

POLICY



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Policy title: RECOVERY OF RATES AND OTHER RATES RELATED CHARGES FROM CUSTOMERS EXPERIENCING FINANCIAL HARDSHIP

Directorate: ORGANISATIONAL SERVICES

Branch: FINANCE

Policy objective: To outline options available to customers experiencing difficulties in paying rates and other charges due to financial hardship.

Policy scope:

This policy is designed to detail the manner in which Council will provide relief to ratepayers who are unable to pay their rates and other rates related charges due to genuine financial difficulties or hardship. This will be achieved through the negotiation of an interest free payment plan designed to address outstanding amounts over a period of time suitable to the customer's specific circumstances. These procedures are in accordance with the provisions of the Local Government Act 2009, Local Government Regulation 2012, South-East Queensland Water (Distribution and Retail Restructuring) Act 2009, South East Queensland Customer Water and Wastewater Code, and any other such relevant legislation or code that may govern the collection of overdue monies.

1. Application for instalment plans due to financial difficulties or hardship.

- (a) Instalment plans due to financial difficulties or hardship will be made available to all customers.
- (b) Customers experiencing financial difficulties or hardship are identified as those customers who intend to pay but do not have the financial capacity to make payment in full by the end of current rating quarter.
- (c) In approving an instalment plan under this policy, Council will work with customers to determine a sustainable payment plan which addresses rate arrears. As a guide, minimum repayments will initially be at a level sufficient to ensure payments equal to 150% of the average quarterly rates for the property are made each quarter. This minimum may be varied by the Recovery Officer responsible for the account after taking into consideration the customer's circumstances and capacity to pay, but will be negotiated with a view to ensuring overall arrears levels decrease over time taking into consideration new levies issued.
- (d) Instalment plans whereby repayments are below that required in (c) above may be considered in cases of extended or emergent financial hardship. Such plans will be assessed on a case by case basis, but will not exceed 6 months in duration without review by the Senior Recoveries Officer.
- (e) Customers will have the flexibility to choose repayment frequencies of weekly, fortnightly or monthly. Longer payment frequencies will not be considered.

- (f) At the initial contact made to a Recovery Officer, customers are to be advised of the following:
 - (i) the payment options available to them
 - (ii) information about the State and Council concessions available to pensioners if applicable
 - (iii) Council's Leak remission policy and water remissions where customers have high consumption due to medical conditions, if applicable
 - (iv) external services available to provide financial advice or assistance. This may include financial counsellors, government services or charitable organisations.
 - (v) the terms and conditions applicable to instalment plans issued under this policy, and the consequences of plans being cancelled.
- (g) The terms of an instalment plan entered into under this policy will be reviewed regularly, and may be renegotiated by the customer and the responsible Recovery Officer to take into consideration changes in the customer's circumstances.
- (h) Instalment plans approved and complied with under this policy will be interest free and will be excluded from further recovery action. Interest will cease to accrue on overdue rates from the date the instalment plan is approved by Council. Interest accrued prior to this date will not be reversed.
- (i) Council is committed to working empathically and constructively with customers experiencing financial difficulties or hardship, and will endeavour to negotiate a suitable instalment plan in line with the objectives of this policy. In cases where negotiations are unsuccessful, interest will continue to be charged on all overdue amounts in line with Council's Revenue Statement.

2. Cancellation of instalment plans granted under hardship conditions

Customers who default on an instalment plan are to be forwarded correspondence requesting payment be made as agreed. If the overdue instalments remain unpaid, a further letter is to be sent advising that the instalment plan has been cancelled. Interest charges on cancelled plans will recommence from the date of the last payment made. No further instalment plans will be considered under this policy for the following 12 months and further recovery action may be considered at the discretion of the Senior Recoveries Officer.

Related policies/legislation/other documents

DOC ID	DOCUMENT TYPE	DOCUMENT NAME
-	Legislation	<i>Local Government Act 2009</i>
-	Legislation	Local Government Regulation 2012
-	Legislation	<i>South-East Queensland Water (Distribution and Retail Restructuring) Act 2009</i>
-	Code	South East Queensland Customer Water and Wastewater Code