

## 1. Introduction

The District Council of Cleve is committed to assisting ratepayers experiencing financial hardship by supporting the management of rates obligations, establishing mutually acceptable payment arrangements, and assisting ratepayers to progressively address outstanding and ongoing rates debt in a planned and manageable manner.

## 2. Definitions

In this Policy:

- **Accredited Financial Counsellor** – means a person who holds a Diploma 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.
- **Arrangement** – An arrangement between Council and a Ratepayer to repay an amount of money within a timeframe according to an agreed schedule.
- **Council** – is the District Council of Cleve
- **Debtor** – An individual, organisation or other party that transacts with Council where goods or services are provided, use of facilities are made available, fines and license fees are levied and any other transaction that results in a future payment to Council. A debtor is an asset for Council, as it gives rise to an anticipated future benefit.
- **Financial Counsellor** - means Accredited Financial Counsellor.
- **Financial 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.
- **Prescribed Percentage** – The amount calculated in accordance with Section 181(17) of the *Local Government Act 1999* based on the cash advance debenture rate for that Financial Year.
- **Ratepayer** - means a person who owes amounts for rates, fees or other charges due and payable to the Council.
- **Recurring Charges** – Charges that are charged on a set frequency.
- **Risk** – The possibility of non-payment of the debt by the debtor when the amount is due. The likelihood of non-payment increases with the age of the debt.
- **Short term** – means less than 12 months
- **The Act** – is the Local Government Act 1999
- **Write Off** – The accounting procedure for cancelling a debt that is no longer collectable resulting in its removal from Councils balance sheet.

### **3. Policy**

This Policy outlines the options for ratepayers seeking relief from rates due to hardship or extenuating circumstances. Council may grant relief in the form of postponement of rates, refer the ratepayer to see an accredited financial counsellor or negotiate a flexible debt repayment arrangement. Assistance does not include rate rebates or remissions.

Delegated officers will use their discretion for the implementation of this Policy.

#### **3.1 Financial Hardship Assistance**

- 3.1.1 A ratepayer 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 financial capacity, to make the required payments in accordance with Council's payment terms.
- 3.1.2 Hardship assistance will be determined by either an accredited financial counsellor or Council's assessment process requiring the completion of a Rates Financial Hardship Application form and the supply of any other requested information unless a satisfactory short term payment arrangement has been negotiated.
- 3.1.3 Financial hardship may be temporary or ongoing and the assistance provided shall reflect the nature and circumstances of the hardship experienced.
- 3.1.4 Ratepayers experiencing ongoing financial hardship may require longer term assistance and are often reliant on low or fixed incomes, including but not limited to:
  - Aged pension
  - Disability pension
  - Carers pension
  - Single parenting pensions
- 3.1.5 Ratepayers experiencing temporary financial hardship may require short term assistance and are generally experiencing a temporary change in circumstances such as:
  - Loss or change in income due to unemployment or reduced employment
  - Separation, divorce or other family crisis
  - Serious illness, injury or bereavement in the family
  - Unexpected accident, incident, unexpected bills or some other temporary financial difficulty.
- 3.1.6 Council will advise the ratepayer of assistance available including:
  - Payment plans and extensions of time to pay
  - Referral to an Accredited Financial Counsellor
- 3.1.7 Once all outstanding arrears have been cleared, Council will advise the ratepayer that hardship assistance arrangements have concluded and provide information to support ongoing management of current rates obligations, taking into account the ratepayer's payment history and usual commitments.
- 3.1.8 Failure to comply with an agreed hardship arrangement, including two (2) consecutive payment defaults, being either late payment or non-payment of the agreed amount, may result in the hardship arrangement being terminated and debt recovery action recommencing in accordance with Council's debt recovery processes.

3.1.9 Council will advise the ratepayer of the requirements for maintaining hardship assistance and any conditions that may apply if hardship assistance is sought again following failure to comply with a previous arrangement.

3.1.10 Every customer experiencing financial hardship has the right to:

- Be treated respectfully, fairly and on a case-by-case basis, with their personal and financial circumstances handled confidentially in accordance with legislative requirements.
- Receive information about available payment arrangements, this hardship process and relevant government concessions, rebates, grants and assistance programs.
- Negotiate a payment arrangement or repayment amount that is affordable and appropriate to their individual circumstances.
- Consider available payment methods and receive written confirmation from Council of any agreed hardship arrangement within 10 business days.
- Request a review or renegotiation of their hardship arrangement where there has been a material change in their financial circumstances.
- Receive information about free, independent and accredited financial counselling services.
- Access language interpreter services at no cost where reasonably required.
- Be protected from legal recovery action and additional debt recovery costs while complying with an agreed hardship arrangement.

### **3.2 Postponement of rates**

3.2.1 Where an applicant satisfies the requirements for hardship relief or extenuating circumstances, Council may grant relief in the form of postponement of rates, in whole or in part, for such period as Council determines appropriate.

3.2.2 This policy applies only to the postponement of rates. The waiver, remission or write-off of rates, in whole or in part, is outside the scope of this policy and may only occur by resolution of Council (or its delegate)

3.2.3 A hardship postponement will be assessed and determined by either an accredited financial counsellor or through Council's assessment process.

### **3.3 Senior Postponements**

3.3.1 Where Council is satisfied, based on an application from a ratepayer, that payment of rates in accordance with s182 of the Local Government Act 1999 would cause hardship, Council may approve postponement of payment of the prescribed portion of rates for the current or a future financial year where:

- The ratepayer holds a current State Seniors Card issued by the State government, or qualifies to hold such a card and has applied for the card but has yet to be issued with the card; and
- The person is a prescribed ratepayer, or is the spouse of a prescribed ratepayer; and
- The rates are payable on land that is the principal place of residence of the prescribed ratepayer; and
- The land is owned by the prescribed ratepayer or their spouse; and
- No other person has an interest (as owner) in the land.
- Eligible ratepayers are required to pay a minimum of \$500 per year

toward their Council rates with payment of the remaining balance postponed for an indefinite period, until their property is sold or eligibility ceases.

### 3.3.2 Ratepayers can opt to pay:

- One lump sum of \$500
- Quarterly payments of \$125 or
- Fortnightly payments/deductions of \$20

Support with Applications - Senior ratepayers, or those requiring assistance with a postponement application, may be referred to an accredited financial counsellor for support and advice.

### 3.3.3 Applications for the postponement of rates are to be made on Council's Postponement of Rates- Seniors Application form and accompanied by the requested supporting documentation.

### 3.3.4 Under the Local Government Act 1999 and detailed in the District Council of Cleve's Rating Policy, amounts over \$500 can be postponed subject to the prescribed interest rate.

### 3.3.5 Penalties

3.3.5.1 Sections 182A(8) and 182A(9) of the Local Government Act 1999 provide that where a person has applied for the benefit of a senior's postponement of rates and their entitlement to that postponement ceases, the owner of the land must notify Council in writing, unless the liability for the relevant rates has already been extinguished.

3.3.5.2 Failure to notify Council of a change in circumstances as required under the Local Government Act 1999 constitutes an offence and may attract a maximum penalty of \$5,000.

3.3.5.3 A person must not make a false or misleading statement or representation in an application for a senior's postponement of rates. Failure to comply constitutes an offence under the Local Government Act 1999 and may attract a maximum penalty of \$10,000.

3.3.5.4 Where entitlement to a senior's postponement ceases, any postponed rates that become payable as a consequence will become immediately due and payable.

## 3.4 Complaints and Appeals

3.4.1 Complaints and appeals will be considered in accordance with Council's Customer Complaints procedure and sections 270 and 271 of the Local Government Act 1999. A copy of the Complaints Handling Policy can be found at [www.cleve.sa.gov.au](http://www.cleve.sa.gov.au)

3.4.2 If you are not satisfied with the outcome of your complaint you may contact the Ombudsman SA 08 8226 8699 or [Ombudsman@ombudsman.sa.gov.au](mailto:Ombudsman@ombudsman.sa.gov.au).

## 4. Ratepayer Resources

- South Australian Financial Counsellors Association (SAFCA)  
[www.safca.org.au](http://www.safca.org.au)

Peak body for Financial Counsellors in South Australia and the Northern Territory.

Financial counselling is a free, independent and confidential service available through community organisations and community legal centres.

- Services Australia – Financial Information Service  
<https://www.servicesaustralia.gov.au/financial-information-service>  
A free service that can inform and educate you about financial matters.
- National Debt Helpline – <https://ndh.org.au> Ph: 1800 007 007  
Guides are based on the experience of financial counsellors who provide free information and advice.

## 5. Confidentiality

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

## 6. Complaints Handling

Details of our Customer Complaints Policy and Procedure are available on Councils website: [www.cleve.gov.sa.au](http://www.cleve.gov.sa.au). We will also make a copy of this process available to a ratepayer, upon request, and at no charge to the ratepayer.

## 7. Further Information

This policy is available for inspection at the District Council of Cleve's principal office, 10 Main Street, Cleve SA 5640, during ordinary business hours. Hard copies, for a fee in accordance with Council's schedule of Fees and Charges, can be provided upon request. It is also available to be downloaded from Council's website [www.cleve.sa.gov.au](http://www.cleve.sa.gov.au).

Printed copies are considered uncontrolled. Before using a printed copy, verify that it is the current version.

## 8. Legislative Framework/Other References

|                                       |                                                      |
|---------------------------------------|------------------------------------------------------|
| <b>Responsible Department/Officer</b> | Manager Corporate Services                           |
| <b>Applicable Legislation</b>         | Local Government Act 1999                            |
| <b>Related Policies</b>               | Customer Complaints Handling Policy<br>Rating Policy |
| <b>Related Procedures</b>             | Customer Complaints Handling Procedure               |

## 9. Policy/Document Review

This Policy shall be reviewed at least every four (4) years or more frequently if legislation or Council requires.

## 10. Document History

| Version | Adopted      | Description of Change                                                                                                                       |
|---------|--------------|---------------------------------------------------------------------------------------------------------------------------------------------|
| 4       | 14 June 2022 | Formatting<br>Added availability of policy, adoption of policy, document review & review history sections.                                  |
| 5       | 16 June 2026 | Removed Covid-19 Pandemic Support Section<br>Renamed from "Hardship Policy" to "Financial Hardship Policy"<br>Formatting & new Council logo |