

FINANCIAL HARDSHIP POLICY

1.0 Purpose

The purpose of the Financial Hardship Policy (policy) is to outline how City of Ballarat provides financial assistance to individuals and businesses who are unable to meet their rates and charges obligations.

The policy clearly outlines the available financial assistance options and any conditions that may restrict their application.

2.0 Scope

This policy applies to ratepayers in respect of land that is their principal place of residence, or in the case of businesses, their principal place of operation.

3.0 Policy Statement

1. Compliance with Ministerial Guidelines

City of Ballarat will comply with the *Local Government Act 1989*, including the *Ministerial Guidelines relating to the payment of rates and charges* issued under section 181AA, and will apply the Guidelines' overarching principles when considering and responding to financial hardship.

2. Financial Hardship

As described within the guidelines, a ratepayer is considered to be experiencing financial hardship where their circumstances mean that paying rates and charges would leave them unable to afford the necessities of life for themselves or their dependents.

City of Ballarat acknowledges that a range of circumstances may result in a ratepayer experiencing financial hardship, including but not limited to:

- Employment difficulties;
- Reduction or lack of income;
- Medical issues (including alcohol, drug or substance use);
- Death of a family member or other significant person;
- Family circumstances;
- Family violence or economic abuse;
- Elder abuse;
- Gambling addiction;
- Loss of funds due to scams or fraud;
- Incarceration;
- Natural disasters or significant environmental events; and/or
- Limitations to access to essential services.

For the purposes of this policy, the cause of a ratepayer's financial hardship will not be considered when determining eligibility for assistance. Rather, consideration will be given to whether payment of rates and charges would affect the ratepayer's ability to access the necessities of life. The circumstances contributing to the financial hardship may, however, be considered when determining the type of assistance provided and the period for which it applies.

3. Types of assistance

A ratepayer may only receive assistance under this Policy on one rates assessment at any given time.

Applications for financial hardship applied for by the property owner and/or ratepayer must be communicated with the property owner if they are not the same party.

3.1. *Payment Plans*

Section 171B of the Act allows City of Ballarat to enter into agreements with property owners to repay overdue rates and charges over a period of time. Payment plans and payment arrangements are available to all City of Ballarat property owners.

Within the scope of this policy, City of Ballarat may allow a property owner experiencing financial hardship to enter into a payment plan that considers their individual circumstances and would not otherwise be accepted by City of Ballarat.

3.2. *Deferred Payments*

Section 170 of the Act allows City of Ballarat to defer in whole or part the payment of any rate or charge where it considered the payment of that rate or charge would cause hardship to the person. For the purpose of this Policy, hardship is considered the same as financial hardship.

A deferral of payment allows a ratepayer to delay the payment of any amount due until a later date. Any rate or charge that is the subject of a deferral is considered not yet due and as such, penalties for non-payment do not apply during the deferral period.

Where City of Ballarat considers that a ratepayer's circumstances have changed such that payment of any deferred rates or charges would no longer cause hardship, or where the person to whom the deferral was granted no longer owns the property to which the rates or charges relate, City of Ballarat may require payment of the deferred amount. In such cases, any penalties that would have applied had the deferral not occurred may also be imposed.

3.3. *Waivers*

Section 171A of the Act allows City of Ballarat to provide a waiver of the **whole or any part** of a rate or charge to a person who is experiencing financial hardship or would experience financial hardship if they were required to pay the full amount for which they are liable.

City of Ballarat will consider applications for a partial waiver on rates and charges on residential land owned by a natural person only. Waivers of rates and charges will not be considered on any land rated as business or recreation under the City of Ballarat Revenue and Rating Plan or owned by a company, business or similar entity.

Waivers of rates and charges will be considered where a ratepayer can demonstrate that they are experiencing financial hardship and have received assistance through the Department of Families, Fairness and Housing's Utility Relief Grant Scheme (relating to the property in which the hardship application refers) within the 12 months prior to the date the application has been received by City of Ballarat. The amount of any waiver of rates or charges will be capped at 75% of rates and charges due (after any concessions or rebates have been applied) on the property in which the application relates in the rating period in which the application was received, up to a limit of \$650.00 (indexed annually to be consistent with the individual waiver provided under the Utility Relief Grant). A ratepayer is only eligible to receive one waiver of rates and charges in any two-year (24 month) period.

If an application made under this policy has been determined to be eligible for a waiver of rates and charges and the reviewing officer supports this outcome, a request to approve the waiver will be made to a City of Ballarat officer holding appropriate financial delegations.

A person who has been granted a waiver under this policy may be guilty of an offence if they are found to have provided false or misleading information in relation to an application, or if they fail to notify City of Ballarat of any change in circumstances relevant to their application or waiver in accordance with section 171 of the Act.

3.4. Assistance provisions

The types of properties eligible for assistance under this policy are listed below. This list is based on the rating classifications applied to properties under Council's Revenue and Rating Plan.

Property Types	
Eligible	Not Eligible
Owner-Occupied Residential	Vacant Land
Owner-Occupied Business	Non Owner-Occupied Residential
Owner-Occupied Farm Land	Non Owner-Occupied Business
	Non Owner-Occupied Farm Land
	Recreational Land

Further to the above list of eligible property types, the types of assistance considered under this policy are determined by property ownership circumstances, as outlined below.

Ratepayer Classification	
Natural Person	Company/Business etc
Payment Extension	Payment Extension
Payment Plans	Payment Plan
Deferred Payment	Deferred Payment
Waiver	

Due to additional legal considerations associated with corporate debts and liabilities, including Australian Securities and Investments Commission (ASIC) requirements, waivers are not available to companies or businesses under this policy.

Decisions on the type of assistance provided in response to an application will be made by City of Ballarat officers in accordance with their delegated authority and will take into consideration the cause of the hardship being experienced, the severity of the hardship and the length of time that the hardship is expected to continue.

4. Application Process

City of Ballarat encourages ratepayers experiencing difficulty in paying their rates and charges to contact City of Ballarat's Revenue team as soon as possible.

While a ratepayer may apply for assistance under this policy without first contacting City of Ballarat's Revenue team, it is recommended that initial contact be made. This allows available assistance options to be assessed and enables an explanation of the application process and any documentation requirements. Early engagement may help minimise processing delays caused by incomplete applications.

An application should be made on the prescribed application form, however, should an applicant be unable to complete the application form, staff will provide reasonable assistance to enable the ratepayer to submit an application, which may include collecting the information from the ratepayer verbally.

An applicant should provide as much supporting documentation as possible. When an application is being assessed, City of Ballarat's Revenue team may request additional information from the applicant.

The types and amounts of documents requested will be proportionate to the type of assistance being considered.

5. Data Protection

City of Ballarat recognises the importance of protecting ratepayer's data and privacy.

All applications made under this policy are kept securely within City of Ballarat's electronic document management system with access limited to City of Ballarat staff directly involved in the processing of applications.

While all ratepayers have a right to access information about the status of their rates and charges, there may be circumstances where additional protection is required for an individual property owner, such as in family violence situations. In such cases, City of Ballarat staff will consider appropriate measures to provide enhanced protection of personal information. This may include actions such as de-identifying key information or implementing additional verification processes for requests to change contact details.

No details provided as part of an application under this policy will be disclosed to a third party unless required to do so by law.

6. Appeal Process

Should an applicant be unsatisfied with the outcome of their application, they may submit a request for an internal review of the decision. Internal reviews will be administered in accordance with Council's Complaints Management Policy.

4.0 Supporting documents and references

4.1 Legislation

- *Local Government Act 1989*
- *Penalty Interest Act 1983*
- *Privacy and Data Protection Act 2014*

4.2 Associated Documents

- Payment Agreement Procedure
- Revenue and Rating Plan
- Financial Hardship Application Form
- Ministerial Guidelines relating to the payment of rates and charges

4.3 Definitions

Necessities of life

The guidelines define 'necessities of life' as including, but not limited to:

- Food
- Accommodation
- Clothing
- Childcare and accommodation
- Transport
- Insurance

Staff

A staff member includes employees, labour hire, agency staff, volunteers and work experience students engaged by the City of Ballarat.

City of Ballarat	Means the body corporate constituted in accordance with the <i>Local Government Act 2020</i> .
Council	Means the group of Councillors who are democratically elected to represent the Ballarat municipality in accordance with the <i>Local Government Act 2020</i> .
Ratepayer	The occupier of any rateable property who is liable to pay rates. This may be the property owner or a tenant who, under the lease agreement, is required to pay rates.
Rates and charges	Any charge made under Part 8 of the <i>Local Government Act 1989</i> or the <i>Emergency Services Volunteers Fund Act 2012</i> , including general rates, waste charges, emergency services and volunteers fund charges.
Principal place of residence	The property that is used as the applicant's main residential address. This includes properties that the applicant would normally occupy but is unable to for a limited period of time due to circumstances such as but not limited to family violence or incarceration. A property that an applicant has voluntarily chosen to vacate (for reasons such as travel) will not be considered a being used as a principal place of residence.
Assessment	An occupancy that has been separately valued for the purposes of municipal rates and charges.
Waiver	The relinquishment or removal of the liability to pay and may include the whole or part of any interest or, where applicable, part of rates and charges.

5.0 Administrative Updates

From time to time, circumstances may change leading to the need for minor administrative changes to this policy. Where an update does not materially alter this policy, such a change may be made administratively. Examples of minor administrative changes include changes to names of City of Ballarat departments or positions, change to names of Federal or State Government departments or a minor amendment to legislation that does not have material impact. Where any change or update may materially change the intent of this policy, it must be considered by Council.

6.0 Policy owner

Executive Manager Financial Services

7.0 Authorisation

Adopted by Ballarat City Council on XX.