



Financial Hardship Policy

Policy No:	FIN-007
Council Resolution Ref:	170/23
Responsible Officer:	Director of Corporate Services
Date Adopted:	July 2023
Review Date:	June 2024
Version No:	5

1. Purpose

The Purpose of this policy is to provide guidelines for Murweh Shire Council (MSC) to ensure that a fair and consistent approach is followed in providing assistance to those ratepayers who suffer genuine financial hardship in regard to the payment of their rates and charges, deferring payment of rates and charges and the application of penalty interest to overdue rates & charges.

This policy recognises that due to exceptional circumstances, ratepayers may at times encounter difficulty in paying their rates and charges. The Local Government Regulation 2012 allows Council to provide a range of measures to assist those ratepayers.

This policy prescribes the procedures to be followed in providing financial concessions to those *ratepayers and debtors who are suffering genuine financial hardship with the payment of their rates and /or other charges.*

2. Commencement of Policy

This Policy will commence on adoption. It replaces all other specific Financial Hardship policies of Council (whether written or not).

3. Application

This policy applies to eligible ratepayers within the Murweh Shire Council Local Government area who are experiencing genuine financial difficulties in paying their rates and charges.

4. Definitions

Concession	for rates or charges, means a concession granted under chapter 4, part 10 LG Regulation 2012
Ratepayer	is a person who is liable to pay rates or charges
Rates	includes any interest accrued, or premium owing, on the rates.

5. Objectives

5.1 Objective

The objectives of this policy are:

1. To provide financial assistance to ratepayers and other debtors who are experiencing genuine financial hardship with the payment of their rates and charges.

2. To provide a decision making framework for the appropriate assessment of all financial hardship applications.
3. To fulfil the statutory requirements of the Local Government Regulation 2012 and other relevant legislation in relation to the recovery of rates, charges, fees and other debts.

5.2 Hardship Criteria

The following conditions apply to all applications under this policy:

- That the property for which the hardship application relates is the principal place of residency or occupancy of the applicant.
- That the actual hardship exists and is genuine.

5.3 Application

Ratepayers seeking concessions for financial hardship are to submit a written application in the form of a letter outlining their particular circumstances. The application will be reviewed by the Director Corporate Services with final approval agreed by Council Resolution.

A determination under this policy will be assessed against financial data provided by the applicant.

Supporting documentation may include but is not limited to:

- Copy of recent bank statements for all accounts
- Details of all income and expenditure (monthly budget analysis)
- Letter confirming financial hardship from a recognised financial counsellor or financial planner.

All applications for hardship caused through revaluation must be received within 2 months of the due date for payment of the first instalment notice where the new valuation has taken effect.

5.4 Procedures

The following procedures will be followed with all financial hardship concessions:

- Any mutually acceptable repayment schedules have a maximum 12 month term.
- All repayment schedules are to be reviewed at the end of each 6 month period and upon the raising of further rates and charges.
- Any future rates and charges raised against a property are due and payable on the due dates.
- Interest is charged and then written off where a repayment schedule is adhered to and the arrangement provides for accrued interest to be waived.
- Where a scheduled repayment default occurs, the levying of interest charges are to be reactivated from the last payment made in accordance with the repayment schedule. The ratepayer will be contacted in regard to the repayment default.

5.5 Amount of Hardship Concession

The amount of any financial hardship concession will be determined on the merits of the particular application but will generally be limited to the waiving of interest charges that would otherwise be applicable during the period of a mutually acceptable repayment arrangement.

6. Variations

Murweh Shire Council reserves the right to vary, replace or terminate this policy from time to time.

7. Audit and Review

This policy shall be reviewed every three years or as required by changes to process of legislation, relevant Standards and industry best practice.

8. References & Related Documents

Local Government Regulation 2012, Part 10 Concessions sections 119 to 122

Revenue Statement 2023-24