



## Hardship Policy

Adopted 21 April 2009

Corporate, Commercial & Community Services



KIAMA  
MUNICIPAL  
COUNCIL

# Hardship Policy

## 1.0 Purpose

To maintain or reduce the amount/percentage of outstanding debts with Council through a formal customer assistance program and monitor the number of successfully completed applications within the scope of this policy.

## 2.0 Objectives

The objectives of this policy are to provide financial relief to customers of Council experiencing difficulties in meeting their commitments in rates, debtors and other fees and charges.

## 3.0 Scope

This policy will be available to all ratepayers and organisations within the Local Government Area. It is however anticipated to have a direct impact on less than 100 individuals at any given time.

## 4.0 References

This document should be read in conjunction with:

- Application for Hardship Rate Relief
- Local Government Act 1993 – ss 564, 566, 567, 601, 610E

## 5.0 Definitions

For the purpose of this document the following definitions apply:

**Date of Debt** – the amount due to Council on the day an application is made including arrears and current annual instalments in any given year.

**Penalty Interest** – Interest raised in accordance with the Local Government Act, 1993 and as adopted by Council within its Management Plan

**Rateable Valuation** – land value used for rating purposes, ie net of allowances allowed by Valuation of Land Act, 1916 and Local Government Act, 1993 - Section 585

**Administration Fees** – Standard flat fee as adopted by Council in annual fees and charges

## 6.0 Policy

6.1 Assessment of financial hardship will be made by Council following the completion of Council's 'Financial Hardship Relief Application Form' – refer Appendix 1.

6.2 The criteria for income and asset values shall be determined in accordance with Centrelink's Pensions - Income and Assets Test as reviewed annually in September.

## 7.0 Rates

7.1 The following relief provided for rates is limited to the single property owned and occupied (jointly or not) by the applicant. It must be the principal place of abode.

- Write-off of interest charges accrued over a period of twelve months from the date of debt, subject to the debt being paid in the agreed period.
- Reduce penalty interest by one half over a period of eighteen months on ratepayer accounts where financial hardship has resulted due to significant changes in the rateable valuation of their land.

## 8.0 Debtors

8.1 The following relief is provided for debtors:

- Write-off of administration fees for debts paid within a structured payment plan geared to clear the debt within a maximum twelve-month period

## 9.0 Fees and Charges

9.1 The following relief provided for waste collection charges is limited to the single property owned and occupied (jointly or not) by the applicant. It must be the principal place of abode.

- Write off interest charges accrued over a period of twelve months from the date of debt, subject to the debt being paid in this period.
- Limited to the single property owned and occupied (jointly or not) by the applicant. •It must be the principal place of abode.

## 10.0 Other Fees and Charges

10.1 Due to the nature of the adopted fees and charges, any reduction or abandonment of a fee due to financial hardship being incurred shall be determined on an individual basis subject to Council resolution.

10.2 Council must be satisfied that the case falls within a category of hardship, alternatively fees and charges must not be reduced unless public notice is given over a twenty-eight day exhibition period.

## 11.0 Principles and Responsibilities

11.1 The Rates Officer will be responsible for administering the principles and that appropriate steps are taken to maintain a level of confidentiality with data supplied for the purposes of conducting a fair and equitable assessment.

11.2 The Rates Officer may delegate their responsibility to the Chief Financial Officer to ensure proper procedural documentation is maintained at a level satisfactory to Council and relevant legislation.

11.3 All applications will be reviewed in consultation with the General Manager.

## 12.0 Document control

<b>Directorate:</b>	Corporate, Commercial and Community Services
<b>Policy name:</b>	Hardship Policy
<b>Date adopted by Council or N/A:</b>	21 April 2009 [CR104]
<b>Date endorsed by Manex:</b>	N/A
<b>Last revision date:</b>	21 April 2009
<b>Next review date:</b>	April 2019
<b>Trim document number:</b>	18/7241

## 13.0 Appendix 1 – Application for Hardship Rate Relief

On following page.

Section 567 (c) and Clause 135 of the Local Government Act 1993 and the Local Government (General) Regulation 2005.

**All sections/questions must be answered/completed.**

Council has the option of writing-off interest on Rates and Charges under the Local Government Act 1993. The following are factors, grounds, and reasons for this to occur:

1. Payment of such accounts in full is made difficult because of reasons beyond the ratepayers control
2. Payment of such accounts in full would cause the person hardship
3. The property concerned is the applicant/s primary place of residence
4. The completion in full of this application form
5. Provision of proof of income/expenses
6. Suitable arrangements for regular payments on the account

**Industrial or commercial property will not normally be considered**

## Privacy Notification

The personal details requested on this form are required for Hardship Relief purposes under the Local Government Act 1993 and will only be used in connection with the requirements of this legislation. Access to this information is restricted to Kiama Council officers and other people authorised under the Act. Council is to be regarded as the agency that holds the information. You may make application for access or amendment to information held by Council. You may also request Council to suppress your personal information from a public register.

I/We wish to apply to make payment of \$\_\_\_\_\_ per week/fortnight/month toward reduction of the outstanding account

Declared at \_\_\_\_\_ (place)

On \_\_\_\_\_ (date)

Before \_\_\_\_\_ (Justice of the Peace)

Signed \_\_\_\_\_  
Applicant's signature

You should ensure you contact Council promptly if your circumstances change. This will ensure that Council does not take action to recover the amount outstanding if you do not adhere to the arrangement. Additionally you may not be entitled to relief under the new circumstances.

Assessment number:	
Name:	
Address:	
Postal address:	
Telephone	Mobile: Work: Home:
Email:	
Property Address: (if different to above address)	

Do you own the property?	<input type="checkbox"/> By yourself <input type="checkbox"/> With another person/s (spouse, etc) <input type="checkbox"/> Other – please indicate
Are there other people living at the property other than those listed as owner/s?	

Is the property?	<input type="checkbox"/> a residential home <input type="checkbox"/> vacant land <input type="checkbox"/> rural land <input type="checkbox"/> your sole or principal place of living – since: _____ <input type="checkbox"/> Other – please indicate
Value of property	Value of house / land: _____ Mortgage: _____

Do you have an interest in any other properties? (Details including any rental collected)	
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Are you currently employed?	<input type="checkbox"/> No. ➡ Go to next question <input type="checkbox"/> Full time <input type="checkbox"/> Part time / casual – hours per week _____ Name of employer: _____
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Do you receive a pension or benefit?	<input type="checkbox"/> No. ➡ Go to next question <input type="checkbox"/> Yes. Pension number: _____ Pension type: _____ Amount received per week: \$ _____
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Do you have a health benefits card?	<input type="checkbox"/> No. ➡ Go to next question <input type="checkbox"/> Yes. Card number: _____
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How many children do you support?	Number of children: _____ Ages: _____
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Table A: Income details	\$ per week
Wages / salary after tax	\$
Pension / benefit	\$
Income (spouse)	\$
Pension / benefit (spouse)	\$
Maintenance received	\$
Family allowance	\$
Other (give details)	\$ \$
<b>Table A Total</b>	\$

<b>Table B: Regular expenses details</b>	<b>\$ per week</b>
Mortgage repayments	\$
Rent / board	\$
Food	\$
Electricity	\$
Water rates	\$
Council rates	\$
Credit card repayments	\$
Vehicle expenses including petrol	\$
Private medical insurance	\$
Telephone	\$
Maintenance payments	\$
School expenses	\$
Insurance / superannuation	\$
Other	\$ \$ \$
<b>Table B Total</b>	\$

Table A Total:	
Less Table B Total:	
<b>Surplus / Deficit</b>	

<b>Bank / Building Society Accounts</b>	<b>Balance</b>
Name of Bank / Branch:	\$ \$
Name of Building Society / Branch:	\$ \$
<b>Total</b>	\$

<b>Debts Liabilities</b> (personal loans, credit cards, etc)	<b>\$ per week</b>	<b>Amount owing</b>
	\$	\$
	\$	\$
	\$	\$
	\$	\$
	\$	\$
<b>Total</b>		\$

**Please give details of reasons or circumstances that have led you to make this application:**

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