



AGENDA

FOR BUDGET AND FINANCE COMMITTEE MEETING TO BE HELD ON

**21 SEPTEMBER 2020 AT CONCLUSION OF POLICY AND PLANNING
COMMITTEE**

IN LITTLE PARA CONFERENCE ROOMS, 34 CHURCH STREET, SALISBURY

MEMBERS

Cr B Brug (Chairman)
Mayor G Aldridge
Cr M Blackmore
Cr L Braun (Deputy Chairman)
Cr C Buchanan
Cr A Duncan
Cr K Grenfell
Cr N Henningsen
Cr D Hood
Cr P Jensen
Cr S Ouk
Cr D Proleta
Cr S Reardon
Cr G Reynolds
Cr J Woodman

REQUIRED STAFF

Chief Executive Officer, Mr J Harry
General Manager Business Excellence, Mr C Mansueto
General Manager City Development, Mr T Sutcliffe
General Manager City Infrastructure, Mr J Devine
General Manager Community and Org.Development, Ms G Page
Manager Governance, Mr M Petrovski
Risk and Governance Program Manager, Ms J Crook
Governance Support Officer, Ms K Boyd

APOLOGIES

LEAVE OF ABSENCE

PRESENTATION OF MINUTES

Presentation of the Minutes of the Budget and Finance Committee Meeting held on 17 August 2020.

Presentation of the Minutes of the Confidential Budget and Finance Committee Meeting held on 17 August 2020.

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OTHER BUSINESS

CLOSE



**MINUTES OF BUDGET AND FINANCE COMMITTEE MEETING HELD IN LITTLE
PARA CONFERENCE ROOMS, 34 CHURCH STREET, SALISBURY ON
17 AUGUST 2020**

MEMBERS PRESENT

Cr B Brug (Chairman)
Mayor G Aldridge
Cr M Blackmore
Cr C Buchanan
Cr A Duncan
Cr K Grenfell
Cr N Henningsen
Cr D Hood
Cr P Jensen
Cr S Ouk
Cr D Proleta
Cr S Reardon
Cr G Reynolds
Cr J Woodman

STAFF

Chief Executive Officer, Mr J Harry
General Manager Business Excellence, Mr C Mansueto
General Manager City Development, Mr T Sutcliffe
General Manager City Infrastructure, Mr J Devine
General Manager Community and Org. Development, Ms G Page
Manager Governance, Mr M Petrovski
Risk and Governance Program Manager, Ms J Crook
Governance Support Officer, Ms K Boyd

The meeting commenced at 6.41 pm.

The Chairman welcomed the members, staff and the gallery to the meeting.

APOLOGIES

An apology was received from Cr L Braun.

LEAVE OF ABSENCE

Nil

PRESENTATION OF MINUTES

Moved Cr K Grenfell
Seconded Cr J Woodman

The Minutes of the Budget and Finance Committee Meeting held on 20 July 2020, be taken and read as confirmed.

CARRIED

REPORTS

Administration

6.0.1 Future Reports for the Budget and Finance Committee

Moved Cr N Henningsen
Seconded Cr D Proleta

1. The information be received.

CARRIED

6.0.2 Minutes of the Innovation and Business Development Sub Committee meeting held on Monday 10 August 2020

Moved Cr K Grenfell
Seconded Mayor G Aldridge

The information contained in the Innovation and Business Development Sub Committee of the meeting held on 10 August 2020 be received and noted with respect to the following recommendations contained therein to be adopted by Council:

CARRIED

6.0.2-IBDSC1 Future Reports for the Innovation and Business Development Sub Committee

Moved Cr K Grenfell
Seconded Mayor G Aldridge

1. The information be received.

CARRIED

6.0.2-IBDSC2 Community Requests - Response Dashboard

Moved Cr K Grenfell
Seconded Mayor G Aldridge

1. The information be received.

CARRIED

6.0.2-IBDSC3 City of Salisbury Calendar of Events and Exhibitions Review

Moved Cr K Grenfell
Seconded Mayor G Aldridge

1. That the report be noted.
2. The Proposed 3 Year Exhibition & Events Calendar as provided by staff in this report (IBDSC10/08/2020, Item IBDSC3) be endorsed subject to the following changes:
 - a. Secret Garden – Option C with the variation that the Friday night event is a City of Salisbury Community Recognition event and the Administration is requested to provide a further report with a proposed list of community groups to be invited.
 - b. Writers Festival – Option A
 - c. Salisbury Community Achievement Awards to be incorporated into the Australia Day Awards Program, and a further report to be provided with advice on a potential award category, if required.
 - d. Salisbury Plays to include the opening of Fairbanks Reserve in line with the proposed construction schedule.
3. Council endorse the introduction and staging of a brand new (nature play style) activity, “The Discover Salisbury Challenge” in December 2020, to kick off school holiday activations, whilst still enabling the appropriate management of social distance requirements, anticipating that they are still in place at the time.

CARRIED

Finance

6.1.1 2019-2020 Carried Forward Funds and Budget Adjustments

Moved Cr N Henningsen
Seconded Cr S Ouk

1. The information be received.
2. The 2020/21 budget be increased with \$18,594,873 funds carried forward to be applied as detailed in Schedule of Funds Carried Forward from 2019/2020 to 2020/21 in Attachment 1 to this report (Item No. 6.1.1, Budget and Finance Committee, 17/8/2020).
3. The 2019/2020 project expenditure budgets be reduced to reflect returned funds of \$3,846,200, as per Schedule of Funds Returned to Council 2019/2020 in Attachment 2 to this report (Item No. 6.1.1, Budget and Finance Committee, 17/8/2020).

4. The 2019/2020 project expenditure budgets be increased to reflect additional actual expenditure of \$3,096,200, as per Schedule of Budget Adjustments 2019/2020 in Attachment 3 to this report (Item No. 6.1.1, Budget and Finance Committee, 17/8/2020).

Transport	
PR22515 Transportation Planning Program	\$91,700
PR20548 Bridge Program	\$76,500
PR22852 Bus Shelter Renewal and Improvement Program	\$71,700
PR21291 Project Support Overhead	\$2,142,100
Transport – Other (per attached)	\$85,600
Total Transport	\$2,467,600

Drainage & Waterways	
PR22512 Drainage & Waterways Planning Program	\$12,200
Drainage & Waterways – Other (per attached)	\$1,700
Total Drainage & Waterways	\$13,900

Property & Buildings	
PR24209 Pratt Avenue Land Acquisitions	\$96,100
PR22518 Property & Buildings Planning Program	\$51,700
Property & Buildings – Other (per attached) <i>(Note: being \$16,500 capital and \$7,700 operating)</i>	\$24,200
Total Property & Buildings	\$172,000

Parks & Streetscape	
PR25140 Parks & Streetscape Planning Program	\$33,800
PR17040 Irrigation Renewal Program	\$29,800
Total Parks & Streetscape	\$63,600

Salisbury Water	
PR20874 Salisbury Water Asset Renewal (pump failures)	\$119,900
Salisbury Water – Other (per attached)	\$65,300
Total Salisbury Water	\$185,200

Strategic Projects – Salisbury Community Hub	
PR22256 Salisbury Community Hub Land Acquisition	\$3,000
Total Strategic Projects - SCH	\$3,000

5. The 2019/2020 project over expenditures be offset within the respective 2020/21 program budget allocations:

Transport	
PR12000 Road Reseal / Reconstruction Program	\$413,000
PR25231 Diment Road	\$42,700
PR21412 Road Reseal Kerb Ramps	\$20,700
PR17754 Sportsfield Lighting	\$5,400
Total Transport	\$481,800

Strategic Projects - Other	
PR30070 Burton Hub	\$2,200
Total Strategic Projects – Other	\$2,200

6. To balance completed programs and projects, and appropriately align budgets for carry forward purposes Council approves the following 2019/2020 Budget Transfers:

Transport

- From within PR12000 Road Reseal / Reconstruction Program transfer \$299,300 operating to capital, and From PR14498 within the Footpath Program transfer \$10,600 operating to capital.
- From within PR30012 SAPN LED Upgrades transfer \$7,700 capital to operating.

Drainage & Waterways

- From within PR16999 within the Local Flooding Program transfer \$52,100 operating to capital.

Strategic Projects - Other

- From within PR25441 John Street Improvement transfer \$2,000 capital to operating.

Strategic Project – Salisbury Community Hub

- From with PR22256 SCH Land Acquisition transfer \$35,000 operating to capital.

7. Council approve the following budget 2019/2020 adjustments associated with successful grant funding applications, and associated budget adjustments to 2020/21:-

Transport

- City Wide Trails PR17190 – creation of income and expenditure budgets of \$500,000 in the 2019/2020 financial year, and the carry forward of the \$500,000 expenditure budget in addition to the carry forwards detailed in Recommendation Part 2. Also remove the income and expenditure budgets of \$535,000 from the 2020/21 financial year.
- Major Traffic Program PR13725 - creation of income and expenditure budgets of \$575,000 in the 2019/2020 financial year, and the carry forward of the \$575,000 expenditure budget in addition to the carry forwards detailed in Recommendation Part 2, noting Resolution 0326/2019 resulting from Works and Service agenda November 2019.

Parks & Streetscapes

- Native forests PR25670 – creation of income and expenditure budgets of \$200,000 in the 2019/2020 financial year, and the carry forward of the \$200,000 expenditure budget in addition to the carry forwards detailed in Recommendation Part 2. Also remove the income and expenditure budgets of \$200,000 from the 2020/2021 financial year.
- Para Hill Community Garden PR25962 – creation of income and expenditure budgets of \$7,500 in the 2019/2020 financial year, and the carry forward of the \$7,500 expenditure budget in addition to the carry forwards detailed in Recommendation Part 2.

PF&E

- Disability Access Ablutions Transportable PR25543 - creation of income and expenditure budgets of \$124,594 in the 2019/2020 financial year, and the carry forward of the \$124,594 expenditure budget into 2020/21 in addition to the carry forwards detailed in Recommendation Part 2.
8. Council approve the creation of a project operating income budget for PR17205 Watercourse Seed Sales \$8,200 to match funds received from sales during the year.

9. Council approve the following budget adjustments associated with unsuccessful grant funding applications:

Parks & Streetscapes

- PR30058 Patterson Court Paralowie Inclusive Play, 2019/2020 unsuccessful grant funding of \$235,000 requiring the removal of income budget noting that Council has allocated funds of \$235,000 (Works and Services Item 2.6.1 “November Capital Works Report” and associated Council Resolution 0363/2019), with the expenditure budget of \$235,000 to be carried forward in addition to carry forwards detailed in Recommendation Part 2 of this item.
 - PR23484 Prettejohn Gully Autism Friendly Space, unsuccessful grant funding resulting in \$225,225 requiring the removal of income and expenditure budgets (Works and Services, Resolutions 0247/2019).
10. Transfer from the PR25000 Salisbury Community Hub (professional fees) \$130,855 to PR25232 Operational Readiness project and within Operational Readiness to align budgets with expenditures.
 11. Council approve a budget allocation of \$266k for PR25145 Lease to Buy Laptop/ PC’s, in accordance with Resolution 2612/2018, as detailed in paragraph 3.11 Budget Adjustments table.
 12. Business Transformation funds of \$397,320 which is included in the operating carry forward be allocated as follows:
 - Transfer \$37,000 from transformation funds operating to capital to enable purchase of security officer vehicle noting the security officer substantive position is funded from transformation funds in 2020/21 onwards
 - Transfer \$4,660 from transformation funds to consulting funds within Community Experience and Relationships to develop Hub Virtual Tour
 - Transfer \$26,000 for Customer Experience Platform for a 1 year trial
 - Transfer \$50,000 for change management associated with Office365
 - Transfer \$279,660 from transformation funds to Data Analytics
 13. Utilising the carried forward special distribution funds contained within Part 2 of this recommendation, transfer \$58,000 from Risk and Governance consulting funds and \$52,800 from OH&S consulting funds, and convert into Salary and Wages and Oncosts within Risk and Governance in the 2020/21 financial year to deliver the Council Ready Program.

14. The following adjustments to the 2020/21 revised budget be transacted, and reflected in the sundry project fund which will be reviewed again by Council on consideration of the First Quarter Budget Review:

- Elected Member Training \$1,100 increase to reflect CPI and in accordance with Council resolution
- Digital Literacy program funds \$4,000 increase to reflect appropriately the base operating budget for 2020/21
- JP services expenditure \$500 increase to reflect appropriately the base operating budget for 2020/21
- Mawson Centre increase activity income \$3,000 and program expenditure \$4,000 to correct the base operating budget for 2020/21
- Para Hills Community Hub program funds of \$5,000 which were not included in the 2020/21 base operating budget

CARRIED

6.1.2 Treasury Report for Year Ended 30 June 2020

Moved Mayor G Aldridge
Seconded Cr J Woodman

1. Information be received.

CARRIED

OTHER BUSINESS

Nil

CONFIDENTIAL ITEMS

6.9.1 Strategic Projects

Moved Cr M Blackmore

Seconded Cr K Grenfell

1. *Pursuant to Section 90(2) and (3)(b)(i) and (b)(ii) and (d)(i) and (d)(ii) of the Local Government Act 1999, the principle that the meeting should be conducted in a place open to the public has been outweighed in relation to this matter because:*
 - *it relates to information the disclosure of which could reasonably be expected to confer a commercial advantage on a person with whom the council is conducting, or proposing to conduct, business, or to prejudice the commercial position of the council; and*
 - *information the disclosure of which would, on balance, be contrary to the public interest; and*
 - *commercial information of a confidential nature (not being a trade secret) the disclosure of which could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party; and*
 - *commercial information of a confidential nature (not being a trade secret) the disclosure of which would, on balance, be contrary to the public interest.*
2. *In weighing up the factors related to disclosure,*
 - *disclosure of this matter to the public would demonstrate accountability and transparency of the Council's operations*
 - *Non disclosure of this matter at this time will protect commercially sensitive information, the disclosure of which may confer an advantage on a third party or jeopardise the commercial position of Council.*

*On that basis the public's interest is best served by not disclosing the **Strategic Projects** item and discussion at this point in time.*
3. *Pursuant to Section 90(2) of the Local Government Act 1999 it is recommended the Council orders that all members of the public, except staff of the City of Salisbury on duty in attendance, be excluded from attendance at the meeting for this Agenda Item.*

CARRIED

The meeting moved into confidence at 6.46 pm.

The meeting moved out of confidence and closed at 6.52 pm.

CHAIRMAN.....

DATE.....

ITEM	6.0.1
	BUDGET AND FINANCE COMMITTEE
DATE	21 September 2020
HEADING	Future Reports for the Budget and Finance Committee
AUTHOR	Michelle Woods, Projects Officer Governance, CEO and Governance
CITY PLAN LINKS	4.2 We deliver quality outcomes that meet the needs of our community
SUMMARY	This item details reports to be presented to the Budget and Finance Committee as a result of a previous Council resolution. If reports have been deferred to a subsequent month, this will be indicated, along with a reason for the deferral.

RECOMMENDATION

1. The information is received.

ATTACHMENTS

There are no attachments to this report.

1. BACKGROUND

- 1.1 Historically, a list of resolutions requiring a future report to Council has been presented to each committee for noting.

2. CONSULTATION / COMMUNICATION**2.1 Internal**

- 2.1.1 Report authors and General Managers.

2.2 External

- 2.2.1 Nil.

3. REPORT

3.1 The table below outlines the reports to be presented to the Budget and Finance Committee as a result of a Council resolution.

Meeting Item	Heading and Resolution	Officer
24/06/2019 13.2 Due:	Consideration of Council's Strategic Procurement Direction Council has previously resolved this resolution to be confidential. October 2020	Charles Mansueto
26/08/2019 6.1.3 Due:	Event Management Framework and Room Booking Fees & Charges - Salisbury Community Hub 5. That a report on the operation of the Event and Room Booking Framework be brought back to Council following 12 months of operation from the opening of the Salisbury Community Hub. December 2020	Charles Mansueto
24/02/2020 6.5.1 Due: Deferred to: Reason:	Second Quarter Budget Review 2019/20 6. That a further report be provided that reviews the Treasury Policy, Part E – Policy Statement, paragraph 1-2, for non-discretionary bids and sundry projects. September 2020 October 2020 This will go to the October Audit Committee before it goes to committee.	Kate George
27/05/2020 6.9.2 Due:	Update on Action on Rates Assessment Outstanding under Section 184 of the Local Government Act 1999 Council has previously resolved this resolution to be confidential. December 2020	Kate George
27/05/2020 6.9.3-IBDSC5 Due:	Public Lighting LED Business Case Council has previously resolved this resolution to be confidential. March 2021	Andrew Legrand
24/08/2020 2.0.2-AMSC3 Due:	Information report inclusiveness in Playspaces 5. Staff bring back a further report proposing a discretionary budget bid to be considered for the provision of an accessible toilet with adult changing facility at Unity Park at the second quarter budget review. February 2021	Craig Johansen

4. CONCLUSION / PROPOSAL

4.1 Future reports for the Budget and Finance Committee have been reviewed and are presented to Council for noting.

CO-ORDINATION

Officer: Executive Group
Date: 14/09/2020

ITEM 6.0.2

BUDGET AND FINANCE COMMITTEE

HEADING Recommendations of the Innovation and Business Development Sub Committee meeting held on Monday 14 September 2020

AUTHOR Mechelle Potter, Administrative Coordinator - Business Excellence, Business Excellence

CITY PLAN LINKS 1.4 We are proud of our strengths, achievements and cultural diversity
2.2 We make the most of our resources including water, waste and energy
4.1 Members of our community receive an exceptional experience when interacting with Council

SUMMARY The minutes and recommendations of the Innovation and Business Development Sub Committee meeting held on Monday 14 September 2020 are presented for Budget and Finance Committee's consideration.

RECOMMENDATION

1. The information contained in the Innovation and Business Development Sub Committee Minutes of the meeting held on 14 September 2020 be received and noted and that the following recommendations contained therein be adopted by Council:

IBDSC1 Future Reports for the Innovation and Business Development Sub Committee

1. The information be received.

IBDSC2 Community Requests - Response Dashboard

1. The information be received.

ATTACHMENTS

This document should be read in conjunction with the following attachments:

1. Minutes Innovation and Business Development Sub Committee - 14 September 2020

CO-ORDINATION

Officer: GMBE
Date: 17/09/2020



**MINUTES OF INNOVATION AND BUSINESS DEVELOPMENT SUB COMMITTEE
MEETING HELD IN WITTBER & DR RUBY DAVY ROOMS, SALISBURY
COMMUNITY HUB, 34 CHURCH STREET, SALISBURY ON**

14 SEPTEMBER 2020

MEMBERS PRESENT

Cr K Grenfell (Chairman)
Mayor G Aldridge (ex officio)
Cr L Braun
Cr C Buchanan (Deputy Chairman)
Cr A Duncan
Cr D Hood
Cr P Jensen
Cr J Woodman

OBSERVERS

Cr N Henningsen

STAFF

Chief Executive Officer, Mr J Harry
General Manager Business Excellence, Mr C Mansueto
General Manager Community and Org. Development, Ms G Page
Manager Governance, Mr M Petrovski
Governance Support Officer, Ms K Boyd

The meeting commenced at 6.41 pm.

The Chairman welcomed the members, staff and the gallery to the meeting.

APOLOGIES

There were no apologies.

LEAVE OF ABSENCE

Nil

PRESENTATION OF MINUTES

Moved Cr P Jensen
Seconded Cr J Woodman

The Minutes of the Innovation and Business Development Sub Committee Meeting held on 10 August 2020, be taken and read as confirmed.

CARRIED
UNANIMOUSLY

REPORTS

IBDSC1 Future Reports for the Innovation and Business Development Sub Committee

Moved Cr L Braun
Seconded Cr P Jensen

1. The information be received.

CARRIED
UNANIMOUSLY

IBDSC2 Community Requests - Response Dashboard

Moved Cr L Braun
Seconded Cr J Woodman

1. The information be received.

CARRIED

OTHER BUSINESS

Nil

CLOSE

The meeting closed at 6.47 pm.

CHAIRMAN.....

DATE.....

ITEM	6.6.1
	BUDGET AND FINANCE COMMITTEE
DATE	21 September 2020
PREV REFS	Budget and Finance Committee 6.6.1 20/04/2020
HEADING	COVID-19 Rates Financial Hardship and measures for Sundry Debtors
AUTHOR	Kate George, Manager Financial Services, Business Excellence
CITY PLAN LINKS	4.2 We deliver quality outcomes that meet the needs of our community
SUMMARY	This report considers the extension of the Covid-19 Rates Financial Hardships Policy which was endorsed by Council in April 2020 (resolution 0492/2020).

RECOMMENDATION

1. Information be received
2. The COVID-19 Rates Financial Hardship Policy as contained in Attachment 1 to this report (Budget and Finance Committee, 21 September 2020 Item 6.6.1), be endorsed with a review date of August 2021.

ATTACHMENTS

This document should be read in conjunction with the following attachments:

1. COVID-19 Rates Financial Hardship Policy
2. Financial Hardship Policy

1. BACKGROUND

- 1.1 At the Special Council Meeting 1 April 2020, Council resolved (0491/2020 extract)
 4. *Rate Payment Deferral is to be implemented for ratepayers experiencing financial hardship due to COVID-19 so that the latest date for payment for the Fourth Quarter 2019/20 and the First Quarter 2020/21 is deferred to 1 December 2020, noting that the rates instalment notices will be issued with the relevant due dates as required by the legislation, but highlighting the relief being provided by Council. Fines are to be waived during this time, and no legal action is to be taken in relation to these rate arrears. Ratepayers are to be encouraged to make regular payments where possible.*

5. *That Council extend the previous decision to waive fines for non-payment of rates to ratepayers impacted by COVID-19 to cover all ratepayers based on the extended due date.*
 7. *That the administration draft a revised Hardship Policy to also include businesses within the policy and identify other support mechanisms for the community, including consideration of the waiving of interest payments for ratepayers that have been identified through the Hardship Policy application process as suffering hardship from COVID-19.*
- 1.2 At the Special Council Meeting 20 April 2020, Council resolved (0492/2020 extract)

6.6.1 COVID-19 Rates Financial Hardship and measures for Sundry Debtors

1. *Information be received.*
2. *The COVID-19 Rates Financial Hardship Policy as contained in Attachment 1 to this report, with the exception that Policy Statement Part E, part 3, be amended from \$10,000 to \$30,000, (Budget and Finance Committee, 20 April 2020 Item 6.6.1), be endorsed with a review date of August 2020*
3. *The Financial Hardship Policy as contained in Attachment 2 to this report (Budget and Finance Committee, 20 April 2020 Item 6.6.1) be endorsed.*

2. CONSULTATION / COMMUNICATION

2.1.1 N/A

3. REPORT

- 3.1 To support ratepayers impacted by COVID-19 in April 2020 a specific financial hardship policy was endorsed and our ongoing Financial Hardship Policy was extended to apply not just to Residential Ratepayers who are owner occupiers, but to all ratepayers, and also Sundry debtors.

Covid-19 Rates Financial Hardship Policy (C19RFHP)

- 3.2 The policy was initially written to cover anyone who was approved for job seeker or job keeper payments since 1 March 2020, and any business that qualifies for job keeper payments, and where rate accounts total less than \$30,000 across all rate categories. Those meeting the criteria have had their rate payment date for the Fourth Quarter 2019/2020 and the First Quarter 2020/2021 deferred to 1 December 2020, with fines waived, and no legal action taken. The updated policy has taken this concept and provides two quarters of deferred payments for those who are newly qualifying for Jobkeeper or Jobseeker.
- 3.3 At the time of preparing this report we have had 95 successful applications (from 105 applications) assessed under C19RFHP.
- 3.4 It is important that wherever possible ratepayers enter into formal payment arrangements with Council so that ratepayers are not faced with the equivalent of three quarters of rates being due. Arrangements offered for those meeting the C19RHP criteria are extended up to a two year period.

- 3.5 Interest remains payable on rates in arrears, as interest is a real cost that that will be paid as we will draw down on Cash Advance Debentures during this time due to the lower cash flows from rates revenue. While interest costs to individual ratepayers are not significant it does provide some incentive to ratepayers to manage their debts.

Financial Hardship Policy

- 3.6 The Financial Hardship Policy (Attachment 2) was reviewed by Council April 2020 and extended to apply to all ratepayers and to sundry debtors. The policy has been provided for information as it is not due for review until April 2022.

Other Considerations

- 3.7 Extreme cases of financial hardship will be assessed on a case by case basis as is our current practice and where an assessment is made that additional support is required these matters will be reported to Council
- 3.8 It should be noted that any ratepayer or sundry debtor who enters into a formal payment arrangement with Council and honors that arrangement will not have legal action taken to recover amounts owing, whether or not they have applied for Financial Hardship.

4. CONCLUSION / PROPOSAL

- 4.1 Expanding the policy framework to include the C19RFHP and broadening the Financial Hardship Policy to apply to all rate payers and sundry debtors have proven to be effective measures to support customers impacted by COVID-19 and associated economic decline.
- 4.2 To enable the C19RFHP to remain relevant it has been modified to have ongoing applicability for those who meet the criteria and have not had the advantage of a previous payment deferral during the pandemic. The policy has been set for review in August 2021.

CO-ORDINATION

Officer: Executive Group
Date: 14/09/2020



COVID-19 Rates Financial Hardship Policy

Policy Type:	Policy	Decision No:	0492/2020
Approved By:	Council	Last Reapproval Date:	
Approval Date:	27 April 2020	Internal Reference No.:	
Review Date:	August 2020	Division:	Financial Services
Department:	Business Excellence	Responsible Officer:	Manager, Financial Services
Function:	7 - Financial Management		

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

- 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.
- Financial hardship does not include circumstance where a person chooses not to meet an unpaid financial obligation for which they are liable for.
- 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.

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- Rate payers meeting this criteria for the first time will have their Rate Payment Date for the subsequent two quarters fourth quarter rates 2019/20 and the first quarter rates 2020/2021 extended to 1 December 2020 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 1 December 2020 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 second quarter due date 1 December 2020 subsequent third quarter.

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- 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 2021¹⁰, 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

Document ID

Prepared by

Release

Document Status

Date Printed

COVID-19 Rates Financial Hardship Policy

Manager Financial Services



Financial Hardship Policy

Policy Type:	Policy		
Approved By:	Council	Decision No:	2571/2018, 0278/2019, 0492/2020
Approval Date:	23 July 2018	Last Reapproval Date:	20 April 2020
Review Date:	April 2022	Internal Reference No.:	
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 or ongoing financial hardship in regards to payment of rates and/or sundry debtor charges which are currently outstanding or will be due and payable at a future date.

B - SCOPE

1. This policy applies to all ratepayers and sundry debtors who are experiencing temporary and/or ongoing financial hardship to assist in managing rates for owner/occupied properties and/or sundry debtor charges, noting that the COVID-19 Rates Financial Hardship Policy has been developed specifically to support ratepayers experiencing temporary financial hardship that is demonstrated to have resulted from the impacts of COVID-19.
2. 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).
3. This policy also does not address customers who may feel 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 rating customer together with sundry debtor customers who are experiencing temporary and/or ongoing financial hardship, to manage their payments and assist those customers to better manage their bills on an ongoing basis.

This policy should be read in conjunction with the Financial Hardship Procedure.

D - DEFINITIONS

Term	Definition
Accredited Financial Counsellor	A person who holds a Diploma of Community Services (Financial Counselling) and who has worked at least 12 months as a financial counsellor under the supervision of the South Australian Financial Counsellors Association
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 on an owner occupied property and/or a sundry debtor who has had a Sundry Debtor tax invoice raised as per goods or services they have received from Council.
Debt	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. A Sundry Debtor - is a legal entity owing money for goods and/or services rendered by Council for all non-rating and non-expiation debts.
Financial Hardship	Circumstances of experiencing a lack of financial means that may be either ongoing or temporary, 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.
Local Government Act	The Local Government Act 1999 "The Act" sets out legislative requirements for Councils to follow.
Policy	Financial Hardship Policy
Procedure	Financial Hardship Procedure

E - POLICY STATEMENT

1. Council recognises and understands that cost of living pressures can place a lot of strain on household budgets and that economic conditions can have detrimental impacts on business, and have developed a range of payment options to ease this pressure.
2. Council is committed to treating all customers in financial stress with respect and compassion and is pleased to provide support and practical solutions to those who may be experiencing temporary and/or ongoing financial hardship.

What is financial hardship?

2. Financial hardship is when a customer is willing but unable to meet their debt obligations because of unexpected events or unforeseen changes that impacts cash flow, for example:
 - a) Changes in income or expenditure;
 - b) Changes in employment status (such as losing a job or having hours reduced);
 - c) Significant life events such as a relationship breakdown or death in the family;
 - d) Injury or illness; and
 - e) Emergency events or natural disasters
 - f) Economic downturn
3. An important consideration to acknowledge is that a customer in financial hardship can reasonably be expected to recover their financial position if appropriate assistance or

arrangements are provided. Financial hardship assistance is intended to bridge the time between when a customer's circumstances change and the time when they can start paying their debt in full – either because the original financial situation is restored (e.g. a person is re-employed after a period of unemployment, economic conditions improve) or because a new repayment arrangement is agreed which the person can meet.

4. Financial hardship does not include circumstance where a person chooses not to meet an unpaid financial obligation for which they are liable for.
5. There are two types of financial hardship: ongoing and temporary. Depending on the type of hardship being experienced, there will be different needs requiring different solutions.
6. Temporary Financial Hardship - Customers who may have been identified as experiencing temporary hardship are those who have experienced a short-term change in circumstances. These customers generally require flexibility and temporary assistance, such as extension of time to pay or an alternative payment arrangement.
7. Ongoing Financial Hardship - Customers who may have been identified as experiencing ongoing hardship are those who have experienced a change in circumstances and one in which they do not expect to recover from in a reasonable timeframe. These customers may require ongoing assistance from Council and this is intended to bridge the time between when a customer's circumstance change and the when they can start paying their debt in full – either because their original financial situation is restored or because a new repayment arrangement is agreed which the customer can meet.
8. Where it is assessed a customer may be eligible for hardship assistance, consideration will be given but not limited to the following:
 - The customer is on Centrelink income and holds a pensioner concession card or holds a Centrelink low income health care card
 - The customer is eligible for a South Australian Government concession
 - The customer has been referred by an accredited financial counsellor or welfare agency
 - The customer advises they have previously applied for emergency relief (irrespective of whether or not their application was successful)
 - The customer's payment history indicates that they have had difficulty meeting their rate notices/sundry debtors invoices in the past
 - The customer, through self-assessment, has identified their position regarding their ability to pay
 - Other personal circumstances that the applicant(s) may choose to disclose in order to support their application.
9. Council will require customers to submit an application, including details of the applicant(s) and a Statement of Financial Position (Income and Expenditure) which will assist in determining an application for hardship.

Debt recovery

10. 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 Financial Hardship policy.

11. Council will not commence legal action for the recovery of the debt relating to rates and/or a sundry debtors invoice for a customer 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.
12. For rating purposes the Act provides for council to sell a property where the rates have been in arrears for three years or more. The Council must notify the owner(s) of the land of its intention to sell the land if payment of the outstanding amount is not received within one month, and once this notice is served this policy will not apply, however, Council will not commence this recovery action where a customer has agreed and is maintaining a payment arrangement under this Financial Hardship Policy.
13. This policy will be reviewed every 2 years by the Team Leader Revenue and Manager Financial Services.

F - LEGISLATION

1. Section 184 under the Local Government Act

G - ASSOCIATED POLICIES/PROCEDURES

1. Financial Hardship 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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