

Purpose

The purpose of this Policy is to ensure that the Shire of Boddington (Shire) provides fair, equitable, consistent, and dignified support to Ratepayers and debtors suffering hardship, while treating all members of the community with respect and understanding during difficult periods.

This includes to:

- Enable a ratepayer liable for sundry debts or rates and service charges, who is experiencing financial hardship or in situations of vulnerability, to make an application for assistance;
- Ensure all ratepayers are treated fairly and consistently with respect and compassion when the Shire is considering their circumstances in recognising financial hardship and vulnerability;
- Provide financial relief to Shire debtors and ratepayers who claim genuine hardship in meeting their obligation to pay their charges; and
- Provide a decision making framework for the appropriate assessment of hardship application.

Scope

This Policy applies to all Ratepayers and debtors with:

- outstanding rates as at the date of adoption of this Policy;
- Lease and or rental charges owed to the Shire from commercial or residential tenancy arrangements; and
- Any other debt arising from a fee, interest or charge by the Shire.

Definitions

Term	Meaning
Policy	This Shire of Boddington policy titled "Financial Hardship".
Financial Hardship	Where a change in a person's circumstances results in them being unable to pay Shire rates, service and/or lease/rental charges without affecting their ability to meet their basic living needs, or the basic living needs of their dependants.
Ratepayer	A person or entity that is responsible for the payment of rates to the Shire.
Debtors	A person or entity that owes money or has a financial obligation to the Shire.
Act	The Local Government Act 1995.

Policy Statement

The Shire of Boddington recognises that debtors and ratepayers may experience financial hardship due to pandemics and other significant events. The Shire is committed to working with debtors and ratepayers to find an appropriate payment solution where they are in financial hardship.

The debtor/ratepayer can only apply for financial hardship in relation to sundry debts and rates and charges levied on their principal place of residence (owner and occupier) or on their small business

(owner and operator with full-time occupation of the premises within the Shire of Boddington) that the applicant is responsible for the payment of.

While evidence of hardship is required, the Shire recognises that not all circumstances are alike and is to take a flexible approach to a range of individual circumstances including, but not limited to, the following situations:

- a) Recent unemployment or under-employment,
- b) Sickness or recovery from sickness,
- c) Low income or loss of income, and
- d) Unanticipated circumstances such as caring for and supporting extended family.

Payment arrangement facilitated in accordance with section 6.49 of the Act are to be of an agreed frequency and amount, and are to consider the following:

- a) Whether a debtor/ratepayer has made a genuine effort to meet obligations in the past,
- b) Whether the payment arrangement establishes a known end date that is realistic and achievable,
- c) The size of the debt and span of time over which the debt has accumulated, and
- d) Freehold ownership or mortgaged.

The following concessions may be applied on a case-by-case basis:

- a) Acceptance of temporarily reduced repayments;
- b) A moratorium on interest changes for up to six months, after such time as agreed, enter into a payment arrangement for a maximum of eighteen months, provided the current year's debts/rates are paid each year within the arrangement;
- c) Waiving of administration fees;
- d) Write off up to \$20 per calendar year of interest accrued during that financial year; and
- e) Suspension of any pending court actions in relation to debt recovery.

The debtor/ratepayer is responsible for informing the Shire of any changes in circumstances that may affect the agreed payment schedule. If a debtor/ratepayer does not comply with their payment arrangement and fails to contact the Shire to renegotiate the terms, the Shire is to make all reasonable attempts to contact them. If three consecutive payments are missed and the Shire has not been contacted, the Shire reserves the right to cancel the payment arrangement for noncompliance. The Shire is not obligated to offer a payment arrangement if the debtor/ratepayer has had three payment arrangements cancelled because of non-payment or declined payments.

A debtor/ratepayer that meets the Financial Hardship criteria is not to attract any interest or penalty charges on their debt for the period of time that a State of Emergency Declaration remains effective. If an arrangement has been cancelled, penalty interest is to recommence and the relevant cancellation fee is to be applied as per the Fees and Charges as applicable.

The Shire is to suspend its debt recovery process while negotiating a suitable payment arrangement with a debtor/ratepayer. If legal proceedings have commenced and the debtor/ratepayer lodges a Financial Hardship Application, the proceedings are to be temporarily suspended while the application is reviewed and assessed. All legal costs incurred prior to the lodgement of the Financial Hardship Application remain the responsibility of the debtor/ratepayer for payment. The Shire reserves the right to recommence legal proceedings if the payment arrangement is not adhered to.

An applicant dissatisfied with the outcome of their application has the right to appeal to the Chief Executive Officer. Any such appeal is to be made in writing and submitted to the Shire of Boddington.

The Shire is to maintain confidential communications at all times and is to undertake communications with a nominated support person or other third party at the applicant's request.

Responsible Officer	Chief Executive Officer
History	Adopted 22 July 2021 (Resolution 79/21) Amended 23 March 2023 (Resolution 25/23)
Delegation	1.1.21 Defer, Grant Discounts, Waive or Write Off Debts 6.1.5 Debt Recovery and Prosecutions
Relevant Legislation	Local Government Act 1995 Local Government (Financial Management) Regulations 1996
Related Documentation	Forms & Templates : Financial Hardship Application Form