

## COVID-19 FINANCIAL HARDSHIP GUIDELINES

### 1. INTRODUCTION

The Coronavirus disease (COVID-19) is a new virus that can cause an infection in people, including a severe respiratory illness. COVID-19 spreads through close contact with an infected person, mostly via face to face contact. COVID-19 was declared a global pandemic on the 30th January 2020 and a State of Emergency was declared in Victoria on the 16th March 2020. In response to the impact of the COVID-19 pandemic on the community, the City of Greater Bendigo is committed to helping the customers and businesses facing financial hardship.

Financial hardship is a circumstance of experiencing a lack of financial means, which may be either ongoing or temporary. If you are facing financial difficulty on a personal level, you may wish to obtain advice from a community financial counsellor. You can talk to a financial counsellor from anywhere in Australia by calling 1800 007 007 (Monday to Friday, 9.30 am – 4.30 pm). This number will automatically switch through to the service in the State or Territory closest to you, or you can visit the National Debt Helpline at [www.ndh.org.au](http://www.ndh.org.au).

### 2. PURPOSE SCOPE & REVIEW DETAILS

This policy is to address temporary financial hardship due to impacts of COVID-19. The City's existing Revenue & Debt Collection (including Financial Hardship) Policy only allows for financial hardship experienced by a residential ratepayer's primary residence. The COVID policy will apply to all rateable properties in the City of Greater Bendigo.

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<b>Responsible Officer:</b>	Manager Financial Strategy
<b>Owner:</b>	Financial Strategy
<b>Responsible Director:</b>	Corporate Performance
<b>Relevant Legislation/Authority:</b>	Local Government Act 1989
<b>DOCSETID:</b>	4374321

### **3. PAYMENT ARRANGEMENT AND INTEREST HOLD**

The total deferral of all financial responsibilities due to an event can cause a secondary bout of financial stress when the event has concluded, and bills are owed. The City's aim is to provide assistance to ratepayers through the COVID-19 event without creating additional financial stress when the pandemic has been resolved.

The City will encourage ratepayers to set up a payment plan tailored specifically to the ratepayers needs to reduce the amount of debt owing after the pandemic. The City will hold interest on debt accumulated during the COVID-19 pandemic. The interest hold will begin from the declaration of the State of Emergency, 16 March 2020, until the 30 September 2020 to allow time for the debt to be paid without interest. If any debt is still outstanding at 1 October 2020, Councils Revenue & Debt Collection (including Financial Hardship) Policy will apply. Rate Notices will continue to be issued while payment arrangement in place.

### **4. RATES DEFERRAL AND INTEREST HOLD**

If the ratepayer is unable to enter in to a payment plan immediately, the City will defer the debt accumulated during the COVID-19 pandemic and will hold interest on this debt from the declaration of the State of Emergency, 16 March 2020, until the 30 September 2020. If any debt is still outstanding at 1 October 2020 the City's Revenue & Debt Collection (including Financial Hardship) Policy will apply and the City will make a reasonable attempt to contact a customer, a payment plan may be negotiated at this time. Rate Notices will continue to be issued while deferment is in place.

### **5. DEBT RECOVERY**

The City will make a reasonable attempt to contact a customer about their overdue account. This may include a reminder letter, account statement, email, text message or phone call. During the COVID-19 pandemic, Council will hold off on legal action for the collection of rates and charges. This does not include legal action to recover the payment of fines. The debtor will be liable for all legal costs incurred by Council in the debt collection process.

### **6. ASSOCIATED DOCUMENTS**

City of Greater Bendigo Financial Hardship Guidelines  
Revenue and Debt Collection Policy

### **7. DEFINITIONS**

**The City** means Greater Bendigo City Council

**Debt** means an amount of money owed, including an alleged debt

**Deferment** means the postponement of payment in whole or in part for a specified period

**Payment Arrangement** means spreading the outstanding amount owed to the City over an agreed period, allowing for additional time to make the payment without any legal action being taken (e.g. regular repayments which will clear the amount owing).