

Keywords: Rates, Charges, Financial Hardship

Strategic Plan:	Strategy 11 - Employ best practice financial, governance and service methods across Council's work
Classification:	<i>Corporate and Community Services – Rates & Charges - Financial Hardship</i>
First Issued/Approved:	<i>April 2020</i>
Review Frequency:	<i>Biannually</i>
Last Reviewed:	<i>June 2022</i>
Next Review Due:	<i>June 2024</i>
Responsible Officer(s):	<i>Chief Executive Officer, Rates Officer</i>
Council File Reference:	<i>7.1.1</i>
Applicable Legislation:	<i>Local Government Act 1999, (S181)(9) & (S182)</i>
Relevant Policies:	<i>Rates Policy, Financial Hardship (CWMS) Policy,</i>
Related Procedures:	<i>Forms part of the Council's Annual Business Plan Documents</i>
Delegations:	

Purpose

To ensure that the Berri Barmera Council has a policy in place to assist its ratepayers, who are experiencing financial hardship, in meeting financial obligations, by providing options for rate debts where hardship is shown to exist.

Definition

As a guide financial hardship could be defined as the inability to provide food, accommodation, clothing, health and/or education for you or for your family on an ongoing basis.

If the hardship is a result of an emergency, then the hardship could be classified as short term. Such short-term hardship is most suitable for rates to be paid by special arrangement with Council.

Principal

This policy has been developed in accordance with the Local Government Act 1999, Chapter 10 (Sections 181 & 182) in providing ratepayers alternative payment arrangements, to defer payments or to waive fines and interest.

Confidentiality

Any information provided will be treated as strictly confidential. Information provided to the Council's Chief Executive Officer (CEO) will be securely retained within Council's records. The Ratepayer providing such information may access the information provided and review Council's records in relation to the application process.

Framework for Policy

Council is aware that ratepayers may suffer from financial hardship. Council has the power to negotiate alternative payment arrangements, defer payments and/or to waive fines and interest.

Council will assess the degree of financial hardship and where appropriate provide a payment arrangement schedule or defer payments and/or waive fines and interest for an agreed period of time.

To be deemed eligible for the deferment and/or waiving of fines and interest the following criteria applies;

- The applicant may be required to provide evidence by way of statements from the respective financial institution(s) indicating financial position.
- The applicant may be required to provide details of current income and expenditure

Monthly interest will accrue on outstanding Council rates in accordance with the provisions of the Local Government Act 1999, unless expressly waived by Council or the CEO under delegation of the Council.

Where the ratepayer ceases to own the property within the financial year of the application, the determination in relation to this policy will be revoked and rates must be paid in full at the time of settlement.

Once approved, the deferment of rates will come into effect from the date of application for deferment.

Applications for a deferment must be in writing, addressed to the Chief Executive Officer, Berri Barmera Council, PO Box 229, Berri SA 5343 and include sufficient details to identify the relevant property along with relevant documentation to support the application.

Alternatively an application form is included with this policy and can be accessed from Council's website at www.berribarmera.sa.gov.au please attach supporting documentation to the application form.

Decision Making

In determining to provide support as a result of financial hardship, Council will consider;

- All applications on a case by case basis
- The health of the ratepayer and the ratepayer's family
- The financial status of the ratepayer
- Whether financial assistance could be sought or is being provided from any other agencies
- The implication to the Council and ratepayers more broadly
- The prospects of recovery from hardship

Extra-Ordinary Provisions – River Murray Flood 2022/2023

Residential Properties

1. Ratepayers whose residence has become inundated with water and unliveable will be eligible to apply for a rate remission of twelve (12) months.
2. Ratepayers whose residence is entirely surrounded by water and can only access their residence by boat are eligible to apply for a rate remission of six (6) months.
3. Ratepayers must demonstrate that their residence is inundated with water and unliveable or surrounded with water and only accessible by boat by providing evidence.

Primary Production, Industrial and Commercial Properties

1. Ratepayers whose properties have become inundated by water and as a result are suffering financial hardship, are eligible to apply for a rate remission of six (6) months.
2. Ratepayers must demonstrate that their properties are inundated with water by providing evidence.
3. Ratepayers must attend an accredited financial counsellor who is to confirm whether the ratepayer is experiencing financial hardship as a result of the River Murray floods and that they support a rate remission. This evidence is to be provided directly to Council from accredited financial counsellor.
4. Upon application from the ratepayer under this provision, the ratepayer may request the rates account be placed on hold until such time as an outcome from the financial counsellor is received by Council and application can be assessed. The ratepayer must request this at the time of making an application.

Legislation

Section 182 of the Local Government Act 1999 (the Act) allows Council to remit or postpone rates in whole or part on the basis of hardship.

General Provisions

1. All applications must be submitted on the approved application form by no later than 30 June 2023
2. For the purpose of these provisions, inundated and surrounding of a property with water is defined as the inundation of flood waters into or directly surrounding a property which affects the liveability of the residence or the ability for a business to operate at usual capacity.
3. Any approved rate remission for (12) months will be for the full 2022/2023 financial year and any approved rate remissions for six (6) months will be for the 3rd and 4th quarter rate instalments for the 2022/2023 financial year.
4. Any approved rate remission will include service charges (waste charges and community wastewater management scheme charges) and separate rates.

5. Subject to the application approval, if and when debt collection or legal action is in place, these processes will be placed on hold.
6. This Extra-Ordinary Provision – River Murray Flood 2022/2023 takes precedence over any potentially contradictory provisions within this policy or any other policy.
7. If ratepayers are unsure of their eligibility or need further information, they are encouraged to contact Council's Rates Officer on 8582 1922.

Purpose

1. Berri Barmera Council ("Council") is committed to assisting ratepayers to manage their rate payments in a manner that suits the customer whilst in financial hardship.
2. This Rate Hardship Policy (Policy) provided a framework to identify customers who are experiencing payment difficulties due to hardship and assist those customers to better manage their finances during periods of hardship.
3. This policy sets out:
 - Processes to identify customers experiencing payment difficulties due to hardship, including identification by us, self-identification by a customer, identification by an accredited financial counsellor, or welfare agency, and
 - A range of processes or programs that Council will use, or apply, to assist our customers who have been identified as experiencing payment difficulties.

Definitions and Interpretation

In this policy:

- **Accredited Financial Counsellor or Financial Counsellor** means a person who holds a Diploma or equivalent 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.
- **Customer** means either or a rate payer.
- **Financial Hardship and or Hardship** means a customer who has been identified under accepted into, or is eligible for assistance under Council's Hardship Program.
- **Hardship Program or Arrangement** means an agreement between Council and a hardship Customer for payment of outstanding sums due for services.
- **Financial difficulty** means a customer who may be identified as experiencing temporary difficulty making payments as a result of a short term change in circumstances but are not considered to be experiencing financial hardship.
- **Ongoing** means continuing hardship and/or assistance through an agreed arrangement
- **Temporary** means a short term period of less than three months.
- **Council** means Berri Barmera Council
- **Retail Services** means the supply of products or services as defined in the Water Industry Act 2012
- **Non-Retail Service (s)** means a service funded by general rates, separate rate as/if applicable and waste and recycling collection service charges revenue.
- **Senior** means Eligible Senior (holder of a current State Seniors Card) applying for postponement of rates.
- **Remission** means a reduction of rates amount to be paid.

Identifying Customers Experiencing Financial hardship

1. A Customer experiencing financial hardship is someone who is identified by themselves, by council, by an accredited financial counsellor, or by a welfare agency as having the intention, but not the ongoing financial capacity, to make required payments in accordance with our payment terms.
2. There are two types of financial hardship; ongoing and temporary. Depending on the type of hardship being experienced, hardship customers will have different needs and will require different solutions.
3. Customers who are identified as experiencing ongoing hardship are generally those on low or fixed income. These customers may require ongoing assistance.
4. Customers who may be identified as experiencing financial difficulty rather than financial hardship generally require flexibility and temporary assistance such as an extension of time to pay or an alternative payment arrangement. These customers are not covered by this policy. Customers identified as experiencing financial difficulty will be subject to the provisions of the Local Government Act 1999 for debt recovery.
5. The extent of hardship will be determined by either Council's assessment process or by an external body, such as an accredited financial counsellor.
6. Where Council assesses a customer's eligibility for hardship assistance, Council will consider indicators including (but not limited to) whether:
 - The customer is on Centrelink income and holds a Pensioner Concession Card or holds a Centrelink Low Income Health Care Card.
 - The customer is eligible for a South Australian Government concession
 - The customer has been referred by an accredited financial counsellor, or Council welfare agency.
 - The customer advises they have previously applied for emergency relief (irrespective of whether or not their application was successful).
 - The customer's payment history indicates that they have had difficulty meeting their rate bills in the past.
 - The customer, through self-assessment, has identified their position regarding their ability to pay.

Assisting Customers who are Experiencing Financial Hardship.

1. Council will inform a customer of this policy where it appears that non-payment of a rates bill is due to the customer experiencing payment difficulties due to hardship.
2. Where a customer has been identified as experiencing financial hardship, Council will offer the customer flexible payment options, including:
 - A payment plan, or
 - Use of Centrelink's Centrepay service (only where available), or
 - Other arrangements, under which the customer's capacity to pay.
3. Council will engage in discussion with the hardship customer to determine a realistic payment option in line with the customer's capacity to pay.
4. Council will work with a hardship customer's financial counsellor where required to determine the payment arrangement and instalment amount that best suits the customer and their individual circumstances.

5. Where a hardship customer's circumstances change, council will work with the customer, and/or their financial counsellor, to re-negotiate their payment arrangement.
6. Council will offer the hardship customer, where appropriate:
 - Information about the right to have their rate notice redirected to a third person, as long as that third person consents in writing to that redirection,
 - Information about, and referral to, Commonwealth and South Australian Government concessions, rebates, grants and assistance programs,
 - Information about, and referral to, accredited financial and other relevant counselling and support services, particularly where a customer is experiencing ongoing financial hardship.
7. Council will also offer the hardship customer, where relevant, information about Postponement of Rates for Seniors. Section 182A of the Local Government Act provides the option for State Senior Card holders to apply to postpone part of their council rates on property they own if it is their principal place of residence and if no other person other than their spouse has an interest as owner of the property. The deferred amount is subject to a monthly interest charge, with the accrued debt being payable on the disposal or sale of the property.
8. Council will explain to the hardship customer how and when the customer will be returned to regular billing cycles (and collection), after they have successfully completed the hardship program.
9. Council will also explain to the hardship customer that they will be removed from the hardship program, and be returned to the standard collection cycles, including debt recover, should they cease to make payments according to the agreed payment arrangement and fail to contact Council in relation to the matter for a period of greater than 90 days.
10. Council will not take any action to remove a customer from the hardship program until Council has sent the customer a written notice, allowing them 10 working days from the date of the notice to contact Council to re-negotiate their re-entry into the program.

Rights of Customers Experiencing Financial Hardship

1. Every customer experiencing financial hardship has the right to:
 - Be treated respectfully on a case-by-case basis, and have their circumstances kept confidential.
 - Receive information about alternative payment arrangements, this customer hardship process, and government concessions, rebates, grants and assistance programs.
 - Negotiate a payment plan or other payment arrangement.
 - Consider various payment methods and receive written confirmation of the agreed payment arrangement within 10 business days.
 - Renegotiate their payment arrangement if there is a change in their circumstances.
 - Receive information about free and independent, accredited financial counselling services.
 - Receive a language interpreter service at no cost to the customer.
 - Be shielded from legal action and additional debt recovery costs, whilst they continue to make payments according to an agreed payment arrangement.

General Provisions

1. This policy will be applied in concurrence with the Hardship Policy for Residential Customers of Minor and Intermediate Water Retailers.
2. This Policy will apply to all rateable assessments within the Council district.
3. Council rates are made up of Retail Services as defined in the Hardship Policy for Residential Customers of Minor and Intermediate Water Retailers and Non-Retail Services which will be dealt with under this Policy.
4. Council will ensure residential customers have equitable access to this rates hardship policy, and that this policy is applied consistently.
5. This rates hardship policy is available on our [website](#)
6. Council will also make a copy of this policy available to a customer, upon request, and at no charge to the customer, as soon as practicable following a request to do so.
7. This policy does not limit or prevent Council officers from using their delegated powers to waive any fee, charge or amount of arrears relating to the provision of services for those customers who are experiencing financial hardship.

Confidentiality

Any information provided will be treated as strictly confidential. Information provided to the Council's Chief Executive Officer (CEO) will be securely retained within Council's records. The Ratepayer providing such information may access the information provided and review Council's records in relation to the application process.

Complaints Handling

A customer experiencing hardship has a right to have any complaint heard and addressed by Council.

For further information

For further information about the procedure and options available in relation to the above policy, please contact the Rates Officer, Berri Barmera Council, PO Box 229, Berri SA 5343, Telephone 08 8582 1922, facsimile 08 8582 3029.

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