

# Rates Hardship Policy

## Council Policy

### Responsible Directorate: Corporate Services

**Objective:** This Policy is intended to ensure that the City offers fair, equitable, consistent, respectful and dignified support to ratepayers experiencing financial hardship

#### 1. Statement:

The City of Joondalup recognises that it has a responsibility to respond to the needs to ratepayers experiencing financial hardship by ensuring that they are treated with respect, dignity, fairness, equity and confidentiality in seeking to meet their rates payment obligations.

#### 2. Details:

##### 2.1. Financial Hardship

Financial hardship is considered to exist where a ratepayer is either unable to settle their rates obligations using normal payment options or cannot enter into payment arrangements without significantly affecting their ability to meet their, or their dependents', basic living needs.

Factors contributing to financial hardship may include, but are not limited to:

- Unemployment or underemployment
- Loss of income
- Serious illness or recovery from serious illness
- Impact of natural disaster (e.g. fire, flood, etc)
- Other difficult circumstances

##### 2.2. Eligible ratepayers

This policy does not apply to corporate, non-profit, or other ratepayers who are not individual persons.

### 2.3. Process

Following receipt of the annual rates notice, where ratepayers do not believe they are able to meet their rates payment obligations due to financial hardship either by:

- a) Payment of the total amount in full by the due date stipulated in the rates notice; or
- b) Payment by the total amount by one of the instalment options provided in the rates notice; or
- c) Payment of the total amount by entering into a weekly, fortnightly or monthly payment arrangement by 31 March of that rating year,

such ratepayers are invited to contact the City, using the contact details provided in the rates notice or on the City's website.

When ratepayers contact the City to advise they are experiencing financial hardship, the City's standard approach is:

- Work with the ratepayer to review the ratepayer's financial position as advised;
- Offer payment arrangements that may extend payment timelines beyond 31 March of that rating year, including up to 30 June of the rating year;
- Where it may be necessary to offer payment arrangements that extend beyond 30 June, the City may offer the ratepayer a payment arrangement that includes an estimate of the following year's rates and charges and extends the payment period well into the following rating year, up to 31 March of the following rating year. Depending on specific circumstances, the City may extend this even further.
- In some situations, the City may offer a payment arrangement with significantly reduced initial payments to accommodate the ratepayer's current financial position, and then review the situation every 2-3 months with the ratepayer. Where the ratepayers situation subsequently improves, the City then works with the ratepayer to review the payment arrangement amounts to enable settlement of the dues on a more timely basis, including consultation with a financial counsellor if required
- Where none of the offered payment options are suitable for the ratepayer, or the ratepayer is experiencing severe hardship in their view, including where the ratepayer may have previously entered into payment arrangements with the City and repeatedly defaulted, the City will then request the ratepayer to visit an independent financial counselling service that is a member of the Financial Counsellors' Association of Western Australia (FCAWA). The City will provide the ratepayer with a list of such services to allow them to choose the one they consider most appropriate to their requirements;
- The financial counsellor will consider the ratepayer's financial position and thereafter provide an income and expenditure statement as well as a recommendation to the City as to what the ratepayer can afford;
- Following review and liaison with the financial counsellor, the City will then work with the ratepayer to structure a suitable payment arrangement that takes into account the financial constraints advised by the financial counsellor.

## **2.4. Exceptional circumstances**

In cases where the ratepayer may be experiencing circumstances of a particularly difficult character, such as the recent death of an immediate family member, the City may choose to defer recovery action, including payment reminder notices, for a period of time.

## **2.5. Administration charges and rates penalty interest**

Depending on the particular circumstances, the City may offer to waive or write off some or all payment arrangement administration charges and/or rates penalty interest accrued. If accepted, such write-offs will be undertaken in accordance with the Write-Off of Monies delegation stated in the City's *Register of Delegation of Authority*.

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**Creation Date:**

**Amendments:**

**Related Documentation:**      [Payment of Rates and Charges Policy](#)