



Emergency Relief

Implementation policies and procedures

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Policy governance

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Finance

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As part of business continuity plan to the Covid-19, ELT was the stakeholder engaged.

Relevant Legislation:

Nil

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Council Plan

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Finance related policies and procedures, Asset Management Strategy 2018-2021, Property Policy, Financial Hardship Policy

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Nil

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Introduction

At a special meeting of Council on 25 March 2020, Council confirmed our commitment to provide transparent, effective, efficient and affordable support to our community and economy, to enhance resilience to and recovery from the coronavirus (COVID-19) pandemic.

Council approved the following recommendations:

- 3.1 Approves the immediate emergency relief measures for members of the community as outlined in Attachment 1 and notes that further work will be undertaken on other options for consideration and that these will be brought back to Council at the earliest possible opportunity.
- 3.2 Approves the immediate emergency relief measures for community organisations as outlined in Attachment 1 and notes that further work will be undertaken on other options for consideration and that these will be brought back to Council at the earliest possible opportunity.
- 3.3 Approves the immediate economic relief measures as outlined in Attachment 1 and notes that further work will be undertaken on other options for consideration and that these will be brought back to Council at the earliest possible opportunity.
- 3.4 Delegates to the CEO the ability to amend the above immediate emergency measures in response to announcements from other tiers of Government to ensure that there is no duplication of support provided.
- 3.5 Delegates to the CEO the ability to develop eligibility criteria in line with the overarching principles outlined in this report.
- 3.6 Notes the support being provided to City of Port Phillip employees where service level changes are required in response to COVID-19.

This document collates our intended policies and approach to implementing Council decision.

Additional Rates Hardship Assistance

Our current Hardship Policy provides various options to assist ratepayers in financial distress, such as an additional rebate for eligible pensioners, payment arrangements and rate and levy deferment for owner occupiers including a 50 per cent waiver of penalty interest. However, the policy does not include deferments for businesses who are currently struggling, due to the Coronavirus and many businesses have been forced to close due to Government restrictions, to stop the spread of the virus.

Whilst many landlords and tenants are awaiting on a national plan for rental assistance by the Federal Government in the form of rent relief and loss of income, we would like to expediate the financial relief to landlords and tenants, by extending our Hardship Policy to offer rate deferment to small businesses who meet the criteria.

Implementation

a) **Update our Hardship Policy** to include the following with immediate effect:

- Extend application for Rate and Levy Deferment to small businesses who meet criteria (turnover below \$10m and significantly affected by COVID-19) – Up to six month of rates deferral with a no interest twelve-month payment plan.
- It is a condition that landlords, must pass on the rates and levy relief to tenants.
- Extend the no interest policy to existing and future residential applications for rate and levy deferment, including pensioners and self-funded retirees for twelve months.

b) **Create simple application form for businesses** – designed to enable immediate financial relief to eligible businesses and to eliminate risk to Landlords and Council.

Application to include but not limited to following:

- A declaration from the owner that they will pass in the financial benefit to the tenant.
- That the owner accepts responsibility for the payment of any outstanding rates, levy or charges, should the tenant not pay the outstanding amount and/or vacate without notice.
- Request for supporting documents as evidence of hardship and to meet the above criteria will be required, including but not limited to:
 - Previous year/period audited financial statements.
 - Evidence from owner that they approve of the deferment of rates, charges and levy/s and that they are ultimately responsible for the payment of any outstanding amounts *under the Local Government Act 1989*, should they not be paid under any arrangement including deferment.

c) **Delegations to approve rate, levy and charges payment deferrals** - GM Customer & Corporate Services and Chief Financial Officer. Limits to be set by Chief Executive Officer (refer Delegations document 24 March 2020)

d) **Review rates hardship provisions** as part of the budget process (Budget 2021).

- e) **Potentially increase pensioner rebate** (Budget 2021)
- f) **Review defer the raising of special rates (all schemes)** (Budget 2021)
- g) **Allocate additional resourcing** – As required to respond to enquiries, process applications, follow up etc.
- h) **Reporting** – Set up system to report on number of applications and deferred rates and levy amounts.
- i) **Communication** – Promote relief via Rates brochure, telephone messaging and internet etc.

Rental Deferral and Waivers - South Melbourne Market

Implementation

a) Eligibility:

- Be a Licensee of the South Melbourne Market.
- Pay market rental or a rental amount above \$1,000 p.a.
- Not have any overdue debt or reporting obligations to Council for the period prior to 1 February 2020.

b) Rent Abatement:

- The South Melbourne Market (SMM) will consider rent relief to stallholders for the period 1 April 2020 to 30 June 2020 as follows:

Table 1: South Melbourne Market triggers for stallholder's rent abatement

Trigger for rent abatement	Relief %
Forced closure	100% rent discount
Voluntary closure >75% impact on sales in past two weeks	100% rent discount
Remain Open - >25% impact on sales in past two weeks	50% rent discount

- To be eligible stallholders must provide evidence of each of the last 4 weeks trading figures and those for the corresponding 4 weeks in 2019. SMM will also require figures for the 6-month period 1 January to 30 June 2019, as SMM will review the rent abatement each month. If stallholders position changes they will simply need to provide the previous month's figures and SMM can assess it against last year's figures.
- In addition, stallholders can apply for rent deferral on the portion of rent that will still have to be paid.

c) Rent deferral:

- SMM will consider rent deferral for stall holders as follows:

Table 2: South Melbourne Market triggers for stall holder's rent reduction

Trigger for deferral	Deferral %
If >50% impact on sales in past two weeks	100% rent deferral
If >25% impact on sales in past two weeks	50% rent deferral

- Direct Debits will be suspended until stallholders have received notification from SMM as to what rent abatement or deferral, if any, has been approved.

d) **Supporting documentation:**

- Each of the last 4 week's trading figures.
- Each week's trading figures for the same period in 2019
- Each month's trading figures for first 6 months of 2019 (1 January to 30 June 2019)

e) **Matters to be considered by SMM in assessing requests for assistance:**

- Ongoing history of debt or late rental payments (no traders that were in debt to the Market as at 1 February 2020 will receive assistance)
- Supporting financial information to be provided
- Eligible government and industry support and assistance
- Evidence that reasonable actions to mitigate the impacts on business have been taken (through changes to the way currently trade or business insurance)
- Individual circumstances

Waivers of Rent for Tenants in Council Properties

Implementation

a) Eligibility:

- Rent collected by Property Team.
- Pay market rental or a rental amount above \$1,000 p.a.
- Not have any overdue debt or reporting obligations to Council for the period prior to 1 February 2020.

b) Rent Abatement:

- Tenants of Council managed facility who pay market rental or a rental above \$1,000 p.a. will be eligible to apply for rent abatement for the period 1 April 2020 to 30 June 2020 as follows:

Table 3: City of Port Phillip triggers for tenant rent reduction

Trigger for rent abatement	Relief %
Forced closure	100% rent discount
Voluntary closure >75% impact on sales	100% rent discount
Remain Open - >25% impact on sales	50% rent discount

c) Supporting documentation:

- Each of the last 4 week's trading figures
- Each week's trading figures for the same period in 2019
- Each month's trading figures for first 6 months of 2019 (1 January to 30 June 2019)
- A signed letter from the tenant confirming the date the business ceased trading

d) Matters to be considered by Property Team in assessing requests for assistance:

- Ongoing history of debt or late rental payments (no tenants that were in debt to Council as at 1 February 2020 will receive assistance)
- Financial information to support claim
- Eligible government and industry support and assistance
- Evidence that reasonable actions to mitigate the impacts on business have been taken (through changes to the way currently trade or business insurance)
- Support to sub-tenants - rent reductions / additional support
- Actions taken to mitigate impacts on staff or job security
- Individual circumstances

Fees related to Events and use of Open Space, Sporting Facilities and Recreation Activities

Implementation

a) **Eligibility:**

- Fees collected by Open Space and Recreation Services team.

b) **Events:**

- Directly refund all eligible payments
- Email event providers to inform of the refund

c) **Abatement:**

- Organisations will be eligible for rent, licence fees or levies abatement for the period 1 April 2020 to 30 June 2020 as follows:

Table 4: City of Port Phillip triggers tenants rent abatement

Trigger for fee abatement	Relief %
Forced closure	100% fee discount
Voluntary closure >75% impact on sales / participants	100% fee discount
Remain Open - >25% impact on sales / participants	50% fee discount

- Directly refund all eligible payments.
- Notify all eligible sports clubs, personal trainers and commercial recreation providers of the waiver and/or refund.

Food Act Registration Fees

Implementation

a) **Eligibility:**

- Fees collected by Health Services.
- Eligible small businesses (turnover below \$10m).

b) **Fee abatement:**

- Organisations will be eligible for fee abatement for the period 1 April 2020 to 30 June 2020 as follows:

Table 5: Food Services triggers for fee reductions

Trigger for fee abatement	Relief %
Supermarkets	0% fee discount
All other premises	100% fee discount

- Directly refund all eligible payments.
- Health services will initially identify business likely to receive full discount and arrange refunds without requiring application.
- Where unclear whether business eligible, Health Services to notify organisation of the available relief.

Footpath Trading Permit Fees

Implementation

a) **Eligibility:**

- Footpath trading fees collected by the City Permits team.

b) **Rebate:**

- Organisations will be eligible for a rebate of fees for the period 1 April 2020 to 30 June 2020 given social gathering restrictions.
- Directly refund all eligible payments.
- Cancellation of existing part-payment plans and invoicing for fees that become due and payable from 1 April 2020 to 30 June 2020.

Artist studios

Implementation

a) **Eligibility:**

- Rent collected by Arts & Creative Industries Team.
- Pay market rental or a rental amount above \$1,000 p.a.
- Not have any overdue debt or reporting obligations to Council for the period prior to 1 February 2020.

b) **Rent Abatement:**

- Tenants of the Council managed facility who pay market rental or a rental above \$1,000 p.a. will be eligible to apply for rent abatement for the period 1 April 2020 to 30 June 2020 as follows:

Table 6: Artist Studios trigger for rent abatement

Trigger for rent abatement	Relief %
Forced closure	100% rent discount
Voluntary closure	100% rent discount
Remain Open	50% rent discount

c) **Supporting documentation:**

- Correspondence from the tenant confirming the date use of the studio ceased.

d) **Matters to be considered by Arts & Creative Industries in assessing requests for assistance:**

- Ongoing history of debt or late rental payments (no tenants that were in debt to Council as at 1 February 2020 will receive assistance)
- Eligible government and industry support and assistance
- Individual circumstances

Community Run Childcare Centres Levies

Purpose and Context

To provide community managed child care centres an opportunity to apply for relief from levy payments and advice regarding other government assistance.

Commonwealth Government Support:

Council encourages Community Managed Children’s Services to access the Federal and State supports that are available to businesses. All child care services are eligible to access the CCCF Special Circumstances Grant Opportunity which is designed to support continuity of child care, in particular in disadvantaged or vulnerable communities, where service viability is affected by an unforeseen factor outside the control of the service, and they are at risk of closure.

The CCCF Special Circumstances funding can help cover business costs, including wages and other costs to ensure services continue to operate even when some families have stopped using child care or cut back on hours (e.g. cancelled or changed enrolment details).

Applications for \$10,000 or less typically take two to three days to assess and funds flow within 24 hours of a signed agreement. The Department of Education, Skills and Employment has also implemented streamlined processes to assist those services seeking larger grants. Further information is available on the CCCF Special Circumstances Grant Opportunity webpage, including eligibility criteria and instructions on how to apply. We would expect all providers to access the Commonwealth grant opportunities.

Implementation

a) Eligibility:

- Levies collected by Family, Youth & Children’s team.
- Not have any overdue debt or reporting obligations to Council for the period prior to 1 February 2020.

b) Levy abatement:

- Tenants of Council managed facility who pay levies above \$1,000 p.a. will be eligible to apply for levy abatement for the period 1 April 2020 to 30 June 2020 as follows:

Table 7: Child care triggers for levy reductions.

Trigger for levy abatement	Relief %
Forced closure	100% levy discount
Voluntary closure >75% impact on utilisation	100% levy discount
Remain Open - >25% impact on utilisation	50% levy discount

c) Quality subsidy

- Will continue to be paid by Council as a per centage of wages incurred by the Centre operator.
- d) **Supporting documentation:**
- Centres to continue to advise Council of the total number of daily attendees at the community manager child care centres between 1 April 2020 and 30 June 2020.
 - Daily attendees for the same period in 2019.
- e) **Matters to be considered by Family, Youth & Children's team in assessing requests for assistance:**
- Ongoing history of debt or late levy payments (no tenants that were in debt to Council as at 1 February 2020 will receive assistance)
 - Information to support claim
 - Eligible government and industry support and assistance
 - Evidence that reasonable actions to mitigate the impacts on business have been taken (through changes to the way currently trade or business insurance)
 - Reasonable action taken to support staff
 - Individual circumstances

Supplier Payment

Implementation

a) **Eligibility:**

- Invoices submitted for goods and services provided.
- Invoices reviewed and approved by buyer and then released for payment by Accounts Payable.

b) **Payment terms:**

- Council will pay approved invoices within 7 days as opposed to its standard terms of 30 days.

c) **Supporting documentation:**

- No additional supporting documentation required.

d) **Matters to be considered by Accounts Payable Team in assessing requests for early payment:**

- Normal protocols for approving Progress Payments on project expenditure will apply. Should delays or other circumstances put delivery of projects at risk, business area together with procurement should proactively negotiate mitigation strategy with supplier to deal with emerging risks.

Communication

Each team will prepare appropriate communication to stakeholders to advise emergency relief available and way it is to be implemented.