

Council Policy CP051 Special Direct Debit Payment Arrangements for Rates			
<b>Officer</b>	Manager Finance Services	<b>Owner</b>	Director of Treasury and Finance
<b>Review frequency</b>	Annually	<b>Next review</b>	April 2014
<b>Council resolution number and date</b>			
<b>Mayor</b>		<b>Chief Executive Officer</b>	

## OBJECTIVE

The purpose of this policy is to assist ratepayers experiencing financial hardship in managing their budget by allowing them to pay their rates through direct debit monthly, fortnightly or weekly with no administrative cost and no penalty interest.

## SCOPE

This policy applies to all eligible ratepayers experiencing genuine financial hardship who elect to pay their rates in full through the direct debit payment system.

## DEFINITIONS

**City** means the City of Greater Geraldton.

**Council** means the council of the City of Greater Geraldton.

**Councillor** means a person who holds the office of councillor on the Council.

**Mayor** means the mayor elected by electors of the district of the City of Greater Geraldton.

**CEO** means the chief executive officer of the City.

**Employee** means a person employed by the City under section 5.36 of the LGA.

**Act or LGA** means the *Local Government Act 1995*.

**Record** means any record of information however recorded and includes- anything on which there is writing, a map, plan, diagram or graph, a drawing, pictorial or graphic work, photograph; or anything from which images, sounds or writings can be reproduced.

**Rate** means charge imposed under sections 6.32 to 6.37 of the *Local Government Act 1995*.

**Service Charge** means charge imposed under section 6.38 of the *Local Government Act 1995*.

**Administration Costs and penalty interest** mean charges imposed under section 6.45 (3) and Part 5 r.67, r.68, r.70 and r. 71 of the *Local Government (Financial Management) Regulations 1996*.

## **POLICY**

1. The City recognises that ratepayers may, at times, experience financial hardship and have consequential difficulty in paying their accounts for rates and service charges. For ratepayers experiencing genuine financial difficulties, the City is committed to providing mechanisms to support and assist those ratepayers in meeting their legal commitments.
2. This payment program will assist such ratepayers by allowing them to pay their rates and service charges by equal instalments through a Special Direct Debit Payment Arrangement Program.
3. To be considered eligible for this program, ratepayers must provide information to the City to demonstrate genuine financial hardship and must provide the City with written advice on capacity to pay, provided by a recognised financial counsellor, which may include advice from recognised free financial counselling services provider.
4. Eligible ratepayers who elect to and satisfactorily pay their rates by instalments via direct debit payment system will incur no administration charge and no interest. To assist, the City will also absorb the costs to it of bank transaction fees associated with the direct debit payments.

## **POLICY PRINCIPLES:**

1. Eligible Ratepayers who seek to pay their rates and service charges under this Special Arrangement Program must register and apply to obtain an Agreement with the City.
2. Direct Debits can only be deducted from the ratepayer's savings, cheque and any other accounts as may be allowed by the ratepayer's financial institutions.
3. No City administration costs will be charged and no penalty interest will be added unless the arrangement is cancelled by the ratepayer, in which case, the total amount of rates must be paid in accordance with the existing ordinary terms and as such City administration costs and penalty interest will apply.
4. Where there are insufficient cleared funds in the nominated account, a dishonoured fee will apply per transaction.
5. In case the property is sold the total amount of rates must be paid or settled along with the sale otherwise, administration costs or penalty interest may apply.

## **WORKPLACE INFORMATION/REFERENCES**

The Local Government Act 1995 and the Local Government (Financial Management) Regulations 1996.

## **ROLES AND RESPONSIBILITIES**

The Manager, Financial Services is responsible for implementing this policy.