

7.3.2 RATES HARDSHIP POLICY 2026 REVISION

Responsible Manager:	Deep Sethi, Chief Financial Officer
Responsible Director:	Simone Wickes, Director Corporate Services

RECOMMENDATION

That Council adopts the latest revision of the Rates and Charges Hardship Policy (2026) as attached to this report.

INTRODUCTION

The purpose of this report is to present the revised Rates and Charges Hardship Policy (2026) for Council consideration and adoption.

The revised Policy establishes a clear, fair and consistent framework for providing hardship assistance to ratepayers experiencing financial difficulty in meeting their municipal rates and charges obligations. It ensures Council's approach is transparent, equitable and aligned with current legislative and policy requirements, while maintaining responsible revenue management.

COUNCIL PLAN STRATEGIC OBJECTIVES

A council with good governance, strong leadership and community involvement in decision making

A Council that provides governance and leadership for the benefit of our community through community engagement, advocacy, decision making and action.

BACKGROUND

Council's Financial Hardship Policy (the Policy) was last reviewed and amended in July 2022. As part of Council's commitment to continuous improvement and good governance, a further review has been undertaken.

This review has been driven by several key factors:

- **Periodic Policy Review**
In accordance with Council's policy framework, regular review is required to ensure policies remain relevant, effective, and aligned with organisational priorities and community expectations.
- **Policy Simplification and Modernisation**
The previous policy contained a high level of operational and procedural detail. The revised policy has been streamlined to:
 - Improve clarity and readability
 - Separate policy principles from operational procedures
 - Provide a more user-focused and accessible framework for both staff and the community

- **Legislative Updates**

The Policy has been updated to reflect requirements arising from the *Local Government Act amendments* (2020, as further amended in 2022), ensuring alignment with contemporary legislative obligations relating to revenue management, governance principles, and decision-making transparency.

- **Ministerial Guidelines – Financial Hardship**

The revised Policy incorporates the expectations set out in the December 2025 Ministerial Guidelines for Financial Hardship (issued under section 181AA of the *Local Government Act*). These guidelines emphasise:

- Fair and consistent decision-making
- Early engagement and support for ratepayers
- Clear communication and accessible processes
- Consideration of individual circumstances

As a result, the 2026 policy reflects a more contemporary, principles-based approach to hardship assistance, supporting both community wellbeing and Council’s financial sustainability.

DISCUSSION

The revised Policy introduces a clearer and more consistent framework for administering hardship assistance, strengthening Council’s position on key matters such as the non-waiver of rates and charges while maintaining appropriate support options for ratepayers in genuine need. It also improves the overall usability of the policy by providing clearer guidance to both staff and applicants, supporting more consistent and transparent decision-making.

Comparison of Key Changes

Area	2022 Policy	2026 Policy	Key Change
Policy focus	Debt management and legal recovery	Strategic hardship support framework	Shift to principles-based approach
Structure	Procedural, appendix-heavy	Clear, structured policy format	Improved governance and readability
Scope	Includes rates + infringement/homelessness matters	Rates and charges only	Narrowed and clarified scope
Waiver of rates	Permitted in limited cases	Not permitted	Improves fairness for other ratepayers and clearer guideline for Council officers

Assistance options	Deferrals, waivers, reduced interest	Payment plans, deferrals, interest/legal cost waivers	Simplified and standardised
Interest treatment	Reduced interest rates applied (except for pensioners)	Interest suspended during hardship arrangements	Removal of complex interest rules
Eligibility criteria	Prescriptive and evidence-heavy	Flexible, case-by-case + automatic eligibility scenarios	More accessible and transparent
Customer experience	Process-focused, limited timeframes	Clear pathways and defined timeframes	More customer-centric approach
Equity & inclusion	Limited consideration	Includes gender, human rights, vulnerability supports	Modern social policy alignment
New initiatives	None	Waste charge concession	Targeted financial relief introduced
Definitions	Limited	Comprehensive definitions table	Improved clarity and consistency
Governance & roles	Basic delegations	Clearly defined roles and responsibilities	Strengthened accountability

FINANCIAL IMPLICATIONS

There are no financial implications to this report.

POLICY IMPLICATIONS

There are no policy implications to this report.

CONSULTATION

Community consultation was not required.

SOCIAL IMPLICATIONS

The proposed Policy delivers positive social outcomes by providing a clear and equitable framework to support ratepayers experiencing hardship circumstances. It promotes early engagement and access to assistance, helping to reduce financial stress and prevent escalation of debt-related issues within the community.

The Policy also recognises the diverse circumstances that may contribute to hardship, including economic, health and personal factors, and incorporates referral pathways to external support services such as financial counselling, family violence support and mental health services. This supports a more holistic approach to community wellbeing.

Overall, the Policy strengthens Council's role in supporting vulnerable members of the community while maintaining fairness and equity across all ratepayers.

HUMAN RIGHTS CONSIDERATIONS

This Policy has been reviewed in accordance with the *Charter of Human Rights and Responsibilities Act 2006 (Vic)*. It is considered that the policy is compatible with human rights, as it promotes fairness, equitable access to support and transparency for ratepayers experiencing hardship.

The Policy supports rights relating to equality before the law, protection of families and children, and recognition of vulnerable persons, by ensuring that individuals experiencing financial hardship are treated with dignity and provided with appropriate assistance options.

No limitations on human rights have been identified. Where decisions are made under this Policy, they will be undertaken on a case-by-case basis and in a manner that is reasonable, proportionate, and consistent with the Charter.

GENDER IMPACT ASSESSMENT

A Gender Impact Assessment (GIA) has been completed as part of this work because this policy/program/service is considered to have a direct and significant impact on the Monash community.

The GIA found that hardship can have differential impacts across genders, particularly for individuals experiencing circumstances such as family violence, caring responsibilities, or economic disadvantage. These factors may affect a person's ability to meet financial obligations and engage with Council processes.

As a result of the GIA, the following changes were made:

- Strengthening staff capability through targeted training to support sensitive and complex circumstances, including:
 - Family violence response
 - Cultural competency
 - Gender sensitivity
- Improving access to information and support, including clearer links to:
 - Family violence assistance services
 - Financial counselling services
 - Housing and homelessness support
 - Language and accessibility services
- Enhancing accessibility and inclusivity of communication, including:

- Making policy information available online and at customer service centres
- Using clear, inclusive and user-friendly language
- Promoting awareness of available support options

These measures are intended to ensure that the Policy is inclusive, accessible and responsive to the needs of all community members, and that hardship assistance is delivered in a manner that is fair, respectful and equitable.

CONCLUSION

The revised Rates and Charges Hardship Policy provides a clear, consistent and contemporary framework for supporting ratepayers experiencing financial hardship. It strengthens governance, improves accessibility, and aligns Council's approach with current legislative requirements and best practice standards.

The Policy balances the need to support vulnerable members of the community with Council's responsibility to maintain financial sustainability and equity across all ratepayers. Adoption of the Policy will ensure that hardship assistance is delivered in a transparent, fair and responsible manner.

It is therefore recommended that Council adopt the updated policy and rescind the existing Financial Hardship Policy (2022).

ATTACHMENT LIST

1. Draft Rates and Charges Hardship Policy 2026 (with forms) [7.3.2.1 - 27 pages]
2. Financial Hardship Policy Rates and Charges 2016 (Amended 2022) [7.3.2.2 - 19 pages]
3. Ministerial-guidelines-relating-to-payment-of-rates-and-charges- December-2025 [7.3.2.3 - 24 pages]



Rates and Charges Hardship Policy

Finance (Corporate Services)

OVERVIEW:

This policy outlines guidelines and procedures for [specific purpose]. It is essential for Council to have this policy in place to ensure [reasons, such as compliance, efficiency, safety, etc.]

RESPONSIBLE MANAGER:

[insert relevant officer title] for the corporate implementation, review, and interpretation of this policy.

RESPONSIBLE DEPARTMENT:

APPROVED or RESOLVED BY:

COUNCIL

DATE:

[insert date approved/adopted]

EDNA NO:

[insert EDNA reference number]

REVIEW DATE:

[insert review date]

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● **T** (03) 9518 3555 **National Relay Service** (for the hearing and speech impaired) 1800 555 660
● **Interpreter Services** 普通话 4713 5001 廣東話 4713 5002 Việt Ngữ 4713 5003 Ελληνικά 4713 5004 हिंदी 4713 5005
Other languages 4713 5000 Italiano 4713 5008 한국어 4713 5010 සිංහල 4713 5020 தமிழ் 4713 5021



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1. Introduction

The Rates and Charges Hardship Policy (the Policy) sets out the principles guiding how Monash City Council responds to financial hardship in the administration of municipal rates and charges.

The Policy supports a fair, transparent and consistent approach to the consideration of hardship, enabling Council to comply with its obligations under the *Local Government Act 1989* (Vic) and the Ministerial Guidelines issued under section 181AA. It provides a clear framework for accountable decision-making and responsible revenue management.

2. Scope

The purpose of this Policy is to provide a clear and consistent framework for hardship assistance in relation to annual municipal rates and charges.

The Policy applies to ratepayers within the City of Monash who are liable for the payment of municipal rates and charges and who are experiencing hardship. It establishes the context in which Council may provide support eligible ratepayers who are unable to meet their rate obligations due to hardship.

3. Background

Monash City Council (Council) recognises that residents and businesses may experience periods of financial difficulty due to changing economic conditions, personal circumstances, or unexpected life events. Council is committed to supporting ratepayers who experience hardship and ensuring that assistance is delivered in an accessible, fair, consistent, and compassionate manner.

Council currently offers a range of flexible payment options to support ratepayers in managing their rates. These existing options include:

- **Online payments**, such as BPAY, Post Billpay, and credit/debit card payments via Council's website.
- **In-person payments**, including cash, cheque or EFTPOS, available at Council's Customer Service Points.
- **Direct debit arrangements**, allowing automatic deductions to assist ratepayers with budgeting
- **Centrelink**, a government-operated bill-payment service that enables eligible ratepayers receiving Centrelink payments to have small, manageable amounts automatically directed towards their rates.

These payment pathways support diverse needs and preferences and reflect Council's ongoing commitment to providing accessible and flexible service delivery across the municipality.

However, Council acknowledges that some residents and businesses require additional, tailored support beyond standard payment methods, particularly during periods of financial or personal hardship.

This Policy provides those further supports by setting out clear assistance options designed to help ratepayers who are experiencing genuine hardship.



In developing this Policy, Council has considered emerging industry standards, best practice approaches adopted across the local government sector, and relevant [Ministerial Guidelines](#). These external frameworks help ensure that Council’s hardship processes remain contemporary, equitable, and aligned with statewide expectations.

This Policy reflects Council’s broader commitment to social inclusion, responsible financial management, and transparent service delivery by providing clear pathways for ratepayers to seek support when they need it most.

4. Legislative Context and Governance Statement

The main legislative context in this document is the *Local Government Act 1989*, specifically sections 170, 171, 171A, 171B, 172, and 181AA. Other relevant legislations include the Privacy and Data Protection Act 2014 (Vic), and Charter of Human Rights and Responsibilities Act 2006 (Vic).

In generating this Policy, Council confirms that its development, implementation, and review comply with the overarching governance principles outlined in the Act. This Policy has considered the importance of engagement, strategic planning, financial management, transparency, and service performance.

5. Definitions

Word	Definition
Annual rates and charges	Charges levied on properties annually by Council to fund municipal services. These include property rates, waste service charges, and State Government levy to fund emergency services.
Basic Necessities	Essential items and services required for a reasonable standard of living, such as food, housing, and utilities.
Chief Executive Officer (CEO)	The principal officer of Council responsible for overall operations and implementation of Council decisions.
Chief Financial Officer (CFO)	Senior officer responsible for financial management and oversight of Council’s fiscal policies.
Council	City of Monash, the local government authority responsible for municipal governance and services.
Deferral of rates and charges	Postponement of payment of rates and charges for an agreed period without penalty interest accruing during the deferral.



Director - Corporate Services	Executive responsible for corporate governance, financial services, and administrative functions.
Financial Counsellor	A qualified professional providing advice and support to residents experiencing financial hardship. This is a free, independent and confidential service.
Financial Hardship (Person)	Severe financial difficulty that prevents a resident from paying annual rates and charges without compromising basic living necessities for themselves and/or their dependants.
Financial Hardship (Business Entity)	Situation causing a business to be unable to meet its existing financial obligations for a period due to unforeseen events or circumstances outside its reasonable control. Some examples are natural disasters, health crises, economic downturns.
Hardship	<p>A broad term that refers to any situation in which a person is struggling due to circumstances beyond their control. The circumstance may be financial, but can also be social, health, emotional, or situational. The following are some examples of such circumstances:</p> <ul style="list-style-type: none"> • Illness; • Family violence; • Bereavement; • Natural disasters <p>The distinction against financial hardship is that not all hardship situations result in an inability to pay bills, but it may impact a person’s capacity to engage with managing daily life.</p>
Legal Costs	Expenses incurred by Council in recovering unpaid rates and charges through legal proceedings.
Non-residential Properties	Land that is used, or intended to be used, for purposes other than domestic living. This includes commercial, industrial, retail, agricultural, recreational, community service, and mixed-use-properties where the primary function is not residential occupation.
Payment Plan	An agreed arrangement between Council and a ratepayer to pay outstanding rates and charges over an extended period.
Penalty Interest	Interest charged on overdue rates and charges as prescribed under the <i>Local Government Act 1989 Vic.</i>
Pension Concession Card Holder	<p>As per eligibility criteria on Municipal rates concession - DFFH Services .</p> <p>A ratepayer who holds one of the following eligible cards.</p> <ul style="list-style-type: none"> • Pensioner Concession Card • Veterans’ Affairs Gold Card (given for TPI, War Widow, EDA or POW).



PRAVS (Property, Revenue and Valuations)	The team responsible for managing ratepayer details, property valuations, and revenue collection.
Ratepayer	A person or entity liable for the payment of municipal rates and charges under the <i>Local Government Act 1989 (Vic)</i> .
Residential Properties	Land that is used, or intended to be used, primarily for domestic living purposes. Examples are houses, apartments, townhouses, units, and other dwellings that serve as a person’s principal or secondary place of residence.
Waiver of interest and legal costs	Council’s discretion to waive accrued penalty interest and legal costs associated with overdue rates and charges.
Waiver of rates and charges	Council’s discretion to waive part of the rates and charges in cases of extreme hardship.

6. Responsibilities and Roles

Who	Role
Councillors	Councillors play a significant role in representing the community’s needs and interests to Council. Councillors are a significant stakeholder in the development, amendment and review of policies. Councillors must ensure that all policies comply with relevant laws and regulations, and they are responsible for upholding the legal and ethical standards of Council.
Communications Team	Responsible for graphic design and assisting with communications and community engagement.
Director - Corporate Services	Oversight responsibility to ensure this policy’s compliance with applicable laws, regulations, and industry standards. The director has a role in monitoring how policies are put into practice and compliance.
Chief Financial Officer	Responsible for ensuring that the Policy is applied in a manner that meets all legislative requirements, delivers fair and consistent outcomes for the community, whilst ensuring Council’s long-term financial sustainability. The CFO will escalate complex or exceptional cases to the CEO and/or Council in accordance with delegated authority. The CFO is also responsible to assess appeal applications to ensure the decisions made on hardship assistance applications are fair, compassionate, but also in the best interest of the Monash community.
Coordinator – PRAVS Team	Responsible for development and implementation of the Policy, and periodic review of the Policy. Also responsible in ensuring staff members are adequately trained.



	The PRAVS Coordinator is responsible for the approval decision on hardship assistance applications received.
PRAVS Team	Responsible for the assessment of applications and their related inquiries, in accordance with the framework within this Policy.

7. Ratepayers of Residential Properties

This section outlines the assistance options available to residential ratepayers experiencing financial hardship. All information provided in applications will be handled with care and in accordance with the *Privacy and Data Protection Act 2014* to ensure confidentiality and compliance with privacy obligations. Council aims to provide fair and consistent support while encouraging applicants to submit detailed information and supporting documents.

Assistance Options

1. Flexible Payment Plan (up to 24 months)

An agreed arrangement between Council and the ratepayer to pay outstanding rates and charges over an extended period of up to 24 months. Penalty interest will be suspended for the duration of the payment plan. This option helps residents manage payments without compromising basic living necessities.

2. Deferral of Rates and Charges

Postponement of payment of rates and charges for an agreed period without penalty interest accruing during the deferral. Deferred amounts will eventually need to be paid when the ratepayer's financial situation improves or when the property changes ownership. Deferring rates and charges will stop the accumulation of penalty interest, and all debt recovery or legal actions for the duration of the deferral. Deferrals are reviewed annually to ensure continued eligibility.

3. Waiver of Penalty Interest and/or Legal Costs

Council may exercise discretion to waive accrued penalty interest and legal costs associated with overdue rates and charges. This option is considered in cases of significant hardship.

Eligibility Criteria

- Applications are assessed on a case-by-case basis.
- Automatic eligibility applies to:
 - Holders of a Pensioner Concession Card
 - Recipients of the State Government's Utility Relief Grant Scheme
- Other applicants must demonstrate circumstances of hardship or financial hardship (refer to Definitions table above) that prevent payment.
- Council will assess financial hardship situations based on the following:
 - Balance sheet health (assets v liabilities)

- Household cashflow situation
- Applicants are encouraged to provide as much supporting documentation as possible. The following are examples of such documents:
 - Income statements
 - Evidence of adverse change in income
 - Medical certificates
 - Recommendation letter from financial counsellor
 - Government agency documentation (e.g. from Centrelink, NDIA)
- Please note that mere inconvenience or difficulty in making a payment is not considered as financial hardship. An example of this is if the ratepayer would be able to afford their rate obligation by:
 - Reorganisation/reprioritisation of finances (for example, liquidation of assets or reducing private school expenses)
 - Reducing expenditure on social activities and discretionary goods and services (such as holidays, sport and recreational activities)

Safety Net – Waste Service Charge Concession

To ease the impact of introducing the new waste service charge, Council will provide a \$150 concession to households experiencing hardship (including financial hardship).

8. Ratepayers of Non-Residential Properties

This section outlines the assistance options available to non-residential ratepayers experiencing financial hardship. All information provided in applications will be handled with care and in accordance with the *Privacy and Data Protection Act 2014* to ensure confidentiality and compliance with privacy obligations.

Assistance Options

1. Flexible Payment Plan (up to 24 months)

An agreed arrangement between Council and the ratepayer to pay outstanding rates and charges over an extended period of up to 24 months. Penalty interest will be suspended for the duration of the payment plan. This option helps businesses manage payments during periods of financial difficulty.

2. Deferral of Rates and Charges (up to 3 years)

Postponement of payment of rates and charges for an agreed period without penalty interest accruing during the deferral. Deferred amounts will eventually need to be paid when the business's financial situation improves or when the property changes ownership. Deferring rates and charges will stop the accumulation of penalty interest, and all debt recovery or legal actions for the duration of the deferral. Deferrals are reviewed annually to ensure continued eligibility.

*Note: Waiver of previously accumulated penalty interest and legal costs is **not available** for non-residential ratepayers.*



Eligibility Criteria

- All applications are assessed on a case-by-case basis.
- There is no automatic eligibility for non-residential ratepayers.
- Applicants must provide supporting documentation, which may include:
 - Recent financial statements
 - Business Activity Statements (BAS)
 - A supporting letter from an accountant outlining the financial hardship circumstances
- Applications should include a clear explanation of the circumstances causing financial hardship.

9. Council Position on Waiver of Rates and Charges

While the *Local Government Act 1989* provides Councils with discretionary powers to waive rates and charges in cases of extreme hardship, Monash City Council **does not waive any portion of rates and charges** under this Hardship Policy.

Justification:

Council operations, services, and infrastructure are funded primarily through rates and charges paid by property owners within the municipality. Waiving rates for a select group of ratepayers would effectively shift the financial burden onto the broader community, which is considered inequitable and inconsistent with principles of fairness.

Instead, Council provides alternative hardship assistance options—such as flexible payment plans, deferrals, and suspension of penalty interest—to support ratepayers in genuine need without compromising the sustainability of essential services for the entire community.

10. Application Process

Ratepayers seeking financial hardship assistance must apply through one of the methods listed below. Applications may be submitted by an authorised person on the ratepayers' behalf.

1. Online Application Form

Complete the online application form available on Council's website:

<https://www.monash.vic.gov.au/Residents-Property/Rates/Hardship-Assistance>

2. Physical Application Form

Alternatively, a physical application form can be completed and submitted in person, mail or e-mail. These forms will be available at Council's Customer Service Points.

Applicants are encouraged to provide all relevant supporting documentation with their application to assist in the assessment process. Examples include income statements, medical certificates, financial statements, BAS statements, or letters from accountants.

Council will advise of its decision in writing, or contact the applicant if further information is required, within 14 days of the application being received.



Ratepayers are strongly encouraged to seek assistance and advice from **financial counselling services**, which are free, independent, and not-for-profit. For confidential support, contact the **National Debt Helpline** on **1800 007 007** to discuss your situation. Alternatively, information is also available on the following website: [Home - Financial Counselling Victoria](#)

In line with section 171 of the *Local Government Act 1989*, it is essential that all information provided to Council in support of an application is accurate, complete and not misleading in any material respect. Applicants must also promptly notify Council of any change in circumstances that may affect an application or a waiver granted under this section. Providing false or misleading information, or failing to disclose relevant changes, constitutes an offence.

The maximum penalty for this offence is 10 penalty units, with the monetary value of a penalty unit set annually by the Victorian Government and subject to indexation.

Appealing Against Application Outcome

Ratepayers who are dissatisfied with the outcome of their financial hardship application have the right to request a review of the decision.

How to Lodge an Appeal

An appeal can be submitted online, in-person, through mail or e-mail, by completing the Appeal Application Form, available through:

- Online on Council's website
- Physical copy at Council's Customer Service Points

Review Process

- The appeal will be reviewed by an independent officer who was not involved in the original decision.
- The purpose of the review is to ensure:
 - The decision-making process was fair and transparent.
 - The decision was based on relevant evidence.
 - The decision complies with applicable laws and regulations.
 - The decision was reasonable and justifiable in the circumstances.

Council will notify the applicant of the outcome of the appeal in writing within 21 days of the application being received.

11. Gender Impact Assessment

Council recognises that financial hardship can have gendered impacts. A Gender Impact Assessment has been conducted to ensure equitable support for all residents. The assessments identified several actions to strengthen equity and accessibility within the Policy such as:



- Enhancing staff capability to handle sensitive circumstances through targeted training
 - Family violence response
 - Cultural competency
 - Gender sensitivity
- Improving availability of useful information such as:
 - Family violence assistance programs
 - Financial counselling services
 - Homelessness support
 - Language services
- Improving accessibility of information:
 - Policy and other information to be made available on Council website
 - Policy and other information to be made available physically at various Council’s customer service points
- Use of inclusive language and relatable stories in the Policy and/or website

12. Human Rights Considerations

This policy has been reviewed to ensure it does not negatively impact human rights and complies with the *Charter of Human Rights & Responsibilities Act 2006*.

13. Administrative Amendments

From time to time, circumstance may require minor amendments be made to this Policy. Where this does not materially alter the Policy, such amendments may be made administratively by the Chief Executive Officer.

Any amendment which materially alters the Policy must be approved by Council.

14. Review

This policy will be reviewed by the Coordinator of the PRAVS team by January 2030.


15. Document Version

Version Number	Date	Author	Reviewed By	Approved By	Comments
1.0	28/04/2026	Coordinator PRAVS	Chief Financial Officer		



16. Contact

If you have any questions about this Policy, please contact Council:

 By emailing: mail@monash.vic.gov.au

 By calling Coordinator PRAVS on 03 9518 3661.



17. Appendices

Appendix A - Hardship Assistance Application

Property Details:	
Relationship to property: (Owner / tenant)	
Property Address:	

Personal Details:	
Full Name:	
Email Address:	
Phone Number:	
Application Category: (Company / Personal)	
Mailing Address:	

Information:	
Are you a Pensioner? (Yes / No)	
Assistance Request (Rate Repayment Deferment / Waiver of interest and/or rates)	
If Rate Repayment Deferment: (With Payment / Without Payment)	
If Rate Repayment Deferment with Payment Enter Amount:	£



Description:	
Any Government Benefits (Centrelink) (Yes / No)	
Benefit Amount:	₤
Benefit Frequency:	
Description:	
Any Rental / Board Income (Yes / No)	
Amount:	₤
Frequency:	
Any Interest / Dividend Income (Yes / No)	
Amount:	₤
Frequency:	
Any other Income (Yes / No)	
Amount:	₤



Frequency:	
Description:	
Total Income	£
Balance Income <i>(Total Income – Total Expenses)</i>	£

Expenses Details:	
Do you have a Mortgage? (Yes/No)	
Amount:	£
Frequency:	
Do you have Rent or Board? (Yes/No)	
Amount:	£
Frequency:	

Other Expenses Details:		
Expense Type	Amount	Frequency
Food & Groceries	£	



Utilities and Telecommunication	£	
Insurances	£	
Property Charges	£	
Education	£	
Clothing & Personal Grooming	£	
Medical Expenses	£	
Leisure	£	
Other Expenses	£	
Total Expenses	£	

Asset Details:	
How many properties do you own?	
Total Value of Properties:	£
Properties Descriptions:	
Do you own motor vehicles? (Yes/No)	
Total Motor Vehicles Value:	£



Savings:	£
Other Investments:	£
Superannuation:	\$
Other Assets:	£

Liabilities:	
Do you have secured loans? (Yes / No)	
Total Amount Owed: £ Descriptions:	
Do you have unsecured loans? (Yes / No)	
Total Amount Owed: £ Descriptions:	
Do you have Credit Cards? (Yes / No)	
Details:	
Total Amount Owed: £	



Do you have other debts? (Yes / No)	
<p><u>Details</u></p> <p><u>Debt 1:</u></p> <p>Amount Owed: \$ Description:</p> <p><u>Debt 2:</u></p> <p>Amount Owed: \$</p> <p>Description:</p>	



Declaration:	
Are you the only owner of the property? (Yes / No)	
How many owners does the property have?	
I / We have owned the property since (date of purchase) Date of purchase:	
I / We acknowledge that by signing this document, the information provided in support of my application is true and correct. I/we also understand that penalties may apply for providing misleading information.	
Applicant Name:	
Applicant Signature:	

Penalty for Misleading Information

It is an offence under Section 171 (6) of the Local Government Act 1989 to provide misleading information as part of this application.

Privacy Collection Statement

Monash City Council ("Council") collects personal information via this form to provide you with the service you are seeking and/or to fulfill its statutory responsibilities, and for related purposes which you may reasonably expect. Council will not release or provide your personal information to any other person or body, unless (a) it has been authorised to do so by you, or (b) it is permitted or required to do so by law, or (c) it is appropriate or required in the performance of the functions of

Council. If you do not supply the requested information, we may not be able to provide you with the service and/or fulfill our statutory responsibilities. You may gain access to your personal information by contacting Council's Privacy Officer via telephone on 9518 3555 or email at

mail@monash.vic.gov.au. Further details are available at the Privacy page on Council's website (www.monash.vic.gov.au).



Appendix B – Appeal Against Decision – Hardship Assistance

Monash City Council’s Hardship Policy provides hardship assistance to people and businesses experiencing hardship in relation to the payment of rates and charges. To make an appeal, you must have first completed an Application for Assistance under the Hardship Policy.

Where a person or business is dissatisfied with the outcome of their Application for Assistance, they may request a review of the decision by completing and lodging this form. The review will be conducted by an appropriately delegated senior officer of Monash City Council.

The Hardship Policy ensures there is an opportunity for people who are unable to pay rates and charges to seek hardship assistance from Council.

Please note that Council is unable to waive the requirement to pay the amount due; however, hardship assistance may include waiving interest or legal costs, deferral of payment, or entering into a payment arrangement.

<u>Applicant Details</u>	
First name	
Last name	
Property address	
Suburb	
Postcode	
Phone number	
Email address	

Grounds for Appeal (tick one)

- Mistake in original decision
- Contrary to law
- New information
- Other (please specify): _____



Please note that if insufficient information is provided, Council may request further details. If requested information is not provided within 28 days, Council may determine the appeal based on the information available.

Reasons for Appeal

Please explain why you believe the above ground applies to your application. Attach additional pages and/or supporting documentation(s) if required.

Declaration

I acknowledge that the outcome of this appeal is final. I declare that the information provided is true and correct to the best of my knowledge.

Signature: _____ Date: _____

Lodging Your Appeal

Post: PO Box 1, Glen Waverley VIC 3150
Email: mail@monash.vic.gov.au
In person: Monash Civic Centre, 293 Springvale Road, Glen Waverley
Enquiries: (03) 9518 3555



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mail@monash.vic.gov.au. Further details are available at the Privacy page on Council's website (www.monash.vic.gov.au).



Appendix C – External Support Services and Assistance for Financial Hardship

This Appendix provides information on free, independent and government-funded support services available to residents who may be experiencing financial hardship. These services can assist residents to manage debt, access financial information, and seek additional social and emotional support.

1. Services Australia – Financial Help and Information

Services Australia provides a range of **free financial support and information services** to assist individuals and families who are experiencing financial difficulty.

- **Social Worker Services** (<https://www.servicesaustralia.gov.au/social-work-services>)
Residents experiencing financial hardship, crisis, or distress can access free counselling, support and referrals through Services Australia social workers. These services also provide support for people experiencing emotional distress related to financial pressures.
- **Financial Information Service (FIS)** – (<https://www.servicesaustralia.gov.au/financial-information-service>)
FIS Officers provide free, independent financial information to help people make informed decisions about money, including budgeting, managing debt, and understanding financial options. This service is available to anyone, regardless of whether they receive a Centrelink payment.
- **Advance Payments from Centrelink** (<https://www.servicesaustralia.gov.au/advance-payment>)
Individuals receiving income support payments or Family Tax Benefit may be able to access an advance lump sum payment. An advance payment is an early release of part of an existing payment and is repaid through reduced future payments.

2. Help with Managing Debt

Residents experiencing debt or financial stress are encouraged to seek early support. Services Australia highlights the following options:

- **Financial Counselling ([Home - Financial Counselling Victoria](#))**
Free financial counsellors can assist residents to:
 - Understand their financial situation
 - Negotiate with creditors and service providers
 - Set up payment arrangements
 - Access additional support services
- **National Debt Helpline (1800 007 007)**
The National Debt Helpline provides free, confidential financial counselling and advice to people experiencing debt problems.
- **Legal Support and Bankruptcy Information** (<https://www.moneysmart.gov.au/managing-your-money/managing-debts/free-legal-advice>)
Services Australia provides pathways to legal information and support services for residents dealing with serious debt, legal disputes or bankruptcy concerns.
- **Saver Plus Program** (<https://www.bsl.org.au/services/saving-and-managing-money/saver-plus/>)



Matched savings program for eligible low-income earners by Brotherhood of St. Laurence to help build essential financial skills

3. Support for Vulnerable Residents

Additional support options are available for residents facing specific or heightened vulnerability:

- **Financial Abuse and Family and Domestic Violence Support** (<https://www.servicesaustralia.gov.au/help-from-other-places-for-family-and-domestic-violence>)
Financial abuse is recognised as a form of family and domestic violence. Services Australia provides information and support for people whose access to money is being controlled or restricted by another person.
- **No Interest Loans Scheme (NILS)** (<https://goodshep.org.au/services/nils/>)

Small, no-interest loans for essential goods and services.

How Residents Can Access Support

Residents should contact Services Australia for up-to-date information and support:

- **Website:** <https://www.servicesaustralia.gov.au/getting-financial-help-and-information> [[Getting fi...Australia](#)]
- **Interpreter service:** 131 450 (ask to be connected to Services Australia)



Appendix D – Support Services and Helplines for Family Violence, LGBTIQ+ and Mental Health

Residents experiencing or at risk of **family violence, mental health distress**, or who identify as **LGBTIQ+** may engage the following **free, confidential support services and helplines**. This information is provided as a guide only. Residents should contact the relevant service directly for support.

1. Family Violence Support and Helplines

The following services provide crisis support, counselling, safety planning and referrals for people experiencing family violence or sexual assault:

- **The Orange Door (Inner Eastern Melbourne)**
Local access point for family violence support and child and family services
Phone: 1800 354 322
Email: IEMA@orangedoor.vic.gov.au
Website: <https://www.orangedoor.vic.gov.au>
- **1800RESPECT**
Australia-wide confidential counselling and support for family violence and sexual assault
Phone: 1800 737 732
Website: <https://www.1800respect.org.au>
- **Safe Steps**
Family and domestic violence crisis support line
Phone: 1800 015 188
Website: <https://www.safesteps.org.au>
- **Sexual Assault Crisis Line (SACL)**
Crisis counselling for people who have experienced sexual assault
Phone: 1800 806 292
Website: <https://www.sacl.com.au>

2. LGBTIQ+ Specific Support

Specialist services providing inclusive, safe and confidential support for LGBTIQ+ communities:

- **Rainbow Door**
Specialist LGBTIQ+ helpline for family violence, mental health and wellbeing support
Phone: 1800 729 367
Website: <https://www.rainbowdoor.org.au>
- **W Respect**
Specialist family violence support for LGBTIQ+ communities
Phone: 1800 542 847
- **Q-Life**
LGBTIQ+ peer support for mental health and wellbeing
Phone: 1800 184 527
Website: <https://www qlife.org.au>



3. Mental Health Support and National Helplines

The following services provide crisis support, counselling and mental health information: 1

- **Lifeline** – Crisis support and suicide prevention
Phone: 13 11 14
Website: <https://www.lifeline.org.au>
- **Beyond Blue** – Mental health support and information
Phone: 1300 224 636
Website: <https://www.beyondblue.org.au>
- **Suicide Call Back Service**
Phone: 1300 659 467
Website: <https://www.suicidecallbackservice.org.au>
- **SANE Australia** – Mental health support and information
Phone: 1800 187 263
Website: <https://www.sane.org>
- **Kids Helpline** – Children and young people aged 5–25
Phone: 1800 551 800
Website: <https://www.kidshelpline.com.au>

4. Further Information

A comprehensive and up-to-date list of support services and helplines is available on the City of Monash website:

<https://www.monash.vic.gov.au/Community/Community-Safety/Support-Services-and-National-Helplines>

CORPORATE POLICY

SUBJECT: FINANCIAL HARDSHIP POLICY



OVERVIEW:

The purpose of this Policy is to enable a person (liable for rates and other charges) and experiencing “hardship”, to make application to Council for assistance relating to any unpaid rates or charges levied on a property under the **Local Government Act 1989** (The Act). This Policy will also apply in cases of financial hardship where homelessness has been cited as a “necessitous circumstance” for not paying Council imposed infringement notices.

RESPONSIBILITIES:

Director Corporate Services:

For the corporate implementation, review and interpretation of this policy.

Chief Financial Officer:

Is authorised (under delegation) to administer all aspects of this policy (other than provisions that relate to infringements) and to approve or not approve recommendations made in relation to hardship applications submitted under this policy.

Director City Development

Is authorised (under delegation) to waive fees and charges related to the administration of infringement notices where homelessness has been accepted as a necessitous circumstance made in relation to hardship applications submitted under this policy.

RELATED MATERIAL:

Local Government Act 1989 Sections 170-172
Australian Accounting Standards
Municipal Association of Victoria, Hardship Policy Guidelines
(November 2013)

REVIEW:

31st March 2019

APPROVED BY:

Council

Date:

30 June 2015
(Updated) September 2016
(Updated) March 2020 – COVID-19 Addendum
(Updated) July 2022 - COVID-19 Addendum Removal

Policy Ref:

2015

Issue No

1

Attachment 7.3.2.2 Financial Hardship Policy Rates and Charges 2016 (Amended 2022)

Version	Initiated	Reviewed By	Date
Adopted	Council	Council	June 2015
Amended	Council	NOM	Sept 2016
Amended	Council	Special Council Meeting	27 March 2020

CITY OF MONASH FINANCIAL HARDSHIP POLICY

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HARDSHIP POLICY

Application and Assessment Process

1 PURPOSE

The purpose of this Policy is to enable a person (liable for rates and other charges) and experiencing “hardship”, to make application to Council for assistance relating to any unpaid rates or charges levied on a property under the **Local Government Act 1989** (the Act). This Policy will also apply in cases of financial hardship where homelessness has been cited as a “necessitous circumstance” for not paying Council imposed infringement notices.

This Policy is an extension of Council’s existing internal Debt Management Procedures (DMP). The DMP is operational in nature and provides guidance to the processes that are to be undertaken in the debt recovery program for outstanding rates and charges. The DMP does not extend to include the management of Hardship Applications, as these require more specialised personal attention with outcomes requiring a decision of Council or by an Authorised Officer of Council by delegation.

The Policy defines hardship and provides the framework and guidelines to Council (in accordance with The ACT), relating to the possible granting of a deferral of the payment of levied rates or charges, or waiver of all or part of those levied rates and charges.

As a general principle, Hardship assistance should only be granted to individuals experiencing hardship, with regard to the rates on their primary residence. Applications for hardship assistance for residential investment, commercial or industrial properties should generally not be granted.

2 POLICY OBJECTIVES

The key objectives of this policy are to:

- provide a mechanism that enables people to feel comfortable in approaching Council about outstanding debts;
- reduce the number of vulnerable people being sued for unpaid rates and charges by Council;
- provide a policy that encourages a consistent and proactive approach in identifying and assisting ratepayers who may be experiencing difficulty paying their rates due to personal or financial hardship, before the debt is referred to the undertaking of legal proceedings;
- Provides a policy that enables the revocation of infringement notices and associated charges upon a special circumstances application being made which cites homelessness as the reason for that “necessitous circumstance”;
- encourage people experiencing financial hardship, to access earlier, legal and financial counselling support services;
- enable more appropriate ways for Council to seek payment of rates arrears other than through the legal system;
- reduce court proceedings and associated court and legal costs being added to rate arrears;
- provide a lower rate of interest on overdue rates where a deferral has been granted; and
- minimise risk in terms of:

- inconsistent and non-transparent decisions made outside of a determined framework; and
- non-compliance with legislation and poor governance practices.

3 DEFINITION OF HARDSHIP

3.1 Individual

A person is considered to be in serious hardship when they would be left unable to provide for themselves, their family or other dependents the following:

- food;
- accommodation;
- clothing;
- medical treatment;
- education; and
- other basic necessities.

Factors contributing to serious hardship generally include: family tragedy; financial misfortune; serious illness; impacts of natural disaster; and other serious or difficult circumstances.

3.2 Business

Serious financial hardship can also apply to businesses. Serious hardship means financial difficulty associated with:

- business closure;
- disconnection of an essential service;
- repossession of a vehicle used for business purposes;
- imminent legal action pending for non-payment of debts;
- period of review limitations;
- court orders;
- settlements; and
- other necessities for the business or people you are responsible for.

4 POLICY FRAMEWORK

The Policy framework is founded on the “Legislative Provisions” contained in the Act. These provisions enable people experiencing hardship to seek assistance in the payment of rates and other charges, and enables Council to respond to requests for assistance. The policy framework also provides an “Assistance Charter” and “Operational Framework” on how assistance can be provided to those in need.

4.1 Legislative Provisions Framework – Rates and Charges

The payment and collection of rates is subject to provisions of the Act. Sections 170, 171 & 171A of the Act give Council the power to defer and / or waive in whole or part the payment of rates and charges, if Council determines that enforcement of the requirement to pay would cause hardship to the ratepayer.

The difference between a deferral and a waiver is that:

- a deferral suspends payment for a period of time; whereas
- a waiver permanently exempts payment of the fee or charge under discussion.

Applications for waiver and deferral will be individually assessed against the criteria stated in this policy.

4.1.1 Deferment (Section 170)

Under the Monash Manual of Delegation, authority to defer payments is given to the Chief Financial Officer. (Refer to policy guidelines – APPENDIX A)

4.1.1.1 Deferring Rates and Charges and Interest (Residential Properties)

Ratepayers may have rates and charges, or part thereof, deferred (although rates and charges will continue to be levied), subject to compliance with the following conditions:

1. the property is the ratepayer’s principal place of residence;
2. the ratepayer is either a pensioner who is eligible to claim a pensioner rate rebate, or is unemployed; or
3. the ratepayer is able to provide evidence of severe financial hardship as certified by an assessment carried out by an independent financial counsellor; and
4. an application is submitted to the Council by the ratepayer or the ratepayer’s representative providing evidence of such circumstances referred to in 1 to 3 above.

In all applications for rate deferrals, the applicant will be encouraged to continue to pay the portion of rates that is affordable given their individual circumstances. This will be mutually agreed on a case-by-case basis.

In the case of a deferral, if approved, the balance of rates owing will be deferred for a period of 12 months at which time a review will be carried out with the ratepayer to determine the ratepayer’s circumstances.

Interest – Penalty Interest (Section 172)

A rates and charges deferral may be accompanied by a reduction in the penalty interest rates for the ratepayer. However, interest, where applicable, will continue to accrue on the deferred rates and charges. Section 172 of the Act permits Council to require a person to pay interest on any amounts of rates and charges which a person is liable to pay. The interest rate is fixed under section 2 of the **Penalty Interest Rates Act 1983**.

Council recognises that setting a penalty interest rate which is consistent with the Penalty Interest Act 1983 could have a negative effect on the finances of ratepayers, which prolongs their hardship.

As such, where hardship is established;

- the interest rate applied will be 2.5% on the deferred amount; and
- the interest rate charged on deferred rates for eligible recipient pensioners will be 0% where a person is over the age of 65 and can prove they have lived in their home for more than 10 years.

Interest on outstanding rates will be levied at the penalty interest rate unless a deferment is granted and a reduced interest rate approved.

Centrepay

Council also enables payment arrangements for Centrelink clients via Centrepay, a service provided by Centrelink to facilitate automatic deduction of bills and charges from their Centrelink payments. Anyone on Centrelink can apply to have a designated amount of their Centrelink payment directed to the Council. This facility is free to the Centrelink customer (there is a small charge to Council for each transaction).

4.1.1.2 Rate Deferral Arrangements – (Non Residential Properties)

Council acknowledges that a significant proportion of its rate revenue is derived from the non-residential sector.

As a consequence, this Policy makes provision for non-residential ratepayers to make application for a rate deferral agreement. Each application will be considered on an individual basis with Council taking the following criteria into account in considering whether to accept the application:

5. independent evidence from the applicant that financial hardship is being experienced, such as a letter from the applicant's accountant, auditor or bank manager; and
6. a written commitment from the applicant to an agreed timeframe in which the deferred rates will be paid.

In the case of a deferral, if approved, the balance of rates owing will be deferred for a period of 12 months at which time a review will be carried out with the ratepayer to determine the ratepayer's circumstances. Non-residential applicants will have a maximum of three further financial years in which to fully repay all

rates deferred. Rates that accrue during this interim period must also be paid by the extended payment date.

It is acknowledged that industrial/commercial businesses may have tenants who are not directly paying Council rates. Council will consider applications from landlords on behalf of tenants. The same approval criteria will apply.

As any unpaid rates will ultimately be a charge on the property, no rate deferral agreement will be entered into without the express consent of the property owner.

Interest on outstanding rates for non-residential properties will be levied at the prescribed penalty interest rate.

4.1.2 Waiver (Sections 171 & 171(A))

A waiver application, together with supporting evidence, must be submitted to (and approved by the Chief Financial Officer) before being submitted to Council or to the Chief Executive Officer. The Chief Executive Officer has the delegated power to write-off debts up to \$1,000. All other waivers must be approved by Council (Refer to policy guidelines – **APPENDIX A**).

4.1.1.2 Rates and Charges Not to be Waived

Council's preference is to not **waive** rates, municipal charges or service charges (where applicable), as the value of each property provides the owner with a potential source of funds, if liquidated.

It is considered inequitable for the majority of ratepayers to subsidise the property assets of hardship applicants.

A more equitable solution for the community is to defer rates and charges (refer Section 4.1.1). Council will, however, consider waiver applications for interest and legal costs that may have been, or will be, incurred by the ratepayer.

4.1.1.3 Waiving Interest and Legal Costs

Interest and legal cost waivers fall under two categories:

1. Administrative waivers; and
2. Waiver on compassionate grounds.

1. Administrative Waivers

Waiver for Administrative Reason/Error - Ratepayers may have interest and / or legal costs waived in the event of an administrative issue, error or omissions which caused or significantly contributed to the failure to pay rates in a timely manner.

The Chief Financial Officer shall have discretionary power to waive interest and / or legal costs for administrative waivers where the interest has been incorrectly or unreasonably charged.

2. Waiver on Compassionate Grounds

People may have interest and / or legal costs waived where they have demonstrated compassionate grounds for a payment being late.

Requests for interest and legal cost waivers in respect of financial hardship will be considered by the Chief Financial Officer. The same criteria as applies to rate deferrals (refer to Section 4.1.1) will be applied in assessing eligibility.

4.2 Waiver on Grounds of Homelessness as Necessitous Circumstances.

The Director City Development is the authorised officer (under delegation) to review and administer cases of financial hardship where homelessness has been cited as a “necessitous circumstance” for not paying Council imposed infringement notices. The Director has the delegated power to withdraw any related infringement and associated charges.

4.3 Assistance Charter and Operational Framework

The policy framework also provides an “Assistance Charter” and “Operational Framework” on how assistance can be provided to those in need. The key principles involve:

4.1.3 Assistance Charter Framework

- **Listening** Council will listen to you because it is you who is important.
- **Provide Time** Council will give you the time you need to tell us about your situation.
- **Examine Options** Council will work with you to explore your situation and provide you with options to resolve it.

The Policy enables people to:

- approach Council in a non-threatening environment when in circumstances of hardship;
- be assisted in making an application for waiver or deferment of rates and other charges for Council consideration;
- be assisted in identifying their needs and access to support services that may be applicable to their needs; and
- appeal against a decision relating to their hardship application (**APPENDIX C**).

The Policy enables Council officers (wherever reasonably possible) to:

- provide assistance to those in need;
- provide a hardship application form and process;
- provide a means of assessment of a person’s circumstances causing the hardship being experienced;
- to determine if needs are beyond just financial and identify where other Council Services may assist;

- identify other support mechanisms (external to Council) available to those experiencing hardship, to which they can be referred;
- provide a schedule of Financial Counselling services to which a customer can be referred (**APPENDIX D**);
- work with the customer to set up a flexible and affordable payment plan where applicable;
- stop further debt recovery action while on the program and minimise costs associated with the recovery of outstanding debts for the customer; and
- make recommendations to management and or Council for a deferment or waiver relating to the debt where appropriate.

Operational Framework

- Officers look at debtor's history of non-payment;
- Officers initiate contact with ratepayer with the view to meet and assist where possible;
- Officers to make at least two attempts to make personal contact by phone;
- Officers to issue correspondence confirming any discussions and/or advising of the next course of action;
- Officers to ensure that all payment arrangement/agreements are accepted in writing from the ratepayer;
- Officers ensure compliance with Privacy Act legislation and that any information provided in accordance with this Policy will be treated as strictly confidential.

4.1.1.3 Application Procedure

In the cases of hardship, a debtor must request assistance from Council in writing. The debtor must provide complete details of the circumstances preventing them from meeting their financial obligation to Council.

An initial "needs" assessment will be performed by Council officers to determine the level of support and services that may need to be engaged to assist the debtor. (**APPENDIX B**).

Subject to the findings of the initial needs assessment, officers can provide one or all of the following:

- recommend assistance in the form of a waiver of the rate and/or charge, and/or interest (waiver of the rate or charge requires Council Approval);
- recommend a deferral of the payment of the rate or charge (Requires Chief Financial Officer approval); or in cases where homelessness has been accepted as "necessitous circumstances" the Director City Development can waive the infringement and associated charges;
- recommend referral to Financial Counsellor for a full assessment and report;
- establish a repayment arrangement mutually acceptable to Council and the debtor;
- recommend other internal and/or external professional support services that would be of assistance to the debtor's circumstances (**APPENDIX D**).

5 POLICY MATTERS – OTHER

5.1 Staff Training

Council will consider specific staff training to increase awareness of hardship issues and internal capabilities to implement Council's Hardship Policy. Training will be aimed at front line staff (including Council's contracted mercantile agencies) and managers that oversee customer service and collections operations, and covers issues such as:

- understanding hardship;
- effects of hardship on customer behaviour;
- respectful communication; and
- the types of assistance available to residents in hardship.

5.2 Communications

Council will provide details on its website of this Hardship Policy and available options and also make reference to the policy on rate notices.

5.3 Policy Review Date

This Policy will be reviewed by Council in March 2019.

APPENDIX - A

5.4 APPENDIX A – POLICY GUIDELINES FOR DEFERMENT OR WAIVER

Purpose

The purpose of this statement is to set guidelines under which deferment/waiver of payment and collection of rates and other charges may be approved.

Issues

The payment and collection of rates is subject to provisions of the Local Government Act 1989 (the Act). Sections 170, 171 and 171A of the Act give Council the power to defer/waive in whole or part payment of rates and charges if Council determines that enforcement of the requirement to pay would cause hardship to the ratepayer.

Under the Monash Manual of Delegation, authority to defer payments for rates and other charges (with the exception of infringement notices) is given to the Chief Financial Officer.

The Director City Development is the authorised officer (under delegation) to review and administer cases of financial hardship where homelessness has been cited as a “necessitous circumstance” for not paying Council imposed infringement notices. The Director City Development has the delegated power to withdraw any related infringement and associated charges.

Guidelines

1. The person may be referred to an independent Financial counselling Service for assessment.
2. If the counselling service confirms the person is suffering financial hardship, then the matter will be referred to the Chief Financial Officer for consideration and or report to Council (dependant on whether a deferral or waiver is to be granted).
3. In the case of a deferral, if approved, the balance of rates owing will be deferred for a period of 12 months at which time a review will be carried out with the ratepayer to determine the ratepayer’s circumstances.
4. If the review shows no improvement in the ratepayer’s circumstances, payment of the next year’s rates will also be deferred.
5. The maximum amount of indebtedness that will be deferrable will be 20% of the CIV as at the last general revaluation.
6. Interest will continue to accrue on the deferred rates in accordance with Section 172 of the Act and Section 2 of the Penalty Interest Act 1983. For residential ratepayers, an interest rate of 2.5% is to apply where the rates and charges have been granted a deferment (under this policy). The interest rate charged on deferred rates for eligible recipient pensioners will be 0% where a person is over the age of 65 and can prove they have lived in their home for more than 10 years.
7. Rates and interest charges will be payable in full upon the following:
 - the ratepayer becoming deceased;

- the property being sold or transferred to another name; or
 - a material alteration to the ratepayer's circumstances.
8. Council's preference is to not waive rates, municipal charges or service charges, however, Council will consider waiver applications for interest and legal costs that may have been, or will be, incurred by the ratepayer.
 9. Any applicant that is seeking hardship relief, where an infringement notice and any associated charges have been incurred, may make a special circumstances application which cites homelessness as the reason for that "necessitous circumstance". In these cases the Director of City Development has the delegated authority to waive the infringement notice and associated charges.

APPENDIX - B**COMPLIANCE WITH COUNCIL POLICY**

Council officers may be required to conduct a basic hardship assessment and should have information and a preliminary plain English verbal questionnaire prepared.

Criteria of Policy	YES /NO	Comment – if required
Is this house where you live?		
Do you run a business from home?		
Do you owe money for more than one year?		
Are these payments hard to make?		
Can you make regular smaller payments?		
Do you want to keep your home or do you want to sell it?		
Can you provide a financial statement that outlines your income and expenses?		
Do you own another property?		

Confidentiality

Any information provided in accordance with this Policy will be treated as strictly confidential.

APPENDIX - B

APPLICANTS AGREEMENT TO PAY

I/We (Insert Name/s):	
<ul style="list-style-type: none"> • Agree to the terms and conditions established for the repayment of the outstanding rates and charges on my / our property. • Commit fully to making repayments as required • Understand that interest will continue to accrue on any outstanding balance (subject to the provisions of this Policy) • Acknowledge that if in default of this agreement, Council has the right to proceed with full recovery of the debt without further notice. • Understand that additional recovery costs may be incurred by me / us if in default of this agreement. 	
Payment Frequency: Lump Sum / Monthly / Fortnightly / Weekly	
Amount:	\$
Signed:	Signed:
Write Name:	Write Name:
Date:	

THIS SECTION TO BE COMPLETED BY COUNCIL AUTHORISED OFFICER

REPAYMENT CAPACITY

Based upon information provided in the application, the applicant has financial capacity to make repayments	YES / NO
If YES, how much could be paid per week?	\$

ASSESSMENT SUMMARY

Applicant complies with Policy criteria (specify number of criteria met)	Of 7
Applicant has identified capacity to make repayments	YES / NO

Signed:	Date:
Write Name:	

APPENDIX - B

RECOMMENDATION

Based upon:

- (a) compliance with Council's Policy;
- (b) a capacity by the applicant to make regular repayments of outstanding rates and charges; and
- (c) the above signed agreement to make such repayments,

it is recommended that financial assistance *be / not be* granted by:

- (a) Waiving % or \$_____of interest raised to date, and / or
- (b) Not raising further interest on this account.

Signed:
Authorised Officer

Date: / /20

Signed:
Chief Financial Officer

Date: / /20

APPENDIX C

5.6 APPENDIX C – APPEAL AGAINST DECISION

(If you are not happy with the decision, you can appeal by completing this form)

ASSESSMENT NUMBER	
RATEPAYER NAME/S	
CONTACT DETAILS	Phone: _____ Mob: _____ Email: _____
PROPERTY ADDRESS	
TOTAL DEBT AMOUNT	\$ _____

I / We hereby lodge our Right to Appeal against a decision made in accordance with Council’s adopted Hardship Policy.

Name of applicant/s _____

Preferred Contact Number _____

Why I / we disagree (State grounds for appeal): _____

Signature of Applicant/s _____

Date _____ / _____ / _____

Office use only:
Appeal Received by: _____ Date: _____

Insert Name: _____

APPENDIX - D

5.7 APPENDIX D – FINANCIAL COUNSELLING SERVICES REGISTER VICTORIA

National Debt Helpline

1800 007 007

Not-for-profit Victorian Government service providing free, confidential phone financial counselling for Victorians experiencing financial difficulty.

Website: www.ndh.org.au

Please contact National Debt Helpline to request a referral to see a financial counsellor at your local financial counselling service.

Please also visit the website below for useful information on finance matters:

www.moneyhelp.org.au



Government
Services

Ministerial guidelines relating to payment of rates and charges

December 2025

OFFICIAL

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9.1 Section 172: Council may charge interest on unpaid rates and charges

9.2 Section 180: Unpaid rates or charges

9.3 Section 181: Council may sell land to recover unpaid rates or charges

10. Transparency and Disclosure

1. Introduction

Every year, Councils collect rates and charges from ratepayers in accordance with the *Local Government Act 1989* (the LG Act 1989). Rates are an important source of revenue for Councils that contribute significantly to delivering local community infrastructure and services.

Timely payment of rates and charges allow Councils to be more financially sustainable and provide continuity for Councils to effectively plan for the delivery of services throughout the year.

Most ratepayers across the State pay their rates and charges in a timely manner. However, ratepayers may need assistance to manage the payment of rates and charges. This could be due to prolonged hardship or unforeseen circumstances including but not limited to, loss of employment, illness, and change of family circumstances. Most Councils have policies in place around debt management and collection.

Ratepayers experiencing hardship and financial hardship must be treated fairly, compassionately and proportionately.¹

1.1 Objectives of guidelines

These Guidelines provide direction to Councils to review and update (as necessary) their existing hardship and debt management policies in relation to the payment of rates and charges.

The objectives of these Guidelines are to:

- encourage a more consistent approach across local government policies relating to debt management for the payment of rates and charges;
- provide guidance and support to Councils and ratepayers in relation to hardship and financial hardship; and
- empower Councils to recover debt from unpaid rates and charges in a fair and equitable way, consistent with Victorian Government, community and stakeholder expectations.

The Guidelines contain matters that must be considered in a Council's policy formation, whilst not being prescriptive about models for implementing council policies.

By proactively working with ratepayers who may be in hardship or financial hardship, Councils may ultimately minimise additional organisational costs, in addition to costs to ratepayers, associated with debt management. This may enable Councils to continue to be financially sustainable.

¹ Second Reading Speech for the *Local Government Legislation Amendment (Rating and Other Matters) Bill 2022*, Legislative Assembly, 8 June 2022.

1.2 Legal Framework

The Minister for Local Government has issued these Guidelines under section 181AA of the LG Act 1989. Councils are required to comply with these Guidelines under section 181AA(3).

Where the Minister has been advised by particular bodies and is satisfied that a Council's governance processes and policies require improvement, the Minister may direct a Council to amend or replace its governance processes and policies.²

Subject to the requirements of the LG Act 1989 and the *Local Government Act 2020*, Councils must develop policies, practices and processes associated with the payment of rates and charges in accordance with these Guidelines³.

Councils must recover overdue rates and charges from ratepayers in an effective and fair way, prior to undertaking any debt collection action, which can be costly to the Council and ratepayer.

1.3 Scope of guidelines

Under section 181AA(1), the Minister may issue guidelines in relation to:

- (a) the meaning of hardship for the purposes of section 170 (*deferred payment*); and
- (b) the meaning of financial hardship for the purposes of sections 171 (*waiver*), 171A (*waiver by application*) and 172A (*maximum rate of interest*); and
- (c) the content of hardship policies and financial hardship policies; and
- (d) the circumstances in which a Council may apply the hardship policies and financial hardship policies; and
- (e) the process for applying for a payment plan; and
- (f) the waiver of interest on unpaid rates or charges under sections 171, 171A and 172 (*interest on unpaid rates*); and
- (g) any other matters covered by sections 170, 171, 171A, 171B (*payment plans*), 172, 180 (*recovery of unpaid rates or charges*) and 181 (*Council may sell land*).

Consistent with section 181AA of the LG Act 1989, these Guidelines outline the meaning of hardship and financial hardship, together with the circumstances, processes and relevant considerations Councils must take into account when developing their policies for ratepayers experiencing hardship or financial hardship.

² Section 175, *Local Government Act 2020*.

³ Section 181AA(3), LG Act 1989.

Many Councils already have multiple payment options and processes in place for payment of rates and charges. As every local community has different needs and requirements, Councils **may implement flexible payment options and processes which align with their local community needs and within Council capability and resources.**

These Guidelines support Councils to proactively work with ratepayers, to explore the arrangement most suitable in a person's situation. This approach is consistent with the Second Reading Speech for the amendments inserting section 181AA into the LG Act 1989. The Second Reading Speech states that:

The Ministerial Guidelines will require councils to proactively work with ratepayers experiencing financial hardship to explore different arrangements and solutions, and more punitive actions such as legal actions and the application of penalty interest will be only available when ratepayers refuse to engage and all other approaches are exhausted...⁴

It is intended that these Guidelines will discourage Councils from charging interest for those who are under hardship arrangements. These Guidelines reflect that legal action and the application of penalty interest should only be pursued when ratepayers do not engage, and all other approaches are exhausted.

These Guidelines commence on publication and Councils are required to update their policies for ratepayers experiencing hardship or financial hardship within a reasonable timeframe.

⁴ Second Reading Speech for the *Local Government Legislation Amendment (Rating and Other Matters) Bill 2022*, Legislative Assembly, 8 June 2022.

2. Mandatory Principles

Councils must review their policies for ratepayers experiencing hardship or financial hardship. In doing so, Councils must reflect the following principles within their own hardship and debt management policies and procedures.

Flexible, place-based approach: Councils must have modern and flexible payment options and methods for payment of rates and charges that align with local community expectations, needs and hardship circumstances.

Clear and accessible communication: Councils must provide easy to understand and multiple methods of communication about payment of rates and charges that align with local community expectations, needs and hardship circumstances.

Fair, equitable, and compassionate treatment: Councils must treat all ratepayers equitably, compassionately and proportionately in relation to payment of rates and charges, including any applications relating to hardship or financial hardship.

Protect privacy and confidentiality: Councils must treat all information provided by applicants in accordance with relevant privacy legislation.

3. Principles Councils are strongly encouraged to consider

Councils are strongly encouraged to reflect the following principles within their own hardship and debt management policies and procedures.

Reduce costs associated with debt collection: Councils should consider options for proactive management of payment of rates and charges that can minimise costs to Council and ratepayers in relation to debt management.

Continuous improvement: Councils should consider measuring the impact of debt management and hardship policies and should commit to regular review and improvement of policies to continually adapt and align to community needs and expectation.

Place-based approach: Councils should consider their local community by taking a place-based approach to hardship and financial hardship, such as the consideration of local issues, engaging with local community organisations, designing processes with the make-up of the local community in mind.

4. Proactive management for the payment of rates and charges

4.1 Current rates and charges notices

Section 158(4) of the LG Act 1989, requires that a notice:

- (a) contain the prescribed information; and
- (b) state—
 - (i) in the case of general rates, municipal charges, service rates and service charges, the dates when the instalments of the rates or charges are due, and, if those rates and charges may be paid in a lump sum, the date when that lump sum is due; or
 - (ii) in any other case, when the rates or charges are due; and
- (c) specify any other options for payment determined by the Council; and
- (d) be issued at least 14 days before the date on which the first payment of the rates or charges is due.

In addition, regulation 6 of the *Local Government (General) Regulations 2025* prescribes a range of technical and financial information that must be included on a rates and charges notice, which may be summarised as:

- the name and address of the person who is liable to pay, but if that person is not the oner of the land, the name of the owner
- a description of the land in respect of which the rate or charge is levied
- the amount for which the person is liable:
 - If the rate is based on the value of the land— the system of valuation the Council used, the value of the land and the current level of value date
 - if the rate is raised by the application of a differential rate— the type or class of the person's land, and where information in relation to the differential rate is available, and various details about the class and type of land in the municipal district.
- the method of calculating the rate or charge
- the penalties for failing to pay
- the manner in which the rate or charge may be paid
- a statement that the person may apply to the Council for a payment plan
- the manner, in order of priority, in which the Council intends to allocate money received
- the rights of the person to apply for a review in relation to a differential rating, or a rate or charge, or a special rate or charge.
- the rights of a person to object in relation to a valuation under the *Valuation of Land Act 1960*

- a statement regarding whether Council has made a rate cap application, the outcome of the application and the impact on a person's property.

Some ratepayers struggle to understand the complex and detailed information required on rates notices. In addition to providing this information, Councils are encouraged to use easy to understand language and accessible communication methods.

Councils are encouraged to include additional information on:

- flexible payment options
- any concessions that are available
- where to go for further information (including Council's hardship policy); and
- how to contact Council by phone, email or in person.

Councils are also encouraged to consider the demographic and socioeconomic environment of their communities and whether additional aids to assist with understanding notices are required, including translation services and, alternative formatting of notices.

4.2 Flexible payment options

Consistent with the LG Act 1989, Councils determine the schedule of payment for rates and charges in 4 instalments. Some Councils provide the option to pay in a lump sum.

Use of technology has created an environment where ratepayers expect modern and flexible payment options for all types of payments and charges.

Many Councils already offer multiple ways to pay rates and notices and are encouraged to continually review and revise payment methods that keep up with advances in technology.

Flexible ways to pay include, but are not limited to:

- in person at Council offices (cheques, money orders, EFTPOS, credit/debit cards and cash),
- direct debit for periodic payments/bill smoothing (on instalment due dates, monthly or fortnightly)
- Centrepay
- BPAY
- Australia Post (over the counter, over the phone by credit card and on the internet)
- by mail (cheques and money orders only).

4.3 Current discounts and subsidies

In the development of hardship and financial hardship policies, as well as debt management policies, Councils must consider current discounts and subsidies applied to rates and charges notices. Often, those receiving a subsidy or discount may be more vulnerable to hardship and financial hardship. If a ratepayer is receiving a subsidy, including a rebate or concession, this does not preclude them

from being assessed as being in hardship or financial hardship and eligible for deferred payment or waiver (as appropriate).

Pensioner and Veteran Affairs

Holders of an eligible Centrelink or Veteran Affairs Pension Concession Card (PCC) or a Veteran Affairs Gold card which stipulates 'TPI' or 'War Widow' may claim a rebate on their sole or principal place of residence.

Following an initial application for a PCC, ongoing eligibility is maintained, unless rejected by Centrelink or the Department of Veteran Affairs during the annual verification procedure. After being granted a PCC, pensioners can then apply for the rebate at any time throughout the rating year.

Retrospective claims up to a maximum of one previous financial year can be approved by Council on verification of eligibility criteria.

Incentives for prompt payment

Under section 168 of the LG Act 1989, the Council may declare that incentives are to be given by it for the payment of those rates and charges before the due date and must include in the declaration details of the circumstances in which an incentive will be given. This information must be included on the rates and charges notice.

4.4 Measuring Council performance

Performance reporting is a key program promoting Council transparency, accountability and performance.

The Local Government Performance Reporting Framework is a mandatory system of performance reporting for all Victorian Councils. It ensures that Councils are measuring and reporting on their performance in a consistent way to promote transparency and accountability in the local government sector.

The framework is made up of 59 measures from a range of service areas, including roads, planning, animal management and waste. It is complemented by a Governance and Management checklist of 27 items, which shows the policies, plans and procedures in place at each Council. Together, they build a comprehensive picture of Council performance.

You can find these reports on the local government (www.localgovernment.vic.gov.au) or Know Your Council websites (www.vic.gov.au/know-your-Council).

Currently the State Government does not mandate reporting in relation to outstanding rates and charges. However, Councils are strongly encouraged to record and report this information to demonstrate transparency and improvement.

5. Hardship and financial hardship in the Local Government Act 1989

Hardship and financial hardship are identified as 2 separate terms under the LG Act 1989 (section 170 and sections 171 to 171A respectively). The Guidelines explain these terms and how Councils can apply deferrals, payment plans and waivers to rates and charges when hardship or financial hardship is experienced by a ratepayer.

While situations of hardship may cause financial hardship, the 2 situations are not always present together. Under the legislation, a ratepayer does not need to demonstrate financial hardship to be applicable for support when applying for deferral of rates and charges, or when applying for a payment plan. Rather, the ratepayer must show that payment would cause hardship to them in their circumstances, at the time the rates and charges are payable.

By contrast, when applying for waiver of rates and charges, the ratepayer will need to demonstrate that payment would likely result in financial hardship.

Determination of whether a ratepayer is in 'hardship' or 'financial hardship', will always be dependent on an individual's circumstances.

A non-exhaustive definition:

Hardship (including financial hardship) can arise from a variety of causes which may include but are not limited to:

- employment difficulties, loss of employment or unemployment of the ratepayer or family member
- reduced, insufficient or lack of income
- medical issues, injury, illness or mental illness of the ratepayer or family member
- alcohol, drug or substance use
- death of a family member or loved one
- family circumstances
- family violence or economic abuse
- elder abuse
- gambling
- scams or fraud
- incarceration
- natural disaster
- barriers to accessing essential services including event-based circumstances and systemic and market-based factors, which result in economic and/or social exclusion or harm.

5.1 The concept of hardship in the Local Government Act 1989

When is hardship applicable?

The concept of 'hardship' is referenced in section 170 of the LG Act 1989. Hardship will depend on a person's particular circumstances. Hardship may include financial

or economic hardship but also includes a diverse range of other personal circumstances and events which may be detrimental to a person's quality of life.

What does section 170 require?

Section 170 of the LG Act 1989 empowers a Council to defer, either in full or in part, any rate or charge which is payable, for a specific period and subject to any conditions determined by the Council, if an application by a ratepayer shows that payment would cause hardship to the person.

Deferrals under section 170

Rates and charges can be deferred in full or in part by the Council.

A deferral will enable payment to be made at a future agreed date, giving the ratepayer a grace period where no payments are made. A deferral in this way can assist a rate payer in a wide range of circumstances where hardship may be immediate, unexpected, and/or shorter-term in nature and will ease an immediate obligation or financial pressure.

Charging interest on deferrals

Section 170 makes clear that a deferral can include particular conditions determined by the Council.⁵ When a Council approves an application for deferred payment, it must not charge interest on the unpaid rate or charge. A ratepayer approved for a deferred payment is no longer liable for payment⁶ and therefore cannot be charged interest⁷ until the ratepayer is sent a notice by Council making them liable and requiring payment.⁸

At the time of sending a notice, the Council may elect to calculate any interest on the deferred payment in accordance with the conditions of the deferment, however Councils are discouraged from applying interest in circumstances of hardship or financial hardship.

Deferrals with a payment plan under section 170

Councils may also elect to apply deferred payments under the condition that a payment plan is subsequently put in place.

Where a Council chooses to apply a payment plan following a deferral of payment interest must not be charged on any amount of the unpaid rates and charges. This is because the due date for payment had been deferred and there is no 'late payment' as such.

⁵ Section 170(1), LG Act 1989.

⁶ Section 170(2), LG Act 1989.

⁷ Otherwise required to be paid under section 172(1)(a), LG Act 1989.

⁸ Section 170(3)(b), LG Act 1989.

5.2 The concept of financial hardship in the Local Government Act 1989

When is financial hardship applicable?

The concept of 'financial hardship' is referenced in sections 171 and 171A of the LG Act 1989, which allow a Council to waive the whole or part of a payment of any rate, charge or interest, where it considers that the person is suffering financial hardship, or payment would cause financial hardship to the person.

As with hardship, financial hardship can arise from a variety of causes, which may include:

- employment difficulties, loss of employment or unemployment of the ratepayer or family member
- reduced, insufficient or lack of income
- medical issues, injury, illness or mental illness of the ratepayer or family member
- alcohol, drug or substance use
- death of a family member or loved one
- family circumstances
- family violence or economic abuse
- elder abuse
- gambling
- scams or fraud
- incarceration
- natural disaster
- barriers to accessing essential services including event-based circumstances and systemic and market-based factors, which result in economic and/or social exclusion or harm.

For the purposes of sections 171 and 171A of the LG Act 1989, if a ratepayer is experiencing any of the circumstances above and the payment of rates and charges means that they would not be able to afford the necessities of life for themselves or their dependants, they will be in financial hardship.

Examples of necessities of life may include (but are not limited to):

- essential medical treatments or supplies
- essential utility services (including water, energy, internet)
- access to basic living needs, including:
 - food
 - accommodation
 - clothing
 - childcare and education
 - transport
 - insurance.

Councils are encouraged to consider innovative approaches to supporting ratepayers in financial hardship. *What does section 171 require?*

Section 171 provides that a Council may waive the whole or part of any rates, charges or interest to:

- an eligible recipient within the meaning of the *State Concessions Act 2004*; or
- any other class of persons determined by the Council for the purpose of waiving rates or charges on the grounds of financial hardship.

What does section 171A require?

Section 171A provides that when a ratepayer applies for a waiver of unpaid rates and charges due to financial hardship.⁹

The Council may grant a waiver application if the Council is satisfied that ratepayer is suffering, or will suffer, financial hardship if that person paid the full amount of the rate or charge for which they are liable.

Where a Council requires an applicant to provide (or verify) further details as a part of their waiver application,¹⁰ the Council must clearly state:

- what further particulars are required; and
- how an applicant can verify these particulars.

Many Councils currently waive interest where a ratepayer is in hardship or financial hardship. Other Councils have reported waiver policies based on a capped amount or up to 50% of rates. Councils should consider a range of options in line with community needs.

For more information on assessing hardship or financial hardship applications, see section 7.

Charging interest on waivers

A ratepayer approved for a waiver is no longer liable for payment and therefore cannot be charged interest.¹¹

Penalties for false or misleading information

Rates are an important part of Council revenue to fund vital local services and facilities. By granting a waiver on the grounds of financial hardship, ratepayers will no longer be legally liable for the full payment, or the amount agreed to by the Council. To ensure appropriate safeguards are in place, section 171A provides penalties for providing false and misleading information and failure to provide notice of any change in circumstances.¹²

⁹ Section 171A, LG Act 1989.

¹⁰ Section 171A(2), LG Act 1989.

¹¹ Otherwise required to be paid under section 172(1)(a), LG Act 1989.

¹² Sections 171(6) & 171A(4), LG Act 1989.

6. Applying for a payment plan in section 171B of the LG Act 1989

Section 171B of the LG Act 1989 allows payment plans to be made in relation to unpaid rates and charges. This applies to rates and charges:

- that are being paid in instalments
- for which payment was deferred under section 170
- that were waived in part under sections 171 or 171A

Payment plans should be available for any ratepayer regardless of whether they are experiencing hardship or financial hardship. Councils must provide easy and efficient application processes for payment plans as ratepayers expect Councils to provide flexible options that consider different needs and circumstances.

Early engagement with ratepayers by enabling payment plans will support continuity of contact with that ratepayer over the longer term.

6.1 Application forms

An application form for a payment plan must be available on a Council's website, as well as a physical copy at customer service points, and provide details of how a customer can contact the Council. The application form must clearly state (but is not limited to):

- what a ratepayer may be required to submit (including information or particulars)
- that Council may request further information or particulars if relevant
- in what timeframe the Council will notify if an application has been accepted or rejected

Where ratepayers who have previously applied for deferral of payment or partial waiver, the ratepayer's previous information may be used to support a payment plan application, to streamline the application process. The ratepayer in this instance may only be required to provide information in relation to any change in their circumstances, if relevant.

Councils must also offer the ability for ratepayers to apply for a payment plan verbally instead of by a written application. Information requested in a verbal application should be identical to what is requested in a written application, as only information relevant to consideration of an application should be collected by a Council. Verbal applications should be supported by council's existing evidentiary requirements to confirm personal details of applicants.

6.2 Approval process for payment plans

When approving a payment plan, a Council must determine:

- the duration of the payment plan
- the amount of each payment plan instalment
- any other terms

When a payment plan is being arranged, the Council must work with the applicant to ensure the plan is realistic in terms of the applicant's capacity to pay. Consistent with financial hardship policies in other sectors, many Councils approve payment plans for nominal amounts as an early, compassionate response which prevents costly escalation later.

Councils may also consider incentives and options including forgiveness of debt where a ratepayer has entered into a payment plan and has met all obligations for a certain period, for example, 12 months or more.

In most cases, payment plans for ratepayers should be approved however, in the rare instance where a ratepayer has failed to pay multiple debts or has previously not been able to comply with a payment plan, Council may reject an application. Councils should clearly communicate the reasons for the decision and how to access the Council's internal review process or other dispute resolution services.

6.3 Reminder notices and payment schedules

Without limiting section 171B of the LG Act 1989, a payment plan must clearly state the schedule of payments, including amount and length of time. Council must also clearly communicate the process for which a payment plan will be cancelled, and how a ratepayer will be informed of the cancellation.

In accordance with section 171B(7), a payment plan may be cancelled if the ratepayer fails to comply with their plan.

If the ratepayer fails to comply with their payment plan, or does not contact Council about failure to pay, Council should send a reminder notice to make payment or contact the Council to discuss alternative arrangements. Reminder notices and cancellation notices should include clear guidance on support options available for ratepayers on payment plans.

Council should provide a timeframe for the ratepayer to respond and inform the ratepayer that their payment plan may be cancelled if they do not respond. If Council determines that the payment plan is cancelled, a cancellation notice should be sent to the ratepayer formally notifying them in writing that the payment plan has been cancelled and the debt will be subject to Council's regular debt recovery process.

7. Assessing applications of hardship or financial hardship

7.1 How applications are to be assessed

Information on how Councils assess hardship applications, how decisions are made, how to contact Council, and resources, such as hardship factsheets and application forms, must be easily accessible on the Council website and in person to allow ratepayers to apply.

Applications must be able to be submitted online, over the phone, or in person, by the ratepayer or by another person on their behalf. Applications should be supported by council's existing evidentiary requirements to confirm personal details of applicants.

Each application must be assessed on a case-by-case basis, and on the information provided by the ratepayer.

Factors to be considered may include, but are not limited to, whether the ratepayer:

- has provided appropriate evidence including but not limited to:
 - circumstances of hardship (whether short term or prolonged) from the list provided in the introduction of this section, and
 - an indication that paying rates and charges means that they would be unable to afford necessities of life for themselves and/or dependants
- receives Centrelink or other benefits
- is on a low or fixed income such as pension or superannuation payment
- has been referred by an accredited financial counsellor, welfare agency or legal assistance service, or
- has a payment history that indicates they have difficulty in meeting payments in the past.

Councils must only request and collect information directly relevant and necessary in order to make a decision on financial hardship. All information should be collected and held in line with privacy legislation and Council's privacy policies.

Examples of what may be considered relevant includes (but is not limited to) the below:

- **Government agency documentation:** Centrelink, ATO, NDIA, Victoria Police, Victorian Courts
- **Certified documentation:** medical certificates, referral from financial counsellors, legal documentation, statutory declarations
- **Personal information:** payslips, evidence of job loss or reduced hours, unpaid bills or repayment notices, bank statements (only where necessary, not mandatory).

7.2 Engaging a third party to assist in assessing hardship and financial hardship

Applicant ratepayers may benefit from a referral by a Council to a financial counsellor, a community lawyer, a government-funded assistance program or specialist family violence support service. Councils must provide details to applicants that request these services.

Financial counsellors can offer a range of support, depending on someone's eligibility for the service. Ratepayers may be eligible for in-depth financial counselling if they:

- are on a Centrelink benefit
- have no income
- are vulnerable due to personal circumstances
- are exposed to family violence.

If a ratepayer is in financial difficulty, they may receive free, confidential and independent advice from a financial counsellor by:

- calling the National Debt Helpline (Victoria) on 1800 007 007, Monday to Friday, 9:30 am – 5:00 pm
- visiting the [National Debt Helpline's Financial Counselling page](#)
- calling a community agency that provides financial counselling in the area where the ratepayer lives or works. To find the nearest agency, go to [Financial counselling providers](#).

A council may refer a ratepayer to, or a ratepayer may choose to directly engage with, a financial counsellor. Financial counsellors can assist in providing ratepayers with a professional opinion regarding an application for hardship or financial hardship.

However, Councils must not require an applicant to engage a professional to support the preparation or verification of an application.

7.3 Hardship application decisions and reviews

The applicant must be informed of the Council's decision in writing within a reasonable timeframe after making the application and should be given reasons for the decision.

Councils must specify the timeframes required to make a decision on hardship applications and state this information on its website, hardship factsheets and application forms.

Councils are encouraged to adopt a best practice approach to providing timeframes for processing a decision. For example, a Council may specify that a hardship application will be processed within 14 days of receipt of a complete application. A Council may also specify timeframes for responding to a query in relation to a hardship application that is on foot and timeframes for reviewing a decision on an application.

A Council must not take recovery or enforcement action for unpaid rates, charges or interest whilst an application is being assessed.

In the event that an applicant is denied a waiver or deferment, council should refer applicants to other support measures such as financial counselling.

If not satisfied with the outcome, an applicant should be able to request the Council to review the decision. Councils should proactively provide applicants on their internal review processes at the time of the decision outcome. Information on the review process and timeframes for review should also be available online and in person.

Councils should ensure that a review of a decision is undertaken by a person not involved in the original decision and the person has authority to:

- review the decision-making process to ensure it was fair and transparent
- assess whether the decision was based on relevant evidence and considerations
- evaluate the decision's compliance with relevant laws
- determine whether the decision was reasonable and justifiable in the circumstances.

8. Council Hardship and Financial Hardship policies

Council hardship policies and financial hardship policies regarding the payment of rates and charges must be easily accessible to all ratepayers and be available:

- on a Council's website;
- as a physical copy at customer service points;
- to be posted as a physical copy to ratepayers on request; and
- to be emailed as an electronic copy to ratepayers on request.

This must include information on how Councils assess hardship applications, how decisions are made, how to contact Council.

Resources, such as hardship factsheets and application forms, must be easily accessible on the Council website and in person to allow ratepayers to apply.

Council policies must state that ratepayers can request that a Council or their representatives use an interpreter and/or translator to communicate with them and such a request must not be denied.

8.1 Consideration of family violence or economic abuse

In circumstances where a ratepayer has identified circumstances of family violence or economic abuse (including in relation to other joint owners of the property), Councils must implement measures to prevent each owner from accessing confidential information regarding the other's personal details and detail these measures in their policies. Councils should also avoid seeking repayment solely from victim-survivors of family violence or economic abuse where there is shared ownership or joint liability.

Councils should consider implementing training and processes that assist council staff to support ratepayers that have identified circumstances of family violence or economic abuse. This should include processes that reduce the need for ratepayers to repeat disclosure of their family violence to council staff.

9. Any other matters covered by sections 172, 180 and 181 of the Local Government Act 1989

9.1 Section 172: Council may charge interest on unpaid rates and charges

A Council may choose to charge interest on any amount of unpaid rates and charges up to the maximum rate fixed by the Minister for Local Government.¹³

However, Councils are encouraged to consider an applicant's circumstances and whether they are in hardship before imposing interest on unpaid rates and charges.

Councils must specify in relevant policies and plans what interest rates they are setting on unpaid rates and charges, and detail under what situations they will apply either a lesser rate or, apply no interest. Councils must ensure that ratepayers are able to reasonably access this information and are informed of, how and when interest is applied.

Ratepayers that have successfully applied for deferred payments on their unpaid rates and charges cannot not be charged any amount of interest by Councils during the period of deferment.

If a Council had determined that the ratepayer has provided false or misleading information in regard to an application for a waiver of interest,¹⁴ a Council cannot reinstate any interest that was waived but may choose to enforce the relevant penalty units set out in the LG Act 1989.

9.2 Section 180: Unpaid rates or charges

Where a Council has informed a ratepayer of unpaid rates and charges and the payment options available, and a payment option is not agreed, the Council may recover the amount owing in the Magistrates' Court or by taking action to recover the debt, subject to the requirements of section 180A of the LG Act 1989. Without limiting Part 8 of the LG Act 1989, it is encouraged that Councils exhaust all other options before seeking recovery from the Magistrates' Court.

A Council's policies must clearly state under which circumstances recovery of unpaid rates and charges will occur. A Council must not take recovery or enforcement action for unpaid rates, charges or interest whilst an application is being assessed.

If a Council intends to recover an unpaid rate or charge a Council must, subject to the requirements of section 180 and 180A of the LG Act 1989:

¹³ Section 172, LG Act 1989.

¹⁴ Sections 171A(4) & 171(6), LG Act 1989.

- contact the ratepayer in writing, notifying them of the outstanding debt and the intention to recover the unpaid rates, charges and any interest;
- confirm the timing of debt recovery action, including what portion of debt is considered recoverable; and
- make reasonable attempts to contact the ratepayer with details they have provided to Council, regarding the unpaid rates, charges and any interest.

Councils must specify on their websites any costs of debt recovery that may be added to ratepayer's unpaid rates and charges. These charges must only be added after a Court Order is obtained.

If a council locates a ratepayer during the process to recover rates and charges, whether directly or via a third party, a hardship assessment must be made by council prior to undertaking debt recovery action.

9.3 Section 181: Council may sell land or recover unpaid rates or charges

Once a Court Order has been obtained requiring payment of unpaid rates and charges, any unpaid amount is more than 3 years overdue, and provided that no current arrangement, including a payment plan, exists for the payment of the amount to the Council, a Council may determine to sell or cause the land to be transferred into Council ownership.

A Council must prepare policies which:

- outline what a Council considers to be a "current arrangement"¹⁵ for the payment of an amount due for or in respect of rates or charges (the Act stipulates that a "current arrangement" includes a payment plan); and
- state:
 - the process for which land is evaluated every financial year for sale or transfer by Council;
 - where a sale or transfer is approved, the Council's process to complete the transaction;
 - how the Council's decisions regarding the sale or transfer of the land will be recorded and made public.

If the Council intends to use land transferred to itself for public purposes, then relevant policies must clearly explain how this type of land will be utilised for the benefit of the community.

¹⁵ Section 181(1)(b), LG Act 1989.

10. Transparency and Disclosure

Where Councils make decisions regarding the payment of rates and charges, this process must be transparent except when dealing with information that is confidential by virtue of the LG Act 1989 or any other Act.