



# Ordinary Council Meeting 22/06/21

Item 12.8 refers

## Attachment 17

**Financial Hardship Policy  
with Track Changes**

**BEXB7.7 FINANCIAL HARDSHIP POLICY (COVID-19)****Policy Objective**

To give effect to Council's commitment to support ~~the whole community~~ ratepayers to meet the ~~unprecedented~~ challenges arising from ~~the COVID-19 pandemic. The City of Belmont recognises that these challenges may result in~~ financial hardship for ratepayers.

This Policy is intended to ensure that the City offers fair, equitable, consistent and dignified support to ratepayers suffering hardship, while treating all members of the community with respect and understanding ~~at this difficult time.~~ Financial hardship may have occurred as a result of (but is not limited to) Covid-19.

**Policy Statement**

Financial hardship occurs where a person is unable to pay rates and service charges without affecting their ability to meet their basic living needs, or the basic living needs of their dependants. ~~The City recognises the likelihood that COVID-19 will increase the occurrence of payment difficulties, financial hardship and vulnerability in the community.~~ This policy is intended to apply to all ratepayers experiencing financial hardship regardless of their status, be they a property owner, tenant or business owner.

**Policy Detail**Application of Policy:

This policy has precedence over *BEXB7.4 Collection of Rates* ~~and applies until 30 June 2021.~~

Eligibility:

Eligible ratepayers are ratepayers suffering financial hardship ~~as a result of the COVID-19 State of Emergency.~~

~~Financial hardship occurs where a person is unable to pay rates and service charges without affecting their ability to meet their basic living needs, or the basic living needs of their dependants, or in the case of a business, basic business function.~~

Evidence of Financial Hardship:

While evidence of hardship will be required, the City recognises that not all circumstances are alike. The City will take a flexible approach to a range of individual circumstances including, but not limited to, the following situations:

- a. ~~recent~~ Current unemployment or under-employment
- b. sickness or recovery from sickness
- c. low income or loss of income
- d. unanticipated circumstances such as caring for and supporting extended family.

Possible evidence required may include:

- Individuals (i.e. residential) - Evidence ~~that Centrelink or Jobkeeper~~ allowances are currently being received for an extended period (i.e. 3 months or more).
- Companies and other entities (i.e. commercial and industrial) - Evidence by way of recent Business Activity Statement returns that evidences a loss of income of at least 50% over a quarter.

Effects:

For ratepayers eligible under the criteria outlined above the Chief Executive Officer should consider the following mechanisms to assist the applicant:

- No interest on outstanding rates for the respective financial year 2020-2021
- ~~No interest charged on other amounts owing~~
- No interest charged on outstanding Emergency Services Levy if in accordance with State Government guidance
- No additional charge (including by way of interest) charged for payments by instalments or payment arrangements
- Payment terms extended -for rates and charges as included on the Rate Notice with the final payment due by the issue date of the following rating year
- ~~Deferral of 2020-2021 rates and charges as included on the Rate Notice, including arrears, with final payments by 31 August 2021.~~
- ~~Once off application for assistance through the provision of a contribution to any residential rates account with a higher annualised rate charge in the 2020-2021 financial year to a maximum of \$250.~~

Applications are to be made on an annual basis and only valid for that respective financial year. Applications are to be received by 31 October each year.

Any other debts to the City and complying with the eligibility conditions of this policy shall be addressed in accordance with *DA09 – Waiver or Concessions – Granting*.

The maximum available concession is to be in accordance with the limitations in place for DA09 - Waiver or Concessions - Granting.

**Reference/Associated Documents**

[Local Government Act 1995, Part 6 Division 6 Subdivision 5.](#)

**Reference to Internal Procedure**

Financial Hardship Application Form

**Definitions**

N/A

**Monitoring, Evaluation and Review**

This policy has been risk assessed as Low.

The policy will be reviewed annually.

**THIS POLICY IS SUPPORTED BY:**

REGISTER OF DELEGATIONS	N/A
SERVICE AREA:	FINANCE
POLICY OWNER:	MANAGER FINANCE

AMENDMENT STATUS

DATE OF AMENDMENT	STATUS OF AMENDMENT	MINUTE ITEM REFERENCE
26/05/2020	NEW POLICY	12.7

NEXT REVIEW DATE	2021
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