

1010 Financial Hardship Policy

Statutory Policy



PURPOSE

- 1) Under sections 119, 120 and 121 of the *Local Government Regulation 2012*, a local government may grant a ratepayer a concession for rates or charges if it is satisfied the payment will cause hardship to the landowner.
- 2) The purpose of this policy is to provide a clear and equitable process for the application of rates concessions to proactively assist with preventing the rates recovery process, in situations where genuine financial hardship is demonstrated (to the satisfaction of Council) and the ratepayer has made an early approach to Council to seek the concession.

SCOPE

- 3) This policy applies when an application has been made to Council for a rates concession for a principal place of residence within the North Burnett Regional Council (local government) area, where payment of rates in full by the due date will cause financial hardship.
- 4) Applicants are ratepayers intending to pay their rates but are unable to do so in full by the due date without experiencing genuine financial hardship. Applicants are ineligible for a concession under this policy if they are currently subject to a rates recovery process on any property within the North Burnett Regional Council (local government) area.
- 5) The owner of a property where legal action has commenced or where a Notice of Intention to Sell has been issued, will not be eligible for assistance under this policy.
- 6) This policy does not apply to the payment of rates and charges by instalments as identified in Council's Revenue Statement 2024-2025 and section 129 of the *Local Government Regulations 2012*.

DEFINITIONS

Term	Definition
Council	North Burnett Regional Council.
Financial 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 for those in the care of the ratepayer.

POLICY

OBJECTIVES

- 7) The objective of this Financial Hardship Policy is to support ratepayers who seek assistance early, to manage the payment of rates and charges on their principal place of residence, while also preserving Council's revenue requirements.
- 8) The policy specifies the eligibility criteria to apply for a rates concession due to financial hardship, the concessions available to eligible rate payers and provides for equitable treatment for landowners with similar circumstances.

POLICY STATEMENT

- 9) Following receipt of an application for financial hardship, and if approved, Council will provide the concession under section 121(b) of the *Local Government Regulation 2012* to defer payment through a formalised agreement entered into between Council and the applicant.

This agreement will include:

- a) A three month deferral of the due date (and the corresponding discount date) for rates and charges, with a waiver of interest generally payable that would have otherwise accrued during this deferral period.

OR

- b) A deferment date of no longer than 18 months for rates and charges, including an approved structured repayment plan to have rates paid in full at the conclusion of the 18 months. Interest would accrue on unpaid rates and charges during this deferral period.

AND

- c) An exemption for the landowner from any legal action for the recovery of unpaid rates on the property for the period the deferment and repayment agreement remains current.

10) To be eligible for a financial hardship concession under this policy, the following criteria will be applied:

- a) The application for Financial Hardship Concession must be received by Council on or before the due date on the rates notice for which the concession is sought.
- b) The applicant must be the registered owner of the property where the concession is sought, or their appointed legal representative.
- c) The application must be for the applicant's principal place of residence.
- d) The applicant must not be subject to a rates recovery process on any other property within the North Burnett local government area.
- e) The applicant must demonstrate to the satisfaction of Council that the payment of rates and charges in full by the due date nominated on the rates notice (and for which the concession is sought) will cause financial hardship to the registered property owner.
- f) The applicant is not eligible to apply for the second concession option if they have already been granted the first concession option, but have been unable to pay their rates within the three month concession period.

11) Repayment plans will not be for a period of longer than 18 months and payments under the repayment plan must be sufficient to ensure that all rates and charges are up to date at the conclusion of the repayment plan period.

12) Where repayment plans are not adhered to, the repayment plan may be cancelled. Should this occur, Council may commence rates recovery / legal action, and where appropriate commence sale of land proceedings to recover the outstanding rates.

13) Concessions under this policy will be cancelled if the landowner:

- a) Fails to comply with their payment arrangement; OR
- b) Sells the land; OR
- c) Advises Council that financial hardship no longer applies; OR
- d) Provides false or misleading evidence of financial hardship to Council.

14) Council may periodically review the property owner's financial situation and cancel the arrangement if Council establishes that the property owner is no longer experiencing financial hardship or no longer meets the eligibility criteria under this policy.

15) Any repayment plan negotiated or concession applied must take into account the ratepayer's capacity to pay and allow for the plan to be renegotiated if there is a demonstrable change in circumstances.

16) In the event a repayment plan is not maintained within the agreed terms, the ratepayer will be offered an opportunity to agree a revised payment plan. Failure to make and maintain an appropriate payment plan will result in an escalation of recovery actions.

17) After applying for a concession under this policy, a landowner is not eligible to make another application for a period of 12 months after the finalisation of the agreement and full debt payment is received, unless otherwise determined by Council.

APPLICABLE LEGISLATION AND REGULATION

- 18) Applicable legislation and regulation:
- a) *Local Government Act 2009*
 - b) *Local Government Regulation 2012*

RELATED DOCUMENTS

- 19) Related documents are:
- a) 2233 Debt Recovery Policy
 - b) 1111 Revenue Policy
 - c) Revenue Statement

RESPONSIBLE OFFICER

Chief Executive Officer

APPROVAL DATE

30 October 2024

REVIEW DATE

30/06/2025

REVISION HISTORY

Version	Meeting	Approval Date	History
1	General meeting	30/10/2024	New