

# Rates Hardship Policy

## Council Policy

## Renmark Paringa Council

<b>Responsible Officer</b>	Director Corporate & Community Services
<b>Relevant Legislation</b>	Local Government Act 1999 – Sections 181 and 182
<b>Adopted</b>	April 2020
<b>Reviewed</b>	September 2023
<b>Next Review</b>	September 2027

## Purpose

1. Renmark Paringa Council (“Council”) is committed to assisting ratepayers to manage their rate payments in a manner that suits the customer whilst in financial hardship.
2. This Rates Hardship Policy (policy) provides a framework to identify customers who are experiencing payment difficulties due to hardship, and assist those customers to better manage their finances during periods of hardship.
3. This policy sets out:
  - processes to identify customers experiencing payment difficulties due to hardship, including identification by us, self-identification by a customer, identification by an accredited financial counsellor, or welfare agency, and
  - a range of processes or programs that Council will use, or apply, to assist our customers who have been identified as experiencing payment difficulties.

## Definitions and Interpretation

In this policy:

- **Accredited Financial Counsellor or Financial Counsellor** means a person who holds a Diploma or equivalent of Community Services (Financial Counselling), and who has worked at least 12 months as a financial counsellor



under the supervision of the South Australian Financial Counsellors Association.

- **Customer** means either a customer or a ratepayer.
- **Financial Hardship and or Hardship** means a circumstance of experiencing a lack of financial means, that may be either ongoing or temporary, but does not include circumstances where a person chooses not to meet a liability for an unpaid debt.
- **Hardship Customer** means a customer who has been identified under, accepted into, or is eligible for assistance under Council's Hardship Program.
- **Hardship Program or Arrangement** means an agreement between Council and a Hardship Customer for payment of outstanding sums due for services.
- **Financial difficulty** means a customer who may be identified as experiencing temporary difficulty making payments as a result of a short-term change in circumstances but are not considered to be experiencing financial hardship.
- **Ongoing** means continuing hardship and/or assistance through an agreed arrangement.
- **Temporary** means a short-term period of less than three months.
- **Council** means Renmark Paringa Council
- **Retail Services** means the supply of products or services as defined in the Water Industry Act 2012.
- **Non-Retail Service(s)** means a service funded by general rates, separate rate as/if applicable and waste and recycling collection service charges revenue.
- **Senior** means Eligible Senior (holder of a current State Seniors card) applying for postponement of rates.

## Identifying Customers Experiencing Financial Hardship

1. A customer experiencing financial hardship is someone who is identified by themselves, by Council, by an accredited financial counsellor, or by a welfare agency as having the intention, but not the ongoing financial capacity, to make required payments in accordance with our payment terms.
2. There are two types of financial hardship: ongoing and temporary. Depending on the type of hardship being experienced, hardship customers will have different needs and will require different solutions.
3. Customers who are identified as experiencing ongoing hardship are generally those on low or fixed incomes. These customers may require ongoing assistance.
4. Customers who may be identified as experiencing financial difficulty rather than financial hardship generally require flexibility and temporary assistance, such as an extension of time to pay or an alternative payment arrangement. These customers are



not covered by this policy. Customer's identified as experiencing financial difficulty will be subject to the provisions of the Local Government Act 1999 for debt recovery.

5. The extent of hardship will be determined by either Council's assessment process or by an external body, such as an accredited financial counsellor.
6. Where Council assesses a customer's eligibility for hardship assistance, Council will consider indicators including (but not limited to) whether:
  - the customer is on a Centrelink income and holds a Pensioner Concession Card or holds a Centrelink Low Income Health Care Card
  - the customer is eligible for a South Australian Government concession
  - the customer has been referred by an accredited financial counsellor, or Council welfare agency.
  - the customer advises they have previously applied for emergency relief (irrespective of whether or not their application was successful)
  - the customer's payment history indicates that they have had difficulty meeting their rate bills in the past
  - the customer, through self-assessment, has identified their position regarding their ability to pay.

## **Assisting Customers who are Experiencing Financial Hardship**

1. Council will inform a customer of this policy where it appears that non-payment of a rates bill is due to the customer experiencing payment difficulties due to hardship.
2. Where a customer has been identified as experiencing financial hardship, Council will offer the customer flexible payment options, including:
  - A payment plan, or
  - Use of Centrelink's Centrepay service (only where available), or
  - Other arrangements, under which the customer is given more time to pay.
3. Council will engage in discussion with the hardship customer to determine a realistic payment option in line with the customer's capacity to pay.
4. Council will work with a hardship customer's financial counsellor where required to determine the payment arrangement and instalment amount that best suits the customer and their individual circumstances.
5. Where a hardship customer's circumstances change, Council will work with the customer, and/or their financial counsellor, to re-negotiate their payment arrangement.



6. Council will offer the hardship customer, where appropriate:
  - Information about the right to have their rate notices redirected to a third person, as long as that third person consents in writing to that redirection,
  - Information about, and referral to, Commonwealth and South Australian Government concessions, rebates, grants and assistance programs,
  - Information about, and referral to, accredited financial and other relevant counselling and support services, particularly where a customer is experiencing ongoing financial hardship.
7. Council will also offer the hardship customer, where relevant, information about Postponement of Rates for Seniors. Section 182A of the Local Government Act provides the option for State Senior Card holders to apply to postpone part of their council rates on property they own if it is their principal place of residence and if no other person other than their spouse has an interest as owner of the property. The deferred amount is subject to a monthly interest charge, with the accrued debt being payable on the disposal or sale of the property.
8. Council will explain to the hardship customer how and when the customer will be returned to regular billing cycles (and collection), after they have successfully completed the hardship program.
9. Council will also explain to the hardship customer that they will be removed from the hardship program, and be returned to the standard collection cycles, including debt recovery, should they cease to make payments according to the agreed payment arrangement and fail to contact Council in relation to the matter for a period of greater than 90 days.
10. Council will not take any action to remove a customer from the hardship program until Council has sent the customer a written notice, allowing them 10 working days from the date of the notice to contact Council to re-negotiate their re-entry into the program.

## **Rights of Customers Experiencing Financial Hardship**

1. Every customer experiencing financial hardship has the right to:
  - Be treated respectfully on a case-by-case basis, and have their circumstances kept confidential.
  - Receive information about alternative payment arrangements, this customer hardship process, and government concessions, rebates, grants and assistance programs.
  - Negotiate a payment plan or other payment arrangement.



- Consider various payment methods and receive written confirmation of the agreed payment arrangement within 10 business days.
- Renegotiate their payment arrangement if there is a change in their circumstances.
- Receive information about free and independent, accredited financial counselling services.
- Receive a language interpreter service at no cost to the customer.
- Be shielded from legal action and additional debt recovery costs, whilst they continue to make payments according to an agreed payment arrangement.

## **General Provisions**

1. This Policy will be applied in concurrence with the Hardship Policy for Residential Customers of Minor and Intermediate Water Retailers.
2. This Policy will apply to all rateable assessments within the Council district.
3. Council rates are made up of Retail Services as defined in the Hardship Policy for Residential Customers of Minor and Intermediate Water Retailers and Non-Retail Services which will be dealt with under this Policy.
4. Council will ensure residential customers have equitable access to this rates hardship policy, and that this policy is applied consistently.
5. This rates hardship policy is available at <http://www.renmarkparinga.sa.gov.au>
6. Council will also make a copy of this policy available to a customer, upon request, and at no charge to the customer, as soon as practicable following a request to do so.
7. This Policy does not limit or prevent Council officers from using their delegated powers to waive any fee, charge or amount of arrears relating to the provision of services for those customers who are experiencing financial hardship.



### Confidentiality

1. Any information disclosed by a customer is confidential and will not be used for any purpose other than the assessment of an application for assistance.

### Complaints Handling

1. A customer experiencing hardship has a right to have any complaint heard and addressed by Council.
2. Complaints are to be submitted in writing to [council@renmarkparinga.sa.gov.au](mailto:council@renmarkparinga.sa.gov.au)

### Document Control

Version #	Approval Date	Approved by	Amendment
1.0	28 April 2020	Council	-
2.0	28 July 2020	Council	Extend COVID-19 provisions for a further two months
3.0	22 Sept 2020	Council	Extend COVID-19 provisions to 31 March 2021.
4.0	10 Sept 2021	Audit Committee	Inclusion of Section 182A of the Local Government Act for State Senior Card holders.
5.0	7 Sept 2023	Audit & Risk Committee	Addition to Complaints Handling Section being 'complaints to be submitted in writing to <a href="mailto:council@renmarkparinga.sa.gov.au">council@renmarkparinga.sa.gov.au</a>