

## Council Policy

### Financial Hardship

<b>Policy Reference Number</b>	CP00006	<b>Adoption Date</b>	9/07/2025
<b>Portfolio</b>	Council Sustainability	<b>Next Review Date</b>	8/07/2026
<b>Business Unit</b>	Revenue	<b>Document ID</b>	10964945

#### 1. Purpose/Objective

This Policy establishes an effective, accountable and transparent framework for managing the circumstances under which Council will assess requests for rates and charges relief due to financial hardship. This policy maintains compliance with Council's Revenue Statement along with section 120(1)(c) of the *Local Government Regulation 2012*.

The objective of this Policy is to set out Council's process for the assessment of requests for rates and charges relief due to financial hardship.

#### 2. Scope

This Policy applies to all Councillors, Council officers and contractors working for Council regardless of whether they are permanent, temporary, full-time, part-time or casual. For the purposes of this Policy, the term contractor includes on-hired temporary labour services (agency staff) and sub-contractors.

#### 3. Responsibility

The Chief Executive Officer and General Manager Council Sustainability are responsible for ensuring this policy is understood and adhered to.

The Revenue business unit will be responsible for ensuring compliance with relevant legislation and for the annual review in accordance with the annual budget modelling adopted by Council.

#### 4. Policy

Council may provide support to Property Owners that may be experiencing Financial Hardship and are unable to meet a realistic payment commitment for the rates and charges levied against a property.

Where a Property Owner can show that maintaining a realistic payment commitment would entail genuine Financial Hardship due to a loss the Property Owner has suffered, Council seeks to provide a framework for assistance deemed appropriate to the circumstances experienced.

Financial Hardship 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. Where a notice of intention to sell land for overdue rates and charges has issued to a ratepayer they become ineligible for financial hardship under this Policy and payment in full must be made in order for the sale of land proceedings to cease in accordance with section 141 of the *Local Government Regulations 2012*.

Under section 120(1)(c) of the *Local Government Regulation 2012*, Council may grant a concession if it is satisfied that "*the payment of rates or charges will cause hardship to the land owner*". Council has determined it will grant such a concession for rates relief as set out in this Policy.

#### When Applications will be considered

Council upon application, will only consider an application for rates and charges relief on a property where:

- It is the Property Owner's principal place of residence and is rated accordingly;
- The Property Owner does not own more than one property (located in Scenic Rim or other Local Government area);
- The property is not vacant land;
- It is not contained within the commercial categories as defined in Council's Revenue Statement.
- For extraordinary circumstances, (criteria/eligibility to be defined) by Council resolution.

Where an applicant is experiencing genuine financial hardship due to a loss the Property Owner has suffered. Financial hardship for the purpose of this Policy is defined as:

- The Property Owner is unable to maintain realistic payment commitment;
- A Property Owner who has less than two weeks of available funds equivalent to the maximum rate of income support payment provided by the Department of Human Services for Crisis Payments; and
- Property Owner has been unemployed for over 52 weeks; or
- Suffers from a chronic illness that is permanent or lasts longer than three months; or
- Has incurred unexpected expenses (funeral costs) and reduction or loss of family income as a result of the death of a partner.

#### Types of Concession Available

The Chief Executive Officer, or delegate, may grant relief to a Property Owner under this Policy offering assistance by one or more of the following:

- An agreed payment commitment outside the current debt recovery action;
- Subject to satisfactory completion of an agreed payment commitment:
  - reversal, reimbursement or suspension of interest charges accruing between the Chief Executive Officer or delegate's, consideration and the completion of an agreed payment commitment; and
  - reimbursement of charges for Council's costs to recover outstanding rates and charges (for which the court has ordered that the Property Owner pay Council's costs<sup>1</sup>).

#### Lodging a Request for Relief

Requests for relief must be received in writing and will involve a full financial assessment undertaken by the Chief Executive Officer, or delegate and may require evidence that financial assistance has been sought.

#### Assessment of Request for Relief

The Chief Executive Officer, or delegate, will consider applications for rates and charges relief to determine the most appropriate form of assistance to be provided to a Property Owner.

The Chief Executive Officer, or delegate, will operate within the budgetary limits allocated by Council each financial year.

<sup>1</sup> See section 132(1)(b) of the *Local Government Regulation 2012*

## Dispute or Failure to Comply

If a Property Owner:

- does not respond to the Council's offer of relief; or
- fails to wholly comply with Council's offer of relief; or
- once an agreed payment commitment is entered, fails to comply with the requirements of that agreed payment commitment;

The rate account will become subject to current interest charges and Council will continue with normal debt recovery action.

However, prior to implementing debt recovery action, if the property owner is on a payment commitment, Council will first liaise with the property owner to determine if an amended payment commitment can be agreed on.

If property owners are unsatisfied with the outcome of their application under this Policy, they may seek a review of the decision via a more senior Officer than the original decision maker as delegated by the Chief Executive Officer.

## 5. Compliance, Monitoring and Review

Revenue will be responsible for ensuring compliance with relevant legislation and for the annual review in accordance with the annual budget modelling adopted by Council.

## 6. Definitions

**Chief Executive Officer** means the Chief Executive Officer of Council as appointed under the *Local Government Act 2009*.

**Chronic Illness** means an illness that is permanent or lasts longer than three months.

**Council** means Scenic Rim Regional Council.

**Death of a Partner** means unexpected expenses (funeral costs) and reduction or loss of family income as a result of the death of a member of a couple (married, registered relationship or de-facto relationship).

**Financial Hardship** means unable 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 death of a partner.

**Long-Term Unemployment** means unemployed for over 52 weeks.

**Property Owner** means the 'owner of the land' as defined under the *Local Government Act 2009*.

**Realistic Payment Commitment** means the ability to pay within the current rating period.

## 7. Related Legislations/Documents

1. *Local Government Act 2009*;
2. *Local Government Regulation 2012*;
3. Community Budget Report containing Council's Revenue Statement; and
4. Revenue Policy CP00045.

This Policy supports the Scenic Rim Regional Council Corporate Plan 2025 - 2030.

## 8. Version Information

Version No	Adoption Date	Key Changes	Approved by
1	12/06/2019	Special Meeting Item No. 1.1; New Policy	Council
2	06/07/2020	Special Meeting Item No. 5.13; Updated to New Policy Format	Council
3	24/06/2021	Special Meeting Item No. 6.17; Annual Review	Council
4	11/07/2022	Special Meeting Item No. 6.13; Annual Review; updated to new template; inclusion of Scope	Council
5	19/06/2023	Special Meeting Item No. 6.13; Annual Review;	Council
6	28/06/2024	Special Meeting Item No. 5.13; Updated to New Policy Format and Annual Review	Council
7	09/07/2025	Special Meeting Item No. 6.11; Annual Review	Council