

General Policy

Burke Shire Council

Financial Hardship Policy



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Version History

Council Resolution	Date	Reason / Comments
210729.04	29 July 2021	New Policy

1. Purpose

The purpose of this Policy is to outline the principals and eligibility criteria, which will be taken into consideration when assessing applications and the hardship provisions available to the ratepayer. The intention of this Policy is to ensure that those experiencing severe financial difficulties remain in their home and to alleviate the immediate financial burden and escalation of potential debt recovery by Council.

2. Scope

To detail the manner in which Council will provide relief to ratepayers who are unable to pay their rates and charges due to genuine financial difficulties or hardship. This policy applies to all properties owners in the Burke Shire Council region. It also extends to local businesses within Council's boundaries.

3. Date of Policy

This Policy applies from date adopted by Council.

4. Definitions

In this Policy, the following terms have the corresponding meaning:

Business Owner	means the person/s who have full legal responsibility for a business located within the Burke Shire Council boundaries. It can be an individual or group that owns the assets of the business and profits from them.
Chronic Illness	means an illness that is permanent or lasts longer than three (3) months (www.health.gov.au).
Death of a Partner	means the death of a member of a couple (married, registered relationship or defacto relationship).
Financial Hardship for a Property Owner	means an inability to meet basic requirements (including food, clothing, medicine, accommodation and children's education). This hardship may occur as a result of chronic illness, long-term unemployment or costs and/or loss of income associated with the death of a partner or other extenuating circumstances.
Financial Hardship for a Business Owner	means loss of income due to unavoidable circumstances. This hardship may occur as a result of forced closure due to government directive (e.g. pandemic) or government interference with the running of their business (e.g. long term roadworks cutting the ability for customers to frequent the business).
Long-Term Unemployment	means unemployed for 52 weeks or more.

Pensioner	<p>shall mean an elderly, invalid, disabled, or disadvantaged citizen, who is:</p> <p>(a) An eligible holder of a Queensland 'Pensioner Concession Card' issued by Centrelink, on behalf of the Department of Human Services, or the Department of Veterans' Affairs, or a Queensland 'Repatriation Health Card – For All Conditions (Gold Card)' issued by the Department of Veterans' Affairs; and</p> <p>(b) The owner (either solely or jointly) or life tenant/s of a property which is his/her principal place of residence; and</p> <p>Has, either solely or jointly with a co-owner, the legal responsibility for the payment of rates and charges as defined which are levied in respect of the said property by the Local Authority in whose area the property is situated.</p>
Property Owner	means the 'owner of the land' as defined under the Local Government Act 2009.
Regulation	shall mean the Local Government Regulation 2012.
Residential Property	means property that has as its primary use, use for residential purposes as per Council's land use classification.

5. Policy Provisions

In certain instances, the payment of rates and charges may cause hardship to a single property or business owner due to their personal circumstances, or to a group of property or business owners as a result of a sizeable event or disaster.

Under section 120(1) (c) of the Regulation, Council may grant a concession if it is satisfied that "the payment of rates or charges will cause hardship to the landowner". Council has determined it will grant such a concession for rates relief as set out in this policy.

Where this occurs, Council may grant a concession in consideration of all factors, including the circumstances of the individual property or business owner, the circumstances of the group of property or business owners, and the financial impact on Council's revenue generation, financial sustainability, and the wider community.

In applying this policy, all applications for hardship concessions will be assessed in way that is:

- Compassionate;
- Equitable;
- Consistent;
- Transparent;
- Financially responsible, considering Council's revenue requirements and service obligations; and
- Compliant with legislation.

Rates relief provided under this policy does not forgo Council's normal debt recovery action, including Council's ability to sell land for arrears of rates

6. Hardship Assistance

6.1 Payment Arrangements

On application, and pursuant to section 121(b) and 122 of the Regulation, Council may provide alternative short term, or long-term payment arrangements for outstanding rates and charges.

Ratepayers will be advised of an approved, amended or cancelled payment arrangement in writing, and are responsible for ensuring that Council are advised of any changes to their contact details and postal address.

Where a ratepayer defaults on a payment arrangement and fails to contact Council to advise of their circumstances, the arrangement may be cancelled, and debt recovery may commence pursuant to section 134 of the Regulation.

6.2 Short Term Payment Arrangements

Short term payment arrangements may be entered into where Council agrees to allow the ratepayer to pay the rates and charges in arrears before the next rates notice is issued. No recovery action will be undertaken whilst this arrangement is in place and payments are up to date.

At the end of the agreed term, any amount that remains outstanding will be carried over to the subsequent rating period as overdue rates and charges are outlined on the rate notice.

Approved short term payment arrangements are for a finite period and ratepayers are required to reapply for separate payment arrangements for each rating period as required.

Interest would continue to accrue on overdue rates and charges at the rate specified in the Revenue Statement for the relevant financial year.

6.3 Long Term Payment Arrangements

Financial circumstances may differ between ratepayers, so an alternative long-term payment arrangement is available where ratepayers cannot meet the financial requirements of a short-term payment arrangement.

A long-term payment arrangement will include all projected rates and charges payable within the agreed period up to two years.

Interest would continue to accrue on overdue rates and charges at the rate specified in the Revenue Statement for the relevant financial year.

6.4 Principle Place of Residence

Where the property is the ratepayer's principal place of residence, additional concessions may be provided where:

- no commercial benefit is derived from the property.
- the property owner:
 - has suffered a recent adverse incident leaving them unable to meet these basic needs; or

- is experiencing serious hardship where the payment of the rates and charges would leave the ratepayer unable to meet reasonable needs for food, clothing, medicine, accommodation, education for children and other basic requirements.

Additional assistance that can be recommended:

- The ratepayer may be eligible for a reduction of interest on rates and charges
- Payment terms outside the scope of the short term and long-term payment arrangements

6.5 Pensioners and Self-funded Retirees

Pensioners and self-funded retirees may be eligible for additional concessions where they are:

- endeavoring to meet their rate account by regular instalments; or
- part owner of the property they reside in and because of extreme hardship are unable to
- pay rates and/or do not qualify for full pensioner remission; or
- in serious financial hardship.

6.6 Additional assistance that can be recommended:

- The ratepayer may be eligible for a reduction of interest on rates and charges
- Payment terms outside the scope of the short term and long-term payment arrangements
- Deferral of payment of the rates and charges for the lifetime of a pensioner and self funded retiree experiencing hardship under Section 125 of the Regulation with the rates and charges to remain a charge on the land.

6.7 Natural Disaster or Drought Relief

Pursuant to section 119 and 120 (1) (c) of the Regulation Council may grant a concession if it is satisfied that the rateable land is owned or occupied by a ratepayer whose financial position has been adversely impacted by natural disaster or drought and where payment of the rates and charges would cause hardship to the ratepayer.

The Department of Primary Industries shall be the determining body for the process of declaration of a drought.

Additional assistance that can be recommended:

- Payment terms outside the scope of the short-term and long-term payment arrangements

However, under this arrangement Interest charges would continue to accrue on outstanding rates.

6.8 Exceptional Circumstances

Where exceptional circumstances exist beyond this Policy, individual circumstances will be considered on a case-by-case basis and presented to the Council for individual consideration.

6.9 Assessment of Request for Relief

Assessment by the Council is to consider applications for rates and charges relief to determine the most appropriate form of assistance to be provided to a Property Owner.

It may take up to 2 months for applications to be assessed, depending on when they are submitted to Council.

6.10 Lodging a Request for Relief

Requests for Rates Relief must be on the prescribed form, available from the Council website, www.burke.qld.gov.au, and will involve a full financial assessment undertaken by Council.

For ratepayers who have difficulty accessing the website, the relevant documents can be posted or provided by e-mail. E-mail Council's Customer Service Officer at office@burke.qld.gov.au.

6.11 Failure to Comply

Following successful application, Council reserves the right to recommence normal debt recovery action should the ratepayer fail to:

1. Respond to the Council's offer of relief; or
2. Wholly comply with Council's offer of relief; or
3. Comply with the agreed requirements.

6.12 Process for Application

The process for assessing applications will remain simple and accessible as possible in recognition that at the very least, the ratepayers are experiencing financial difficulties. All applications are assessed confidentially and on merit.

1. Eligible ratepayers are requested to complete and lodge application on the prescribed form.
2. Register of Application – Application form including attachments as to financial position under a Statutory Declaration and certified copies in Council's Records System.
3. Cross check of application data.
4. Preparation of a briefing report to Council.
5. Council passes a resolution to decide the outcome of the application.
6. Advice of the decision provided to the applicant

6.13 Monitoring and Reporting

Council will monitor successful applications made under this Policy by reporting the following information monthly within the Monthly Financial Report.

1. Number of applications registered; and
2. Reason/category.

6.14 Delegation of Authority

Authority for the implementation of the Financial Hardship Policy is delegated by Council to the Chief Executive Officer in accordance with section 257 of the Local Government Act 2009.

6.15 Financial Counselling Services

Commonwealth Financial Counselling services are delivered to help people in personal financial difficulty to address their financial problems, managing the debt and make informed choices about their money in the future. The following link may provide more information

<https://www.dss.gov.au/our-responsibilities/communities-and-vulnerable-people/programs-services/commonwealth-financial-counselling-cfc>

These services are voluntary, free and confidential, and can be accessed through:

- Face-to-face meetings; or
- the National Debt Helpline on 1800 007 007 (calls from public phones/mobile phones may be timed and charged at a higher rate).
- or visit www.ndh.org.au

7. Key Responsibilities

Position	Responsibility
Mayor	To lead councillors in their understanding of, and compliance with, this policy.
CEO	To lead staff (either directly or through delegated authority) in their understanding of, and compliance with, this policy.
Directors	To communicate, implement and comply with this policy.
Managers and Supervisors	To implement this policy and related procedures.
All Council staff	To comply with this policy and consider its implications for related projects and programs.

8. Related Documents

Legislation/Regulations	Awards	BSC Policies	Procedures
<ul style="list-style-type: none">• Human Rights Act 2019• Local Government Regulation 2012• Local Government Act 2009		<ul style="list-style-type: none">• Revenue Policy• Revenue Statement• Debt Recovery Policy• Reduction of Water Consumption Policy	