

RESPONSIBLE DIRECTORATE	<i>COMMUNITY AND BUSINESS SERVICES</i>
RESPONSIBLE TEAM	<i>Rates</i>
RESPONSIBLE OFFICER	<i>Senior Rates Officer</i>
AFFECTED TEAMS	<i>Nil</i>
RELATED POLICY / LEGISLATION / LOCAL LAW	<ul style="list-style-type: none"> • <i>Section 6.51 of the Local Government Act 1995 (the Act.)</i> • <i>Section 6.12 of the Local Government Act 1995 (the Act.)</i> • <i>Section 6.45 of the Local Government Act 1995 (the Act.)</i> • <i>Policy 1.2.13 – Recovery of Debts, Rates and Service Charges</i>
RELEVANT DELEGATIONS	<i>2.2.21 – Agreement as to payment of rates and service charges.</i>
SUPPORTING DOCUMENTS / FORMS	<i>Financial hardship application form</i>

OBJECTIVE

The purpose of this document is to provide guidance and support to ratepayers experiencing financial hardship.

SCOPE

These guidelines apply to financial hardship related to:

1. Outstanding rates and service charges as at 30 June 2020;
2. Rates and service charges levied for the 2020/21 financial year,
3. Rates and services charges occurring for the period of time that the Local Government (COVID-19 Response) Ministerial Order 2020 remains effective (SL 2020/67 – Gazetted 8 May 2020); and
4. All ratepayers experiencing financial hardship regardless of their status, be they a resident, property owner, or tenant.

WHAT IS FINANCIAL HARDSHIP?

You will be considered to be in financial hardship if paying your rates and service charges will affect your ability to meet your basic living needs. That is, you have the intention, but not the capacity to pay.

Financial hardship may be caused by:

- The loss of your (or a family member's) primary income
- Separation or divorce from your spouse
- Loss of a spouse or loved-one
- Domestic or family violence
- Physical or mental health problems
- A chronic medical condition
- Budget management difficulties arising from a low income
- Other unforeseen factors affecting your capacity to pay, such as a reduction in income or an increase in non-discretionary spending.

TEMPORARY FINANCIAL HARDSHIP

City of Vincent ratepayers experiencing payment difficulties due to a sudden and/or temporary change in circumstances that adversely affect their finances.

You may have the capacity to pay, but need immediate flexibility.

We can assist by offering:

- An immediate extension of time to pay, of up to 6 months; and/or
- A customised payment plan.

IDENTIFYING RATEPAYERS IN FINANCIAL HARDSHIP

If you think you may be experiencing financial hardship we encourage you to contact us as soon as possible. If you have been assessed by a financial counsellor they can contact us on your behalf.

The following indicators are considered by the City of Vincent when determining whether a ratepayer is experiencing financial hardship:

- Recently unemployment or under-employed (ie having hours significantly reduced);
- Significant life events such as serious illness, a relationship breakdown, or death in the family;
- Unanticipated circumstances such as caring for and supporting extended family;
- Significantly lower income or loss of income;
- Total income after tax (take home pay) and other financial commitments;
- The total number of children or dependents involved;
- Eligibility for Government funded concessions;

- Advice has been received from an independent financial counsellor;
- Domestic or family violence.

Although the above list displays indicators of possible hardship, each situation is treated with sensitivity and understanding according to the individual circumstance.

Ratepayers are to provide all relevant information and documentation that can assist the City to assess the hardship relief request.

PAYMENT PLANS

If you need flexibility with paying your rates, contact us.

STEP 1 Submit a Financial Hardship Assistance request

We will provide you with a payment plan that suits you. This may include an extension of time to pay by up to 6 months.

There are no fees or charges applied to a payment plan.

STEP 2 6 month review

Do you need a new or revised payment plan, or a further 6 months to pay?

We will work with you to customise a payment plan that suits you.

STEP 3 Do you need further assistance?

If you are still struggling to meet the requirements of your payment plan at 6 months, you may need further assistance.

The City will assess if you are entitled to assistance through the City of Vincent's Financial Hardship Fund.

We will also assist you to connect with financial support services provided by Federal and State Government agencies.

If we determine you are in financial hardship we will offer you more time to pay your account or have you enter into a payment plan. A payment plan is an agreement between you and the City, where we agree to receive a certain amount of money in regular instalments over an agreed timeframe.

We will involve you and your financial counsellor (if applicable) in setting up a payment plan.

We will work with you to create a payment plan based on how much you can afford to pay and determine a realistic amount based on your individual circumstances.

Some ratepayers may require payment plans on an annual basis.

The payment plan will:

- Have an agreed end date;

- Involve regular weekly, fortnightly or monthly payments;
- Require full payment of the current and existing amounts owing; and
- Be made by a direct debit payment from your bank account.

Having problems meeting the requirements of your payment plan?

If your circumstances change and you expect this to impact your ability to meet the terms of your agreement, we ask you to contact the City immediately.

The City may review and revise your payment plan if necessary. If our review indicates you are unable to meet your obligations under the plan it will be revised.

If you do not adhere to the terms of the arrangement, reasonable efforts will be made to contact you before we take further action.

A payment plan may not be offered if you have previously had two payment plans cancelled because of non-payment.

WAIVER OF DEBT, INTEREST AND ADDITIONAL CHARGES

If the City determines that you are in financial hardship, your payment plan will include the following concessions:

- The payment plan will not attract penalty interest or additional charges; and
- Debt recovery will cease while the payment plan is in place.

PAYMENT PLANS FOR LANDLORDS AND COMMERCIAL PROPERTY OWNERS

The City understands that COVID-19 restrictions have placed financial pressure on our local businesses.

If you are having payment difficulties for any reason, including economic downturn arising from COVID-19, or your business is experiencing financial hardship, please contact the City to make a suitable payment plan. We will ask you for supporting evidence of your financial situation to assist in preparing the plan.

Have you received your rates notice?

On request, the City will forward your rates notice to your real estate agent or tenant. By doing so you authorise us to discuss the payment of the rates notice with them.

Your liability to pay the rate notice is not affected when it is forwarded to a third party on your request. If the rates remain unpaid, we will make reasonable efforts to contact you, and then commence formal recovery action.

DEBT RECOVERY

We will suspend our debt recovery processes:

- While we are assessing if you are experiencing financial hardship or payment difficulties;
- If you are complying with the payment plan agreed with the City.

If you are unable to make payments in accordance with the agreed payment plan, it is important that you contact us to renegotiate the plan.

If you have failed to make the agreed payments on at least two occasions, we will make reasonable attempts to contact you and discuss your payment situation, before commencing debt recovery.

If you are contacted about your outstanding rates or service charges, we will advise you of the Recovery of Debt and Service Charge Policy and the process for making a Financial Hardship Application.

The City reserves the right to commence debt recovery, including registering a charge on your property for any outstanding arrears balance, if you do not meet your payment obligations.

COMMUNICATION AND CONFIDENTIALITY

The City will maintain confidential communications at all times.

At your request, we can communicate with a nominated support person or another third party, about the payment of your rates notice.

FINANCIAL CRISIS

Some ratepayers may be experiencing a degree of financial crisis that requires financial support beyond the scope of these guidelines.

The City will assist you to connect with financial support services provided by Federal and State Government agencies.

We encourage you to seek the advice of an independent financial counsellor who can assist you to create a financial plan to suit your circumstances. Financial counsellors provide free, confidential and independent information to help you take control of your financial situation. You can find a financial counsellor by visiting www.financialcounsellor.org or emailing admin@fcawa.org.

If you are unable to visit a face-to-face financial counsellor in person, you can call the National Debt Helpline on 1800 007 007.

The City also has a strong relationship with local charitable organisations who can provide you with immediate financial assistance.

DEFINITIONS

Term	Definition
Financial Hardship	An ongoing state of financial disadvantage in which the ratepayer is struggling to meet their normal financial obligations, and meet some of all of the financial hardship criteria.
Payment Plan	A payment plan is an agreement between ratepayer and the City where we agree to receive a certain amount of money in regular instalments over an agreed timeframe.
Payment Options	Direct debit, BPay, Telephone, Mail or POST Bill pay.
Fees and Charges	Includes waste collection fees and the State Government’s emergency services levy.
Penalty Interest	An amount of interest charged by the City for overdue payment of rates, fees and charges.
Rates Officer	Means any person at the City of Vincent who is suitably trained to assess and apply the City’s rates levy, and to assess and apply the financial hardship guidelines.
Ratepayer	A person liable for rates and charges levied on a property under <i>the Local Government Act 1995</i> . This includes residential and business properties.