

Rates Hardship and Assistance Policy

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Document Compliance

Council acknowledges the legal responsibility to comply with the *Charter of Human Rights and Responsibilities Act 2006* and the *Equal Opportunity Act 2010*. The *Charter of Human Rights and Responsibilities Act 2006* is designed to protect the fundamental rights and freedoms of citizens. The Charter gives legal protection to 20 fundamental human rights under four key values that include freedom, respect, equality and dignity.

Greater Dandenong City Council Policies comply with the Victorian Charter of Human Rights and Responsibilities, the *Gender Equality Act 2020*, the *Climate Change Act 2017*, the Child Safe Standards contained in the *Child Wellbeing and Safety Act 2005*, (Amended) the *Privacy and Data Protection Act 2014* and the Overarching Governance Principles specified in 9(2) of the *Local Government Act 2020*.

Acknowledgment of Country

Greater Dandenong City Council acknowledges the Traditional Custodians of this land, the Bunurong People and pays respect to their Elders past and present. We recognise and respect their continuing connections to climate, Culture, Country and waters.

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1. POLICY OBJECTIVE (OR PURPOSE)

This policy outlines Council's commitment to supporting ratepayers experiencing genuine financial hardship. It provides a clear framework for offering financial relief—such as deferrals or waivers of rates and charges—while ensuring transparency, fairness, and confidentiality in all decisions.

Council recognises the importance of balancing individual support with its broader responsibility to the community. This policy ensures that assistance is provided equitably and efficiently, in line with the principles of integrity, capacity to pay, and legislative compliance under the *Local Government Acts 1989 and 2020*.

By guiding Council Officers in their decision-making, the policy helps maintain consistent and compassionate responses to hardship, without compromising Council's ability to fund essential services and operations.

2. BACKGROUND

This policy includes a review of the existing policy in the context of current legislation. It also considers recommendations from the Ombudsman's Report on Financial Hardship within Victoria alongside the draft Ministerial Guidelines of June 2023 which provides guidance on hardship, payment plans and the charging of interest.

The policy aims to ensure that all ratepayers who are experiencing difficulties in the payment of their rates and charges are aware of the entitlements and options available to them.

3. SCOPE

This policy applies to Greater Dandenong City Council property owners for rateable properties in accordance with the following sections of the *Local Government Act 1989*: Deferred payment (s170), Waiver (s171), Waiver by application - financial hardship (s171A), and Payment plans for unpaid rates or charges (s171B).

This Policy also applies to all Council staff who have responsibility to ensure collection of Council's rates and charges.

4. DEFINITIONS

Term	Definition
The Act	The <i>Local Government Act 1989</i> and the <i>Local Government Act 2020</i> or any other legislative Act listed in section 8 of this policy.
Owner	A person, company, or entity that holds legal title to land or buildings within a local government area, and is therefore responsible for obligations such as paying rates and complying with local regulations.
Ratepayer	For the purpose of this policy the ratepayer can be the person or persons, business or company within whose name the rates, charges, special rates and charges debt applies. The director of a company who is responsible for payment of rates, the occupier who is responsible for payment of rates or a nominated third party who is responsible for payment of rates.
Hardship	Defined as a difficult or challenging circumstance/s which can encompass personal, emotional, financial, or physical difficulties that make life less comfortable for individuals.
Long Term hardship	Hardship as defined above is likely to continue for an indefinite period, longer than 1 year.
Financial Hardship	Is challenging circumstances specific to a person's finances which result in or have the potential to result in difficulty in meeting basic needs, pay bills or meet financial obligations for themselves and/or their dependants. As per the draft Ministerial Guidelines 2023, 'mere inconvenience or difficulty in making payment is not financial hardship'. Factors that can trigger financial hardship can include loss of employment, unexpected expenses, or insufficient income.
Deferral	Deferral is a postponement of payment in whole or in part and can be for a specified period and subject to any conditions determined by Council. Rates and Charges are deferred until such time as the ratepayer's circumstances improve, or the property is sold or transferred to another entity. Rates, Charges and Interest normally accrue during this period. However, a partial interest waiver may be granted.
Payment Plan/Payment Arrangement	Is an agreement between Council and the ratepayer which sets the start date, duration, frequency, and amount to pay for any overdue rates and charges.
Payment Plan/Payment Arrangement Instalment	Is an instalment set under a payment plan/payment arrangement.

Term	Definition
Principal Place of Residence	Is a property where a person resides, occupies, and lives in as their home.
Substantial assets	Items of value, property, investments, and other things or entities that can be sold or disposed of to realise funds, valued in excess of \$10,000. This excludes items considered necessary for participation in economic, social and civic life, such as one vehicle per ratepayer, the property where the applicant resides and other household items deemed necessary.
Financial counsellor	<p data-bbox="467 633 1345 813">Financial counsellors are qualified professionals employed by financial counselling agencies to provide information, advice, assistance, advocacy and support to people experiencing or vulnerable to financial difficulty and/or with debt problems, to empower them to make informed choices.</p> <p data-bbox="467 857 1420 1216">Financial counsellors have extensive knowledge in a range of areas of law and policy including consumer law, credit law, debt enforcement practices, the bankruptcy regime, hardship policies and practices in a range of industries, internal and external dispute resolution schemes and government concession frameworks, and other specific areas. Financial counsellors are also highly skilled in working with people experiencing vulnerability in a supportive and empowering framework. A fundamental tenet is a focus on person-centred practice. This places the person at the centre of the engagement with control over the process and decisions.</p> <p data-bbox="467 1261 1428 1552">Financial counsellors are employed by agencies – typically not-for-profit community organisations – that operate under specific sub-regulations of the <i>Corporations Regulations 2001</i> and the <i>National Consumer Credit Protection Regulations 2010</i>. These sub-regulations permit the organisations to provide financial counselling services without holding a financial services or credit licence, subject to services being provided by trained, qualified and professionally accredited financial counsellors.</p> <p data-bbox="467 1597 1412 1776">The conditions of the exemption require the financial counselling service to be free, independent and without conflict. The requirement for no conflict means industry cannot directly fund financial counselling positions, which are primarily funded by state or federal governments, or through philanthropic sources.</p> <p data-bbox="467 1776 898 1809">A financial counsellor is not a:</p> <ul data-bbox="467 1809 805 2058" style="list-style-type: none"> • financial planner • financial advisor • accountant • finance broker • legal advisor • business advisor • therapeutic counsellor

Term	Definition
	<ul style="list-style-type: none"> • case manager.
Waiver	A waiver of a debt permanently exempts payment of the rate, charge, special rate or charge or legal cost under discussion. It may include the whole or part of any rate, charge, interest or legal costs accumulated.
Interest	A financial charge imposed by a council on unpaid rates and charges, calculated at a rate set by the Minister, and applied from the due date until the amount is paid or recovered.
Interest Waiver	A waiver of a debt permanently exempts payment of the interest charge under discussion.
Current Overdue	A rate or charge raised and overdue within the same financial year.
Arrears	Any amount of rates, charges, or other monies that remain unpaid past their due date beyond the current financial year and may be subject to interest or recovery actions by the council.
Distributional Effect	Where rates and charges being waived on one property result in a higher rating burden being applied to other properties to raise the same level of rates revenue.

5. POLICY

5.1 - Rates & Charges Collection:

Arrangements for the payment of rates and charges are details in the Local Government Act 1989 (Section 167). The current instalment due dates for rates and charges are:

- First instalment 30th September
- Second instalment 30th November
- Third instalment 28th February
- Fourth instalment 31st May

Flexible payment options are available for the payment of rates and charges on a weekly, fortnightly and monthly basis and are outlined in the Council annual and instalment notices as well as via the council website.

In circumstances where a payment arrangement is not agreed to with Council, interest will be charged on all overdue amounts in accordance with the Local Government Act 1989 (Section 172) at the rate set under the Penalty Interest Rates Act 1983.

5.2 - Rates & Charges Recovery Process:

At every stage of the recovery process, Council will invite the ratepayer to contact us to discuss payment difficulties or request hardship assistance.

In the circumstances where the rates and charges are not paid by the due dates, Council may undertake the below steps to recover the debt owed:

1. Council Reminder Letters
 - a. After 2nd instalment have fallen due
 - b. After 3rd instalment has fallen due
 - c. After 4th instalment has fallen due
2. If an overdue balance remains after the reminder notices and no arrangement has been made, Council will undertake the following steps to attempt to engage with the ratepayer:
 - a. Soft Debt Letter
 - b. SMS Reminder of Debt
 - c. Email Contact of Overdue Rates
 - d. Phone Call
3. If Council is unable to make satisfactory arrangements directly with the ratepayer, the overdue account may be referred to a recovery agency. The agency may issue:
 - a. Reminder Notice
 - b. Letter of Demand
 - c. Council will suspend accounts from recovery agencies where a genuine hardship circumstance is identified or declared, or the debt is repaid in full.
 - d. Complaint lodged with the Magistrates Court
 - e. Obtaining Default Judgment with the Magistrates Court

- i. A Default Judgment may affect the ratepayer's credit rating. Council will continue to accept and assess hardship applications during this stage of recovery.
 - f. Following the Judgment, Council may undertake one or more of the following enforcement actions:
 - i. Summons of Oral Examination – ratepayer to present financials to Magistrates Court
 - ii. Application for attachment of Earnings
 - iii. Title search to see if the property has a mortgage and write to the Mortgagee
 - iv. Apply to have a Caveat on the title to the subject property
 - v. Bankruptcy – Commercial/Industrial ratepayers only (Pty Ltd Businesses)
 - vi. Warrant to seize goods – Sheriff's Office is instructed to seize goods for sale to pay debt
- 4. Sale of Property under s181 of Local Government Act 1989

As a last resort, and only after all other reasonable recovery options have been exhausted, Council may commence proceedings to sell land under s181 of the Local Government Act 1989.

Council can only take this action when all of the following criteria are met:

- a. The amount owed exceeds three years of unpaid rates and charges
- b. No current payment or hardship arrangement exists
- c. Council has obtained a Court Order requiring payment

Prior to selling land, Council must:

- a. Serve notice to all persons with an interest in the land at least 4 weeks before the sale
- b. Publish a public notice of intention to sell the property at least 4 weeks before sale
- c. Provide at least 14 days' notice of the auction (where applicable)

Sale proceeds will be applied to:

- a. Costs associated with the sale
- b. Enforcement costs and interest
- c. Any other amounts owing to Council
- d. Payment of any mortgages or encumbrances
- e. Any remaining balance remitted to the property owner or person with legal entitlement

Council will not pursue a sale under s181 where a valid hardship application is in place, or the ratepayer is actively engaging with Council to resolve the debt.

5.3 – Application & Eligibility for Rates Hardship Assistance:

- **Eligible Applicants:** Applicants must be the legal property owner or hold a life tenancy of the property as prescribed by a valid legal document. The property must be the applicant's primary place of residence. Applications submitted by tenants of residential, commercial, or industrial properties will not be considered, as applications may adversely affect the property owner, who retains the legal obligation for rate payments under the Local Government Act 1989.
- **Application Process:** All hardship applications must be submitted in writing by the property owner, either via the online application form or by completing the Rates Hardship Application Form.

<https://forms.greaterdandenong.vic.gov.au/public-forms/rates-and-charges-hardship-application-waiver-of-rates-and-charges/>

Applicants who are unable to complete a written application due to reasons such as language barriers, lack of access to technology, or other personal circumstances may seek assistance from a relative, support person, friend, or council officer to complete and submit the application on their behalf. This ensures equitable access to support while maintaining the integrity of the application process.

All applications will be required to be submitted with supporting evidence to substantiate the hardship.

- **Review Criteria:** When council assesses hardship applications, there are a number of criteria that are used as a reference to ensure consistency, integrity and no biases. The criteria include, but is not limited to:
 - **Is the property an investment property?**
 - **Is the owner unemployed?**
 - **Has the owner supplied a letter of support from a financial counsellor?**
 - **Is the owner suffering from illness or medical impairment?**
 - **Is the owner impacted by family violence?**
 - **If yes, and the property is jointly owned, Council will adhere to confidentiality and operational safeguards.**
 - **Is the owner a pensioner?**
 - **Is there a mortgage on the property?**
 - **Does the owner own more than one property?**
 - **Does the owner have a Health Care Card?**
 - **Does the owner have dependants or is a carer?**

Council will endeavour to review hardship applications within a 10-business day timeframe and will make contact within this timeframe should further information be required for assessment. Only information that is reasonably necessary for the assessment of the hardship application will be requested from the applicant.

All correspondence regarding hardship will be provided in writing via email (where email is specified on the application) as well as via post if appropriate.

No further debt recovery enforcement will be undertaken for those who have pending hardship applications under review, or when hardship has been granted.

5.4 – Rates Waivers:

Council will only consider the waiving of rates and charges in extreme circumstances.

1. All applications for a waiver of rates and charges due to financial hardship need to be lodged in writing with supporting evidence/documentation as per section 5.2 of this policy
2. Applications will be evaluated by the Rates and Revenue Coordinator, Manager of Finance and/or Chief Financial Officer using the review criteria listed in 5.2 of this policy.
3. Waivers are only offered on rates and charges that are levied by Council and not State Government charges (Emergency Services & Volunteers Fund/ Fire Services Property Levy).
4. The maximum amount of any waiver in one 12-month period,
5. Waivers are limited to \$750.00 where the maximum waiver is considered under exceptional circumstances, unless Council resolves that exceptional circumstances warrant an exception to this policy framework.
6. Any waiver is a one-off credit applied to council rates and/or charges and is response to circumstances presented at the time and will only be applied in the current financial year and will not be back dated to previous financial years.
7. Incomplete applications, including applications submitted without evidence will not be assessed until all documentation is submitted. If not submitted within 1 month of application, the application will be cancelled.
8. Any decision to grant or deny a waiver will be communicated to the applicant in writing.

5.5 – Interest Waivers:

Interest waivers may be granted under two distinct categories:

- Administrative Waivers
- Waivers on Compassionate Grounds

1. Waiver for Administrative Reason/Error

Ratepayers may be eligible for an interest-only waiver where a delay in payment has occurred due to a Council administrative issue, error, or omission. This includes circumstances where incorrect information or processing delays have contributed to the late payment.

2. Waiver on Compassionate Grounds

Ratepayers may be eligible for an interest-only waiver where compassionate grounds have been demonstrated for the late payment. This may include situations involving serious illness, bereavement, or other exceptional personal circumstances.

Requests for interest waivers related to financial hardship will be assessed under the relevant provisions of the Rate Deferral or Rate Waiver sections of this policy, rather than under the interest waiver provisions above.

5.6 – Rate Payment Plans & Arrangements:

Council understands that it can be challenging to pay rates on time, especially during periods of financial stress or personal hardship. To support ratepayers in managing their

obligations, Council offers Payment Plans as an alternative for those who do not qualify for a rate deferral or rate waiver.

These plans allow ratepayers to pay outstanding rates over an agreed period, without the risk of legal debt recovery action being initiated by Council whilst the plan is being adhered to.

While the plan is active and repayments are made in accordance with the agreement, the accrual of penalty interest on the outstanding balance will be temporarily frozen, helping to ease the financial burden.

Ratepayers who wish to apply for a Payment Arrangement Plan are encouraged to complete the Rates Payment Plan Form on our website: <https://forms.greaterdandenong.vic.gov.au/public-forms/rates-payment-plan-request/> or contact Council's Customer Service team or Property and Revenue team by phone or in person for assistance.

Council will endeavour to review payment plan applications within a 10-business day timeframe and will make contact within this timeframe should further information be required for assessment.

Council will proactively review and communicate with ratepayers to ensure payment arrangements and plans are adhered to or adjusted should circumstances change.

Debt recovery may commence should the ratepayer default in making their payments as per their agreed plan.

As any unpaid rates will ultimately be a charge on the property, no rate payment plan will be entered into without the written consent of the property owner.

Where property ownership changes on any property with a rate deferral and/or a rate payment plan agreement in place, all rates and charges must be fully paid at the point of this change. Rate deferral and rate payment plan agreements are not transferable and will be cancelled upon a change in property ownership.

5.7 – Rate Deferral Arrangements (Industrial and Commercial Properties):

The City of Greater Dandenong acknowledges that a significant proportion of its rate revenue is derived from the commercial and industrial sector, and the present economic climate is difficult for these properties.

Consequently, this Policy makes provision for commercial and industrial 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:

- a) Evidence from the applicant that financial hardship is being experienced via a written Hardship Application with supporting documentation; and
- b) A deferral of rates will assist in keeping employment in Greater Dandenong; and
- c) A commitment from the applicant to an agreed timeframe in which the deferred rates will be paid.

Deferrals of rates and charges will only be granted under extreme circumstances and are strictly limited to a maximum period of three (3) months. Rates that accrue during this interim period must also be paid by the extended payment date, however interest will be paused during the deferral period.

It is acknowledged that many industrial/commercial businesses may be tenants and not in fact directly paying Council rates. Council will only consider applications from property owners including on behalf of tenants or managing agents.

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

6. RESPONSIBILITIES

All applications for waiver of rates and charges will be considered by the Rates and Revenue Coordinator, Manager of Finance and/or Chief Financial Officer in line with the Instrument of Delegation

Delegation limits:

Position	Amount
Chief Financial Officer	\$750.00
Manager of Finance	\$300.00
Rates and Revenue Coordinator	\$200.00

Applications for rate payment plans/arrangements for residents will be considered by the Rates and Revenue Coordinator in conjunction with a payment plan reviewed by the Property and Rating Administration team.

Applications for rate deferral for Commercial and Industrial ratepayers will be considered jointly by both the Rates and Revenue Coordinator, Manager of Finance and/or the Chief Financial Officer.

Applications for Interest Rate Waivers will be considered and approved by either the Rates and Revenue Coordinator or the Chief Financial Officer.

7. REPORTING, MONITORING AND REVIEW

Reporting	Monthly reporting on hardship applications, payment plans and deferrals will be provided to the Executive team.
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Monitoring	Fortnightly monitoring of active payment plans/arrangements is undertaken but the Property and Revenue team to ensure adherence and assistance.
Review	Monthly monitoring and reporting by the Rates & Revenue Coordinator being reported to the Chief Financial Officer.
Stakeholder Engagement	Property & Revenue Team, Customer Service Team, Finance, Executive Management Team.

8. REFERENCES AND RELATED DOCUMENTS

N/A

Legislation

[Charter of Human Rights and Responsibilities Act 2006](#)

[Gender Equality Act 2020](#)

[Climate Change Act 2017](#)

[Child Wellbeing and Safety Act 2005 \(Amended\)](#)

[Freedom of Information Act 1982](#)

[Local Government Act 1989](#)

[Local Government Act 2020](#)

[Local Government Legislation Amendment \(Rating and Other Matters\) Act 2022](#)

[Penalty Interest Rates Act 1983](#)

[Valuation of Land Act 1960](#)

[Privacy and Data Protection Act 2014](#)

[Public Records Act 1973](#)

[Planning and Environment Act 1987](#)

[Fire Services Property Amendment \(Emergency Services and Volunteers Fund\) Act 2025](#)

Related Council and Other Policies, Procedures, Strategies, Protocols, Guidelines

- [Greater Dandenong Website – Sustainability, Climate and Energy](#)

Administrative Updates

It is recognised that from time to time, circumstance may change leading to the need for minor administrative changes to this document. Where an update does not materially alter this document, such a change may be made administratively. Examples include a change to the name of a Council department, the change to an existing policy or document referred to in this policy and minor updates to legislation and the like which does not have a material impact. All changes or updates which materially alter this policy must be by resolution of Council.

Date	Update