

# Pandemic Financial Hardship Assistance

Council Policy



Policy Name	Pandemic Financial Hardship Assistance		
Type	Council Policy		
Owner	Director Corporate Services		
Responsible Officer	Manager Finance		
Decision Number	20949	Approval Date	25/05/2020
Records Number	Add number here	Next Review Date	27/07/2020

## 1 Purpose

The Pandemic Financial Hardship Assistance Policy provides a framework for the provision of financial relief to ratepayers including commercial, residential and rural within Alice Springs municipality.

This policy supersedes any provisions for rates concession detailed in any other Council policy if hardship is due to a pandemic, within the parameters of this policy, associated forms and documents.

This policy provides individuals and businesses with a clear and transparent understanding of options and assistance available if they are experiencing financial hardship due to the pandemic. It provides direction to Council's Officers when collecting and providing for debts owed to Council and ensures consideration is given to the financial hardship caused by a pandemic.

This policy applies to all monies owed by ratepayers to Alice Springs Town Council as per their rates notice, including rates and waste management charges.

This policy will come into force when a pandemic is declared by the World Health Organisation, Australian Government or Territory Government and then will be reviewed every three (3) months to determine appropriateness of continuation based on an assessment of the ongoing impacts of Federal and Territory restrictions to the community and Council's financial ability to support these measures.

In the event of a pandemic Council may approve additional policy, within the parameters of this policy, specific to addressing the impacts of that pandemic event.

## 2 Definitions

For the purposes of this policy, the following definitions apply:

Term	Definition
<b>Financial hardship</b>	A circumstance of experiencing a lack of financial means, which may be either ongoing or temporary.
<b>Pandemic</b>	An outbreak of a pandemic disease, prevalent over a whole country of the world.
<b>Ratepayer</b>	The owner of any rateable property who is liable to pay rates.
<b>Commercial Ratepayer</b>	Means a ratepayer for an allotment that is not classified as residential under Council's assessment record (section 152).

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## Appropriate Rent Relief

Means that the landlord has negotiated in good faith with their tenant for rent relief in line with the Code of Conduct, agreed to by National Cabinet.

### 3 Policy Statement

Council will provide appropriate support to ratepayers in temporary financial hardship due to the impacts of a pandemic in accordance with the *Local Government Act 2008*, while ensuring it does not jeopardise the viability of its operations.

This policy is guided by the principles of transparency, efficiency, capacity/ability to pay and equity by treating all debtors consistently and in a fair manner.

#### 2.1 Identification of Financial Hardship caused by the impacts of a pandemic

For eligibility purposes, the identification of financial hardship may be determined by:

- Assessment by Alice Springs Town Council Officers; and/or
- External assessment by an independent accredited financial counsellor.  
There are several providers in the Northern Territory including Anglicare NT, Catholic Care NT and Lutheran Care. Provision of income and expenditure information, statutory declaration and/or a letter from an employer may be requested; and/or
- Eligibility for any Northern Territory or Federal Government, pandemic related, financial hardship support scheme.

Further eligibility information may be contained in the application form if pertinent to a specific pandemic.

#### 2.2 Residential and Rural Ratepayers - Financial Hardship Assistance provision

Alice Springs Town Council may provide a range of concessions to residential and rural ratepayers experiencing financial hardship due to the impacts of a pandemic.

To assist ratepayers to manage payment of their rates during a pandemic, concessions may include:

- a refund in part;
- a waiver;
- a deferral; and/or
- payment plan

At its discretion, council may waive any unavoidable legal fees incurred through the debt management process as per Council's Debt Recovery policy.

Further information relating to available concessions may be contained in the application form or an additional policy if pertinent to a specific pandemic.

Please refer the COVID-19 Public Benefit Concessions Policy for Commercial and Residential Ratepayers for information on eligibility criteria and rate concessions.

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## 2.3 Commercial Ratepayers - Financial Hardship Assistance provision

Alice Springs Town Council may provide a range of rates concession options on an allotment to commercial ratepayers who are:

- (a) an eligible business that has business premises on the allotment; or
- (b) a landlord that has provided appropriate rent relief to a tenant that is an eligible business that has business premises on the allotment.

Concession options will be negotiated with each successful applicant.

To assist commercial ratepayers to manage payment of their rates during a pandemic, concessions may include:

- a refund in part;
- a waiver;
- a deferral; and/or
- payment plan

Further information relating to concession options may be contained in the application form or an additional policy if pertinent to a specific pandemic.

Please refer the COVID-19 Public Benefit Concessions Policy for Commercial and Residential Ratepayers for information on eligibility criteria and rate concessions.

## 2.4 Application for Pandemic Financial Hardship Assistance

Access to the financial hardship provisions of this policy is via the Application for Pandemic Financial Hardship Assistance forms which may provide further details regarding eligibility and concessions options pertinent to any specific pandemic.

## 2.5 Assessment of applications

Assessment of applications for financial hardship caused by the impacts of a pandemic will be an objective assessment based on the information provided by the individual or business in the application.

Assessment of applications will ensure consistency and fairness in determining recommendations for appropriate concessions.

Determination of applications and the concessions provided will be made by the Chief Executive Officer following Director Corporate Services endorsement.

## 2.6 Payment plan and interest hold

The total deferral of all financial responsibilities due to an event can cause a secondary bout of financial stress when the event has concluded, and bills are owed. Council's aim is to provide assistance through a pandemic event without creating additional financial stress after the pandemic is over. Council will encourage individuals and businesses to set up a payment plan tailored specifically to their needs to reduce the amount of any debt owing after the pandemic. Council may hold interest on debt during a

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pandemic, for approved applications Council will hold interest on debt. The interest hold period will be as per arrangements within an approved application.

## 2.7 Payment deferral and interest hold

If the individual or business is unable to enter into a payment plan, Council will defer the debt accumulated during the pandemic, and will hold interest on this debt as per arrangements within the application. Council will not attempt to recover the held interest at a later date.

## 2.8 Debt recovery

If any debt is still outstanding upon conclusion of formal arrangements with Council, Council's Debt Recovery Policy will apply.

Council will make a reasonable attempt to contact a customer about their overdue account. This may include a reminder letter, account statement, email or phone call. During the pandemic, Council will hold off on all legal action for the collection of rates and charges.

The debtor will be liable for all legal costs incurred by Council in the debt collection process.

## 4 Responsibilities

- The *Rates Officer* is responsible for overseeing the Pandemic Financial Hardship Assistance application process as well as implementing and managing any approved arrangements.
- *Director Corporate Services* is responsible for assessing and endorsing any Pandemic Financial Hardship Assistance application and submitting to the CEO for approval.
- The *Chief Executive Officer* is responsible for approving all Pandemic Financial Hardship Assistance applications.

## 5 Related Documents

- *Pandemic Financial Hardship Assistance Application Form*
- *COVID-19 Public Benefit Concessions Policy for Commercial and Residential Ratepayers*
- *Debt Recovery Policy*

## 6 Version History

Title/Version	Date	Approved by
Nil		

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## 7 Communication and Training

Will this policy be communicated through internal communications?	Yes
Where will this policy be available?	ASTC Website
Will training needs arise from this policy? If yes, who will be responsible.	No