

FINANCIAL HARDSHIP POLICY



## Financial Hardship Policy

FINANCIAL HARDSHIP POLICY

CONTENTS

1.

PURPOSE.....

3

2.

SCOPE.....

3

3.

POLICY STATEMENT .....

3

4.

PROCEDURES .....

8

5.

RESPONSIBILITIES .....

9

7.

RELATED LEGISLATION AND DOCUMENTS .....

10

8.

HUMAN RIGHTS STATEMENT OF COMPATABILITY.....

10

9.

POLICY OWNER .....

10

10.

FEEDBACK .....

10

11.

DOCUMENT INFORMATION .....

11

## FINANCIAL HARDSHIP POLICY

### 1. PURPOSE

This is the Financial Hardship Policy of Golden Plains Shire Council (Council), made in accordance with the *Local Government Act 1989*.

This policy ensures that Council ratepayers, regardless of their circumstances will be treated with understanding, dignity and respect while working out a payment plan that is manageable for them. It provides a framework for ensuring that Council will assess each application on its merits, demonstrating consistency and impartiality in its consideration of each application.

- 1.1 This policy aims to establish and implement a consistent approach to the collection of fees and charges acknowledging financial hardship and avenues to assist the community, with key objectives to:

- ensure all debts owed to Council are paid, where possible, by the due date and followed up within specified timeframes;
- ensure a fair, equitable and accountable approach to Council's debt management and collection decisions and practices;
- provide transparency to ratepayers, Councillors, and staff as to Council's debt collection protocols and framework;
- assist ratepayers to meet their obligations, rather than redistributing the impact of rate arrears to other ratepayers;
- ensure Council's debt collection process is sensitive and responsive to financial hardship issues;
- provide assistance to ratepayers experiencing financial hardship; and
- provide guidelines for council staff and its contractors to manage ratepayer financial hardship effectively and consistently.

### 2. SCOPE

- 2.1 This Policy will provide a framework to Council, in accordance with the *Local Government Act 1989*, outlining possible granting of a relief to those suffering financial hardship.
- 2.2 This Policy will aim to:
- Establish principles to apply to the collection of property rate accounts when financial hardship has been identified;
  - Identify the type of assistance that may be offered by Council; and
  - Apply the principles to other debts owed to Council.
- 2.3 This Policy applies to all property owners of the Golden Plains Shire who have been identified as having the intention to pay, but who do not have the financial capacity to make the required payments.

### 3. POLICY STATEMENT

#### Background

- 3.1 Local councils provide a wide range of important services to their communities, often for a fee or charge.

## FINANCIAL HARDSHIP POLICY

- 3.2 The *Local Government Act 2020* and the *Local Government Act 1989* give councils the power to set these fees and charges to offset the cost of their services. A widely accepted public sector pricing principle is that fees and charges should be set at a level that recovers the full cost of providing the services, unless there is an overriding policy in favour of subsidisation.
- 3.3 Council must apply principles of sound financial management and consider a range of 'Best Value' principles including service cost and quality standards, value-for-money, community expectations and values, as well as balance the affordability and accessibility of services.
- 3.4 Council may declare the following rates and charges on rateable land in accordance with the *Local Government Act 1989*:  
 S 158 – Declaring rates and charges  
 S 159 – Municipal Charge  
 S161 – Differential rates  
 S 162 – Service rate and service charge  
 S 163 – Special rate and special charge  
 S 169(1) allows Council to grant rate rebates and concessions.
- 3.5 Council recognises that some ratepayers and individuals may from time-to-time experience either temporary or permanent financial difficulty and will follow best practice arrangements for the collection and recovery of rates and charges, including offering flexible payment arrangements when identified and when required.
- 3.6 **Identifying financial hardship**  
 Council recognises that not all circumstances are alike, and that financial hardship may arise from a range of individual circumstances, including but not limited to, the following situations:
- Unemployment
  - Family bereavement
  - Incapacity through sickness or injury
  - Family breakdown or domestic violence
  - Impacts of natural disasters
  - Diminished, low or loss of income

Council will encourage ratepayers to access financial counselling, legal aid, and other not-for-profit support services.

### Financial Hardship Assessment guidelines

Criteria used to determine an individual's eligibility is assessed on a case-by-case basis and is based on documented evidence and a meaningful two-way conversation. All evidence is considered when assessing the level of financial hardship and offering an appropriate level of financial assistance.

### Not Financial Hardship

Council frequently enters short term payment arrangements with ratepayers, they are generally not considered as 'financial hardship assistance' but could indicate a precursor to financial hardship. In these circumstances, Council would monitor progress towards clearing the debt within the specified time. If the debt is not cleared, further assistance may be considered. Interest continues to accrue on arrears after due dates.

**FINANCIAL HARDSHIP POLICY****3.7 Principles for the consideration of hardship**

The following key principles underpin Council's consideration of hardship matters.

**3.7.1 Customer Rights**

Each property owner has the right to:

- be treated sensitively and have their circumstances kept confidential by Council;
- receive information about payment arrangements and the Financial Hardship Policy;
- either nominate themselves or have their financial counselling representative nominate a payment arrangement;
- redirect the account to another person for payment provided that person agrees in writing;
- renegotiate the amount of their arrangement if there is a change in their personal circumstances;
- choose from various payment methods in accordance with their circumstances and financial ability;
- receive written confirmation of the agreed alternative payment arrangement; and
- receive a language interpreter service if required.

**3.7.2 Transparency and Accessibility**

Council will work with the property owner and/or their advocate with clear communication and make available our Financial Hardship Policy. The policy is also available on request and via the Council website.

**3.7.3 Respect and Engagement**

The operating protocols that are established under the Financial Hardship Policy define how all Council officers interact with customers to provide assistance in a respectful manner.

It is recognised that property owners may have a range of pressures and at times this may limit their ability to engage in open dialogue regarding their personal circumstances. Council will approach these discussions recognising they require sensitivity and compassion on our part.

**3.7.4 Continual Improvement**

The Financial Hardship Policy and associated procedures are reviewed regularly to ensure they remain appropriate and adequately meet our customer needs.

**3.7.5 Confidentiality**

Council treats applications for consideration of financial hardship as strictly confidential in accordance with Council's Privacy Policy, including the use of property numbers in reports to Council or Council Committees. The name of the ratepayer shall only be disclosed in reports with the consent of that ratepayer.

In addition, where a ratepayer has identified circumstances of economic abuse or family violence Council will take measures to:

- prevent the other owner/s from accessing confidential information relating to hardship and financial hardship applications; and
- prevent the other owner/s from delaying or preventing the application.



**FINANCIAL HARDSHIP POLICY****3.8 Support Available**

The Financial & Consumer Rights Council of Victoria (FCRC) is the peak body and professional association for financial counsellors in Victoria. The FCRC can help affected persons find a financial counsellor – please visit [www.fcrc.org.au](http://www.fcrc.org.au) for more information.

The National Debt Helpline is a not-for-profit service that helps people in Australia tackle their debt problems. This is a government service providing free, confidential counselling for people experiencing financial difficulty. Visit [www.ndh.org.au](http://www.ndh.org.au) or call 1800 007 007 for more information.

The Salvation Army offer support in the form of shelter, safety and support for members of the community requiring assistance including financial counselling services and can be contacted on 1800 722 363 or visit <https://www.salvationarmy.org.au/need-help/financial-assistance/financial-counselling/>

Meli is a local organisation located in North Geelong that provide a range of support services for families with young children including assistance for those experiencing financial hardship who can be contacted on (03) 5226 8900 or visit <https://www.meli.org.au/money-help/>

Cafs is an organisation located in Ballarat who provide a range of family support services including financial counselling who can be contacted on (03) 5337 3333 or visit <https://cafs.org.au/financial-counselling/>

Safe Solutions Counselling is a disability services and support organisation who offer financial counselling services and are located in Geelong and can be contacted on 0409 026 163 or visit <https://safesolutionscare.com.au/>

**3.9 Application for financial hardship**

Customers may apply for the following, pursuant to sections 170 and 171A of the *Local Government Act 1989*:

- Deferral of rates and charges
- Waiver of interest and legal charges invoiced to date
- Waiver of rates and charges

Customers are required to submit a confidential "Financial Hardship Application Form" for their eligibility to be assessed – refer appendix 1.

Council may request a ratepayer to provide evidence to support their claim of financial hardship. The evidence required must only be relevant to determining the ratepayer's current financial circumstances. Examples of evidence include, but are not limited to, bank statements, medical certificates, rental income and Centrelink payments.

The decision on whether an application relating to financial hardship is successful will be made by Council's authorised officers.

**3.10 Deferral of Rates and Charges**

Council offers deferral of residential rates and special charges under section 170 of the *Local Government Act 1989*, where it can be shown that the ratepayer is experiencing undue and unavoidable hardship, subject to the following conditions:

## FINANCIAL HARDSHIP POLICY

- Must be the applicant's sole or primary place of residence (i.e. owner/occupier).
- A confidential Financial Hardship Application form must be submitted by the property owner as evidence of financial hardship and supported by sufficient documentation. This may include details of assets owned, income received and living expenses, as well as any other information considered relevant by the applicant. Council or Council officers may request additional information from applicants to support requests.
- The acceptance by the ratepayer that interest will accrue on the deferred rates and charges at the prescribed penalty interest rate (section 2, Penalty Interest Rates Act 1983).

### Removal of Deferral

Rate deferment will generally be withdrawn for one of the following reasons:

- The person's circumstances have changed, and payment would no longer cause hardship;
- The person no longer owns or occupies the property; or
- The person has defaulted in any agreement associated.

### 3.11 **Waiving of Penalty Interest**

Unless otherwise specified in this policy, interest will be charged on overdue rates and charges in accordance with section 120 of the *Local Government Act 1989*, including that the interest is calculated at the rate fixed under section 2 of the *Penalty Interest Rates Act 1983*. In certain circumstances Council has discretion to waive penalty interest or other charges under section 171A of the *Local Government Act 1989*.

Interest waivers fall under one of the following categories:

#### Waiver for Administrative Reason/Error

Ratepayers may have interest only waived in the event of an administrative issue, error or omission which caused or significantly contributed to the failure to pay rates in a timely manner.

#### Waiver on Compassionate Grounds

Ratepayers may have interest only waived where they have demonstrated compassionate grounds for a payment being late. Compassionate grounds include:

- Serious illness
- Recent accident or injury
- Death of immediate family member
- Recent loss of employment
- Family break-down or domestic violence

#### Waiver of interest due to Financial Hardship

Ratepayers experiencing financial hardship may apply to have interest or part thereof waived subject to compliance with the following conditions:

- A ratepayer is experiencing undue or unavoidable financial hardship.
- A ratepayer is on a payment arrangement with no default over a period of 12 months.

Non-receipt of a rate notice, travelling overseas, forgetfulness, failure to contact Council prior to the due date to advise of financial difficulty, a failure to advise of a change of residential or mailing address, or previous payment arrangements not being maintained are not relevant circumstances for a waiver of penalty interest.

## FINANCIAL HARDSHIP POLICY

### 3.12 **Waiving Rates**

Consideration of a waiver under this section will only be considered after an initial deferment of rates has been granted. Section 171 of the *Local Government Act 1989* allows Council to waive the whole or part of any Rates or Interest in relation to an eligible recipient or any other class of persons as determined by Council.

Council does not offer the waiving of rates but instead offers the option to defer rates and charges and offers a number of payment options to assist the payment of rates and charges.

### 3.13 **Exceptional circumstances**

Council's preference is to not waive rates or charges on the basis it is considered inequitable for most ratepayers to subsidise the property assets of hardship applicants. A more equitable solution for the entire community is to defer rates and charges.

### 3.14 **Payment Plan**

Except for the most exceptional circumstances, Council will not waive any rates but rather will encourage the person to enter a payment plan.

Any ratepayer who is suffering financial difficulty but does not qualify for either a waiver or deferral may still be granted a mutually agreed payment plan to pay outstanding rates and charges, subject to the following conditions:

- The ratepayer must be able to demonstrate they are experiencing financial hardship;
- 1.1 The acceptance by the ratepayer that interest will be levied at the rate set by the Penalty Interest Rates Act 1983, until the account is paid in full.

Council adopts a flexible approach to payment plans and will work with a ratepayer to establish a suitable arrangement. Council will not commence legal proceedings for an unpaid rate or charge that is subject to a payment plan.

- 1.2 Any default in the plan may end the plan and result in the commencement of legal proceedings which may incur costs associated with collection of the debt.

Council will ensure that a payment plan application form is available on Council's website and can also be provided by Council's Customer Experience team.

### 3.15 **Appeal process**

An objection to a decision made by Council officers relating to financial hardship should be addressed to the Director Corporate Services for consideration.

### 3.16 **External avenues of complaint**

Victorian Ombudsman

If you are dissatisfied with a decision made by Council you may apply to the Victorian Ombudsman for a review at:  
<http://www.ombudsman.vic.gov.au/complaints>

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## 4. **PROCEDURES**



## FINANCIAL HARDSHIP POLICY

- 4.1 Collection of Overdue Rates and Charges Procedure  
 4.2 Collection of Sundry Debtor Revenue Internal Procedure

### 5. RESPONSIBILITIES

#### Compliance, monitoring and review

- 5.1 The policy owner is responsible for ensuring the policy:
- aligns with relevant legislation, government policy and Council's requirements/strategies/values;
  - is implemented and monitored (i.e. the policy is followed, reflects the changing policy environment, and emerging issues are identified); and
  - is reviewed to evaluate its continuing effectiveness.

#### Reporting

- 5.2 The policy owner is responsible for reporting where required by the policy.

#### Records Management

- 5.3 Council must maintain all records relevant to administering this policy in accordance with the Public Records Act 1973.

### 6. DEFINITIONS OF TERMS OR ABBREVIATIONS USED

Term	Definition
<i>Act</i>	<i>Local Government Act 1989 and Local Government Act 2020</i>
<i>Applicant</i>	A body or individual that commences an application with Council or is eligible to be considered under Council's Hardship Policy
<i>Exceptional Circumstances</i>	An individual or body suffering a significant disadvantage that is verifiable and unforeseen circumstances outside their control that has contributed to their financial circumstances or bankruptcy
<i>Financial Hardship</i>	A change in circumstance which will affect the ability of a ratepayer to pay rates and charges. It can take the form of a person or body suffering financial loss which can be brought on and not limited to by unemployment, sickness, family breakdown, death of spouse, lower income, or other significant disadvantaging of life
<i>Deferral</i>	The suspension of a payment for a period specified and agreed upon
<i>Waiver</i>	A permanent exemption or removal of the obligation of part or all of the payment due
<i>Council</i>	Golden Plains Shire Council
<i>Councillors</i>	The individuals holding the office of a member of Golden Plains Shire Council
<i>Primary residence</i>	The property which is the applicants main living location.

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**FINANCIAL HARDSHIP POLICY**

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**7. RELATED LEGISLATION AND DOCUMENTS****7.1 Strategic Documents, Policies or Procedures**

Complaints Handling Policy  
Collection of Overdue Rates and Charges Procedure  
Collection of Sundry Debtor Revenue Internal Procedure  
Privacy Policy  
Revenue and Rating Plan

**Legislation**

Charter of Human Rights and Responsibilities Act 2006 (Vic)  
Family Violence Protection Act 2008  
Information Privacy Act 2004  
Local Government Act 1989  
Local Government Act 2020  
Penalty Interest Act 1983  
Privacy and Data Protection Act 2014  
Public Records Act 1973

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**8. HUMAN RIGHTS STATEMENT OF COMPATABILITY**

- 8.1 It is considered that this policy does not impact negatively on any rights identified in the Charter of Human Rights and Responsibilities Act 2006 (Vic)

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**9. POLICY OWNER**

- 9.1 The Manager Finance is the policy owner.
- 9.2 The policy owner is the individual who is given the responsibility to review, edit and maintain this policy and associated procedure. The policy owner is also the point of contact for any questions regarding this policy.

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**10. FEEDBACK**

- 10.1 You may provide feedback about this document by emailing [enquiries@gplains.vic.gov.au](mailto:enquiries@gplains.vic.gov.au).
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## FINANCIAL HARDSHIP POLICY

**11. DOCUMENT INFORMATION**

DOCUMENT TYPE:	Council Policy
DOCUMENT STATUS:	Approved
DOCUMENT OWNER POSITION:	Manager Finance
APPROVED BY:	Council
DATE ADOPTED:	22 April 2025
VERSION NUMBER:	1.4
REVIEW DATE:	22 April 2028
EVIDENCE OF APPROVAL:	Signed by Chief Executive Officer
FILE LOCATION:	
NOTES:	<p>Policy documents are amended from time to time, therefore you should not rely on a printed copy being the current version. Please consult Council's Policy page on the Golden Plains Shire Council website to ensure that the version you are using is up to date.</p> <p>Available at:</p> <p><a href="https://www.goldenplains.vic.gov.au/residents/my-council/about-council/council-policies">https://www.goldenplains.vic.gov.au/residents/my-council/about-council/council-policies</a></p>



## Application for Financial Hardship Consideration

The Golden Plains Shire Council has a policy in place that enables assistance to be provided to Ratepayers who are facing extreme financial or personal hardship.

Under Council's Hardship Policy, assistance can be provided by way of one or more of the following:

- Waiver of Council interest charges (*note; Council does not waive Fire Services Levy interest*),
- Waiver of legal costs,
- Acceptance of a payment arrangement,
- Deferral of rates,
- Extension of rates

If you are applying for financial hardship consideration you are required to meet with a financial counsellor and provide authority to the financial counsellor to speak to Council on your behalf.

Each application is reviewed on its individual merits, in line with the Financial Hardship Policy. Council may not approve all applications.

Please complete each part of the application and return it to Council at your earliest convenience.

It is strongly recommended that any person facing serious hardship seek assistance as soon as possible. Community services are available within the Golden Plains, Geelong and Ballarat regions to assist and provide support to residents on a wide range of issues, including financial counselling. Contact details for free local financial counselling services have been provided on the last page of this application form.

Should you disagree with any determination made on your application for hardship consideration, please submit a written dispute to Council and request a review of your application.

### Privacy Statement

The personal information requested on this form is being collected by Golden Plains Shire Council for the purpose of assessing hardship. If the personal information is not collected, we will be unable to make an assessment of financial hardship. We will not disclose your personal information without your consent, except where required or authorised to do so by law. Council will comply with its Privacy Policy, the Privacy and Data Protection Act 2014 and the Health Records Act 2001 in relation to the use, storage and disclosure of information.

If you have any queries regarding this collection notice, please contact the Privacy Officer on 03 5220 7111 or via [enquiries@GPLAINS.VIC.GOV.AU](mailto:enquiries@GPLAINS.VIC.GOV.AU)







## Part One – Your Details

### Property Details

Assessment Number:	
Property Address:	
Suburb:	Postcode:
Is this property your principal place of residence? (please check/tick box):    Yes <input type="checkbox"/> No <input type="checkbox"/>	

### Owner/s Details

Full Name/s:	
Postal Address:	
Suburb:	Postcode:
Email Address/s:	Mobile/s:
Number and age of dependents (if any):	

Are you receiving State or Federal Assistance? (please check/tick box):    Yes ☐    No ☐  
*(If you are receiving government benefits, you may be entitled to an annual rebate off your rates & charges. Please note, a Health Care Card does not grant this entitlement)*

Have you received or are you receiving any sort of support or financial counselling? (please check/tick box):  
 Yes ☐    No ☐

If Yes, please provide details:



## Part Two – Your Circumstances

Please use this page to detail the change to your situation and explain why you are requesting assistance through Council's Financial Hardship Policy:



### Part Three – Your Assets

For businesses completing this form, please go to Part Seven.

Household Assets:	Details	Estimated Value \$
Property:		
Motor Vehicles:		
Investment/s:		
Business Investment/s:		
Other: (provide details)		



## Part Four – Your Income

### Employment Details

Owner 1: Employment Status	<input type="checkbox"/> FULL TIME <input type="checkbox"/> PART TIME <input type="checkbox"/> RETIRED <input type="checkbox"/> UNEMPLOYED <input type="checkbox"/> OTHER		
Employers Name:			
Employers Address:			
After Tax Wages \$		Frequency:	

Owner 2 : Employment Status	<input type="checkbox"/> FULL TIME <input type="checkbox"/> PART TIME <input type="checkbox"/> RETIRED <input type="checkbox"/> UNEMPLOYED <input type="checkbox"/> OTHER		
Employers Name:			
Employers Address:			
After Tax Wages \$		Frequency:	

### Other Income

Other Income:	Amount \$	Frequency:
Pension:	\$	
Government Benefit:	\$	
Superannuation:	\$	
Investment Income:	\$	
Family Allowance:	\$	
Family Maintenance:	\$	
Interest from banks etc:	\$	
Other (please specify):	\$	
Total Fortnightly Income:	\$	





## Part Five – Your Outgoing Expenses

Expenses:	Amount \$	Frequency:
Mortgage Repayments:	\$	
Car Repayments:	\$	
Car Running Expenses:	\$	
Personal Loans:	\$	
Credit/Store Card Repayments:	\$	
Food:	\$	
Clothing:	\$	
Utilities (Electricity, Water etc.)	\$	
Insurance/s:	\$	
Mobile Phone/Internet:	\$	
Medical Expenses:	\$	
Child Care and/or School Fees:	\$	
Entertainment:	\$	
Other (please provide details):	\$	
Total Fortnightly Income:	\$	



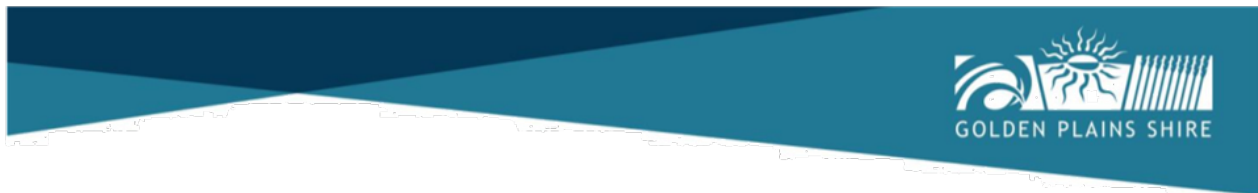
## Part Six – Your Outstanding Bills

Outstanding Bill:	Amount \$
Mortgage Arrears:	\$
Credit Card or Personal Loan Arrears:	\$
Water:	\$
Electricity:	\$
Gas:	\$
Telecommunications and Internet:	\$
Other (please provide details):	\$



## Part Seven – Proposed Payment Arrangement

<b>Please propose a payment arrangement that is affordable for you to maintain while you are in hardship circumstances:</b>
<b>Amount:</b>
<b>Frequency:</b>
<b>Commencement Date:</b>



## Part Eight – Your Declaration

I/We declare the information contained in this form to be true and accurate and acknowledge understanding that a false declaration is punishable.

I/We agree to the terms and conditions established for the repayment of the outstanding debt.

I/We agree to commit fully to making repayments as required.

I/We understand that interest will continue to accrue on any outstanding rate balance (subject to the provisions of the Financial Hardship Policy).

I/We acknowledge that if in default of this agreement, Council has the right to proceed with the full recovery of the debt without further notice.

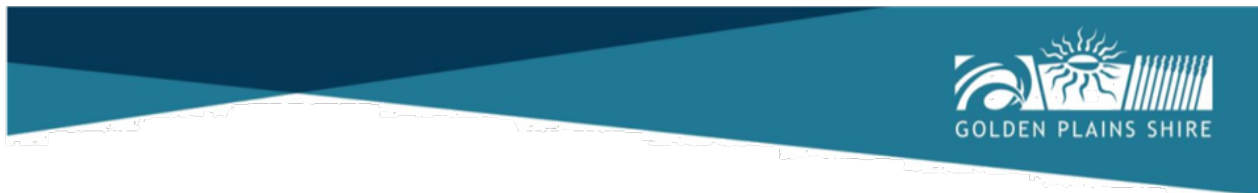
I/We understand that additional recovery costs may be incurred by me/us if in default of this agreement.

Signed:

Name/s:

Date:





## Part Nine – Financial Counselling Services

<b>Meli</b> Federal Mills, North Geelong VIC 3215 03 5226 8900 <a href="https://www.meli.org.au/money-help/">https://www.meli.org.au/money-help/</a>	<b>The Salvation Army Australia</b> 1800 722 363 <a href="https://www.salvationarmy.org.au/need-help/financial-assistance/financial-counselling/">https://www.salvationarmy.org.au/need-help/financial-assistance/financial-counselling/</a>
<b>Cafs</b> 115 Lydiard Street, Ballarat VIC 3350 03 5337 3333 <a href="https://cafs.org.au/financial-counselling/">https://cafs.org.au/financial-counselling/</a>	<b>Safe Solutions Counselling</b> 204 Myers Street, Geelong VIC 3220 0409 026 163 <a href="https://www.safesolutionscare.com.au/">https://www.safesolutionscare.com.au/</a>
<b>National Debt Helpline / Money Help</b> 1800 007 007 <a href="http://www.ndh.org.au/">http://www.ndh.org.au/</a> <a href="http://www.moneyhelp.org.au/">http://www.moneyhelp.org.au/</a>	<b>Business Support Line</b> 13 28 46 <a href="http://business.gov.au/">http://business.gov.au/</a>