

Financial Hardship

Policy Objective

To offer support to ratepayers experiencing financial hardship with consistency, fairness and empathy, and to seek an appropriate, realistic and effective payment solution for those unable to meet payment deadlines for rates and service charges.

Policy Detail

This policy has precedence over the City's Collection of Rates policy where an application for financial hardship has been accepted by the City.

A person is considered to be experiencing financial hardship when they are unable to pay rates and service charges by any of the due dates on their annual rates notice without affecting their ability to meet their basic living needs, or the basic living needs of their dependants.

1. Applications

An application for financial hardship can only be made by completing and submitting a Financial Hardship Application Form. Requests are only valid for the financial year in which they are made. Any extended arrangement must be re-applied for in the new financial year.

The City recognises that not all circumstances are alike and will take a flexible approach to individual circumstances. All applications will be considered with consistency, fairness and empathy, and an understanding that financial hardship can arise from:

- a) Low income or loss of income
- b) Serious or chronic illness
- c) Impacts of natural disaster
- d) Pandemics
- e) Other difficult circumstances.

2. Assessment

Evidence of income is required to assess an application. This may include:

- a) Proof of Centrelink payments for at least three consecutive months for individuals
- b) Copy of Business Activity Statements submitted to the Australian Tax Office that show a loss of income of at least 50% over a quarter year for businesses
- c) Other substantive evidence of hardship as required by the City.

3. Payment Options

While incurred rates and service charges cannot be waived, the City will work with the applicant to determine an appropriate and affordable payment option.

As a general rule, where an application for financial hardship has been accepted by the City, payment options for rates and service charges will only be offered on a primary residence, not for investment, commercial or industrial properties.

The following can be considered to assist applicants deemed to be experiencing financial hardship:

- a) No interest charged on outstanding rates for the financial year in which the application is made
- b) No interest charged on outstanding Emergency Services Levy if in accordance with Western Australian Government guidance
- c) No additional charge (including interest and admin charges) on payments by instalments or for payment arrangements
- d) Payment terms may be extended to the due date of the following years' rate notice.

It is the responsibility of the applicant to advise the City of any change in circumstances that may affect financial hardship payment arrangements.

Reference/Associated Documents

[Local Government Act 1995](#) Sections 5.51(c), 6.49, 6.51

[Local Government \(Financial Management\) Regulations 1996](#) Part 5

Reference to Internal Procedure

[Collection of Rates Policy](#)

[Financial Hardship Application Form](#)

[Financial Hardship Application Information](#)

Definitions

'City' means the City of Belmont

'Emergency Services Levy' means the annual charge paid by all property owned in Western Australia and is charged by the Department of Fire and Emergency Services

This Policy is supported by:		
Policy No:	CP35	
Strategic Community Plan Strategy:	Goal 5: Responsible Belmont Strategy: 5.6 Deliver effective, fair and transparent leadership and decision-making, reflective of community needs and aspirations	
Register of Delegations:	N/A	
Service Area:	Corporate and Governance	
Policy Owner:	Manager Finance	
Policy Stakeholder:	Coordinator Rates	
Amendment Status:		
Date of Amendment	Status of Amendment	Minute Item Reference
26/05/20	New Policy	12.7
22/06/21	Major	12.8
24/05/23	Review - Minor	12.7
22/08/23	Review - Moderate	12.10