

POLICY NO.	2.39		
POLICY	Financial Hardship		
POLICY OWNER	Deputy Chief Executive Officer		
APPROVAL DATE	27 October 2021	Resolution No.	122/2021
NEXT REVIEW	2022		

1. POLICY OBJECTIVE

To give effect to our commitment to support the whole community to meet the unprecedented challenges arising from the COVID19 pandemic, the Shire of Wiluna recognises that these challenges will result in financial hardship for our Ratepayers.

This Policy is intended to ensure that we offer fair, equitable, consistent and dignified support to Ratepayers suffering hardship, while treating all members of the community with respect and understanding at this difficult time.

2. POLICY SCOPE

This Policy applies to:

1. Outstanding rates and service charges as at the date of adoption of this Policy;
2. Outstanding sundry debts, fees and charges as at the date of adoption of this Policy;
3. Rates and service charges levied for the 2020-21 financial year;
4. Rates and service charges levied for the 2021-22 financial year;
5. Sundry debts, fees and charges incurred from the date of adoption of this Policy until 30 June 2020;
6. Sundry debts, fees and charges incurred for the 2020-21 financial year;
7. Sundry debts, fees and charges incurred for the 2021-22 financial year.

It is a reasonable community expectation, as we deal with the effects of the pandemic that those with the capacity to pay rates will continue to do so. For this reason, the Policy is not intended to provide rate relief to Ratepayers who are not able to provide evidence of financial hardship and the statutory provisions of the *Local Government Act 1995* and *Local Government (Financial Management) Regulations 1996* will apply.

The statutory provisions of the *Local Government Act 1995* and *Local Government (Financial Management) Regulations 1996* will apply in conjunction with Council Policy *Rating Administration – 2.25*.

Document Control Statement

The electronic reference copy of this Policy is maintained by the Shire. Any printed copy may not be up to date and you are advised to check the electronic copy to ensure that you have the current version. Alternatively, you may contact the Shire.

3. POLICY STATEMENTS

3.1. Payment difficulties, hardship and vulnerability

Payment difficulties, or short-term financial hardship, occur where a change in a person's circumstances result in an inability to pay:

1. A rates or service charge debt, or
2. A sundry debt, fee or charge.

Financial hardship occurs where a person is unable to pay rates and service charges and/or sundry debts without affecting their ability to meet their basic living needs, or the basic living needs of their dependents. The Shire of Wiluna recognises the likelihood that COVID19 will increase the occurrence of payment difficulties, financial hardship and vulnerability in our community. This Policy is intended to apply to all Ratepayers experiencing financial hardship regardless of their status, be they a property owner, tenant, business owner etc.

3.2. Financial Hardship Criteria

While evidence of hardship will be required, the Shire recognise that not all circumstances are alike. A flexible approach will be taken to a range of individual circumstances including, but not limited to, the following situations:

- Recent unemployment or under-employment
- Sickness or recovery from sickness
- Low income or loss of income
- Unanticipated circumstances such as caring for and supporting extended family

Ratepayers and Sundry Debtors are encouraged to provide any information about their individual circumstances that may be relevant for assessment. This may include demonstrating a capacity to make some payment and where possible, entering into a payment proposal. The Shire will consider all circumstances, applying the principles of fairness, integrity and confidentiality whilst complying with our statutory responsibilities.

The Shire may request additional information from applicants if it considers it necessary to do so.

Document Control Statement

The electronic reference copy of this Policy is maintained by the Shire. Any printed copy may not be up to date and you are advised to check the electronic copy to ensure that you have the current version. Alternatively, you may contact the Shire.

3.3. Payment Arrangements

Payment arrangements facilitated in accordance with Section 6.49 of the *Local Government Act 1995* are of an agreed frequency and amount. These arrangements will consider the following:

- That a Ratepayer or Sundry Debtor has made genuine effort to meet payment obligations in the past;
- The payment arrangement will establish a known end date that is realistic and achievable;
- The Ratepayer or Sundry Debtor will be responsible for informing the Shire of Wiluna of any change in circumstance that jeopardises the agreed payment schedule.

In the case of severe financial hardship, the Council reserves the right to consider waiving any other additional charges.

3.4. Interest and Other Charges

A Ratepayer that meets the Financial Hardship Criteria:

1. Will not attract interest or penalty charges on overdue rates or sundry debt;
2. Will not be charged interest should they choose to pay their rates by instalments;
3. Will not be charged an administration fee should they choose to pay their rates by instalments;
4. Will not be charged any fees should they choose to pay their rates or sundry debt under an agreed Payment Arrangement;

subject to the period of time that the Local Government (COVID-19 Response) Order 2020 remains effective (SL2020/57 – Gazetted 8 May 2020) and (COVID-19 Response) Amendment Order 2021 remains effective (SL 2021/66 – Gazetted 1 June 2021).

3.5. Deferral of Rates

Deferral of rates may apply for Ratepayers who have a Pensioner Card, State Concession Card or Seniors Card and Commonwealth Seniors Health Care Card registered on their property. The deferred rates balance:

- remains as a debt on the property until paid;
- becomes payable in full upon the passing of the pensioner or if the property is sold or if the pensioner ceases to reside in the property;
- may be paid at any time, but the concession will not apply when the rates debt is subsequently paid (deferral forfeits the right to any concession entitlement); and

Document Control Statement

The electronic reference copy of this Policy is maintained by the Shire. Any printed copy may not be up to date and you are advised to check the electronic copy to ensure that you have the current version. Alternatively, you may contact the Shire.

- does not incur penalty interest charges.

3.6. Debt recovery

The Shire will suspend debt recovery processes whilst negotiating a suitable Payment Arrangement with a Ratepayer or Sundry Debtor. Where a Ratepayer or Sundry Debtor is unable to make payments in accordance with the agreed payment plan and advises the Shire and makes an alternative plan before defaulting on the 3rd due payment, the Shire will continue to suspend debt recovery processes.

Where a Ratepayer or Sundry Debtor has not reasonably adhered to the agreed payment plan, then for any Rates and Service Charge debts that remain outstanding on 1 July 2021, the Shire will offer the Ratepayer one further opportunity of adhering to a payment plan that will clear the total debt by the end of the 2021-22 financial year.

Rates and service charge debts that remain outstanding at the end of the 2021-22 financial year, will then be subject to the rates debt recovery procedures prescribed in the *Local Government Act 1995*, and Council's *Rating Administration Policy – 2.25*.

3.7. Review

The Shire will establish a mechanism for applicants to apply for a review of decisions made under this Policy and advise the applicant of their right to seek review and the procedure to be followed.

3.8. Communication and Confidentiality

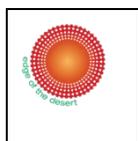
The Shire will maintain confidential communications at all times and undertake to communicate with a nominated support person or other third party at request of the Ratepayer or Sundry Debtor.

The Shire will advise Ratepayers and Sundry Debtors of this Policy and its application, when communicating in any format (i.e. verbal or written) with a Ratepayer or Sundry Debtor that has an outstanding rates or service charge, or sundry debt.

The Shire recognises that applicants for hardship consideration are experiencing additional stressors and may have complex needs. The Shire will provide additional time to respond to communication and will communicate in alternative formats where appropriate. The Shire will ensure all communication with applicants is clear and respectful.

4. STRATEGIC OBJECTIVE

This Policy aligns to the following strategic objective:



Leadership: Delivery strong leadership and governance

Document Control Statement

The electronic reference copy of this Policy is maintained by the Shire. Any printed copy may not be up to date and you are advised to check the electronic copy to ensure that you have the current version. Alternatively, you may contact the Shire.

5. DEFINITIONS	
Act	Means the <i>Local Government Act 1995</i>
Applicable Contract	Means any formal agreement made between a property owner and property occupier, in which the property owner becomes legally responsible for the payment of any rate or service charge that is imposed by the local government on the land.
Default	Means that the customer has failed to meet their obligations in accordance with any special payment arrangement that they entered into with the Shire of Wiluna.
Financial Year	Means the period commencing 1 July and ending on the next following 30 June.
Ratepayer	Means any person, business, club or community organisation who under section 6.44 of the <i>Local Government Act 1995</i> , or other Applicable Contract, is liable to pay a rate or service charge that is imposed by the local government on the land.
Shire	Means the Shire of Wiluna
Sundry Debtor	Means any person, business, club or community organisation that has incurred a debt for goods or services supplied by the Shire.
Waive	Means to provide a special concession to a person organisation that extinguishes a debt that would have been owed to the Shire. A waiver may be provided prior to, or subsequent to the date that the debt is incurred.

6. LEGISLATION

6.1. Local Government Act 1995

- Section 6.12 – Power to defer, grant discounts, waive or write off debts
- Section 6.13 – Interest on any money owing to local governments

6.2. Local Government (Financial Management) Regulations 1996

- Regulation 19A – Maximum rate of interest prescribed (Act x. 6.13(3))
- Regulation 19B – Interest on money owing, calculating (Act s. 6.13)

Document Control Statement

The electronic reference copy of this Policy is maintained by the Shire. Any printed copy may not be up to date and you are advised to check the electronic copy to ensure that you have the current version. Alternatively, you may contact the Shire.

7. RELATED COUNCIL POLICIES

Policy 2.25 – Rating Administration

8. RELATED ORGANISATIONAL DIRECTIVES

- Code of Conduct for Councillors, Committee Members and Staff (Employees)

9. RELATED DOCUMENTS

- Shire of Wiluna Record Keeping Plan

REVIEW PERIOD		Each year	
VERSION CONTROL	DATE	APPROVAL BY COUNCIL OR UNDER DELEGATION	MINUTE NUMBER:
1	27 October 2021	Council	122/2021

Document Control Statement

The electronic reference copy of this Policy is maintained by the Shire. Any printed copy may not be up to date and you are advised to check the electronic copy to ensure that you have the current version. Alternatively, you may contact the Shire.

APPENDIX A – FINANCIAL HARDSHIP APPLICATION

The Shire of Wiluna has adopted a Financial Hardship Policy as we know many in our community may be suffering financial hardship as a result of the Coronavirus (COVID-19) or other life events that impact a person's capacity to pay their Rates or Sundry Debts. The Shire wants to ensure that eligible Ratepayers or Sundry Debtors can apply and be considered for assistance to meet their Rates and Sundry Debt payment responsibilities.

A successful application will result in a rates or sundry debt payment plan agreed between you and the Shire of Wiluna and if there is extreme financial hardship, penalty interest may be written off or not applied to the rates or sundry debt for a period of time.

Of course, the Shire of Wiluna expects that Ratepayers and Sundry Debtors will make reasonable efforts to make payments in accordance with their agreed payment plan, but we do understand that things can change and you can contact us at any time to request an adjustment to your payment plan.

Are you eligible to apply?

Any Ratepayer or Sundry Debtor experiencing difficulties in meeting their financial commitments is eligible to apply.

How is a decision made about my application?

Decisions about financial hardship applications will be assessed based on the information provided in the application form and attachments submitted. This information will be assessed against the requirements of the Shire of Wiluna Financial Hardship Policy. You can read the Financial Hardship Policy on our website or request a copy from our Finance Team.

After you submit an application, we will contact you if we need more information.

Do you need help to make an application?

Contact our Finance Team on (08) 9981 8000 and one of our friendly staff will be able to assist you. We can assist you over the phone, in a face to face appointment or we can connect you with other financial counselling or community support agencies to meet your needs.

Privacy and Confidentiality

We understand that the information requested in this application is sensitive and we will treat it as confidential and only use this information for making decisions regarding your rates or sundry debt.

Right to have the decision reviewed

If you are not happy with our decision about your application, you can ask for the decision to be reviewed. Decision review requests can be submitted to the Chief Executive Officer, who will consider your request and advise you of the outcome. Email your request to reception@wiluna.wa.gov.au or mail to the Shire of Wiluna, PO Box 38, WILUNA WA 6646.

Document Control Statement

The electronic reference copy of this Policy is maintained by the Shire. Any printed copy may not be up to date and you are advised to check the electronic copy to ensure that you have the current version. Alternatively, you may contact the Shire.

If you are still unhappy with the decision and outcome of your appeal, you can seek advice from Ombudsman WA – check the website www.ombudsman.wa.gov.au or Phone 08 9220 7555, Freecall 1800 117 000 or email mail@ombudsman.wa.gov.au

Document Control Statement

The electronic reference copy of this Policy is maintained by the Shire. Any printed copy may not be up to date and you are advised to check the electronic copy to ensure that you have the current version. Alternatively, you may contact the Shire.



RATEABLE PROPERTY DETAILS

Address:			
	Suburb:		Postcode:
Assessment Number (if known)			
Outstanding Account Balance (if known)	\$		
Is the property owner / occupied or is it rented?	<input type="checkbox"/> Owner/Occupied		
	<input type="checkbox"/> Tenanted Rental		
	<input type="checkbox"/> Untenanted Rental		
If the property is rented, how is it managed?	<input type="checkbox"/> Managing Agent (provide agent's name)		
	<input type="checkbox"/> Privately managed		
If you are the lessee of the rateable property, what type of lease do you hold?	<input type="checkbox"/> Peppercorn		<input type="checkbox"/> Mining tenement
	<input type="checkbox"/> Commercial		<input type="checkbox"/> Crown

APPLICANT DETAILS

Ratepayer 1

Company Name			
Surname:		First Name:	
Residential Address:	Suburb:		Postcode:
Postal Address	Suburb:		Postcode:
Email:			
Telephone:		Mobile:	
If we need to phone you, what time of day is most convenient for you?			
<input type="checkbox"/> Business Hours 9am – 5pm <input type="checkbox"/> Early Morning 6am – 9am <input type="checkbox"/> Evening 5pm to 7pm			

Ratepayer 2

Company Name			
Surname:		First Name:	
Residential Address:	Suburb:		Postcode:
Postal Address	Suburb:		Postcode:
Email:			
Telephone:		Mobile:	
If we need to phone you, what time of day is most convenient for you?			
<input type="checkbox"/> Business Hours 9am – 5pm <input type="checkbox"/> Early Morning 6am – 9am <input type="checkbox"/> Evening 5pm to 7pm			