



1.0 AUTHORITY

Permits, licenses, fees and charges (other than rates and charges) constitute a significant portion of Council's annual income. Permits, licenses, fees and charges (other than rates and charges) are raised in accordance with the *Local Government Act 2020* (the Act).

Section 77(3) of the Act gives Council the power to reduce, waive or refund in part or whole the payment of permits, licenses, fees and charges (other than rates and charges).

2.0 INTENT

The purpose of this policy is to:

- a. Assist Persons and Bodies experiencing financial hardship during the Covid-19 pandemic.
- b. Provide a mechanism that enables Persons and Bodies to feel comfortable approaching Council about current financial hardship circumstances.
- c. Provide Persons and Bodies with assurance they will be treated in a consistent, equitable and confidential manner.
- d. Provide Persons and Bodies with clearly defined options when applying for waiver of permits, licenses, fees and charges.
- e. Provide a transparent decision-making framework for Council officers when assessing hardship claims.
- f. Ensure the policy is fair to all Persons and Bodies.
- g. Ensure Council's debt collection practices are sensitive and responsive to financial hardship issues.
- h. Demonstrate Council's constructive culture and core values.

This Policy is intended for individual financial hardship cases only and does not preclude Council's ability under section the Act to provide financial hardship assistance to a "class" or group of matter, transaction, document, event or person.

This Policy does not apply to rates and charges levied on a property under the *Local Government Act 1989* or *Local Government Act 2020*. The Financial Hardship Policy – Rates applies to applications for waiver or deferral of rates and charges levied on a property.

3.0 SCOPE

This policy applies to

- All eligible Persons and Bodies as defined in this Policy, and
- Council officers responsible for the maintenance and management of Revenue are required to apply the criteria set out in this policy.



4.0 GOVERNANCE PRINCIPLES

Under the *Local Government Act 2020*, Council must give effect to the following overarching governance principles:

- Council decisions are to be made and actions taken in accordance with the relevant law;
- priority is to be given to achieving the best outcomes for the municipal community, including future generations;
- the transparency of Council decisions, actions and information is to be ensured.

5.0 POLICY STATEMENT

5.1 Introduction

Financial hardship may arise for a range of reasons, as not all circumstances are alike, and is often where the Person or Body has the intention to pay but does not have the financial capacity to make the required payments. To accept a claim for financial hardship, it is important to adopt the following principles:

- a. early identification - successful financial hardship programs have good identification and communication strategies, including proactive material on Council websites
- b. payment plan/extensions – Council may offer payment plans and/or extensions to assist the Person or Body to clear the amount outstanding, and
- c. fairness.

The purpose of this Policy is to enable a Person or a Body liable for permits, licenses, fees and charges (other than rates and charges) and experiencing financial hardship to make application to Council for assistance relating to permits, licenses, fees and charges (other than rates and charges) levied under the Act.

The Policy:

- defines **permits, licenses, fees and charges** (other than rates and charges) and specifies certain exclusions,
- defines **financial hardship**, and
- provides the framework and guidelines to Council,

relating to the possible granting of a reduction, waiver or refund of part or all of permits, licenses, fees and charges.

A waiver permanently exempts payment of the permits, licenses, fees and charges (other than rates and charges) under discussion.

Council recognises that managing hardship is a shared responsibility and offers flexible payment arrangements for Person or a Body experiencing hardship.

5.2 Payment reduction, waiver or refund

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Council will consider a payment reduction, waiver or refund of a permit, license, fee or charge payable to Council for a Person or Body who can demonstrate Financial Hardship. Council may at its discretion reduce, waive or refund in whole or part the relevant fees or enter into a payment arrangement under section 4.3.

5.3. Payment Arrangement

A payment arrangement is a schedule of payments that is negotiated with Council to establish an agreed amount and a payment frequency. These arrangements are made with the following in mind:

- a) A Person or Body has demonstrated a genuine effort to meet obligations in the past.
- b) A payment arrangement should be set with a known end date that clears the debt within an agreed timeframe.
- c) Repeated payment defaults may result in cancellation of the arrangement and initiation of recovery action for unpaid debt.

5.4 Application procedure

In the case of financial hardship, a request for assistance from Council must be made in writing (via a financial hardship application form – Appendix A (for a Person) and B (for a Body)), including the details of the circumstances preventing the Person or Body from meeting their financial obligation to Council.

Council will consider the request for financial hardship and advise its decision in writing within 14 days (for a Person) or within 21 days (for a Body) of receiving an application for financial hardship consideration, subject to all relevant information being provided. The account will be placed on hold pending assessment.

A Person or Body may request a review of the Council decision by outlining the grounds for the review. This must be in writing and addressed to the Chief Executive Officer.

5.5 Confidentiality

Council treat applications for consideration of financial hardship as strictly confidential in accordance with Council's Privacy Policy.

6.0 ASSOCIATED DOCUMENTS

- *Local Government Act 1989*
- *Local Government Act 2020*
- *Information Privacy Act 2004*
- *Charter of Human Rights Act 2006*
- Privacy policy
- Financial Hardship Policy - Rates



This policy has been assessed against and complies with the Charter of Human Rights. Any decisions regarding the deferral, waiver or collection of permits, licences, fees and charges (other than rates and charges) must be considered in light of, and be compatible with, relevant Charter rights, in particular, the rights to privacy and the right to protection of families and children.

7.0 DEFINITIONS

In this policy –

Permits, licenses, fees or charges means –

All other user fees and money owing to the Mornington Peninsula Shire Council that **does not include:**

- rates and charges,
- fines and infringements,
- planning scheme permits or local law permits related to construction, and
- rent.

Rates and Charges: generally, means most items that appear on the applicable Rate Notice, such as Differential Rate amounts, Waste charges, Fire Services Levy amounts, Pensioner Concessions, Rebates, Penalty Interest charge, and Arrears. Optional Charge items, such as extra capacity or green bin charges are generally excluded.

Financial Hardship means –

For a Person: a change in circumstances which may affect the long-term ability of that Person to pay permits, licenses, fees or charges (other than rates and charges) owed to Council.

Council recognises that not all circumstances are alike, and that financial hardship may arise from a range of individual circumstances, including but not limited to, the following situations:

- unemployment
- incapacity through sickness, or injury
- family break down or domestic violence
- diminished, low or loss of income
- Financial Hardship Assessment guidelines

Criteria used to determine an individual's eligibility is assessed on a case-by-case basis and is based on documented evidence and a meaningful two-way conversation. All evidence is considered when assessing the level of financial hardship and offering an appropriate level of financial assistance.

For a Body: Demonstration of at least 25% decline in turnover compared to the same period last financial year (which is not otherwise recoverable under insurance).

Person means – An individual who has attained the age of 18 years but does not include a corporation or a Council or any other body incorporated or constituted by or under the Act or any public statutory corporation.

Body means – A not for profit community organisation or a small or medium business, defined as:

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Page 4 of 13

Version #: 001



- i. a registered business (ABN/ACN) that meets all the following criteria –
 - i. a business that employs up to 199 employees,
 - ii. a business that has aggregated turnover of less than \$5 million per annum,
 - iii. a business that is not a subsidiary or associate of a large business, and
 - iv. a business that is not a superannuation or trust fund.

8.0 POLICY SPONSOR

The Finance Department (Revenue Team) is the responsible department for this policy.

Chief Financial Officer – to authorise assessed financial hardship assistance. Reporting to Council where necessary.

Revenue Team Leader – for ensuring the policy, procedures and guidelines are implemented and maintained for receiving and assessing financial hardship assistance applications. Reporting to Council and/or Management where necessary.

Revenue Officer (Debt Recovery) – to receive and process financial hardship applications. This includes communication with the applicant in relation to individual circumstances, assessment of the degree of hardship following an internal assessment guideline, and to recommend the appropriate level of financial assistance.

Council - for considering and determining applications for financial relief.

9.0 DOCUMENT CONTROLS

Council will review this policy by 30 June 2022.

An informal annual review ensures that any new information, including risks, processes and methodology of continual improvement through business best practice is always captured.

Policies that have been on an annual review that do not require any changes through at least two cycles may be moved to a 2 or 3 year cycle if it is likely that the legislation or the political climate has no major changes, and the policy is working for the organisation or the community. (Refer to source: 'Policy Development Framework and Guide', MPS, <https://objectiveapp.ad.mps/id:A4307683>).



APPENDIX A – MORNINGTON PENINSULA SHIRE – FINANCIAL HARDSHIP APPLICATION FORM (Covid-19) - INDIVIDUAL

Financial Hardship Applications for relief from any permit, license, fee or charge (other than rates and charges) under Section 113 and 142 of the *Local Government Act 1989* will be considered by Council on the basis of individual merit.

* See Note on page 3 – all documentation that supports your application must be provided.

Note: This Application is **not** valid for rate relief – see **Financial Hardship Policy – Rates**.

Please describe the relevant permit, license, fee or charge

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Applicant Details – Individual (if applicable)

Name			Date of Birth	
Contact phone number	(H)	(B)	(M)	
Email Address				
Occupation				
Residential Address (where you live)				
Mailing Address (If different to residential)				
Dependants (living with you)	<input type="checkbox"/> Yes (if yes, provide number and age of dependants?) <input type="checkbox"/> No No. _____ Ages: _____ (if over 18 years, provide details of circumstance) _____ _____ _____			
Status	<input type="checkbox"/> Single <input type="checkbox"/> Married <input type="checkbox"/> De facto <input type="checkbox"/> Widow/Widower <input type="checkbox"/> Divorced/Separated If Married or De facto please complete the next item			



Spouse /De facto (if not on title)	Name: _____ Address: _____ _____ If also listed on the ownership of the above-named property, a declaration should also be submitted.
Employer (if applicable)	Name: _____ Address: _____ _____
Pensioner	<input type="checkbox"/> Yes (if yes, what type of pension?) Type: _____ <input type="checkbox"/> No
Reason for Hardship Application * You must attach all documentation that supports your application (e.g. Medical Certificate)	_____ _____ _____ _____
Are you a carer for any member of your family?	
Have you sought financial counselling?	
Have you sought any other support services or funding?	



Which fees or charges are you applying to waive or defer? *Please provide evidence (e.g. invoice or quote)	
What arrangements do you plan on making to repay any outstanding permits, licenses fees and charges to Morningson Peninsula Shire Council?	
What would be your preferred repayment option?	Fortnightly / monthly / other

<i>Assets (provide dollar value and details)</i>		<i>Details</i>
Property (this property)	\$	
Investment property/land	\$	
Bank Deposits (Total Value incl. Banks, Building Societies & Credit Unions)	\$	
Motor Vehicle(s)	\$	
Shares (Total Value)	\$	
Other Investments	\$	

<i>Income (total Monthly Income)</i>	
From Salary	\$
From Pension Type: _____	\$
From Property Asset (rent or board)	\$
From Bank Interest	\$
From other investments (includes share dividends)	\$
From Superannuation	\$
From other sources (Provide Details)	\$



Expenses (total Monthly Expense)	
Mortgage payments – including documentation *see Note on page 3	\$
Credit cards/store cards	\$
Council rates	\$
Water rates	\$
Utilities (i.e. Gas, electricity etc.)	\$
Telephone & Internet	\$
Groceries (food, alcohol etc.)	\$
Insurance: House, Car, Health	\$
Loans: Personal/Car	\$
Medical expenses (Doctor /Specialist/Pharmacy etc.)	\$
Other (i.e. School fees, Clothing, Leisure etc)	\$

Liabilities (provide the dollar value of what, if any, is owing on the following)	
Mortgage (on this property)	\$
Mortgage (Investment property/land)	\$
Balance of Credit/Store cards	\$
Personal Loans	\$
Other, detail	\$



Declaration

I / We have owned the property since (date of purchase): _____

I / We acknowledge that by signing this document, the information provided in support of my application is true and correct.

Owner's Signature: _____ Date: _____

Owner's Signature: _____

Completed Hardship Applications can be:

By Email: hardship@mornpen.vic.gov.au (with attached supporting documentation)

By Post: Revenue
Mornington Peninsula Shire
Private Bag 1000
ROSEBUD VIC 3939

By Hand: To any Shire Office: Rosebud, Mornington, Hastings and Somerville

NOTE: * You MUST enclose/attach all supporting documentation with your Hardship Application. If you do not, then your application will not be accepted and processed accordingly.

Please Tick against the Documentation you have provided with your Application:

- Mortgage Statements
- Bank Statements for each account (savings, cheque, credit cards)
- Superannuation Statement
- All Utility bills (water, gas, electricity, phone, internet)
- Your most recent Tax Return
- Payslips (for the last three consecutive pays-when working)
- Any other documentation which demonstrates income and expenditure for the property.

In some circumstances, Council may contact you to organise a mutually convenient time and day to meet to discuss your application.

Privacy Statement

The information on this form is being collected by the Mornington Peninsula Shire and its authorised contractors in accordance with its Privacy Policy, the Privacy and Data Protection Act 2014 and the Health Records Act 2001 for the purpose of considering hardship status.

You may access personal information you have provided to the Shire and make corrections by contacting the Shire's Privacy Officer privacy@mornpen.vic.gov.au. The Shire will only use this information for the purpose it was collected and may use it for a secondary, related purpose that could be reasonably expected.

OFFICE USE ONLY:

Date Application Received:		Date Application Processed:	
Officer Initials:		TL Initials:	
		CFO Initials:	

Approved by: Council

Approval date: 27/07/2021

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Page 10 of 13

Version #: 001



APPENDIX B – MORNINGTON PENINSULA SHIRE – FINANCIAL HARDSHIP APPLICATION FORM (Covid-19)

ORGANISATION OR BUSINESS

Financial Hardship Applications for relief from any permit, license, fee or charge (other than rates and charges) under Section 113 and 142 of the *Local Government Act 1989* will be considered by Council on the basis of individual merit.

* See Note on page 3 – all documentation that supports your application must be provided.

Note: This Application is **not** valid for rate relief – see **Financial Hardship Policy – Rates**.

Please describe the relevant permit, license, fee or charge

--

Applicant Details – Organisation (if applicable)

Organisation Name			
Contact phone number	(H)	(B)	(M)
Contact email Address			
Industry, goods or services			
Business Address (place of business)			
Mailing Address (If different to business address)			
Registered for GST?			
Are you	Small business / medium business		
Annual turnover	\$		
Number of staff currently employed			
Please provide details of your financial situation that prevents you from meeting your financial obligations to Council			

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Page 11 of 13

Version #: 001



<p>* You must attach all documentation that supports your application</p>	
<p>Please provide details of all reasonable precautions, due care and alternative measures taken in order to avoid financial hardship</p>	
<p>Please provide details of payments you have made, or are owing to Morningson Peninsula Shire Council within the current financial year 2021-22</p>	
<p>Please indicate the type and amount of Financial Hardship assistance requested *Please provide evidence</p>	<p>Reduction / waiver / deferral / refund Amount \$ (If unknown, please put unknown)</p>
<p>Is this amount</p>	<p>Monthly / quarterly / yearly / not currently known</p>

Declaration

I / We have owned the property since (date of purchase): _____

Approved by: Council

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Page 12 of 13

Version #: 001



I / We acknowledge that by signing this document, the information provided in support of my application is true and correct.

Owner's Signature: _____ Date: _____

Owner's Signature: _____

Completed Hardship Applications can be:

By Email: hardship@mornpen.vic.gov.au (with attached supporting documentation)

By Post: Revenue
Mornington Peninsula Shire
Private Bag 1000
ROSEBUD VIC 3939

By Hand: To any Shire Office: Rosebud, Mornington, Hastings and Somerville

NOTE: * You MUST enclose/attach all supporting documentation with your Hardship Application. If you do not, then your application will not be accepted and processed accordingly.

Please Tick against the Documentation you have provided with your Application:

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