

RATES HARDSHIP POLICY	
Administration Policy	
TRIM Reference	AR19/5031[v2]
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Next Review	April 2027

1. POLICY STATEMENT

Rates are a form of taxation and are levied under the Local Government Act 1999 on the basis of land value and use. Section 182 of the Local Government Act 1999 allows that postponement of rates may be considered if Council is satisfied that the payment of rates would cause extreme hardship. This policy is set to establish the guidelines for the assessment of financial hardship applications.

2. PURPOSE

2.1 Purpose

Port Augusta City Council is committed to assisting ratepayers who are experiencing financial hardship to make mutually acceptable payments with the aim to clear their outstanding and ongoing rates debt in a planned and efficient manner.

2.2 Scope

- 2.2.1 This policy applies to the General Rate, Regional Landscape Levy and Kerbside Waste Collection/Recycling Service Charge.
- 2.2.2 This policy does not apply to CWMS service charges; refer to Hardship Policy for Residential Customers of Minor and Intermediate Water Retailers.
- 2.2.3 This policy does not apply to the postponement of rates under Section 182(A) of the Act relating to Seniors.

2.3 Strategic Reference

5. Governance and Financial Sustainability

- 5.1 We are inclusive, engaged and open.
- 5.5 We meet to exceed legislative and accreditation requirements for all relevant programs.

3. PRINCIPLES

3.1 What is financial hardship?

Financial hardship is when a person is willing but unable to meet their debt obligations because of unexpected events of unforeseen changes that impacts cash flow, for example:

- a) Changes in income or expenditure
- b) Changes in employment status
- c) Injury or illness

3.2 Contact Council

A ratepayer suffering hardship in paying rates should in the first instance contact the Council's Rates Department to discuss their financial circumstances.

3.3 Temporary Hardship

Ratepayers suffering hardship, which is of a temporary nature, will be offered relief through flexible payment arrangements.

3.4 Ongoing Financial Hardship

Ratepayers who have been identified as experiencing ongoing hardship are those who have experienced a change in circumstances in which they do not expect to recover from in a reasonable timeframe. This policy intends to bridge the time between when a person's circumstance change and when they can start paying their debt in full; either because their original financial situation is restored or because a new repayment arrangement is agreed to which the ratepayer can adhere to.

3.4.1 Assessment criteria for hardship consideration will include, but not be limited to the following:

- Property is the principal place of residence
- Income from all sources
- Living expenses
- Reasons for financial hardship
- Compliance with any previous periodic payment arrangements

3.4.2 All financial hardship applications must be in writing on Council's form and will only take effect after written communication of approval is provided by Council.

3.4.3 Council will place on hold and/or suspend debt recovery processes while negotiating a suitable payment arrangement with a ratepayer who has applied and been accepted under the Hardship policy.

3.4.4 Council will not commence legal action for the recovery of the debt if the ratepayer has agreed to the payment arrangement and continues to adhere to the terms of the arrangement.

3.4.5 Council will not commence action as per Section 184 of the Local Government Act 1999 to sell the land where the rates have been in arrears for three years or more, where a ratepayer has agreed and is adhering to a payment arrangement under this Hardship policy.

3.4.6 Fines and interest on overdue balances will be incurred as per Council's rating policy.

3.4.7 The time period for an arrangement of rates should not exceed twelve (12) months.

3.5 Remission of Rates

A remission of rates in whole or in part is rarely approved due to the inequitable situation for the community.

4. RESPONSIBILITY & REVIEW

4.1 Responsible Officer

The Director Corporate and Community Services and Rates Coordinator are responsible for administering the Policy provisions.

4.2 Availability

This policy will be available on Council's website.

4.3 Review

To be reviewed within 12 months of a general election, in-line with any legislative changes, or by resolution of Council.

5. REFERENCES

5.1 Legislation

Section 182 of the Local Government Act 1999

5.2 Other References

Application Form - Postponement of Rates on Basis of Hardship
Hardship Policy for Retail Customers of Minor and Intermediate Water Retailers Policy
Rating Policy