



Financial Hardship

Policy type	Council
Adopted by	Moira Shire Council
Responsible director	General Manager Corporate
Responsible officer	Team Leader Revenue
Date adopted	19 December 2016
Scheduled for review	19 December 2018

PURPOSE

To provide direction on the assistance available to persons suffering from financial hardship in the payment of their rates and charges.

SCOPE

This policy applies to all property rates and charges payable to Council.

DEFINITIONS

Financial hardship

When a ratepayer has difficulty in meeting basic living costs and the payment of their rates and charges significantly contributes to their financial burden.

POLICY

1) Eligibility for Financial Hardship

Council recognises that there may be some persons who are genuinely unable to pay their rates and charges by the due date.

Council may provide assistance to persons who can prove financial hardship by deferring payments (by establishing payment plans) and waiving interest payable on overdue accounts.

The process for applying for financial hardship is outlined in Clause 2.

Financial hardship will be considered for:

- a) Residential, farming and rural rates and charges only.
- b) The ratepayer's primary residence only.

2) Applying for Financial Hardship

To apply for financial hardship, a person must complete the *Financial Hardship Application Form*.

All applications and supporting documents are treated confidentially.

A new application must be submitted for each rating year.

Council will use its own discretion when determining eligibility of each application for Financial Hardship assistance.



Financial Hardship

3) Deferring Payments

Under s170 of the *Local Government Act 1989*, a Council may defer payment of rates and charges in whole or in part if a person is able to show that the payment would cause them financial hardship.

Council ratepayers who can prove financial hardship are able to apply for a payment plan on the basis of financial hardship.

The payment plan will ensure the ratepayer is making regular contributions to their debt.

The payment plan will take into consideration the ability of the ratepayer to make payments, their individual circumstances and the total amount of their liability.

Interest is payable on all payment plans, except those where interest is waived in accordance with Clause 4.

4) Waiver of Interest

Under s171A of the *Local Government Act 1989*, a Council may waive the payment of rates, charges or interest in whole or in part if a person is able to show that the payment would cause them financial hardship.

Council ratepayers who can prove financial hardship are able to apply for a waiver of the interest normally payable under a payment plan.

Interest will only be waived should the payments under the payment plan be made by the due date.

Failure to pay by the payment plan due date will mean interest is incurred from the arranged due date in accordance with Clause 10 of the *Rates and Charges Policy*.

RELATED POLICIES

Rates and Charges Policy

RELATED LEGISLATION

Local Government Act 1989

REFERENCES

Financial Hardship Application Form

Instrument of (Sub) Delegation by the Chief Executive Officer

REVIEW

This policy will be reviewed three years from the date of adoption, with operational amendments as required, in accordance with Council's approval.