



Financial Assistance (Rates & Charges) Policy

| | |
|-----------------------------|---|
| Version No. | V5, 27 September 2021 |
| Endorsement | General Manager Corporate Service Executive Policy Review Panel 13 October 2021 |
| Authorisation | Council 25 October 2021 |
| Expiry date: | 31 December 2024 |
| Responsible officer: | Revenue Coordinator |
| Policy owner | Manager Finance |

1. Purpose

To process applications by ratepayers for deferment or waiver of rates, charges and /or interest on the grounds of financial hardship, compassion, special or necessitous circumstances.

2. Scope

This policy applies to ratepayers of Melton City Council in accordance with Sections 170, 171 and 171A of the Local Government Act 1989.

3. Definitions

| Word/Term | Definition |
|----------------------------------|---|
| Financial hardship | Unable to pay the outstanding rates or charges due to adverse financial condition. |
| Compassionate grounds | Short term circumstances of a compassionate nature that if deferment of payment is not granted would lead to Financial hardship. |
| Necessitous circumstances | Circumstances beyond the control of the ratepayer that makes the payment of rates and charges impracticable on a short-term basis only e.g. death in the family, those affected by family violence. |
| “Market Rate of Interest” | This will be the opportunity cost of interest income forgone by Council- i.e.: Official 180 day bank bill rate as at 1 July each year. |
| Primary residence | The property which is considered to be the main living location. |
| Independent Financial Counsellor | A free service provided to ratepayers in financial difficulty that is independent of the Council. |
| Rates & Charges | General Rates, Municipal Charge, Waste Charges, Fire Services Property Levy are the applicable charges with respect to this policy. |

4. Policy

4.1 Deferring of Rates and Charges –Section 170 of the Act

Ratepayers may have rates and charges, or part thereof, deferred although rates and charges will continue to be levied subject to compliance with the following conditions and approval by the Chief Executive, General Manager Corporate Services or Manager Finance:

- Available only to individuals experiencing hardship with regard to the rates on their primary residence
- The ratepayer must be experiencing undue and unavoidable hardship, including but not limited to those affected by family violence and mental health.
- The applicant to provide additional information such as Concession Card issued under State Concession Act, evidence of low income, Centrelink Healthcare Card etc. Where there are mitigating circumstances and documented evidence can't be provided, Council will look to make assessment of hardship via other means.
- Council is satisfied on the application of the ratepayer that the payment of rates and charges will cause undue hardship to the ratepayer
- Interest on deferred rates will be levied at the "market rate", rather than the penalty interest rate
- Council may defer payment or part payment for such period as Council thinks fit.

4.2 Waiving of Rates and Charges – Section 171 of the Act

Ratepayers may have rates and charges, or part thereof, waived subject to following conditions and approval by Council or by delegated authority:

- Available only to individuals experiencing hardship with regard to the rates on their primary residence
- Ratepayer is an eligible recipient within the meaning of State Concessions Act 2004
- The applicant is under Financial hardship and be able to provide additional information to prove hardship on a needs basis. Where there are mitigating circumstances and documented evidence can't be provided, Council will look to make assessment of hardship via other means
- Maximum of 30% of the current years rates and charges, with a minimum waiver of \$100 per property per year due to financial hardship
- Waiver must be recommended by an independent financial counsellor, unless Council determines (in its sole discretion) that there are exceptional mitigating circumstances justifying why an independent financial counsellor recommendation should not be obtained.

4.3 Waiving of Interest – Section 171A of the Act

Ratepayers may have interest or part thereof, waived where they have demonstrated compassionate grounds for a payment being late and/ or financial hardship subject to compliance of the following conditions and approved by General Manager, Corporate Services or Manager Finance:

- Ratepayer experiencing undue financial hardship (in necessitous circumstances)
- Ratepayer is on a payment arrangement to catch up the outstanding rates and charges
- Maximum of 12 months waiver.

4.4 Discount for an Additional Bin

Ratepayers may receive a discount of 80% of the normal cost of an addition garbage or recycling bin, subject to the following conditions and approval by Manager Finance:

- Completion of Request for Additional Bin discount form
- Attach a letter from the hospital or doctor confirming medical condition that would require a larger amount of waste; or
- Provide information of 6 or more people living at the property; and
- Ratepayer is an eligible recipient within the meaning of State Concessions Act 2004

5. Responsibility /Accountability

| | |
|-----|---|
| 5.1 | Manager Finance <ul style="list-style-type: none">• For ensuring the policy is applied consistently.• Determining deferrals of rates and charges under Section 170 of the Local Government Act• Determining the waiving of interest under Section 171A of the Local Government Act• Determining approval for a discount for an additional bin |
| 5.2 | Debt Recovery Officer <ul style="list-style-type: none">• For the collection of Council's overdue rates and charges. |
| 5.3 | General Manager, Corporate Services <ul style="list-style-type: none">• Determining deferrals of rates and charges under Section 170 of the Local Government Act• Determining the waiving of interest under Section 171A of the Local Government Act 1989 |
| 5.4 | Council <ul style="list-style-type: none">• Determining the waiving of rates under Section 171 of the Local Government Act |

6. References and links to legislation and other documents

| Name | Location |
|--|---|
| Sections 170,171,171A of the Local Government Act 1989 (VIC) | http://www.legislation.vic.gov.au/ |
| | |