



COVID-19 Rates Financial Hardship Policy

Policy Type:	Policy		
Approved By:	Council	Decision No:	0001/2020
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Department:	Business Excellence	Division:	Financial Services
Function:	7 - Financial Management	Responsible Officer:	Manager, Financial Services

A - PREAMBLE

1. This policy is to assist customers of the City of Salisbury who are experiencing temporary hardship, due to impacts of COVID-19, and provides flexibility for eligible ratepayers.

B - SCOPE

1. This policy applies to ratepayers who are experiencing temporary financial hardship due to impacts of COVID-19 where the criteria contained in this policy are met.
2. This policy supplements the Financial Hardship Policy and has been developed to specifically support customers financially impacted by COVID-19.
3. This policy does not apply to debts associated with the provision of recycled water, which are considered in the Hardship Policy for Residential Salisbury Water Customers, which has been established with the Essential Services Commission of South Australia (ESCOSA).
4. This policy also does not address customers who may believe that the property valuation is incorrect, which are addressed via the objection process with the State Valuation Office.

C – POLICY PURPOSE/OBJECTIVES

1. The City of Salisbury is committed to assisting the community who may be impacted by COVID-19 resulting in temporary financial hardship, and to support through extending payment dates and waiving fines, and also encourage those impacted to enter payment arrangements to manage rate debts.

D - DEFINITIONS

Term	Definition
Arrangement	An agreement between Council and a Customer to repay an amount of money within a time frame according to an agreed schedule. Dependent on the individual situation of our customer's arrangement could be considered under a short term and/or long term arrangement.
Council	The City of Salisbury
Customer	A person or legal entity that is liable to pay rates.
Rates	Rates are levied as a tax on property in accordance with the provisions of the Local Government Act. Rates are not a service or user charge.
Temporary Financial Hardship	Circumstances of experiencing a lack of financial means, but does not include circumstances where a person chooses not to meet a liability for an unpaid debt. Hardship may result from a change in circumstances such as serious illness, disability, death in the family, loss or change in income, separation, divorce, or other family crisis and/or loss resulting from an accident. Hardship is considered temporary if the impacts of the hardship are expected to be resolved in less than one year, whereas ongoing spans longer periods.
The Act	The Local Government Act 1999 sets out legislative requirements for Councils to follow.
Policy	COVID-19 Financial Hardship Policy

E - POLICY STATEMENT

1. Council recognises and understands that COVID-19 may place ratepayers unexpectedly in temporary financial hardship due to loss of employment, reductions in business activity, illness and other impacts.
2. Financial hardship does not include circumstance where a person chooses not to meet an unpaid financial obligation for which they are liable for.
3. COVID-19 Financial Hardship Criteria applying to all rate categories:
 - Individuals accepted for Centrelink job seeker payment since 1 March 2020, or job keeper payments through their employer
 - Businesses who qualify for job keeper payments and aggregate annual rates is less than or equal to \$30,000

Where Covid-19 Financial Hardship has not previously been applied.

With evidence of these payments, such as Centrelink payment acceptance letter, job keeper confirmation letter to be provided to City of Salisbury.

4. Rate payers meeting this criteria for the first time will have their Rate Payment Date for the subsequent two quarters extended to the subsequent third quarter due date without fines or legal action being taken, provided payment is received in full by subsequent third quarter due date or an extended arrangement to pay agreed. Interest will continue to apply during this time. Ratepayers will be encouraged to enter into a payment arrangement so as to manage the rate debt down, and where this does not occur it should be noted that the debt will result in effectively three quarters of rates plus interest being due at the subsequent third quarter.
5. Customers experiencing ongoing Financial Hardship or temporary Financial Hardship who do not meet the criteria for COVID-19 Rates Financials Hardship should refer to Financial Hardship Policy.

Debt recovery

6. Council will place on hold and/or suspend debt recovery process while negotiating a suitable payment arrangement with a customer who has applied and been accepted under the this policy.
7. Council will not commence legal action for the recovery of the debt relating to rates if the customer has agreed to a payment arrangement and continues to adhere to the terms of the payment arrangement, irrespective of whether the customer has been assessed for financial hardship or COVID-19 Rates Financial Hardship.
8. This policy will be reviewed in August 2021, so that status of COVID-19 impacts on the community can be re-assessed.

F - LEGISLATION

1. Section 184 under the Local Government Act

G - ASSOCIATED POLICIES/PROCEDURES

1. Financial Hardship Policy and Procedure
2. Hardship Policy for Residential Salisbury Water Customers
3. Customer Service Framework and Charter
4. Internal Review of Councils Decisions Procedure

Document Control

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