



## **Policy No. 2020 - 58**

# **Commercial Addendum to Financial Hardship Assistance Model Policy**

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## Document Control

<b>Policy Name</b>	<b>Commercial Addendum to Financial Hardship Assistance Model Policy</b>
<b>First issued/approved</b>	16 June 2020
<b>Source of approval/authority</b>	Council Meeting
<b>Last reviewed</b>	17 May 2022
<b>Next review date</b>	30 June 2023
<b>Version number</b>	1.1
<b>Responsible Officer</b>	General Manager
<b>Department responsible for policy development</b>	Corporate & Financial Services
<b>Strategic Plan reference</b>	
<b>Related policies</b>	<ul style="list-style-type: none"> <li>• <i>Local Government Act 1993</i>, Part 9 – Rates and Charges</li> <li>• Rates and Charges Policy</li> </ul>
<b>Publication of policy</b>	<a href="http://www.centralhighlands.tas.gov.au">www.centralhighlands.tas.gov.au</a>

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# 1 Introduction

## 1.1 Purpose

The Financial Hardship Assistance Policy ('Hardship Policy') enables Council to assist community members who are suffering financial hardship by providing an appropriate level of relief from Local Government rates.

An Addendum to the Hardship Policy has been provided to achieve a consistent approach to rates assistance for commercial operators across the municipality.

This Addendum is intended to be supplementary to any other public benefit concessions policy or any other economic relief measure that Council may implement.

## 1.2 Scope

The Commercial Addendum applies to commercial/business ratepayers within the Valuer General land use code – 'Commercial' who are experiencing hardship due to the loss of operating revenue or reduced disposable income..

It is not intended to be used to maintain financial positions for those who do not need it and are not genuinely impacted by serious financial hardship.

## 1.3 Principles

The principles, as outlined in the Hardship Policy are:

- (1) Consistent, equitable and respectful treatment of all residents and ratepayers that is sensitive to their specific circumstances.
- (2) Maintaining Council's ability to provide essential services to our community through appropriately applied rating.
- (3) Assisting ratepayers who are suffering serious financial hardship, so that they may overcome these circumstances and return to financial stability and contributing equitably to local services.
- (4) Ensuring that those able to contribute to local services continue to do so.
- (5) Minimising the opportunity for misuse, exploitation or fraud by ensuring decisions made to provide special relief or assistance are supported by sufficient evidence.
- (6) Maintaining confidentiality and privacy of applicants and ratepayers, their applications and any information provided.

One additional principle applies to this Commercial Addendum. That is, the principle of proportionality – namely, that any agreed arrangements will take into account both individual and community wide circumstances (such as the COVID-19 pandemic) on commercial ratepayers, with specific regard to their revenue, expenses, and profitability.

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## 1.4 Related Policies and Legislation

- This Addendum relates to and depends on other Council policies, as well as Tasmanian Government legislation, including:
- Local Government Act 1993, Part 9 – Rates and Charges<sup>1</sup>, particularly:
- Section 86A – General principles in relation to making or varying rates
- Sections 125-127 – Postponement of payment
- Section 128 – Late payments
  - Section 129 – Remission of rates
- *COVID-19 Disease Emergency (Miscellaneous Provisions) Act 2020*
- *COVID-19 Disease Emergency (Commercial Leases Code) Act 2020*
- Rates and Charges Policy (pursuant to section 86B of the *Local Government Act 1993*).

## 2 Addendum

### 2.1 How Council Can Help

The Local Government Act 1993 provides Council with three methods of rate relief:

1. Postponing rate payments (sections 125-127);
2. Remission of late payment penalties or interest (section 128); and
3. Remission of rates (section 129).

Remission of any rates is reserved only for the most serious and exceptional of financial hardship cases. Even in these cases, deferral of rate payments must be applied for and granted first, before an application for rates remission can be considered – see the Hardship Policy for further information.

### 2.2 Options for Implementation

The Hardship Policy and Addendum were developed and implemented in response to the 2020 COVID-19 pandemic. The circumstances surrounding the pandemic were unprecedented. However, serious hardship can occur at any time.

With this in mind, Council may choose any one or more of the following approaches (i.e. relief by rates category, a hardship lens to all, and/or scale of rates relief) in providing commercial rates relief (i.e. deferral arrangements and remissions).

#### 2.2.1 Hardship Lens to All

Providing assistance to commercial ratepayers who are able to supply evidence of financial hardship.

Evidence may include, for example, one or more of the following:

- Details of closure - including Government enforced closure as a requirement of COVID-19;
- Tenant correspondence requesting relief (if applicable);

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- Accountant Statement;
- Statutory Declaration; and
- Other documentation demonstrating that your business is experiencing financial hardship.

All arrangements to support businesses will be proportionate to the evidence of hardship provided.

**Businesses eligible for the JobKeeper Program will automatically be treated as experiencing genuine financial hardship.**

## 2.2.2 Scale of Rates Relief

The following sets out an eligibility scale of rates relief measures based on a business's loss of revenue (due to COVID-19).

Council will apply the following to businesses experiencing loss of revenue (compared to the same period in the previous year):

- Between 75-100% - a rates waiver;
- Between 50-75% - a rates deferral, negotiated payment terms and/or waiver of penalty and interest charges;
- Between 30-50% - negotiated payment terms and/or waiver of penalty and interest charges;
- Between 0-30% - would prima facie receive no benefit unless they show individual cause<sup>1</sup>.

The value of any waiver will be capped at \$1000.

# 3 Applications

## 3.1 Applying for Commercial Financial Hardship Assistance

To seek Commercial financial hardship assistance from Council, an application must be made in writing, addressed to the General Manager, and submitted as follows:

- Submitted via online form at: <http://centralhighlands.tas.gov.au/>
- Emailed to Council@Centralhighlands.tas.gov.au; or
- Mailed to PO Box 20, Hamilton TAS 7140.

Applications must:

- Demonstrate and provide evidence for financial hardship and circumstances;
- Describe the type of assistance sought, being:
  - Postponing rate payments (a deferral arrangement);
  - Remission of late payment penalties or interest; and/or
  - Remission of rates (in the most serious and exceptional of financial hardship cases);
- Address the requirements of the relevant subsections of the Hardship Policy (e.g. How Council Can Help – deferral with the intention of remission).

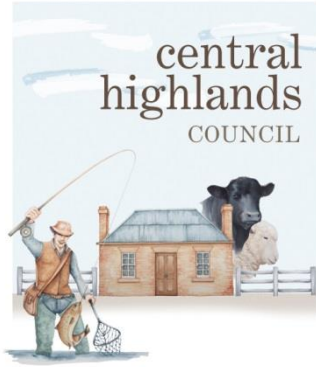
<sup>1</sup> Aligned with the JobKeeper Program

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See Policy No. 2020 – 57 Financial Hardship Assistance Model Policy for information on the assessment of applications.

If Councillors have any questions or concerns the General Manager will refer the questions to the Chief Executive Officer from the Local Government Association of Tasmania.

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## Application for Financial Hardship Assistance

If you are a Central Highlands Council ratepayer, you may be eligible for hardship assistance in the payment of overdue rates and charges where you are experiencing genuine and serious financial hardship due to the COVID-19 Pandemic.

Ratepayers and tenants are encouraged to apply for assistance as soon as possible.

### Applicant Information

This application is to apply the following concession(s) on the basis of financial hardship (**please select at least one**):

- Postponing rate payments (extension of time);
- Waiver of late payment penalties or interest for the period of financial hardship; or
- Rates remission.

Remission of any rates is reserved only for the most serious and exceptional of financial hardship cases. Even in these cases, deferral of rate payments must be applied for and granted first, before an application for rates remission can be considered.

If you are applying for assistance for more than one property you must complete an application for each property, as the nature, type and ownership of each may differ.

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The following questions are designed to provide the Council with as much information as possible to assist in the application assessment process.

**Name of the Property  
Owner(s):**

**Name of Applicant:**

**Please tell us why you are applying for hardship assistance:**

Are you the owner of the property?

Yes

No

For what type of property are you applying?

Residential

Commercial

Is the property a rental property?

Yes

No

**Rateable Property Details (information as it appears on your rates notice):**

Account Number

Street Address

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	<input type="text"/>	
Suburb	<input type="text"/>	Postcode <input type="text"/>

**Please provide details of how we can contact you:**

Name	<input type="text"/>
Phone number	<input type="text"/>
Email address	<input type="text"/>

**For Residential Property Applications ONLY:**

**Current Weekly Income Details:**

Pension or other government benefit (complete details below)	<input type="text" value="\$"/>
Compensation/Superannuation/Insurance or Retirement income	<input type="text" value="\$"/>
Spouse or partners income (if applicable)	<input type="text" value="\$"/>
Other income (rental income, child support)	<input type="text" value="\$"/>
Interest from banks and financial institutions	<input type="text" value="\$"/>
Total weekly income	<input type="text" value="\$"/>

**Pension/Benefit details (if applicable):**

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Type of Pension/Benefit	<input type="text"/>
DVA or CRN Number	<input type="text"/>
Date of Issue	<input type="text"/>
Expiry	<input type="text"/>
Do you have a current pensioner remission on your rates?	Yes <input type="checkbox"/> No <input type="checkbox"/>

**Current Weekly Expenses:**

Mortgage(s)	<input type="text" value="\$"/>
Other loans/credit cards	<input type="text" value="\$"/>
Utilities	<input type="text" value="\$"/>
Insurance(s)	<input type="text" value="\$"/>
Other living expenses	<input type="text" value="\$"/>
Total weekly expenses	<input type="text" value="\$"/>

**Please attach documentary evidence to assist us to review and assess your hardship application** (noting that as much supporting documentation as possible should be provided).

- Evidence of you qualifying for Job Seekers support.
- Assessment by an independent accredited financial counsellor demonstrating an inability to both pay rates and to rearrange asset portfolios to facilitate payment.
- A statutory declaration from an independent professional, familiar with your circumstances.
- Notice of impending legal action.

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- Employer notice of redundancy or termination of employment.
- Letter from charitable organisation regarding loss of employment or inability to provide for basic necessities.
- Accountant or bank statements and notices.
- Overdue medical bills.
- Letter from doctor verifying inability to earn an income due to illness or carer responsibilities.
- Funeral expenses.
- Final notice from school regarding payment of mandatory fees.
- Repossession notice of essential items, like a car or motorcycle.
- Other documentation demonstrating that you are experiencing financial hardship (please describe below):

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**For Commerical Property Applications ONLY:**

Company Name:

Who is currently paying rates for this property?

**Please attach documentary evidence to assist us to review and assess your hardship application** (noting that as much supporting documentation as possible should be provided).

- Evidence of your business qualifying for the JobKeeper support package – this alone will qualify as evidence of experiencing genuine financial hardship.
- Assessment by an independent accredited financial counsellor demonstrating an inability to both pay rates and to rearrange asset portfolios to facilitate payment.
- Accountant or bank statements and notices.
- Details of closure - including Government enforced closure as a requirement of COVID-19.
- Tenant correspondence requesting relief (if applicable).
- Commerical and leasing arrangements as a direct result of the COVID-19 pandemic;
- A statutory declaration from an independent professional, familiar with your circumstances.
- Notice of impending legal action.

**Please describe and provide other documentation demonstrating the quantum of revenue lost (compared to the same period in the previous year):**

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## Submission and Assessment

Please make sure your application and documentary evidence is addressed to the General Manager, and submitted as follows:

- Emailed to [council@centralhighlands.tas.gov.au](mailto:council@centralhighlands.tas.gov.au) ; or
- Mailed to PO Box 20, Hamilton TAS 7140.

Please use the title '**Hardship Assistance Application**' to assist our staff to identify your application quickly. We will be in contact with you as soon as possible to acknowledge your application and provide advice regarding the assessment process. If you have any enquiries or need assistance completing your application, please contact the General Manager.

## Declaration and signature

I confirm that the information provided within this Application for Financial Hardship is accurate, and there have been no misrepresentations or omissions of fact that would otherwise influence the review and decision of Central Highlands Council.

Signature \_\_\_\_\_

Name \_\_\_\_\_

Date \_\_\_\_\_

## Personal Information Protection Statement

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The personal information that Council is collecting from you is deemed personal information for the purposes of the *Personal Information Protection Act 2004*. The supply of the information by you is voluntary. However, if you cannot provide or do not wish to provide the information sought, Council may be unable to process your application or request.

You may make application for access or amendment to your personal information held by the Council. Enquiries concerning this matter can be addressed to the General Manager.

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