

## Financial Hardship Policy

**NOTE:** Council regularly reviews and updates its policies. The latest controlled version can be obtained from the Policy Register on Council's intranet or by contacting Council's Corporate Services Branch. **A hard copy of this electronic document is considered uncontrolled when printed.**

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### 1. POLICY STATEMENT

This policy provides a framework to identify and provide assistance to ratepayers who are experiencing financial hardship in the South Burnett Regional Council ('Council') area.

### 2. SCOPE

This policy applies to all eligible ratepayers in the Council area who are experiencing financial hardship and as a result are willing, but unable to pay their rates and charges.

### 3. GENERAL INFORMATION

Council will assess a request for financial hardship on a case-by-case basis.

Council is committed to working with ratepayers to find an appropriate, realistic and effective payment solution.

The key objectives of this policy are to:

- provide a mechanism that enables ratepayers to feel comfortable in approaching Council about outstanding debts;
- provide a policy that encourages a consistent and proactive approach in identifying and assisting ratepayers who may be experiencing difficulty paying their rates due to personal or financial hardship; and
- encourage people experiencing financial hardship to access earlier financial counselling support services.

Financial hardship relief provided under this policy does not forego Council's normal debt recovery action, including Council's ability to sell the land for arrear of rates.

The *Local Government Regulation 2012* ('Regulation') states that Council may grant a concession if it is satisfied that the payment of rates or charges will cause hardship to the landowner. Council will grant a concession for rates relief as set out in this policy.

#### 3.1. Temporary financial hardship

Ratepayers may experience payment difficulties due to a sudden and/or temporary change in circumstances that adversely affect their finances. Council is able to offer an extension of time to pay (with the loss of the prompt payment discount shown on the rate notice) or to set up a payment plan.

### **3.2. Identifying property owners in financial hardship**

Ratepayers who believe they are experiencing financial hardship are encouraged to contact Council as soon as possible. A financial counsellor may contact Council if an assessment has been undertaken, with written consent of the ratepayer.

The following indicators will be considered when determining whether a property owner is experiencing financial hardship:

- the property owner requests information about alternative payment arrangements;
- the property owner's payment history indicates they have had difficulty paying accounts in the past;
- the property owner has had a change of circumstances that adversely affects their finances;
- eligibility for government funded concessions;
- advice has been received from an independent financial counsellor;
- total income after tax (take home pay);
- the number of properties owned;
- the number of children or dependants involved;
- current financial commitments including any existing debt;
- medical conditions or disability affecting earning capacity; and
- domestic or family violence.

Although the above list displays indicators of possible hardship, each ratepayer will be treated with sensitivity and understanding according to their individual circumstance.

As part of Council's assessment, consideration will be given to any information provided by the ratepayer and/or, if applicable, their financial counsellor.

As soon as the assessment has been completed and a decision has been made, Council will advise the ratepayer of the outcome.

### **3.3. Eligibility**

Council will not support applications for financial hardship relief where the applicant has another avenue to alleviate the situation or seek assistance and has not taken this alternative option.

Council will only consider an application for financial hardship relief where:

- it is the ratepayer's principal place of residence; and
- the ratepayer does not have any interest in any other property; and
- the ratepayer has made payments to their rates account within the last twelve (12) months; and
- the ratepayer does not have a history of failing to adhere to Council approved payment plans; and
- the ratepayer does not have other outstanding fees and charges with Council older than 90 days, unless there is an active payment plan in place; and
- the ratepayer has not received a recent Warning Letter from Council advising of the risk of going to Sale of Land for rate arrears; and
- upon application being made to Council for the relief of rates and charges by the ratepayer; and the ratepayer is experiencing genuine financial hardship.

The above eligibility criteria will be reviewed at Council's discretion on a case-by-case basis.

### **3.4. Assistance or relief available**

Council may grant relief to a ratepayer by offering assistance by one (1) or more of the following:

- payment of the outstanding rates balance may be deferred for a maximum period of 6 months (without further interest accrual during this period);
- suspension of pending or current rate recovery action;
- repayment plans that are outside of the current Rate Collection Policy;

- interest costs written-off or reduction of interest already charged where a genuine attempt has been made by the ratepayer to make payment/s; and
- interest waived for interest that may accrue between the Council's decision and satisfactory completion of an agreed repayment plan.

Council is committed to assisting ratepayers who are experiencing financial hardship. Council offers long-term options if the ratepayer adheres to and maintains an agreed arrangement.

Council requires the ratepayer to:

- keep Council informed of any change in circumstances;
- agree and maintain a suitable payment arrangement;
- strictly adhere to a payment plan and contact Council to negotiate, where practical, an alternative arrangement should ratepayer have difficulty maintaining the agreed payment plan; and
- contact a financial counsellor, if requested, to discuss their financial situation and consider options available to them.

### **3.5. Lodging an application**

An application must be completed in full on the Financial Hardship Rates Application available from the Council website. Supporting financial documentation must be submitted to support the application (for example tax returns, bank statements, Centrelink certificates and the like).

### **3.6. Processing the application**

All applications will be assessed by the Finance and Sustainability branch using the information supplied by the ratepayer, with the final approval given by Council. Applicants may be contacted by Council to clarify details.

### **3.7. Ratepayer obligations**

A ratepayer must adhere to the agreed repayment plan. If a ratepayer fails to comply with the requirement of the agreed repayment plan, Council will continue with normal debt recovery action.

## **4. DEFINITIONS**

**Council** means South Burnett Regional Council.

**Financial Hardship** means unable to meet basic requirements, including food, clothing, medicine, accommodation and children's education. This hardship may occur because of chronic illness, long-term unemployment or death of a partner.

**Ratepayer** means the owner of the land as defined under the *Local Government Act 2009*.

**Residential property** means property that has as its primary use for residential purposes.

## **5. LEGISLATIVE REFERENCE**

*Local Government Act 2009* (Qld)

*Local Government Regulation 2012* (Qld)

## **6. RELATED DOCUMENTS**

South Burnett Regional Council Financial Hardship Rates Application Form

South Burnett Regional Council Rates Collection Policy – Statutory041

South Burnett Regional Council Revenue Policy – Statutory005

South Burnett Regional Council Revenue Statement

## **7. NEXT REVIEW**

As prescribed by legislation or June 2028

## 8. VERSION CONTROL

Version	Revision Description	Adopted Date	ECM Reference
1	Development of policy	24 June 2019	2603937
2	Review of policy	15 July 2020	2701272
3	Review of policy	26 May 2021	2791654
4	Review of policy	20 October 2021	2791654
5	Administrative amendment – organisational structure review – resolution 2022/432	27 April 2022	2791654
6	Review of policy	18 June 2025	2846863

  
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