whole or in part.
- (2) A postponement under subsection (1) -
 - (a) may, if the council thinks fit, be granted on condition that the ratepayer pay interest on the amount affected by the postponement at a rate fixed by the council (but not exceeding the cash advance debenture rate); and
 - (b) may be granted on other conditions determined by the council; and
 - (c) ceases to operate if-
 - (i) the council in its discretion revokes the postponement (in which case the council must give the ratepayer at least 30 days written notice of the revocation before taking action to recover rates affected by the postponement); or
 - (ii) the ratepayer ceases to own or occupy the land in respect of which the rates are imposed (in which case the rates are immediately payable).
- (3) A council may grant other or additional postponements of rates-
 - (a) to assist or support a business in its area; or
 - (b) to alleviate the effects of anomalies that have occurred in valuations under this Act.

- (4) A council may grant other or additional remissions of rates on the same basis as applies under the Rates and Land Tax Remission Act 1986 (and such remissions will be in addition to the remissions that are available under that Act).
- (5) A council may require a ratepayer who claims to be entitled to a remission of rates by virtue of a determination under subsection (4) to provide evidence verifying his or her entitlement.
- (6) A council may revoke a determination under subsection (4) at any time (but the revocation will not affect an entitlement to remission in relation to rates declared before the revocation takes effect).
- (7) A council cannot grant to a ratepayer a remission of general rates under this section without also granting to the ratepayer a comparable remission of any other rates that may also apply under this Part.

Nothing in this section applies with respect to the postponement of rates under section 182A.

3 Policy

This policy is set to establish the guidelines for the assessment of financial hardship applications.

This policy does not relate to *seniors* postponement of rates, only to applications from the principal ratepayer who has requested consideration relating to financial hardship.

Principal ratepayers may be eligible for financial hardship consideration relating to the payment of rates where:

- They are unable to pay rates and any accrued fines and interest when due for reasons beyond their control;
- Payment of rates when due, would cause extreme hardship for the principal ratepayer.

Assessment criteria for hardship consideration will be, but not limited to, the following:

- Income from all sources
- Living expenses
- Reasons for financial hardship
- Compliance with any previous periodic payment arrangements

4 Objective

Application for Remission or Postponement of Rates

An application for remission of rates or postponement of rates from ratepayers suffering ongoing or extreme financial hardship, must consist of a completed application form "*Outstanding Rates Temporary Payment Arrangement Application*" available on Councils website www.orreroo.sa.gov.au

An applicant will need to provide sufficient information and supporting documentation to support their application in the assessment process.

Assessment of Application

During the assessment the applicant will be encouraged to continue to pay the portion of rates and charges that is affordable given their individual circumstances.

An application for remission or postponement of rates will be assessed by an internal panel once the entire application has been received. The panel will consist of the rates officer and the Chief Executive Officer.

The application will be assessed on an individual basis and if approved, arrangements for the postponement or remission of Council rates or fines will be confirmed in writing to the applicant and all owner/s of the property. Remission of rates either part or whole will only be considered after all other options of payment consideration have been explored and exhausted such as;

- Valuation Objection;
- Payment Plans and/or;
- Postponements.

The Chief Executive Officer is authorised to approve or decline applications.

If the application is denied, the applicant will be advised in writing of the reasons for the denial. In this event, you will have the right to ask for a review of Council's decision.

Ratepayers will be required to re-submit an application every year (unless advised otherwise) to qualify for a continuation of any deferment arrangement.

5 Special Provision – COVID-19

Council recognises the COVID-19 coronavirus is having significant impact on the local community, and in recognition of this severe disruption, Council will be temporarily waiving fines and interest for rates for the period from 31st March 2020 to 30th September 2020 for all approved outstanding rates temporary payment arrangements entered into in the same timeframe.

6 Monitor and Review of Policy

The effectiveness of this policy shall be reviewed every two years. The Chief Executive Officer will report to Council on the outcome of the evaluation and make recommendations for amendment, alteration of a substitution of a new policy.

7 Further Information

This Policy is available for inspection at the Council Office, 17 Second Street, Orroroo, during ordinary business hours. It is also available for inspection, down loading or printing free of charge, from Council's website www.orraroo.sa.gov.au .

Any grievance in relation to this policy or its application should be forwarded in writing to the Chief Executive Officer of Council.

8 Adoption of the Policy

This policy was reviewed and adopted by Council at its Ordinary Meeting on 22nd April 2020.