

# THE BAROSSA COUNCIL

## RATES HARDSHIP POLICY



<b>Corporate Plan Link:</b>	6.2 Ensure that Council's policy and process frameworks are based on principles of sound governance and meet legislative requirements.  6.10 Embed a culture of continuous improvement across Council, with tools, processes and systems being used to achieve business efficiencies and customer service improvements.  6.16 Provide contemporary internal administrative and business support services in accordance with mandated legislative standards and good practice principles.		
<b>Policy Owner:</b>	Chief Executive Officer	<b>Previous Approval Date(s):</b>	21/06/2011 20/06/2017 26/03/2020 16/06/2020 21/07/2020
<b>Document Control Officer:</b>	Senior Rates Officer/ Manager Financial Services	<b>Current Approval Date:</b>	20/10/2020
<b>TRIM Reference:</b>	17/31104*	<b>Next Review Date:</b>	1/04/2024

### 1. Purpose

- 1.1 The Barossa Council ("Council") is committed to assisting all ratepayers to sustainably manage their rate payments in a manner that best suits the customer whilst in financial hardship.
- 1.2 This Rates Hardship Policy (policy) provides a framework to identify customers who are experiencing payment difficulties due to hardship, and assist those customers to better manage their bills on an ongoing basis.
- 1.3 This policy sets out:
  - processes to identify customers experiencing payment difficulties due to hardship, including identification by us, self-identification by a customer, identification by an accredited financial counsellor, or welfare agency, and
  - an outline of a range of processes or programs that Council will use, or apply, to assist our customers who have been identified as experiencing payment difficulties.

### 2. Scope

- 2.1 This Policy will be applied in concurrence with the Supplementary Hardship Policy for Residential Water Service Customers.
- 2.2 This Policy will apply to all rateable assessments within the Council district.
- 2.3 Council rates are made up of Retail Services as defined in Supplementary Hardship for Residential Water Service Customers Policy and Non-Retail Services which will be dealt with under this Policy.

2.4 This Policy does not limit or prevent Council officers from using their delegated powers to waive any fee, charge or amount of arrears relating to the provision of services for those customers who are experiencing financial hardship.

<b>3.</b>	<b>Definitions</b>
Accredited Financial Counsellor or Financial Counsellor	A financial counsellor 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.
Business and Non-Business Ratepayers	Business – the assessment/property primary purpose is to generate income (includes rental properties) for the ratepayer(s) as listed on the assessment record.  Non-business – assessments/property is ratepayer(s) principal place of residence, as listed on the assessment record
Applicable Tenant	Occupiers of a business premises paying the council rates under an agreement with their landlord for the relevant assessment(s) and evidence of this arrangement
Landlord	Owner of a business premises and has an agreement with their tenant(s) to pay the council rates for the relevant assessment(s)
COVID 19 relevant period	The period the financial comparison information to be provided with the application from 22 March 2020 to 30 June 2020 as compared to the period prior to COVID-19.
Customer	Either a residential customer or a ratepayer
Financial Hardship and or Hardship	A temporary or ongoing circumstance of experiencing a lack of financial means, but not where a person chooses not to meet a liability for an unpaid debt.
Hardship	Financial hardship as determined in accordance with Policy and the process as an ongoing difficulty in making payments including payments for rates. It does not mean temporary difficulty in making payments due to a short term change in financial circumstances.
Hardship Customer	A customer who has been identified under, accepted into, or is eligible for assistance under Council's Hardship Program.
Hardship Program or Arrangement	An agreement between Council and a Hardship Customer for payment of outstanding sums due for services.
Financial difficulty	A customer who may be identified as experiencing temporary difficulty making payments as a result of a short term change in circumstances but are not considered to be experiencing financial hardship.
Ongoing	Continuing hardship and/or assistance through an agreed arrangement.
Council	The Barossa Council
Policy	Rates Hardship Policy
Process	Customer hardship relief process
Retail Services	Supply of products or services as defined in the Water Industry Act 2012.
Non-Retail Service(s)	A non-retail service: as funded by general rates, separate rate as/if applicable and waste and recycling collection service charges revenue
Temporary	A short term period of less than 3 months.
Waiver	Removal of the liability to pay and may be offered to include the whole or part of any interest or, where applicable, part of rates and charges as set down in Clause 2.4 of this Policy.

<b>4. Policy Statement</b>
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**Identifying non-residential customers experiencing financial hardship**

- 4.1 A customer experiencing financial hardship is someone who is identified by themselves, by us, by an accredited financial counsellor, or by a welfare agency as having the intention, but not the ongoing financial capacity, to make required payments in accordance with our payment terms.
- 4.2 Customers who are identified as experiencing ongoing hardship are generally those on low or fixed incomes. These customers may require ongoing assistance.
- 4.3 Customers who may be identified as experiencing financial difficulty rather than financial hardship generally require flexibility and temporary assistance, such as an extension of time to pay or an alternative payment arrangement. These customers are not covered by this policy. Customer's identified as experiencing financial difficulty will be subject to the provisions of the Local Government Act 1999 for debt recovery.
- 4.4 All claims for and the extent of hardship will be determined by either our assessment process or by an external body, such as an accredited financial counsellor.
- 4.5 Where Council assesses a customer's eligibility for hardship assistance, Council will consider indicators including (but not limited to) whether:
  - the customer is on a Centrelink income and holds a Pensioner Concession Card or holds a Centrelink Low Income Health Care Card
  - the customer is eligible for a South Australian Government concession
  - the customer has been referred by an accredited financial counsellor, or Council welfare agency.
  - the customer advises they have previously applied for emergency relief (irrespective of whether or not their application was successful)
  - the customer's payment history indicates that they have had difficulty meeting their rate bills in the past
  - the customer through self-assessment, has identified their position regarding their ability to pay.
  - Council will inform a customer of this customer hardship policy where it appears to us that non-payment of a rates bill is due to the customer experiencing payment difficulties due to hardship.

**Assisting customers who are experiencing financial hardship**

- 4.6 Where a customer has been identified as experiencing financial hardship, Council will offer the customer, as soon as is reasonably practicable, flexible and frequent payment options that have regard to the hardship customer's usage, capacity to pay and current financial situation. These options will include the following:
  - an interest and fee free payment plan that complies with the appropriate clauses in the process document, or
  - Use of Centrelink's Centrepay service (only where available), or
  - other arrangement, under which the customer is given more time to pay.
- 4.7 Council will engage in discussion with the hardship customer to determine a realistic payment option in line with the customer's capacity to pay.

- 4.8 Council will work with a hardship customer's financial counsellor to determine the payment arrangement and instalment amount that best suits the customer and their individual circumstances.
- 4.9 Where a hardship customer's circumstances change, Council will work with the customer, and their financial counsellor, to re-negotiate their payment arrangement.
- 4.10 Council will also offer the hardship customer:
- where appropriate, information about the right to have their rate notices redirected to a third person, as long as that third person consents in writing to that redirection,
  - information about, and referral to, Commonwealth and South Australian Government concessions, rebates, grants and assistance programs,
  - Information about, and referral to, accredited financial and other relevant counselling and support services, particularly where a customer is experiencing ongoing financial hardship.
- 4.11 Council will not take any action to remove a customer from our hardship program until Council have sent the customer a written notice, allowing them 10 working days from the date of the notice to contact us to re-negotiate their re-entry into the program.

### **Rights of customers experiencing financial hardship**

- 4.12 Every customer experiencing financial hardship has the right to:
- Be treated respectfully on a case-by-case basis, and have their circumstances kept confidential.
  - Receive information about alternative payment arrangements, this customer hardship process, and government concessions, rebates, grants and assistance programs.
  - Negotiate an 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.
  - Renegotiate their payment arrangement if there is a change in their circumstances.
  - Receive information about free and independent, accredited financial counselling services.
  - Receive a language interpreter service at no cost to the customer.
  - Be shielded from legal action and additional debt recovery costs, whilst they continue to make payments according to an agreed payment arrangement.

### **General provisions**

- 4.13 Council will ensure customers have equitable access to this customer hardship process, and that this process is applied consistently.

This policy is available on our Council website: [www.barossa.sa.gov.au](http://www.barossa.sa.gov.au).

### **Confidentiality**

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

## Complaints handling

- 4.15 Details of our customer complaints and dispute resolution process are available at our Council website [www.barossa.sa.gov.au](http://www.barossa.sa.gov.au). Council will also make a copy of this policy available to a residential customer, upon request, and at no charge to the customer.
- 4.16 A customer experiencing hardship has a right to have any complaint heard and addressed by us, and in the event that their complaint cannot be resolved, the right to escalate their complaint to the external dispute resolution body approved by the Essential Services Commission of South Australia.

## Extra-Ordinary Provision – COVID-19

### Rate Deferral

- 4.17 Upon the application of any ratepayer or applicable tenant that has become unemployed, underemployed and is receiving a payment from the Government as a result of COVID-19 they will be provided the option to defer all rates and charges payments for a period concluding on 31 January 2021 .
- 4.18 Upon the application of any ratepayer or applicable tenant where their business has failed or is in hardship as defined in this policy and is receiving a payment from the Government as a result of COVID-19 they will be provided the option to defer all rates and charges payments for a period concluding on 31 January 2021 .
- 4.19 Upon the application of any ratepayer or applicable tenant who may not qualify for Government assistance and upon provision of reasonable evidence the Chief Executive Officer can provide the option to defer all rates and charges payments for a period concluding on 31 January 2021 .
- 4.20 In accordance with item 4.6 all of the above options will be fine and interest free during the term of the deferred payments.
- 4.21 Subject to your application approval, if and where debt collection or legal action is in place, these processes will be placed on hold.

### General Rates Remission

- 4.22 Upon the application of any ratepayer or applicable tenant providing the required financial information for the relevant assessment for the COVID-19 period and meets the criteria, Council will provide general rate remission to the ratepayer(s) as listed on the assessment record, at a fixed amount relevant for each Local Government Category (as defined in the Rating Policy). Only one general rate remission applies to an assessment as per the Rating 2020/21 COVID-19 General Rate Remission table.
- 4.23 If the application is approved the rate remission will be applied to the rates balance per assessment.
- 4.24 All applications will be treated in confidence and verification of financial information to a restricted email address, and must be received by 31 March 2021.

Non-business ratepayer

- 4.25 Non-business ratepayer(s) (must be the ratepayer for the assessment prior to 31 March 2020) experiencing financial hardship as a result of COVID-19 during the relevant period and experienced a loss of (combined) income of at least 30% as verified by a financial counsellor, financial advisor and/or accountant.

Business ratepayer

- 4.26 Business ratepayer(s) or applicable tenant (must have been operating prior to 1 January 2020) experiencing financial hardship as a result of COVID-19 during the relevant period and experienced a loss of profitability of at least 30% as verified by a financial counsellor, financial advisor and/or accountant.

## 5. Supporting Process and Documents

- 5.1 Customer hardship relief process  
5.2 Rating 2020/21 - COVID-19 General Rate Remission table

## 6. Related Policies and Codes

- Supplementary Hardship Policy for Residential Water Service Customers
- Rating Policy
- Debt Recovery Policy
- Rebate of Remission of Rates Policy
- Records Management Policy
- Complaint Handling Policy

## 7. Legislation and References

Local Government Act 1999 – Sections 181 and 182  
Council's Annual Budget and Business Plan (Remission of Rates, Postponement of Rates, Postponement of Rates for Seniors and Residential Rate Capping)

## 8. Review

- 8.1 This Policy will be reviewed by [the Council / Document Control Officer] in consultation with the relevant stakeholders, within four (4) years or more frequently if legislation or Council's need changes.

## 9. Further Information

- 9.1 This Policy is available on Council's website at [www.barossa.sa.gov.au](http://www.barossa.sa.gov.au). It can also be viewed electronically at Council's principal office at 43-51 Tanunda Road, Nuriootpa and all Council branches, during ordinary business hours. A copy of this Policy can be obtained at those venues upon payment of a fixed fee.
- 9.2 Any complaint in relation to this Policy or its application should be forwarded in writing addressed to the Chief Executive Officer, PO Box 867, Nuriootpa SA 5355 or [barossa@barossa.sa.gov.au](mailto:barossa@barossa.sa.gov.au).

<b>10.</b>	<b>Policy Version History</b>
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<b>Version No:</b>	<b>Approval Date:</b>	<b>Description of Change:</b>
1	21/06/2011	New Policy
2	20/06/2017	Periodic review of policy
3	27/03/2020	Policy updated to add new provisions regarding Covid-19 response
4	16/6/2020	Policy updated to extend provisions regarding Covid-19 response
5	21/7/2020	Policy updated to extend provisions regarding Covid-19 response
6	20/10/2020	Policy updated to extend provisions regarding Covid-19 response