

1. Introduction

This policy establishes guidelines for how the District Council of Mount Remarkable (the Council) will process applications for requests for rates remission, rebates and postponements.

2. Policy Objective

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

3. Legislative framework and other references

Section 182 of the *Local Government Act 1999* (SA) 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.

Other References

Application Form – Application for Remission or Postponement of Rates

4. Policy

This policy is designed to establish guidelines for evaluating applications related to financial hardship. It specifically applies to the principal ratepayer who has requested assistance due to financial hardship and is limited to their primary place of residence. It does not cover investment properties, senior citizens' rate postponements, or matters related to CWMS and other water supply matters.

4.1 What is financial hardship

Financial hardship is when a person is willing but unable to meet their debt obligations because of unexpected events or unforeseen changes that impacts their cash flow, for example:

- a) Changes in income or expenditure
- b) Changes in employment status
- c) Injury or illness

4.2 Contact Council

A ratepayer suffering hardship in paying rates should, in the first instance, contact the Council's Rates and Debtors Officer to confidentially discuss their financial circumstances.

4.3 Temporary Hardship

Ratepayers suffering hardship, which is of a temporary nature, will be offered relief through flexible payment arrangements.

4.4 Ongoing Financial Hardship

Ratepayers who have been identified as experiencing ongoing hardship are those who have experienced a change in circumstances in which they do not expect to recover from in a reasonable timeframe. This policy intends to bridge the time between when a person's circumstance change and when they can start paying their debt in full either because their original financial situation is restored or because a new repayment arrangement is agreed to which the ratepayer can adhere to.

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

- Property is the principal place of residence
- Income from all sources and investments
- Living expenses
- Reasons for financial hardship
- Compliance with any previous periodic payment arrangements

4.4.2 All financial hardship applications must be in writing on Council's designated form and will only take effect after written approval is provided by the Council. Each application must include the following:

- current income and expenditure statement
- comprehensive list of all current investments, including property investments
- a suggested budget demonstrating that the proposed payments are feasible and won't cause additional hardship to the ratepayer
- a letter addressed to Council, substantiating the current financial circumstances. This letter should include details regarding any advice or assistance sought by the ratepayer from financial counselling services that establishes their hardship situation, as well as any other reasons why the ratepayer believes a rate remission should be granted.

- 4.4.3 Council will place on hold and/or suspend debt recovery processes while negotiating a suitable payment arrangement with a ratepayer who has applied and been accepted under the Hardship policy.
- 4.4.4 Council will not commence legal action for the recovery of the debt if the ratepayer has agreed to the payment arrangement and continues to adhere to the terms of the payment arrangement.
- 4.4.5 Council will not commence action as per Section 184 of the *Local Government Act 1999* (SA) to sell the land where rates have been in arrears for three years or more, where a ratepayer has agreed and is adhering to a payment arrangement under this Hardship policy.
- 4.4.5 Monthly interest on the overdue amount will be incurred at the current cash advance rate in line with Section 182(2) of the *Local Government Act 1999* (SA).
- 4.4.6 the time period for an arrangement of rates should not exceed twelve (12) months.
- 4.4.7 Any payment arrangement must be sustainable and not place the ratepayer into further financial hardship.
- 4.4.8 Evidence of advice from a financial counsellor must form part of any application for a payment arrangement due to hardship.

4.5 Remission of Rates

A remission of rates in whole or in part is rarely granted due to the resulting inequity for the remainder of the district's ratepayers.

4.6 Assessment of application

The application will be assessed by the Director Community and Corporate (or delegate) and the Rates and Debtors Officer. The applicant will be advised of the outcome once a decision has been made.

4.7 Other resources

The South Australian Financial Counsellors Association (SAFCA) <https://www.safca.org.au/find-a-financial-counsellor.html> may be able to provide information and/or support and/or refer a potential hardship client to a suitable financial counsellor. Financial counsellors provide information, support and advocacy to help people in financial difficulty. Their services are independent, confidential and generally free.

Other organisations that may be able to assist include:

- **Financial information Service** (confidential financial advice from Centrelink) <https://www.servicesaustralia.gov.au/financial-information-service>

- **National Debt Helpline**

The National Debt Helpline (NDH) is an online and phone financial counselling service available across each state and territory in Australia. The financial counsellors at NDH talk to people with debts and explain what options are available. This may include referral to their local financial counselling service. The NDH helpline is 1800 007 007 or via <https://ndh.org.au/>

5. Document administration and control

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Version:	Version 4
Date revoked:	n/a
Applicable legislation:	Local Government Act 1999
Related documents:	Internal Review of Council Decisions Policy
Public consultation required / undertaken:	No
Availability	<p>This Policy is available for inspection at the Council office and any person may obtain a copy of this Policy upon payment of the fee fixed by Council in accordance with Council's Fees and Charges adopted each financial year. It is also available on Council's website mtr.sa.gov.au.</p> <p>Any grievance in relation to this policy or its application should be forwarded in writing to the Chief Executive Officer of the Council.</p>