

POLICY			
<b>TITLE:</b>	<b>FINANCIAL HARDSHIP – COLLECTION OF PROPERTY RATES, FEES AND CHARGES</b>	<b>CODE:</b>	<b>FM.13</b>
<b>PURPOSE or OBJECTIVE:</b>	To establish a governing framework for consideration of City of Canning (the City) residential and small business ratepayers that are experiencing financial hardship.		
<b>REFERENCE DOCUMENTS:</b>	<a href="#">Local Government Act 1995</a> s6.47		

POLICY STATEMENT
<b>To recognise there are unforeseen cases of genuine financial hardship where payment of outstanding rates would cause the ratepayer further distress. The policy outlines the scope and criteria for determining applications for rating relief.</b>

## 1. Scope

This policy aligns with the City’s social and economic responsibilities to the community and reinforces Council’s commitment to working with ratepayers to effectively manage their payment of property rates, fees and charges. The policy applies to residential and small business owner ratepayers. However, the City encourages any ratepayer experiencing payment difficulty to make contact with the City.

## 2. Definitions

<i>Financial Hardship</i>	When a Ratepayer is willing but unable to pay their rates because of unforeseen and unexpected events that impacts substantially upon short term cash flow, for example: <ul style="list-style-type: none"> <li>• Changes in employment status (such as losing a job or having hours significantly reduced).</li> <li>• Significant life events such as serious illness, a relationship breakdown or death in the family.</li> <li>• Significant loss of revenue.</li> <li>• Emergency event or natural disaster.</li> </ul>
<i>State Concessions</i>	Meeting eligibility criteria for approved Pensioner or State Concession Card, Commonwealth Seniors Health Card with a WA Seniors Card.
<i>Payment Arrangement</i>	A payment plan is an agreement between you and us where we agree to receive a certain amount of money in regular instalments over an agreed timeframe.
<i>Payment Options</i>	Centrepay, internet, direct debit, telephone, mail or POST Bill pay.
<i>Fees and Charges</i>	Includes waste collection fees, security service charge and emergency services levy.

<i>Penalty Interest</i>	An amount of interest charged by the City in accordance with the annual budget for overdue payment of rates, fees and charges. The City on behalf of the State, collects and charges interest on any overdue Emergency Services Levy Amounts.
<i>Approving Officer</i>	Means any person to whom power has been authorised to determine applications in accordance with Council's approved policy guidelines.
<i>Residential Ratepayer</i>	The category of ratepayer which is not classified as non-residential or unimproved land.
<i>Small Business Ratepayer</i>	<p>A small business which:</p> <ul style="list-style-type: none"> <li>• Employs less than 20 people</li> </ul> <p style="text-align: center;"><i>*Australian Bureau of Statistics (ABS) definition of small business.</i></p> <p style="text-align: center;"><i>Where the owner draws a wage from the business they are considered an employee and are included in the employee count above.</i></p> <ul style="list-style-type: none"> <li>• Owns and operates their business from premises within the City (being both ratepayer and business owner). This includes home-based businesses.</li> </ul>

### 3. Qualifying Criteria

Subject to qualifying criteria, eligible residential and small business ratepayers in Financial Hardship will be provided assistance where:

- a) In the opinion of the Chief Executive Officer, upon recommendation by the Approving Officer, the ratepayer is experiencing genuine financial hardship;
- b) The ratepayer's circumstances can be substantiated if requested;
- c) The ratepayer is not bankrupt or subject to a bankruptcy petition;
- d) No revenue is being derived from the residential property;
- e) The non-residential property is the principal place of business of the ratepayer;
- f) The applicant must be the owner or co-owner of the property and liable for payment of rates and charges.

### 4. Assistance

When ratepayers are determined to be in Financial Hardship the City will:

- a) Cease any penalty interest;
  - \*Excluding the late payment interest applicable to the Emergency Services Levy*
- b) Temporarily pause payment of your rates, fees and charges;
- c) Establish an alternative Payment Arrangement plan.

The maximum time for a concession on future interest charges is two years.

The maximum time for a pause on payment is 6 months.

## 5. Supporting Documentation

Third party documentation may be requested to assist in determining applications for Financial Hardship.

## 6. Ratepayer Obligations

Ratepayers are obliged to inform the City of any changes in their circumstances that would no longer warrant consideration of Financial Hardship.

Residential ratepayers are encouraged to make application for State concessions which may provide them with further financial benefit.

Small business ratepayers are encouraged to make application for Federal and State Government funding which may provide them with further financial benefits.

Ratepayers are required to use available Payment Options.

## 7. Duration

A temporary suspension from the payment of rates and subsequent establishment of alternative payment arrangements, shall aim to clear overdue rates, fees and charges, and restore regularity of payments within 2 years.

It is acknowledged that experiencing unfortunate events may not be a one-off lifetime event and that some ratepayers may need to make application for Financial Hardship more than once.

## 8. Review Position and Date

This policy will apply for rates levied from 1 July 2019 onwards.

This policy must be reviewed every two (2) years after a general Local Government election, or earlier if Council deems it necessary.

## GOVERNANCE REFERENCES

Statutory Compliance	<a href="#">Local Government Act, 1995</a>
Process Links	

## POLICY ADMINISTRATION

Program responsible		Officer Title	
Canning Community & Commercial		Director Canning Community & Commercial	
Version	Decision Reference	Meeting type and date	Delegation No. (or N/A)
1	New Policy April 2020	SCM 30 April 2020	