

Title of Policy	Financial Hardship and Assistance Policy		
Responsible Department	Finance	Document Register ID	250.2019.512.1
Policy Owner	Chief Financial Officer	Review Date	March 2021
Date of Council Meeting	7 March 2019	Resolution Number	92/19
Legislation, Australian Standards, Code of Practice	Local Government Act 1993 Local Government (General) Regulations 2005 (NSW) Civil Procedures ACT 2005 Office of Local Government – Debt Management and Hardship Guidelines 2018		
Aim	To provide financial assistance to ratepayers experiencing genuine financial hardship and to establish guidelines for assessment of hardship applications by applying the principles of integrity, fairness, respect and compliance to the relevant statutory requirements.		

1 POLICY

Council acknowledges that ratepayers may experience genuine financial hardship from time to time and as a result, may need assistance to meet their rates, charges and sundry debtor payment responsibilities. This policy establishes the circumstances in which financial assistance will be provided and the various types of voluntary financial assistance Council will provide to ratepayers, pursuant to provisions within the LGA.

2 DEFINITIONS

LGA – refers to NSW Local Government Act 1993

Pensioner – an eligible pensioner as defined in Clause 134 of the Local Government (General) Regulations 2005

Application form – Council’s financial hardship application form for the purpose of applying for assistance under this policy

Undetectable Leak – where water has leaked from pipeline breaks or connections in the ground, under slabs or within walls and the leak is not clearly visible by the owner. It does not include leakage from an appliance, water pump, hot water system, and irrigation system or rainwater tank.

3 Legislative Obligations and/or relevant standards

Sections 564,567 & 601 LGA.

4 Financial Hardship Assistance – Rates, Charges and Sundry Debtors

Council recognises there are cases of genuine financial hardship requiring respect and compassion in special circumstances. This policy establishes guidelines for assessment of hardship applications applying the principles of fairness, integrity, appropriate confidentiality, and compliance with relevant statutory requirements. It applies to all applications for alternative payment arrangements, or writing off of rates, fees, annual charges and interest accrued on such debts. Assessment of financial hardship is made internally following a set of guidelines and the completion of Council's 'Financial Hardship Relief Application Form'. Criteria for income and asset values shall be determined in accordance with the Centrelink 'Pensions - Income and Assets Test' as reviewed annually in September.

- a) Council may enter into a formal agreement with a ratepayer requesting an extension to pay outstanding amounts by periodical payments. Council or the ratepayer may initiate a proposal for a periodical payment agreement under section 564(1) of the LGA and in accordance with Council's Debt Recovery Policy.
- b) Council may write off or reduce the accrued interest on rates and charges if the person complies with the periodical agreement in accordance with section 564(2) of the LGA. When assessing the writing off of interest in accordance with section 564(2) the following circumstances should be considered:-
 - i) The ratepayer is experiencing genuine hardship and has completed Council's Financial Hardship Application detailing their income, assets and expenses.
 - ii) The ratepayer has previously had a good payment record.
 - iii) The ratepayer is a first time owner in Snowy Monaro Regional Council, and circumstances beyond the ratepayers control resulted in an incorrect address for the service of notices.
 - iv) Prolonged or serious illness of the ratepayer, or the immediate family of the ratepayer, the loss of employment, natural disasters or other extraordinary circumstances have led to the Rates and Charges becoming overdue.

If the ratepayer fails to make the periodical payment in accordance with the agreement, the payment plan may be cancelled. Full payment of the amount outstanding will be due immediately and the recovery of the debt will commence or continue as per Council's Debt Management Policy.

- c) Council may write off accrued interest on rates or charges payable by a person under Section 567 of "the Act" and the Local Government (General) Regulation 2005 where:
 - i) the person was unable to pay the rates or charges when they became due for reasons beyond the person's control, or
 - ii) the person is unable to pay accrued interest for reasons beyond the person's control, or
 - iii) payment of the accrued interest would cause the person hardship

Applications must be made on the appropriate form, Council's Financial Hardship Application form. Each individual case will be considered by the Council and on its particular merits and circumstances.

Upon application and in accordance with this policy, the General Manager or his/her delegate may waive interest charges in line with Council Delegations Register.

- d) Under section 577 of the LGA, in order to avoid hardship, Council may extend the pensioner concession to ratepayers who jointly occupy a dwelling and are jointly liable for the rates and charges as an eligible pensioner, if it considers it proper to do so.

5 Water loss due to circumstances beyond owners control

Refer to SMRC Water Pricing and Billing Policy

6 Support Services for Ratepayers

As Council staff are unable to provide financial advice, ratepayers should be referred to the following agencies:

Federal Government National Debt Helpline 1900 007 007 or visit (<http://www.ndh.org.au>).

State Government Law Access Service 1300 88 529 or visit (<http://www.lawaccess.nsw.gov.au/>).

Documentation

List the name and document reference number of any other document referred to in this document, including any related policies and procedures

Debt Management Policy

SMRC Water Pricing and Billing Policy

Financial Hardship Relief Application

Variation

Council reserves the right to review, vary or revoke this policy and should be reviewed periodically to ensure it is relevant and appropriate.