Hardship Policy

This policy is set by Council for use by the community and council administration

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Responsible Team Finance-Rates team

Other Key Internal Stakeholders Customer Call Centre

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Last Reviewed Deb Foster June 2018

Authorised By Council

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Date of Next Review June 2019
1. Purpose

City of Playford is committed to assisting customers who are experiencing financial hardship to manage their bills on an ongoing basis, make payments in a manner that is mutually acceptable, and with the aim to clear their outstanding and ongoing rates debt in a planned and efficient manner.

2. Scope

This policy outlines the options for ratepayers seeking relief from rates due to hardship or extenuating circumstances. Council may grant relief in the form of postponement of rates (for seniors), refer the ratepayer to see an accredited financial counsellor, or negotiate a flexible long term debt repayment arrangement. Assistance does not include rate rebates or remissions.

3. Legislation and References

Local Government Act 1999
- Section 177 advises that rates imposed on land are a charge on the land
- Section 178 advises that liability for the rates charged on the land is the principal ratepayer (owner)
- Section 182 advises of Council’s power to grant relief of rates due to hardship or extenuating circumstances by way of remission or postponement of rates.
- Section 183 of the Act determines the priority of which payments are to be allocated to ratepayers debt.
- Section 184 of the Act advises Council may sell the land if rates has been in arrears for three years or more.

4. Definitions

The Act is the Local government Act 1999

Council is the local government entity known as City of Playford.

Ratepayer means a person who owes amounts for rates, fees, or other charges due and payable to the Council.

Accredited financial counsellor means a person who holds a Diploma of Community Services (Financial Counselling), and who has worked at least 12 months as a financial counsellor under the supervision of the South Australian Financial Counsellors Association.

Financial hardship means a circumstance of experiencing a lack of financial means, that may be either ongoing or temporary, but does not include circumstances where a person chooses not to meet a liability for an unpaid debt.

Policy means this Hardship Policy

Guidelines means the Hardship Policy Guidelines

Assistance means support available for ratepayers
5. Financial Hardship Assistance

A ratepayer experiencing financial hardship is someone who is identified by themselves, by Council, by an accredited financial counsellor, or welfare agency, as having the intention, but not the financial capacity, to make required payments in accordance with Council’s payment terms.

Hardship assistance required will be determined by either an accredited financial counsellor or Council’s assessment process.

Details of hardship assistance is available in the Hardship Policy Guidelines

Depending on whether the hardship experienced is ongoing or temporary, ratepayers may have different needs and require different assistance.

Ratepayers who are identified as experiencing ongoing hardship may require ongoing assistance and are generally on low or fixed incomes;

- Aged pension
- Disability pension
- Carers pension
- Single parenting pensions

Ratepayers who may be experiencing temporary hardship may require short term assistance and are generally experiencing a short-term change in circumstances, such as;

- Loss or change in income due to unemployment or reduced employment
- Separation, divorce or other family crisis
- Serious illness, injury, or bereavement in the family
- Unexpected accident, incident, unexpected bills, or some other temporary financial difficulty.

Council will advise the ratepayer of assistance available including

- Payment plans and extensions of time to pay
- Referral to an Accredited Financial Counsellor
- Centrelink’s Centrepay service, or direct debit payment options (when available)

Completion of hardship assistance
Council will advise the customer when they have paid all outstanding arrears and are no longer receiving hardship assistance and provide options to continue making ongoing payments towards their current council rates based on their historical annual rates.

Removal of hardship assistance
Council will advise the hardship customer the requirements;

- To continue receiving hardship assistance or
- Should they re-seek assistance having failed to fulfil their previous obligations under an existing hardship arrangement

Debt recovery
The details of suspension of debt recovery, when council may recommence debt recovery and the obligations of ratepayers to ensure collection proceedings are deferred are detailed in the Hardship Policy Guidelines.
Rights and obligations
Rights and obligations of customers receiving hardship assistance are detailed in the Hardship Policy Guidelines

6. Hardship Postponement

Where applicants satisfy the requirements for relief from rates due to hardship or extenuating circumstances the Council may grant relief in the form of postponement of rates in whole or in part for such period as the Council thinks fit or remit the rates in whole or in part.

Hardship postponement requirement will be determined by either an accredited financial counsellor or Council’s assessment process.

7. Senior Postponements

If council is satisfied on application of the ratepayer that payment of rates in accordance with Section 182 of the Local Government Act 1999 would cause hardship, then council may provide for the postponement of the payment of the prescribed portion of rates for the current or future financial year if:

- The ratepayer holds a current State Seniors Card issued by the state government, or qualifies to hold such a card and has applied for the card but has yet to be issued with the card; and
- The person is a prescribed ratepayer, or is the spouse of a prescribed ratepayer; and
- The rates are payable on land that is the principal place of residence of the prescribed ratepayer; and
- The land is owned by the prescribed ratepayer or his/her spouse; and
- No other person has an interest (as owner) in the land.

Eligible ratepayers are required to pay a minimum of $500 per year toward their Council rates with payment of the remaining balance postponed for an indefinite period, until their property is sold or eligibility ceases.

Ratepayers can opt to pay

- One lump sum of $500
- Quarterly payments of $125 or
- Fortnightly centrepay deductions of $20

Senior applicants should be referred to an accredited financial counsellor for assistance with their postponement application.

Applications for the postponement of rates are to be made on Council’s postponement application form and accompanied by the requested supporting documentation.

Under the Local Government Act, and detailed in the City of Playford Rating Policy, amounts over $500 can be postponed subject to the prescribed interest rate.

Penalties
Reference is also made to Sections 182A (8) and 182A (9) of the Local Government Act 1999 which outlines that if a person has applied for the benefit of a seniors postponement of rates and entitlement to that postponement ceases to exist, the owner of the land must

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inform the Council in writing of that fact (unless the liability to the relevant rates has been extinguished).

If a person fails to comply with the above requirement to inform Council of a change in circumstances, that person is guilty of an offence under the Local Government Act 1999 with a maximum penalty of $5,000.

A person must not make a false or misleading statement or representation in an application made for seniors postponement of rates. Maximum penalty $10,000.

Any rates applicable on the grounds that the rebate was no longer applicable become due and payable immediately.

8. Responsibilities

The City of Playford Hardship policy, guidelines and application forms, and Rates Postponement application forms and fact sheet, are the responsibility of the rates team.

9. Complaints and Appeals

Complaints and appeals will be considered in accordance with Council’s complaints and grievance procedures and sections 270 and 271 of the Local Government Act 1999. A copy of the Complaints Handling Policy can be found at www.playford.sa.gov.au.

If you are not satisfied with the outcome of your complaint you may contact the Ombudsman SA on 08 8226 8699 or Ombudsman@ombudsman.sa.gov.au

10. Relevance to Strategic Plan

Section 6
Smart Service Delivery
Improve our service delivery to add value to the wellbeing of the community.

Smart Living
Secure social, environmental and economic future of the city.

11. Accessibility

Applications for rate postponement or hardship assistance are to be made on Council’s application form and accompanied by the appropriate supporting documentation. This policy, guidelines and applications forms are available on Council’s website www.playford.sa.gov.au or by contacting council (08) 8256 0333.

12. Feedback

We invite your feedback on this policy which can be directed to Senior Manager of Finance at playford@playford.sa.gov.au.

13. Approval and Change History

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<tr>
<th>Version</th>
<th>Approval Date</th>
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<tr>
<td>1</td>
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