

COVID-19

Financial Hardship Policy

Frequently Asked Questions



July 2020

Objective

Residents, Businesses and Community Groups/Organisations experiencing financial hardship as a result of the COVID-19 pandemic may be able to access relief from the Shire of Augusta Margaret River in the areas of rates, leases (on property owned by the Shire) or fees and charges.

An application form is available on-line <https://www.amrshire.wa.gov.au/services/rating-information> or you may contact the Shire's Revenue Team by email revenue@amrshire.wa.gov.au or phone 9780 5234.

To determine whether you are eligible for consideration under the COVID-19 Financial Hardship Policy, and to find out more about the application process, please refer to our Frequently asked Questions.

Frequently Asked Questions

1. Assistance with rates and service charges
2. Rate Notices in 2020-21
3. What rates relief am I entitled to?
4. Assistance for Business and Community Groups/Organisations
5. How do I apply as a Community Group/Organisation?
6. What if I/my Community Group/Organisation has an interest free loan with the Shire?
7. Who can apply for Financial Hardship?
8. How will I know if I might be eligible?
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10. When will I find out if my application has been approved?
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12. What if I default on my agreed payment arrangement?

1. Assistance with rates and service charges

The Shire has put a freeze on the amount of the rate in the dollar and minimum payments for each of the Differential Rating Categories, meaning the amount of rates won't increase from the 2019-20 financial year on the majority of properties within the Shire.

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Increases may apply to properties where their property status has changed during the year, such as additions to improvements; new dwellings; demolition of structures; or approvals granted for tourism uses etc.

Nil increases on the Waste Facility Maintenance Rate and Service Charges.

2. Rate Notices in 2020-21

The Annual Rate Notice will be issued on the 16 August 2020 with a due date for Option 1 (payment in full) or Option 2 (1st of 4 instalments) of 24 September 2020.

Where Option 1 or Option 2 payments haven't been received by 24 September 2020 or a special payment arrangement plan hasn't been established then the Shire will issue a Final Notice on 15 October 2020 with a due date of 5 November 2020.

Assessments which have outstanding rates after 5 November 2020 will be reviewed.

3. What Rates relief am I entitled to?

If an application under the Hardship Policy is successful it will mean the property assessments will be exempt from penalty interest and instalment administration and interest fees for the period from 1 July 2020 to 30 June 2021.

In summary:

- a. ratepayers that have been approved under GL26 COVID-19 Financial Hardship Policy
 - i. No penalty Interest;
 - ii. No Instalment Interest;
 - iii. No Instalment Admin Fee;
 - iv. No Special Arrangement Admin Fee.
- b. ratepayers that have not been approved under GL26 COVID-19 Financial Hardship Policy
 - i. 8% Penalty Interest, as adopted by Council;
 - ii. 3% Instalment Interest, as adopted by Council;
 - iii. \$8.00 Instalment Admin Fee, as adopted by Council;
 - iv. Special Arrangement Admin Fee, as adopted by Council (not applicable).

4. Assistance for Commercial Businesses and Community Groups/Organisations?

Area of Assistance	Detail
Rates and Rating Initiative	Payment plan or payment term extension for rates for the period from 1 July 2020 to 30 June 2021 in accordance with the GL26 COVID-19 Hardship Policy. Halting any debt recovery action on outstanding rates on a case by case basis if affected by COVID-19.

FREQUENTLY ASKED QUESTIONS

Commercial Leases with the Shire of Augusta Margaret River	Payment plan or payment term extension for rent and outgoings for those businesses affected by COVID-19 on a case by case basis until 30 June 2021.
Community Leases and Building Assistance	Waiving of lease costs, rent and/or outgoings for community organisations until 30 June 2021 on a case by case basis. Waiving of utilities reimbursements provided community group is not eligible for State subsidies or assistance.
Interest Free Loan Assistance	Entering into a Interest Free Loan from the Shire to support business recovery post COVID-19 with options to defer interest and principal payments to January 2021. Freezing (deferring) interest and principal payments to community groups/organisations who currently have a self-supporting loan with the Shire of Augusta Margaret River on a case by case basis until 30 June 2021.
Fees and Charges	Exemption from Fees and Charges applied to Commercial Businesses. Directional and entrance signs annual licence renewal. Lodging house annual licence renewal and Food Business registration annual licence renewal until 30 June 2021.

5. How do I apply as a Community Group?

In accordance with the Hardship Policy, Community Groups/Organisations can apply for assistance with:

- a. Waiving or suspension of rent and outgoings.
- b. Interest free loans relief (see 'What if I have a loan with the Shire?' below)

You will be required to apply on behalf of your community group/organisation; however you must be authorised by that group to do so. You will be required to provide financial information in support of your application which may include bank statements, audited accounts and recent balance sheet. Your application on behalf of the community group/organisation will also be assessed on a case by case basis.

6. What if I/my community group has a interest free loan with the Shire?

There are a number of organisations that have loans with the Shire of Augusta Margaret River. You are required to make an application for assistance under the Hardship Policy requesting assistance with your interest free loan.

Depending on eligibility, the Shire may freeze (defer) all interest and principal payments for the period 1 July 2020 to 30 June 2021. This will be assessed on a case by case basis.

FREQUENTLY ASKED QUESTIONS

7. Who can apply for Financial Hardship?

Rates

Ratepayers who aren't able to pay option 1 or option 2 will be encouraged to enter into a payment plan to clear the rates by 30 June 2021.

If you are experiencing financial difficulty as the result of COVID-19 you can submit a GL26 COVID-19 Hardship Residential Application Form requesting the waiver of penalty interest, instalment administration fees and interest charges.

If ratepayers aren't able to pay anything at all, then a COVID-19 you can submit a GL26 COVID-19 Hardship Residential Application Form which will be reviewed by the Manager Corporate Services or delegated Officer.

You may contact the Revenue Team by email revenue@amrshire.wa.gov.au if you have any further enquiries.

Commercial Business and Community Groups/Organisations

Businesses, Community groups/organisations experiencing Financial hardship are encourage to complete the GL26 COVID-19 Hardship Business Application Form

8. How will I know if I might be eligible?

The Shire will contact ratepayers at the time their account falls into arrears and discuss payment options with them in accordance with our standard payment terms and in accordance with any fees and charges that may apply. Where ratepayers are unable to enter into a payment plan we will advise them of this policy.

To apply for assistance under GL26 Financial Hardship Policy you will need to complete an application form available on the Shire's website. You will need to state your reasons for eligibility in accordance with the policy. In the case of a community group/organisation, you should state which group you represent, and provide evidence that you are authorised to apply on their behalf.

Where appropriate, and if requested, we will also provide contact information for a recognised financial counsellor and/or other relevant support services.

9. What are the eligibility criteria?

Each application will be assessed on its merits and on a case by case basis. Shire of Augusta Margaret River staff may contact you to clarify or obtain additional information relevant to your application. While evidence of hardship will be required, the Shire recognises that not all circumstances are alike. The Shire will take a flexible approach to a range of individual circumstances including, but not limited to, the following situations:

- a. Recent unemployment or under-employment as a result of COVID-19.
- b. Sickness or recovery from sickness associated with COVID-19.
- c. Low income or loss of income as a result of COVID-19.
- d. Unanticipated circumstances such as caring for and supporting extended family suffering health or hardship as a result of COVID-19.

In the first instance, the Shire will seek to implement an agreed payment plan for all applicants.

FREQUENTLY ASKED QUESTIONS

All applicants must clearly identify any extenuating circumstances affecting their ability to meet their financial obligation.

Businesses, Community groups/organisations are also eligible under similar criteria, see eligibility for Businesses or community groups below.

10. When will I find out if my application has been approved?

All applications will be acknowledge in 2 business days.

Applications will take up to 21 days for the Shire to consider all the information. Further evidence may be requested to assist in the determination of the application.

11. What if I am refused an application for Financial Hardship and my circumstances adversely change?

You will need to re-submit the application form containing additional information in support of your application.

While evidence of hardship will be required, the City recognises that not all circumstances are alike. The City will take a flexible approach to a range of individual circumstances including, but not limited to, the following situations:

12. What if I default on my agreed payment arrangement?

The Shire will give due consideration to suspending recovery of outstanding debts by way of negotiating a suitable payment arrangement with debtors. Where a debtor is unable to make payments in accordance with the agreed payment plan and the debtor advises the Shire and makes an alternative plan before defaulting on the third due payment, the Shire will then continue to suspend debt recovery processes.

Where a ratepayer has not reasonably adhered to the agreed payment plan, then for any Rates and Service Charge debts that remain outstanding on 1 July 2021, the Shire will offer the ratepayer one further opportunity of adhering to the payment plan that will clear the total debt by the end of the 2021-22 financial year.

Rates and service charge debts that remain outstanding at the end of the 2021-22 financial year, will then be subject to the rates debt recovery procedures prescribed in the *Local Government Act 1995*.

Document and Version Control Table

Responsible Directorate	Corporate and Community Services	
Prepared by	Coordinator Revenue and Customer Service	
Approved by Director	Director Corporate Community Services	
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1.0	01/07/2020	Initial issue

FREQUENTLY ASKED QUESTIONS