



## COVID 19 Rate Assistance Package - Small Business Claim

The Shire of Peppermint Grove has adopted a Financial Hardship Policy (COVID 19). This policy is attached for your information. The policy is applicable to residential ratepayers and small businesses within the Shire.

If you are a small business and your revenue/income has been affected by COVID 19, then you may be eligible for rate relief. The relief relates to rates paid in 2019/20 or due in 2020/21.

If you own the building but the tenant pays the rates, then the assistance will go to the tenant.

If you are a tenant and pay rates to the owner (and subject to proof of payment for the 2019/20 rates), the Shire will refund any rates eligible under this scheme to you.

For 2020/21 rates, you would need to provide proof of payments and you will receive a refund from the Shire.

The assistance package offers a rate rebate or part rebate for rates paid 1<sup>st</sup> April to 30<sup>th</sup> June 2020, and subject to the adoption of the Shire's 2020/21 budget a further rebate for the period 1<sup>st</sup> July to 30<sup>th</sup> September 2020. This rebate will be based on the 2019/20 rates, i.e. the same amount as the 1<sup>st</sup> July to 30<sup>th</sup> June rebate.

If you are eligible, the rebate amount will depend on your circumstances. If you are in a business that was closed by the State Government, then the rebate would equate to the rates for the 3 month period.

If you are in a businesses that was not required to be closed but suffered at least a 30% reduction in turnover, eligible for the JobKeeper Allowance or receiving rent/lease relief from your landlord in accordance with the Commercial Lease Code of Conduct developed in response to COVID 19, then you may be eligible for 30% of the rate rebate.

### Examples below

#### **1. Business closed in accordance with State Government.**

Annual rates paid	= \$5000
Rate rebate 1 <sup>st</sup> April to 30 <sup>th</sup> June = \$5000 x 25%	= \$1250
Rate rebate 1 <sup>st</sup> July to 30 <sup>th</sup> September (as above)	= \$1250
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Total rates rebate if eligible	= \$2500

#### **2. Business still able to operate but with reduced income/revenue and subject to eligibility**

Annual rates paid	= \$5000
Rate rebate 1 <sup>st</sup> April to 30 <sup>th</sup> June = \$1250 x 30%	= \$375
Rate rebate 1 <sup>st</sup> July to 30 <sup>th</sup> September (as above)	= \$375
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Total rates rebate if eligible	= \$750

**Payment of the rebate is subject to eligibility and completion of the claim form (attached)**



# Shire of Peppermint Grove

## COVID 19 Rate Assistance Package - Small Business Claim

This claim form is for small business as Owner/Operators in the Shire or Renting/Leasing a property and paying rates to the landlord.

### PART A - BUSINESS DETAILS

Business name;..... Trading Name;.....

ABN (11 digits)..... Registered for GST YES  NO

Business address the rates relate to;.....

..... Rates paid in 2019/20; \$.....

**Please attach proof of payment. The refund will be for rates paid, not including, ESL, rubbish charges or other outgoings.**

Business contact name;..... Signed;.....

Position, please tick one from the following; Owner YES  NO  OR Leasee YES  NO

Email address;..... Contact Number;.....

BSB;..... Account;.....

### PART B - BUSINESS DECLARATION

Authorised Officer;..... Position;.....

Authorised Officer Signature;..... Date;.....

Was your business closed by the State Government; YES  NO

Was your business still operating but reduced revenue; YES  NO

Were you eligible for Jobkeeper; YES  NO  **If you answered yes, please provide supporting documentation**

Were you eligible for Rent relief; YES  NO  **If you answered yes, please provide supporting documentation**

If you are eligible to receive a part refund for 2019/20 (April-June), you will also be eligible for the 2020 (July-September) payment. You will **not** be required to fill out this form again, however proof of payment will be required.

Approved for processing YES  NO  Signed ..... Date .....

FOR OFFICE USE ONLY		Assessment number	
2019/20 Rates		2020/21 Rates	
2019/20 Refund amount		2020/21 refund amount	
Date actioned		Date actioned	



### 3.9 FINANCIAL HARDSHIP POLICY (COVID-19)

**Purpose**

To give effect to our commitment to support the Shire community to meet the unprecedented challenges arising from the COVID19 pandemic, the Shire of Peppermint Grove recognises that these challenges will result in financial hardship for our ratepayers.

This Policy is intended to ensure that we offer fair, equitable, consistent and dignified support to ratepayers suffering hardship, while treating all members of the community with respect and understanding at this difficult time.

**Status**

ADMINISTRATIVE - STATUTORY

**Policy**

This policy applies to:

1. Outstanding rates and service charges as at the date of adoption of this policy; and
2. Rates and service charges levied for the 2020/21 financial year

It is a reasonable community expectation, as we deal with the effects of the pandemic that those with the capacity to pay rates will continue to do so. For this reason the Policy is not intended to provide rate relief to ratepayers who are not able to evidence financial hardship and the statutory provisions of the *Local Government Act 1995* and *Local Government (Financial Management) Regulations 1996* will apply.

**Payment difficulties, hardship and vulnerability**

Payment difficulties, or short term financial hardship, occur where a change in a person's circumstances result in an inability to pay a rates or service charge debt.

Financial hardship occurs where a person is unable to pay rates and service charges without affecting their ability to meet their basic living needs, or the basic living needs of their dependants. The Shire of Peppermint Grove recognises the likelihood that COVID19 will increase the occurrence of payment difficulties, financial hardship and vulnerability in our community. This policy is intended to apply to all ratepayers experiencing financial hardship regardless of their status, be they a property owner, tenant, business owner etc.



### **Anticipated Financial Hardship due to COVID19**

We recognise that many ratepayers are already experiencing financial hardship due to COVID-19. We respect and anticipate the probability that additional financial difficulties will arise when their rates are received.

We will write to ratepayers at the time their account falls into arrears, to advise them of the terms of this policy and encourage eligible ratepayers to apply for hardship consideration. Where possible and appropriate, we will also provide contact information for a recognised financial counsellor and/or other relevant support services.

### **Financial Hardship Criteria**

While evidence of hardship will be required, we recognise that not all circumstances are alike. We will take a flexible approach to a range of individual circumstances including, but not limited to, the following situations:

- Recent unemployment or under-employment
- Sickness or recovery from sickness
- Low income or loss of income
- Unanticipated circumstances such as caring for and supporting extended family
- Your business has been closed by the State Government due to COVID 19 or your business is still traded but had a significant reduction in revenue

Ratepayers are encouraged to provide any information about their individual circumstances that may be relevant for assessment. This may include demonstrating a capacity to make some payment and where possible, entering into a payment proposal. We will consider all circumstances, applying the principles of fairness, integrity and confidentiality whilst complying our statutory responsibilities.

### **Small Business Assistance**

The Shire will provide a rate refund or rebate for small business that were closed by the State Government as part of the COVID 19 control measures. The refund/rebate will be for the 3-month period 1 July – 30 September, 2020. Unless



there are special circumstance, this support is not available to national companies operating within the Shire.

For small businesses that were not closed due to COVID 19, but had a significant reduction on cashflow/revenue, you may be eligible for a 30% rate refund/rebate for the period 1 April – 30 June for the 2019/20 rates and 1 July – 30 September, 2020 for the 2020/21 rates. The 30% rebate refund will be based on 2019/20 rates raised against this property. Eligibility criteria will be a based a number of factors which could include participation in the Government JobKeeper program, receiving lease support from your landlord under the Code of Conduct for Commercial Leases or other supporting evidence considered appropriate by the Shire CEO.

#### **Payment Arrangements**

Payment arrangements facilitated in accordance with Section 6.49 of the Act are of an agreed frequency and amount. These arrangements will consider the following:

- That a ratepayer has made genuine effort to meet rate and service charge obligations in the past;
- The payment arrangement will establish a known end date that is realistic and achievable;
- The ratepayer will be responsible for informing the Shire of Peppermint of any change in circumstance that jeopardises the agreed payment schedule.

The Shire will not be charging instalment establishment charges, interest on instalments or interest on overdue rates for 2020/21.

#### **Deferment of Rates**

Deferment of rates may apply for ratepayers who have a Pensioner Card, State Concession Card or Seniors Card and Commonwealth Seniors Health Care Card registered on their property. The deferred rates balance:

- remains as a debt on the property until paid;
- becomes payable in full upon the passing of the pensioner or if the property is sold or if the pensioner ceases to reside in the property;



## Shire of Peppermint Grove

- may be paid at any time, BUT the concession will not apply when the rates debt is subsequently paid (deferral forfeits the right to any concession entitlement); and
- does not incur penalty interest charges.

### **Debt recovery**

We will suspend our debt recovery processes whilst negotiating a suitable payment arrangement with a debtor. Where a debtor is unable to make payments in accordance with the agreed payment plan and the debtor advises us and makes an alternative plan before defaulting on the 3<sup>rd</sup> due payment, then we will continue to suspend debt recovery processes.

Where a ratepayer has not reasonably adhered to the agreed payment plan, then for any Rates and Service Charge debts that remain outstanding on 1 July 2021, we will offer the ratepayer one further opportunity of adhering to a payment plan that will clear the total debt by the end of the 2021/2022 financial year.

Rates and service charge debts that remain outstanding at the end of the 2021/22 financial year, will then be subject to the rates debt recovery procedures prescribed in the *Local Government Act 1995*.

### **Review**

We will establish a mechanism for review of decisions made under this policy, and advise the applicant of their right to seek review and the procedure to be followed.

### **Communication and Confidentiality**

We will maintain confidential communications at all times and we undertake to communicate with a nominated support person or other third party at your request.

We will advise ratepayers of this policy and its application, when communicating in any format (i.e. verbal or written) with a ratepayer that has an outstanding rates or service charge debt.

We recognise that applicants for hardship consideration are experiencing additional stressors, and may have complex needs. We will provide additional time to respond to



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	communication and will communicate in alternative formats where appropriate. We will ensure all communication with applicants is clear and respectful.
<b>Related Procedure</b>	N/A
<b>Amendment Authority Level</b>	N/A
<b>Related Delegation</b>	N/A
<b>Related Local Law/Legislation</b>	N/A
<b>Adopted</b>	April 2020