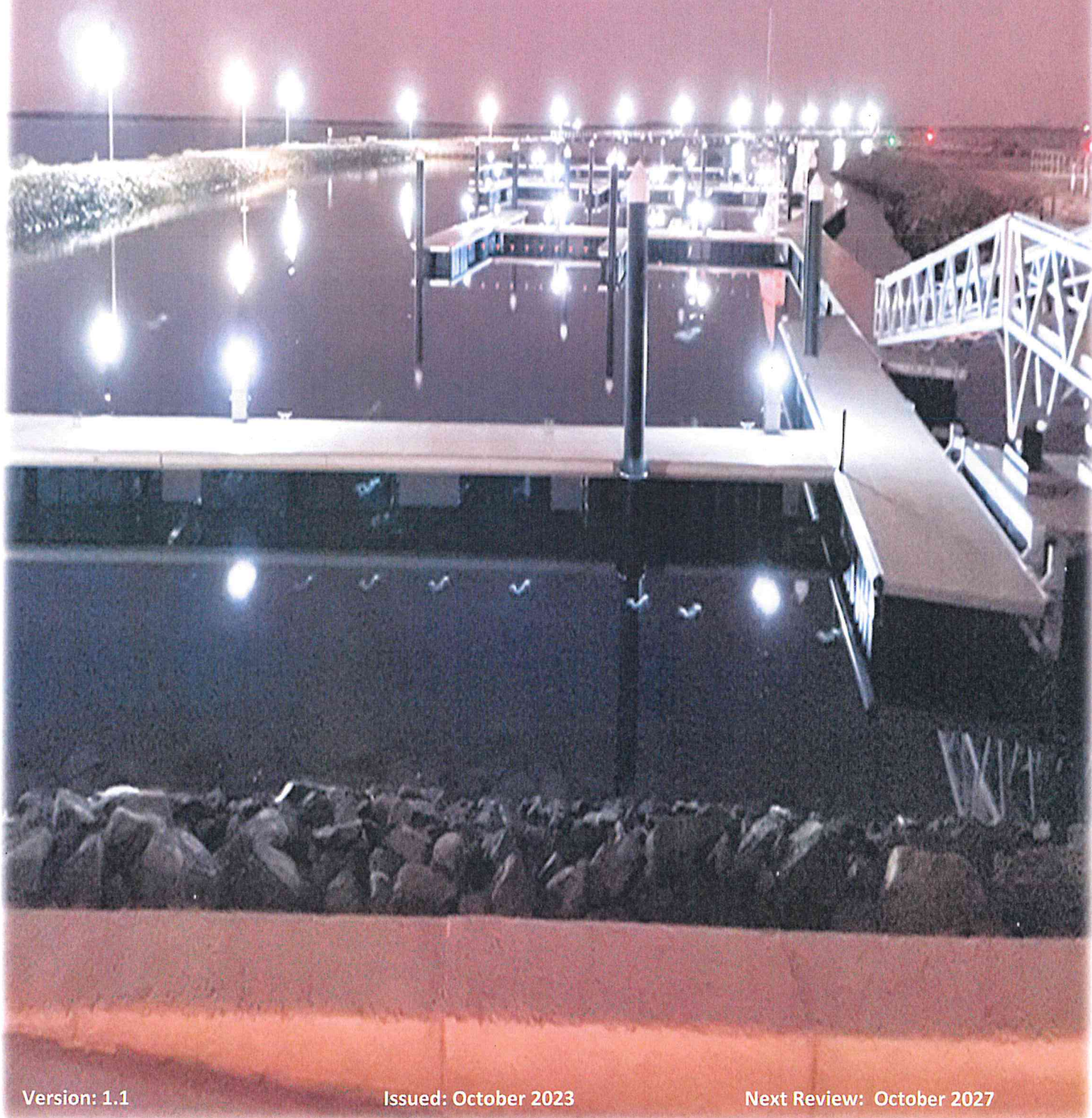




Financial Hardship Policy





FINANCIAL HARDSHIP POLICY

Policy Name:	Financial Hardship Policy
Responsibility:	Financial Management
Version:	1.1
Effective Date:	October 2023
Last revised date:	May 2020
Minute reference:	100/12/23
Next review date:	Oct 2027
Applicable Legislation:	Local Government Act 1999
Related Policies:	Debt Management Policy Hardship Policy for Residential Customers of Minor and Intermediate Water Retailers

1. PURPOSE

- 1.1. The Council recognises that supporting customers in financial hardship is a shared responsibility to which it can contribute by offering flexible payment arrangements in certain circumstances, ensuring respectful treatment and exploring other alternatives that, whilst being beneficial to the customer, are not unduly onerous or detrimental to the Council.
- 1.2. The Council is committed to assisting all customers to sustainably manage their rate payments and/or sundry debtor charges.
- 1.3. This Policy provides a framework to identify customers who are experiencing payment difficulties due to hardship and ways to assist those customers on an ongoing basis.

2. SCOPE

- 2.1. This Policy applies to customers who are experiencing temporary or ongoing financial hardship for the purpose of assisting in the management of payment of rates and/or sundry debtor charges.
- 2.2. This Policy sets out:
 - processes to identify customers experiencing payment difficulties due to hardship, including identification by the Council, self-identification by a customer or identification by a financial counsellor or welfare agency, and
 - an outline of a range of processes or programs that the Council will use or apply, to assist customers who have been identified as experiencing payment difficulties.
- 2.3. This Policy does not limit or prevent Council officers acting under delegated authority to waive any fee, charge or amount of arrears relating to rates or service charges for those customers who are experiencing financial hardship.



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3. DEFINITIONS

Act means the *Local Government Act 1999*.

Arrangement is an agreement between the Council and a customer to repay an amount of money within an agreed timeframe.

Council means the District Council of Franklin Harbour.

Customer is a person or legal entity that is liable to pay rates on an owner/occupied property and/or a sundry debtor for goods or services they have received from the Council.

Financial Hardship is a circumstance of experiencing a lack of financial means that may be either ongoing or temporary and may result from expected events or unforeseen changes that impact cash flow, including but not limited to:

- changes in income or expenditure;
- changes in employment status (such as losing a job or having hours reduced);
- significant life events such as a relationship breakdown or death in the family;
- injury or illness; and
- emergency events or natural disasters.

Financial hardship does not include circumstances where a person chooses, without good reason, to not meet an unpaid financial obligation to the Council for which they are liable.

4. POLICY STATEMENT

4.1. A customer experiencing financial hardship is someone who has identified the position themselves, or for whom the position has been identified by the Council or a financial counsellor or welfare agency as having the intention, but not the ongoing financial capacity, to make required payments in accordance with the Council's payment terms.

4.2. Customers who may be identified as experiencing financial difficulty, as opposed to financial hardship, require flexibility and temporary assistance, such as an extension of time to pay or alternative payment arrangements.

4.3. All claims for and the extent of hardship, will be determined by the Council, which determination may be assisted by a report from an external body, such as a financial counsellor or welfare agency.

4.4. In assessing a customer's eligibility for hardship assistance, the Council will consider indicators including (but not limited to) whether the customer:

- is on a Centrelink income or payment or;
- holds a Centrelink low income health care card or a pensioner concession card;
- is eligible for a South Australian Government concession;
- has been referred by a financial counsellor or welfare agency;
- advises they have previously applied for financial relief (irrespective of whether or not their application was successful);



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- payment history indicates they have had difficulty meeting their rate notices/sundry debtor obligations in the past;
- through self-assessment, has identified their position regarding their inability to pay;
- has identified other personal circumstances they may choose to disclose in support of their application.

4.5. The Council will inform a customer of this Policy where it appears that non-payment of rates is due to the customer experiencing payment difficulties due to hardship.

5. ASSISTING CUSTOMERS WHO ARE EXPERIENCING FINANCIAL HARDSHIP

5.1 Where a customer has been identified as experiencing financial hardship, the Council will offer the customer, as soon as is reasonably practicable, flexible and frequent payment options, having regard to the hardship customer's usage, capacity to pay and current financial situation. These options may include, but are not limited to, the following:

- an interest and fee-free payment plan; or
- other arrangement, under which the customer is given more time to pay.

5.2 The Council will engage in discussion with the customer to determine a realistic payment option, taking into account the customer's capacity to pay.

5.3 The Council will, with the consent of a customer, work with their financial counsellor or the identified welfare agency (where relevant) to determine the payment arrangement and instalment amount that best suits the customer and their individual circumstances.

5.4 Where a customer's circumstances change, the Council will work with the customer, and their financial counsellor or welfare agency (where relevant), to re-negotiate the payment arrangement.

5.5 The Council will also offer the customer:

- where appropriate, information about the right to have rate notices redirected to a third person, if that third person consents in writing to the redirection;
- information about, and referral to, State and Federal Government concessions, rebates, grants and assistance programs; and
- information about and referral to, accredited financial and other relevant counselling and support services, particularly where a customer is experiencing ongoing financial hardship.

5.6 The Council will not take any action to remove a customer from a hardship program until the Council has sent the customer a written notice, providing at least 10 working days from the date of the notice, to contact the Council to re-negotiate re-entry into the program.



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6. DEBT RECOVERY

- 6.1 The Council will place on hold and/or suspend any debt recovery process while negotiating a suitable payment arrangement with a customer who has been assessed as eligible for assistance under this Policy.
- 6.2 The Council will not commence legal action for the recovery of any debt relating to rates and/or a sundry debt invoice, if the customer has agreed to a payment arrangement and continues to adhere to the terms of that arrangement.
- 6.3 For rating purposes, the Act provides that the Council may sell a property where the rates have been in arrears for three years or more, subject to following the required statutory process. However, the Council will not commence such action or continue with such action where a customer has agreed to and is maintaining, a payment arrangement for a rating debt under this Policy.

7. RIGHTS OF CUSTOMERS EXPERIENCING FINANCIAL HARDSHIP

- 7.1 Every customer experiencing financial hardship has the right to:
- be treated respectfully, have their application assessed on a case-by-case basis, and have their circumstances kept confidential;
 - receive information about alternative payment arrangements, this policy, and government concessions, rebates, grants and assistance programs;
 - negotiate a reasonable amount they can afford to pay on a payment plan or other payment arrangement;
 - consider various payment methods, and receive written confirmation of the agreed payment arrangement within 10 business days;
 - re-negotiate a payment arrangement if there is a material change in circumstances;
 - receive information about accredited financial counselling services;
 - not be the subject of legal action or additional debt recovery costs instituted by the Council, whilst they continue to make payments according to an agreed payment arrangement.

8. COMPLAINTS HANDLING

- 8.1 Details of the Council's Complaint Handling Policy is available on the website at www.franklinharbour.sa.gov.au.
- 8.2 Council will also make a copy of this Policy available, upon request, and at no charge to the customer.
- 8.3 A customer experiencing hardship has a right to have any complaint heard and addressed by the Council and, in the event that the complaint cannot be resolved, the right to escalate their complaint to the most appropriate external dispute resolution body.
- 8.4 A customer may request a review of any decision made by the Council under this Policy in accordance with its Internal Review of Council Decisions Policy, available on the website.



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9. PANDEMIC MEASURES

- 9.1 Upon the application of any customer that has found themselves unemployed (or underemployed) as a result of a pandemic and is experiencing hardship, as defined under this Policy, and upon provision of reasonable evidence, to the satisfaction of the Council, the Council will consider either postponement of sundry debtor accounts, general rates, Service charges and NRM Levy and/or the waiving of fines and interest applied to sundry debtor accounts, general rates, service charges and NRM Levy.
- 9.2 Upon the application of any customer who is the owner of a business that is experiencing hardship, as defined under this Policy, as a result of a pandemic and upon provision of reasonable evidence, the Council will consider either postponement of sundry debtor accounts, general rates, Service charges and NRM Levy and/or the waiving of fines and interest applied to sundry debtor accounts, general rates, service charges and NRM Levy.
- 9.3 The application of pandemic measures is directly linked to the public health emergency, , pursuant to Section 87 of the South Australian Public Health Act 2019.

10. RELEVANT DELEGATED POWERS AND DUTIES

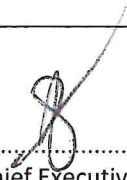
Any actions or decisions made regarding this policy will be enacted upon as per Council's current Delegations Register.

11. FURTHER INFORMATION

Members of the public may inspect this Financial Hardship Policy at the principal office of the District Council of Franklin Harbour, 6 Main Street Cowell SA 5602, and on payment of a fee to obtain a copy. A copy may also be downloaded from Council website www.franklinharbour.sa.gov.au.

12. REVIEW OF THE POLICY

This Financial Hardship Policy will be reviewed by the District Council of Franklin Harbour within 12 months after each general election of Council. However, Council has the right to review this Code at any time, if considered desirable.

SIGNED: 
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Chief Executive Officer

Date: 8 / 01 / 24