

**POLICY NO: F/RR/1**

**FORMER POLICY NO:**

**RATES DEBT COLLECTION - HARDSHIP**

<b>DIVISION</b>	<b>BUSINESS UNIT</b>	<b>RESPONSIBILITY AREA</b>
Corporate Services	Finance	Financial Management

**OBJECTIVE**

To acknowledge that ratepayers may at times encounter genuine financial hardship and to provide a level of relief for those ratepayers by not adding additional debt recovery charges and penalty interest, subject to conditions.

**POLICY**

1. This policy outlines the criteria for assessing applications of cases of financial hardship.
2. An application from a ratepayer claiming extreme financial hardship will be assessed by the CEO. No further debt recovery action will be taken while the application is under consideration.
3. If in the opinion of the CEO, the ratepayer is experiencing genuine extreme financial hardship, cessation of further debt recovery action and cancellation of interest accruing on overdue amounts may be permitted, subject to:
  - a) The ratepayer's circumstances being supported by a written application and an original letter from a financial counsellor or a qualified financial body (a fully accredited member of Financial Counsellors Association of Western Australia or Bank).
  - b) A payment arrangement approved by the CEO being entered into on the basis that the total debt outstanding at the date the arrangement is made will be extinguished within three years or less from the date of that arrangement. This amount does not include future rates and charges.
  - c) The applicant being the owner or co-owner of the property and liable for payment of rates and charges and also occupy the property as his/her main place of residence.
  - d) The ratepayer not being a company or trustee;
  - e) The ratepayer not being bankrupt or subject to a bankruptcy petition;
  - f) No revenue being derived from the property that is the subject of the application.
4. Should the ratepayer default on the agreed arrangement by three payments or more, the agreement will be terminated, interest charges will be reapplied and debt recovery proceedings will resume.
5. At the end of the term of the arrangement a new application will be required and subject to all the conditions of the original application.

**ADOPTED: 3 DECEMBER 2019**

**LAST REVIEWED: 3 DECEMBER 2019**

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