Hardship and Vulnerability Policy	
Date adopted	22 June 2026
Adopted by	Council
Review due	June 2027
Responsible officer	Chief Financial Officer
Records reference	12431292

1. Policy Statement

Council is committed to supporting customers experiencing financial hardship or vulnerability fairly, consistently and safely.

2. Purpose

This policy outlines Council's commitment to supporting customers experiencing financial hardship or vulnerability by providing fair, compassionate, flexible and consistent pathways for payment, assistance, and engagement. It ensures compliance with the Ministerial Guidelines relating to Payment of Rates and Charges (24 December 2025) and incorporates guidance provided by Essential Services Commission (ESC) and best practice from other industries.

3. Guiding Principles

Consistent with the 2025 Ministerial Guidelines, Council will:

- Provide flexible, place-based support, including modern payment options tailored to diverse community needs.
- Communicate clearly and accessibly, offering multiple channels and simple language regarding rights, obligations and supports.
- Ensure decisions are proportionate, consistent and based on defined assessment criteria.
- Treat all customers equitably, respectfully and compassionately, ensuring proportional responses to hardship.
- Protect privacy and confidentiality, handling all personal information in accordance with relevant privacy laws.
- Reduce reliance on debt collection, adopting early engagement practices and minimising additional costs to community members.
- Enable scalable and adaptable support responses to respond to emerging community needs and economic conditions.

These principles are reinforced by the ESC's view that definitions, processes and hardship support should be clear, consistent, accessible and grounded in fairness and customer vulnerability best practice.

4. Scope

This policy applies to:

- All Council financial assistance, relief and payment support programs, including rates, charges, fees and any future support initiatives,
- Tenants liable for rates under agreements,
- Individuals affected by personal, social, cultural, systemic or economic circumstances.

5. Definition of Hardship and Vulnerability

Aligned with national consumer hardship frameworks and ESC submissions, hardship or financial hardship may arise from:

- Reduced income, unemployment, illness or injury
- Family violence, economic abuse or elder abuse
- Disability or caring responsibilities
- Mental health challenges
- Natural disasters, scams or fraud
- Barriers to accessing essential services
- Alcohol or substance use, bereavement, or other life events.

Council acknowledges that circumstances change over time and may require ongoing, adjusted or temporary support. Assessment of hardship may consider both self-declared circumstances and supporting indicators where appropriate.

6. Identifying Hardship Early

Council will proactively identify customers experiencing hardship through early engagement practices, prioritising support over enforcement before escalation occurs. Council will invest in staff capability to support customer vulnerability sensitively and consistently.

7. Supports Available

7.1. Flexible Payment Plans

Council will offer flexible payment arrangements tailored to individual circumstances, including instalment arrangements, payment smoothing and short-term crisis relief where the standard period is insufficient to resolve hardship. Additional assistance is available under this policy.

7.2. Interest Waivers and Fee Relief

Council must consider interest waivers under sections 171 and 172 of the *Local Government Act 1989* when appropriate. Fee and charge waivers may be granted in cases of extreme hardship, including family violence or extreme vulnerability.

7.3. Referral and Wrap-around Support

Council will, where appropriate, connect customers to:

- Financial Counselling
- Family Violence Services
- Community Support Agencies
- Hardship teams at other organisations where needed.

7.4. Additional Support Measures

Council will introduce additional financial relief mechanisms, rebates or targeted support initiatives in response to identified community need, economic conditions or policy reform, consistent with this policy.

8. Application and Assessment Process

Council will ensure that applications for hardship support are accessible through multiple channels, including online, phone, post, in-person, and via authorised third parties. All applications will be assessed in a compassionate, non-judgmental and trauma-informed manner, with privacy protected and documentation requirements minimised. Applications will be actioned within 10 business days.

9. Family Violence Support

Council will apply safety-led, consent-based processes when working with victim-survivors of family violence. Confidentiality will be protected, and access to waivers and referrals will be considered in accordance with this policy.

10. Culturally Safe and Community Led Practice

Council is committed to hardship support that is accessible to people with special needs. Council will partner with third parties as appropriate to provide this support.

Council will provide support that is culturally safe and appropriate. Council will partner with community organisations to ensure supports reflect cultural needs, for Aboriginal and Torres Strait Islander communities and other identified cohorts.

11. Debt Management and Escalation

Council will not escalate accounts to legal action until all reasonable support options have been offered and the customer has disengaged from communicating with Council for an extended period. Decisions on debt management and escalation will be subject to internal review and approval thresholds.

Internal review may commence if:

a. Hardship support has been offered and documented; and
b. The customer has failed to engage following reasonable attempts; and
c. Approval has been granted in accordance with delegation of authority.

12. Compliance

Where clarification is required, Council may request additional information relevant to the applicant's financial circumstances. Requests will be proportionate to the nature and value of the assistance sought.

Alternative forms of evidence, including statutory declarations, third party statements or self attestation, may be accepted where appropriate, particularly in cases of vulnerability. Decisions must be recorded.

Council may review applications or assistance where new information arises or where the information provided does not reasonably reflect the applicant's circumstances.

Provision of false or misleading information may result in withdrawal of support and recovery of any relief granted.

13. Definitions

This glossary provides plain language explanations of common terms used throughout the Hardship and Vulnerability Policy.

Term	Definition / Explanation
Authorised third party	A person or organisation acting on behalf of a ratepayer or customer with their informed consent, including financial counsellors, legal representatives, family members, carers, or community support workers.
Community-led practice	An approach that involves community organisations and local knowledge in designing or delivering support.
Consent-based process	A process where customer information or actions are only undertaken with the person's informed agreement.
Culturally safe	Support that is respectful of and responsive to a person's cultural identity, background and needs.
Customers	Payer of any rates or charges
Debt collection	Actions taken to recover unpaid rates, charges, fees or other debts owed to Council. (*See Melton City Council Debtor Management Policy 2025*)
Debt escalation	The process of progressing unpaid debts toward formal recovery or legal action.
Delegation of authority	The formal approval powers assigned to Council officers for making decisions under the policy.
Early engagement	Proactive contact and support offered to customers before debts escalate or enforcement action occurs.
Economic abuse	A form of family violence involving control or misuse of a person's finances, income or assets.
Extreme hardship	Severe financial or personal difficulty where standard payment arrangements may not be appropriate or sufficient.

Term	Definition / Explanation
Family violence	Behaviour experienced that is abusive, coercive, controlling or threatening within a family or intimate relationship.
Fee relief	The reduction, postponement or removal of fees or charges to support a customer experiencing hardship.
Financial counselling	Professional advice and support to help individuals manage debt, budgeting and financial hardship.
Flexible payment plan	A tailored payment arrangement that reflects a customer's individual financial circumstances and capacity to pay.
Instalment arrangement	A payment method allowing debts to be paid in scheduled portions over an agreed period.
Interest waiver	A decision by Council to remove or reduce interest charges applied to overdue amounts due to hardship or vulnerability.
Other charges	Charges relating to pets, permits and infringements
Payment smoothing	An arrangement that spreads payments into smaller, more manageable amounts over time to reduce financial pressure.
Proportionate response	An action or decision that is fair and appropriate to the customer's circumstances and level of hardship.
Reasonable attempts to engage	Multiple efforts made by Council to contact and support a customer before escalation occurs.
Reasonable support options	Practical assistance measures offered by Council before considering enforcement or escalation action.
Referral pathway	A process for connecting customers with external support services or specialist assistance.
Self-attestation	A written or verbal statement provided by a customer confirming their circumstances without formal supporting documents.
Short-term crisis relief	Temporary financial assistance or support provided during an immediate hardship event or emergency.
Supporting indicators	Information or circumstances used to help assess whether a customer may be experiencing hardship or vulnerability.
Targeted support initiative	A specific assistance program or relief measure designed for identified community needs or groups.
Trauma-informed	An approach that recognises the impacts of trauma and aims to provide safe, respectful and supportive interactions.
Victim-Survivor	A person who has experienced or is experiencing family violence, including physical, emotional, psychological, financial or sexual abuse.

Term	Definition / Explanation
Vulnerability	Personal, social, cultural, health or economic circumstances that may place a person at greater risk of hardship or disadvantage.
Wrap-around support	Coordinated support services provided through referrals to community organisations or specialist agencies.

14. Related Documents

Name	Location
Local Government Act 2020	https://www.legislation.vic.gov.au/in-force/acts/local-government-act-2020
Local Government Act 1989 – Sect 171	https://classic.austlii.edu.au/au/legis/vic/consol_act/lga1989182/s171.html
Local Government Act 1989 – Sect 172	https://classic.austlii.edu.au/au/legis/vic/consol_act/lga1989182/s172.html
Ministerial Guidelines for Councils relating to Rates & Charges	https://engage.vic.gov.au/download/document/45074