

DOCUMENT TYPE:	Form or Template
TITLE:	APPLICATION FOR FINANCIAL HARDSHIP - RATES AND SUNDRY DEBTORS
NUMBER:	FMT-2020

PURPOSE

The Shire of Wyndham East Kimberley has adopted a Financial Hardship Policy.

As we know, many in our community may be suffering financial hardship that impacts their capacity to pay their Rates and/or Sundry Debts. We want to ensure that eligible Ratepayers and Sundry Debtors can apply and be considered for assistance to meet their payment responsibilities.

A successful application will result in a payment plan agreed between yourself and the Shire of Wyndham East Kimberley.

The Shire of Wyndham East Kimberley expects that Ratepayers and Sundry Debtors will make reasonable efforts to make payments in accordance with their agreed payment plan, but we do understand that things can change and you can contact us at any time to request an adjustment to your payment plan.

1. APPLICATION DETAILS

RATEPAYER / SUNDRY DEBTOR 1			
Surname/Organisation Name:			
Given Names:			
Trading Name: (if applicable)			
Residential/Business Address:			
Town/Suburb:	State:	Postcode:	
Postal Address:			
Town/Suburb:	State:	Postcode:	
Contact Number:			
Email:			
RATEPAYER / SUNDRY DEBTOR 2			
Surname/Organisation Name:			
Given Names:			
Trading Name: (if applicable)			
Residential/Business Address:			
Town/Suburb:	State:	Postcode:	
Postal Address:			
Town/Suburb:	State:	Postcode:	
Contact Number:			
Email:			

2. NOMINATE AN AUTHORISED AGENT

Surname/Organisation Name:			
Given Names:			
Trading Name: (if applicable)			
Residential/Business Address:			
Town/Suburb:	State:	Postcode:	
Postal Address:			
Town/Suburb:	State:	Postcode:	

Contact Number:	
Email:	
This application relates to:	<input type="checkbox"/> Rates (Continue to Question 3.) <input type="checkbox"/> Sundry Debts (Continue to Question 4.)

3. PROPERTY DETAILS (RATES APPLICATIONS ONLY)

Assessment Number:	
Address of Rated Property:	
Is the property owner occupied or is it rented?	<input type="checkbox"/> Owner Occupied <input type="checkbox"/> Tenanted Rental <input type="checkbox"/> Untenanted Rental
If the property is rented, how is it managed?	<input type="checkbox"/> Managing Agent (provide agent's name) <hr/> <input type="checkbox"/> Privately managed
If you are the lessee of the rateable property, what type of lease do you hold?	<input type="checkbox"/> Peppercorn <input type="checkbox"/> Mining tenement <input type="checkbox"/> Commercial <input type="checkbox"/> Crown <input type="checkbox"/> Other Applicable Contract

4. FINANCIAL HARDSHIP

Please tell us about your financial position by indicating reason/s below:		
	Applicant 1	Applicant 2
Have you petitioned for bankruptcy? (If yes, you are <u>not</u> eligible under the financial hardship policy).	<input type="checkbox"/> Yes / <input type="checkbox"/> No	<input type="checkbox"/> Yes / <input type="checkbox"/> No
<input type="checkbox"/> Unemployed Date employment ceased:		
<input type="checkbox"/> Under-employed Avg hours worked p/week:		
<input type="checkbox"/> Temporarily stood-down Date of stand-down:		
<input type="checkbox"/> Income has been reduced (Please provide details in the Financial Information Section below)		

5. INCOME & EXPENDITURE

INCOME		
Accurate financial information is important so as not to commit to an unrealistic payment plan, please provide monthly Net Income per applicant		
	Applicant 1	Applicant 2
<input type="checkbox"/> Business Revenue	\$	\$
<input type="checkbox"/> Wages / Salary	\$	\$
<input type="checkbox"/> Pension or other Government Benefit	\$	\$
<input type="checkbox"/> Job Seeker / Access to Superannuation	\$	\$
<input type="checkbox"/> Child Support Payments	\$	\$
<input type="checkbox"/> Rental Income	\$	\$
<input type="checkbox"/> Other	\$	\$
Office use ONLY Calculate Total Monthly Income	\$	\$

If Reduced Income is a reason for this Financial Hardship Application, please complete:		
	Applicant 1	Applicant 2
Previous Monthly Income:	\$	\$
Date that reduced income occurred:		
Current Monthly income:	\$	\$
Office use ONLY Calculate Total Monthly Income	\$	\$

EXPENSES

Please provide <u>monthly</u> expenditure as a total for all applicants		Monthly Amount
<input type="checkbox"/> Business Expenditure		\$
<input type="checkbox"/> Home/Business Loan/Credit Card/s		\$
<input type="checkbox"/> Utilities (Electricity, Water, Internet, Phone, etc.)		\$
<input type="checkbox"/> Insurances		\$
<input type="checkbox"/> Personal Living (Food, Memberships, Subscriptions, etc.)		\$
<input type="checkbox"/> Motor vehicle expenses (licensing, repairs, fuel)		\$
<input type="checkbox"/> Other		\$
Office use ONLY	Calculate Total Monthly Income	\$

6. PAYMENT PROPOSAL

Please nominate how much you can afford to pay and the frequency you wish to pay this amount.			
Proposed Payment Amount:	\$		
Proposed Payment Frequency:	<input type="checkbox"/> Weekly	<input type="checkbox"/> Fortnightly	<input type="checkbox"/> Monthly
Proposed Start Date:			

7. SUPPORTING DOCUMENTATION

Please provide any relevant documentation from the list below to support your financial hardship application. (Note that the Shire may request additional information from applicants).	
<input type="checkbox"/>	Business Cash-flow Forecast
<input type="checkbox"/>	Letter from financial counsellor confirming financial hardship circumstances
<input type="checkbox"/>	Letter from medical practitioner
<input type="checkbox"/>	Centrelink payment evidence
<input type="checkbox"/>	Letter from your employer / recent payslips
<input type="checkbox"/>	Letter from another agency that has deemed you to be in financial hardship i.e. your bank, superannuation fund or utility provider
<input type="checkbox"/>	Statutory declaration from a professional familiar with your financial circumstances i.e. family doctor, accountant
<input type="checkbox"/>	Other (please advise)

8. AUTHORISATION

By signing this application for Financial Hardship, I hereby certify:			
1. That the information provided is true and correct and there have been no misrepresentations or omissions of fact that would otherwise influence the review and decision of the Shire of Wyndham East Kimberley; and			
2. I am authorised to sign this form as the ratepayer or sundry debtor as detailed above; and			
3. I have read and understand the Council's Policy POL-2016 Financial Hardship - Rates and Sundry Debtors			
Ratepayer/Sundry Debtor 1		Date:	
Ratepayer/Sundry Debtor 2		Date:	
Organisation Name:			
Position:			
Signed:		Date:	

DOCUMENT AND VERSION CONTROL

Responsible Directorate	Corporate Services		
Responsible Officer	Coordinator of Customer Service & Records Officer		
Related Documents	POL-2016 Financial Hardship – Rates and Sundry Debtors		
Version Number	1.0	Date of Next Review	28/03/2025

DOCUMENT TYPE	Policy
TITLE	FINANCIAL HARDSHIP – RATES AND SUNDRY DEBTORS
NUMBER:	POL-2016

PURPOSE

This Policy is intended to provide a structure to ensure that The Shire offers fair, equitable, consistent and dignified support to ratepayers and sundry debtors suffering hardship, while treating all members of the community with respect and understanding.

DEFINITIONS

Applicable Contract means any formal agreement made between a property owner and property occupier, in which the property occupier becomes legally responsible for the payment of any rate or service charge that is imposed by the local government on the land.

Council means the Council of the Shire of Wyndham East Kimberley.

Default means that the customer has failed to meet their obligations in accordance with any special payment arrangement that they have entered into with the Shire of Wyndham East Kimberley.

Financial year means the period commencing on 1 July and ending on the next following 30 June.

Ratepayer means any person, business, club or community organisation who under section 6.44 of the *Local Government Act 1995*, or other Applicable Contract, is liable to pay a rate or service charge that is imposed by the local government on the land.

Sundry Debtor means any person, business, club or community organisation that has incurred a debt for goods or services supplied by the Shire.

The Shire means the Shire of Wyndham East Kimberley.

Waive means to provide a special concession to a person or organisation that extinguishes a debt that would have been owed to the Shire. A waiver may be provided prior to, or subsequent to the date that the debt is incurred.

POLICY STATEMENTS

This policy applies to:

1. Outstanding rates and service charges as at the date of adoption of this policy and future charges; and
2. Outstanding sundry debts, fees and charges as at the date of adoption of this policy and future charges.

It is a reasonable community expectation that those with the capacity to pay do so. For this reason, this Policy is not intended to provide relief to ratepayers or sundry debtors who are not able to evidence financial hardship. The statutory provisions of the *Local Government Act 1995* and *Local Government (Financial Management) Regulations 1996* will apply in conjunction with Council Policies CP/FIN-3212 Rates and Charges Debt Collection and CP/FIN-3214 Sundry Debt Collection.

POLICY

Payment difficulties, hardship and vulnerability¹

Payment difficulties, or short term financial hardship, occur where a change in a person's circumstances result in an inability to pay:

1. A rates or service charge ("rates"); or
2. A sundry debt, fee or charge ("sundry debt").

Payment difficulties, or short term financial hardship, occur where a change in a person's circumstances result in the inability to pay. Financial hardship occurs where a person is unable to pay rates and/or sundry debts without affecting their ability to meet their basic living needs, or the basic living needs of their dependents. This policy is intended to apply to ratepayers and sundry debtors experiencing hardship regardless of their status, be they a property owner, tenant, business owner etc.

Financial Hardship Criteria

While evidence of hardship will be required, The Shire recognises that not all circumstances are alike. A flexible approach will be taken to a range of individual circumstances including, but not limited to, the following situations:

- Recent unemployment or under-employment;
- Sickness or recovery from sickness;
- Low income or loss of income;
- Unanticipated circumstances such as caring for and supporting extended family.

Ratepayers and sundry debtors are encouraged to provide any information about their individual circumstances that may be relevant for assessment. This may include demonstrating a capacity to make some payment and where possible, entering into a payment proposal. The Shire will consider all circumstances, applying the principles of fairness, integrity and confidentiality whilst complying with all statutory responsibilities.

The Shire may request additional information from applicants if it considers it necessary to do so.

Payment Arrangements

Payment arrangements facilitated in accordance with Section 6.49 of the *Local Government Act 1995* are of an agreed frequency and amount. These arrangements will consider the following:

- That a ratepayer or sundry debtor has made a genuine effort to meet payment obligations in the past;
- The payment arrangement will establish a known end date that is realistic and achievable;
- The ratepayer or sundry debtor will be responsible for informing the Shire of any change in circumstance that jeopardises the agreed payment schedule.

In the case of severe financial hardship, Council reserve the right to consider waiving any other additional charges.

Interest and other Charges

A ratepayer or sundry debtor that meets the Financial Hardship criteria:

¹ This section is adopted from the Ombudsman Western Australia publication, *Local government collection of overdue rates for people in situations of vulnerability: Good Practice Guidance*.

1. Will not be charged penalty interest on any overdue rates or sundry debt;
2. Will not be charged interest should they chose to pay their rates by instalments;
3. Will not be charged an administration fee should they choose to pay their rates by instalments;
4. Will not be charged any fees should they choose to pay their rates or sundry debt under an agreed Payment Arrangement.

Deferment of Rates

Deferment of rates may apply for ratepayers who have a Pensioner Card, State Concession Card or Seniors Card and Commonwealth Seniors Health Care Card registered on their property. The deferred rates balance:

- Remains as a debt on the property until paid;
- Becomes payable in full upon the passing of the pensioner or if the property is sold or if the pensioner ceases to reside in the property;
- May be paid at any time, but the ratepayer will not receive any concession when the rates are paid (any concession entitlement for the financial year will be forfeited);
- Does not incur penalty interest charges.

Debt recovery

The Shire will suspend debt recovery processes whilst negotiating a suitable payment arrangement with a ratepayer or sundry debtor. Where a ratepayer or sundry debtor is unable to make payments in accordance with the agreed payment plan and advises the Shire and makes an alternative plan before defaulting on the 3rd due payment, the Shire will continue to suspend debt recovery processes.

For ratepayers and sundry debtors assessed as being in financial hardship under Council Policy CP/FIN-3219 COVID-19 Financial Hardship – Rates and Sundry Debtors, rates and sundry debts that remain outstanding at the end of the 2022/23 financial year may be subject to debt recovery procedures in accordance with Council Policies CP/FIN-3212 Rates and Charges Debt Collection and CP/FIN-3214 Sundry Debt Collection. However, the Shire recognises that financial hardship may extend beyond the 2022/23 financial year and may on application consider extending the provisions of this policy on a case-by-case basis.

Review

Shire Officers will advise unsuccessful applicants of their right to seek review and the procedure to be followed.

With reference to a review of decisions made under this Policy, Shire Officers will report to the Audit (Finance and Risk) Committee on a quarterly basis. The report will detail the applicant, the nature of the debt, the amount of the debt, whether the application was successful or not, the payment terms and the status of the arrangement.

Communication and Confidentiality

The Shire will maintain confidential communications at all times and undertakes to communicate with a nominated support person or other third party at the request of the ratepayer or sundry debtor.

The Shire will advise ratepayers and sundry debtors of this policy and its application when communicating in any format (i.e. verbal or written) with a ratepayer or sundry debtor that has an outstanding rates or sundry debt.

The Shire recognises that applicants for hardship consideration are experiencing additional stressors, and may have complex needs. The Shire will provide additional time to respond to communication, will communicate in alternative formats where appropriate, and will ensure all communication with applicants is clear and respectful.

EXPLANATORY NOTES

The collection of rates and sundry debts is an important component of the Shire's management of adequate cash flows as well as the overall management of the Shire's financial performance and position.

This policy aims to provide manageable and efficient control over rates and sundry debts by closely monitoring outstanding accounts in order to reduce the likely occurrence of unrecoverable debts.

RISK

Risk: Failure to adequately resource and manage funding requirements which meet the needs of the Shire's service delivery requirements and strategic objectives.

Control: Implementation of LTFP and Annual Budget.

Policies reviewed and updated in accordance with schedule and operational requirements.

Risk: Failure to develop appropriate, meaningful policies which enable the administration to perform in an effective and efficient way.

Control: New policies adopted as required.

Policies reviewed and updated in accordance with schedule and operational requirements.

DOCUMENT AND VERSION CONTROL

Responsible Directorate	Corporate Services		
Responsible Officer	Director Corporate Services		
Statutory References	Local Government Act 1995 Local Government (Financial Management) Regulations 1996		
Related Documents	Rates and Charges Debt Collection Sundry Debt Collection Fees and Charges Pricing MOR-2000 Audit (Finance and Risk) Committee Terms of Reference		
Amendment History (Adoption and last 3 amendments)			
Version	Date Issued - Resolution Number	Item #	Description of Change
1.0	18/04/2023 - 118816	12.4.1	Council Adoption
1.1	08/11/2023 - CEO041	--	Reference Updates as per POL-1014 Policy Management (Previously CP-FIN-3220)
Date of Next Review		April 2025	