

Minutes



SPECIAL MEETING OF COUNCIL

MINUTES

17 APRIL 2020

TABLE OF CONTENTS

Item	Subject	Page No.
1.0	Meeting Opened.....	4
2.0	Leave of Absence.....	4
3.0	Declaration of any Material personal interests/conflicts of interest by councillors and senior council officers	4
4.0	Executive Office Reports	5
4.1	COVID-19 Financial and Economic Relief Measures	5
5.0	Meeting Closed.....	14

ATTENDANCE:

Councillors Present

- Cr Tanya Milligan (Mayor) (Chairperson)
- Cr Jason Cook (Deputy Mayor)
- Cr Brett Qualischefski
- Cr Janice Holstein
- Cr Chris Wilson
- Cr Michael Hagan
- Cr Rick Vela

Officers Present

- Ian Church, Chief Executive Officer
- Anna Hebron, Group Manager People & Business Performance
- Amanda Pugh, Group Manager Community & Regional Prosperity
- Corrin Bischoff, Manager Business Performance
- Neil Williamson, Community Development & Engagement Officer
- Jodi Marchant, Chief Financial Officer
- Erin Carkeet, Governance & Strategy Officer

Apologies

- Angelo Casagrande, Group Manager Infrastructure

1.0 MEETING OPENED

The meeting commenced at 1:35pm. The Mayor, Cr Milligan as the Chairperson opened the meeting and welcomed all present.

2.0 LEAVE OF ABSENCE

No Leave Of Absence.

3.0 DECLARATION OF ANY MATERIAL PERSONAL INTERESTS/CONFLICTS OF INTEREST BY COUNCILLORS AND SENIOR COUNCIL OFFICERS

3.1 Declaration of Material Personal Interest on any Item of Business

Pursuant to section 175C of the *Local Government Act 2009*, a councillor or senior council officer who has a material personal interest in an issue to be considered at a meeting of a local government, or any of its committees must:

- (a) inform the meeting of the material personal interest in the matter, including the following particulars about the interest –
 - i. the name of the person or other entity who stands to gain a benefit, or suffer a loss, depending on the outcome of the consideration of the matter at the meeting
 - ii. how the person or other entity stands to gain the benefit or suffer the loss
 - iii. if the person or other entity who stands to gain the benefit or suffer the loss if the person or other entity is not the councillor or senior council officer—the nature of the relationship to the person or entity; and
- (b) leave the meeting room, including any area set aside for the public, and stay out of the meeting room while the matter is being discussed and voted on.

3.2 Declaration of Conflict of Interest on any Item of Business

Pursuant to section 175E of the *Local Government Act 2009*, a councillor or senior council officer who has a real or perceived conflict of interest in a matter to be considered at a meeting of the local government or any of its committees must inform the meeting about the personal interest in the matter, including the following particulars about the interests:

- a) the nature of the interests
- b) if the personal interests arise because of the relationship with, or receipt of a gift from, another person:
 - i. the name of the other person; and
 - ii. the nature of the relationship or value and date of receipt of the gift; and
 - iii. the nature of the other person's interests in the matter.
- c) how the councillor or senior council officer intends to handle the matter i.e. leave the meeting or proposes to stay in a meeting.

No declarations were made by Councillors or Senior Officers at this time.

4.0 EXECUTIVE OFFICE REPORTS

4.1 COVID-19 Financial and Economic Relief Measures

Date: 17 April 2020
Author: Jodi Marchant, Chief Financial Officer
Responsible Officer: Ian Church, Chief Executive Officer

Summary:

The purpose of this report is for Council to endorse financial and economic relief measures in response to the COVID-19 pandemic.

Officer's Recommendation:

THAT Council adopt the Hardship Policy, as attached, effective from 17 April 2020.

Further;

THAT Council delegate authority to the Chief Executive Officer and Chief Financial Officer to assess applications made under the Hardship Policy.

Further;

THAT Council approve the application of the additional financial relief measures in addition to the provisions contained in the Hardship Policy specifically:

- **Review payment plans for ratepayers' and debtors on a case by case basis. All payment plans will be reviewed by July 2020 to check suitability; and**
- **All debt collection processes be placed on hold until 30 June 2020. External debt collection processes are to be reviewed in July 2020 and sale of land auction processes to be reviewed in January 2021; and**
- **Interest on overdue rates and charges and sundry debtors to be placed on hold from 1 March 2020 until 30 June 2020. To be re-assessed through the 2020-21 budget; and**
- **Extend the due date for licence renewals for food businesses to 30 September 2021 while still ensuring appropriate inspections and risk management of premises.**

And Further;

THAT Council receive and note the Economic Stimulus Measures which have commenced.

RESOLUTION

THAT Council adopt the Hardship Policy, as attached, effective from 17 April 2020.

Further;

THAT Council delegate authority to the Chief Executive Officer and Chief Financial Officer to assess applications made under the Hardship Policy.

Further;

THAT Council approve the application of the additional financial relief measures in addition to the provisions contained in the Hardship Policy, specifically:

- **Review payment plans for ratepayers' and debtors on a case by case basis. All payment plans will be reviewed by July 2020 to check suitability; and**
- **External debt collection processes are to be placed on hold until 30 June 2020 and**

reviewed in July 2020, and new sale of land auction processes are to be deferred until January 2021; and

- Interest on overdue rates and charges and sundry debtors is to be placed on hold from 1 March 2020 until 30 June 2020. This measure is to be re-assessed through the 2020-21 budget; and
- Extend the due date for licence renewals for food businesses until 30 September 2021 while still ensuring appropriate inspections and risk management of premises.

And Further;

THAT Council receive and note the Economic Stimulus Measures which have commenced.

Moved By: Cr Hagan

Seconded By:

Cr Qualischefski

Resolution Number: 20-24/0007

CARRIED

7/0

Report

1. Introduction

The COVID-19 pandemic has presented significant economic challenges for the Lockyer Valley community. As a result, both financial relief and economic stimulus measures to assist the community recover from the adverse economic impacts of COVID-19 are considered.

2. Background

The COVID-19 pandemic, since its emergence, continues to have a significant impact on the world economy, stifling industry and businesses ability to operate, threatening supply chains and dampening consumer spending. There remains considerable uncertainty around the potential economic implications of the Coronavirus, however, the economic shock is likely to be significant as it continues to impact on consumer confidence, people's ability to work and business cash flow.

Major stimulus packages have been announced by Federal and State governments with the primary goal of supporting business cash flow to ensure the survival of businesses and keeping people employed. These packages are designed to support business investment and help small businesses manage short-term cash flow, as well as ensuring the most severely affected communities and regions are assisted.

3. Report

There is a high risk of COVID-19 having an unprecedented effect on the economy and community of the Lockyer Valley Region. This report proposes various financial relief and economic support measures to provide immediate and medium-term support to the Lockyer Valley Regional Council community and business owners impacted by the coronavirus (COVID-19) pandemic. These measures are designed to complement Federal and State financial support packages and minimise the economic impacts of COVID-19 on our local economy.

In addition to the Federal and State government stimulus packages announced, Council has a unique role to play in these circumstances given our existing relationships with the local business community. These relationships and 'local knowledge' allow Council to tailor its response and ensure any investment is well placed.

It is important to acknowledge that this response is ongoing and will be assessed and developed in accordance with existing financial and operational requirements, State and Federal Government financial support, and that other initiatives will be explored and implemented to ensure economic support and recovery for the region.

Future initiatives will be investigated and considered as part of Council's 2020-21 Budget processes including reviewing Rates and Charges, Fees and Charges, extended due dates and overdue interest applications, the community grants program and budget initiatives and projects with a focus on job creation and increased local employment contract opportunities.

The current proposals have been considered with respect to the following principals: That they;

- compliment Federal, State and other local government emergency response policies,
- are proportionate to the degree of the economic shock and the impact on the economy,
- can be adjusted appropriately as the health and economic effects unfold,
- are targeted to address the specific issues we are confronting, supporting those most affected and delivered where it will be most effective,
- existing delivery mechanisms should be used, wherever possible,
- are temporary.

Hardship Policy

The Queensland Audit Office (QAO) Managing Local Government Rates and Charges Report 17: 2017-18 recommended that all Queensland Councils "*publish a hardship policy to assist ratepayers to seek a concession for a hardship as allowed by section 120(1)(c) of the Local Government Regulations 2012*". Hardship is not defined by the Act or Regulation and at present Council do not have a Hardship Policy. The current process allows rate payers to apply to Council with a set criterion which are presented to Council on a case by case basis for decision. It is recommended a Hardship policy be endorsed by Council which covers rates and charges and other financial obligations for hardship considerations, providing the CEO delegation for approval of a hardship application.

The Hardship Policy will include three categories to provide assistance and options to property owners experiencing difficulties in paying council rates and charges and to all customers for other financial obligations due to financial hardship:

- Category One – Rates and Charges Serious Financial Hardship - Rates and Charges (residential).
- Category Two – Financial Hardship due to Declared Natural Disaster (drought, flood, fire, health pandemic - Rates and Charges (short term).
- Category Three - Other Financial Hardship Applications – due to Financial hardship (drought, flood, fire, health pandemic and other declared natural disasters – Other Financial Obligations (short term).

The methods by which this policy is to be implemented in practice will be set out in the Hardship procedure and application form which is used by staff to guide applicants experiencing financial hardship.

The Hardship policy will allow application for the following assistance:

Financial hardship relief for residential rate payers (Category 1)

- Agreed payment commitment outside the current debt recovery action
- Freezing of interest charges up to a maximum of 2 half yearly rating periods
- Short term payment extension for the current half year rates only – deferment to a maximum period of 6 months to pay the current rates and charges with no loss of discount.

- A rebate of all or part of the rates and charges
- An agreement to accept a transfer of unencumbered land in full or part payment of the rates and charges.

Short-term financial relief measures during COVID-19 or other declared natural disaster (Category 2 & 3):

- Agreed payment commitment outside the current debt recovery action
- Freezing of interest charges up to a maximum of 6 months.
- Short term payment extension for the current outstanding debt - deferred payment arrangements for rates and charges or sundry debtors for a period of up to 6 months;
- Lease holders for deferred payment arrangements or fee waivers for lease and utility reimbursement costs for a period of up to 6 months;
- Application for reversal of incurred direct debit dishonour fees as a result of financial hardship;

Additional Financial Relief Measures

The following financial relief measures are recommended in addition to the provisions identified under the Hardship Policy:

- Review requested payment plans for ratepayers' and debtors on a case by case basis and ensure we are flexible and compassionate. All payment plans will be reviewed by July 2020 to review suitability;
- All debt collection processes including the engagement of external debt collection agencies and sale of land auctions, but excluding issuing standard reminder notices and account statements, to be placed on hold until 30 June 2020. External debt collection processes are to be reviewed in July 2020 and sale of land auction processes to be reviewed in January 2021;
- Interest on overdue rates and charges and sundry debtors to be placed on hold from 1 March 2020 until 30 June 2020. To be re-assessed through the 20-21 budget.
- Extend the due date for licence renewals for food businesses to 30 September 2021 while still ensuring appropriate inspections and risk management of premises;

Economic Stimulus Measures

The following initial economic stimulus have already commenced:

- To inject money into the local economy, all suppliers have been placed on 14-day payment terms from the date of the invoice effective immediately. This will exclude large corporations and government bodies.
- Encouraging stronger buy local procurement by increasing the amount of Local spend by ensuring all of Council's Requests for Quotes for purchases over \$15,000 include at least two (2) local businesses where they are available and reviewing essential work already budgeted which can be brought forward that can be delivered by local suppliers and contractors;
- Engage discussions with grant funding bodies for approved funds not yet spent to COVID-19 relief / economic stimulus projects and request altering the grant terms to allow the use of internal resources to deliver projects;
- Continue working with businesses, social enterprises, community groups, and sporting clubs impacted by the COVID-19 pandemic to assist them with accessing information on available Federal and State Government Stimulus packages;
- Continue to work with LGAQ to lobby Federal and State Government for funding assistance to Local Governments for additional economic stimulus and recovery. For example, the Department of Infrastructure, Transport, Regional Development and Communications recently requested information on local road projects that have the potential to be fast-tracked to support local economies recover from the impact of COVID-19. LVRC have provided the following projects which have the potential to be fast-tracked and considered for funding:

○ Woodlands Road Widening	\$450,000
○ Postmans Ridge Road Widening & Rehabilitation	\$800,000
○ Unsealed Road Network Renewal Program	\$900,000
○ Inland Rail Road Access Enabling Safety Improvements Package	\$1,400,000

4. Policy and Legal Implications

The adoption of the Hardship policy provides clear definition and guidance to staff and the community regarding hardship options and available assistance measures and provides both long term and short-term categories for various circumstances.

A local government has a power to do anything that is necessary or convenient for the good rule and welfare of its local government area under section 9 (1) of *Local Government Act 2009*. This broad power is however constrained by specific legislative requirements. This includes Section 94 of the *Local Government Act 2009* which prohibits Council changing general rates, separate charges and utility charges during the financial year. The amounts are determined at the Annual Budget Council Meeting and are set for the financial year.

5. Financial and Resource Implications

The impacts of this response will likely have a significant effect on our current and future budgets, given the spread of changes and associated impacts we are dealing with, noting the quantum is yet unknown. There is a risk of an operating deficit in the 2019-20 financial year based on the support package to the Lockyer Valley community combined with loss of revenue from facility closures.

The financial relief and economic stimulus measures proposed can generally be delivered within existing operational structures acknowledging potential staffing level changes and remote working options already implemented.

6. Delegations/Authorisations

That Council delegate authority to the Chief Executive Officer and Chief Financial Officer to assess applications made under the Hardship Policy.

7. Communication and Engagement

The amended policy and other financial relief and economic stimulus measures will be updated on Council's internet and staff advised through internal communications.

8. Conclusion

This report proposes various financial relief measures and economic support already commenced to provide immediate and medium-term support to the Lockyer Valley Regional Council community and business owners impacted by the coronavirus (COVID-19) pandemic.

9. Action/s

Update Council's Policy Register and upload to the internet.
Implement Financial and Economic Relief measures.

Attachments

1 [↓](#) Hardship Policy 4 Pages



STRATEGIC

HARDSHIP

Head of Power

Local Government Act 2009
Local Government Regulation 2012

Key Supporting Council Document

Lockyer Valley Regional Council Corporate Plan 2017-2022

5.4 Commit to open and accountable governance to ensure community confidence and trust in council and our democratic values.

Definitions

Financial hardship

Unable to meet financial obligations because of unexpected events or unforeseen changes resulting in them being unable to meet basic requirements including food, clothing, medicine, housing and other necessities because of family tragedy, financial misfortune, serious illness, natural disaster, and other serious or difficult circumstances.

Policy Objective

The objective of this policy is to set out Council guidelines for the assessment of requests for rates and charges or other financial obligation relief due to financial hardship.

It is to provide assistance and options to property owners experiencing difficulties in paying council rates and charges and other related fees and charges due to financial hardship under the following categories:

- Category One – Rates and Charges Serious Financial Hardship - Rates and Charges (residential)
- Category Two – Financial Hardship due to Declared Natural Disaster (drought, flood, fire, health pandemic - Rates and Charges (Short Term)).

Group: Insert group name
 Unit: Insert unit names
 Approved: Ordinary Meeting (Resolution Number XX-XX/XXXX)
 Date Approved: XX/XX/XXXX
 ECM: 37XXXX

Effective Date: 00/00/2000
 Version: X
 Review Date: 00/00/20XX
 Superseded/Revoked: NA

- Category Three - Other Financial Hardship Applications due to Financial hardship (drought, flood, fire, health pandemic and other declared natural disasters – Other financial obligations (Short Term).

Policy Statement

This policy applies to property owners and/or customers experiencing financial hardship. They are recognised as those who intend to pay but do not have the financial capacity to make payment in full by the end of the current rating period or by a payment commitment applicable under the current Rates and Charges Debt Collection and Recovery Policy or Sundry Debt Collection and Recovery Policy process.

Category 1 – Rates and Charges Serious Financial Hardship (Residential)

Eligibility

- The property owner is experiencing serious financial hardship and the hardship has arisen from unexpected or unforeseen events. (Death of a family member, serious illness, sudden loss of job)
- It is the rate payers principal place of residence
- The property owner does not own multiple properties
- The property is not vacant land
- Property is not in a company or business name
- Usually the unforeseen change should have occurred within the last 12 months
- The property owner is unable to maintain a realistic payment commitment.

Types of Assistance

- Agreed payment commitment outside the current debt recovery action
- Freezing of interest charges up to a maximum of 2 half yearly rating periods
- Short term payment extension for the current half year rates only – deferment to a maximum period of 6 months to pay the current rates and charges with no loss of discount.
- A rebate of all or part of the rates and charges
- An agreement to accept a transfer of unencumbered land in full or part payment of the rates and charges.

Requirements for assessments

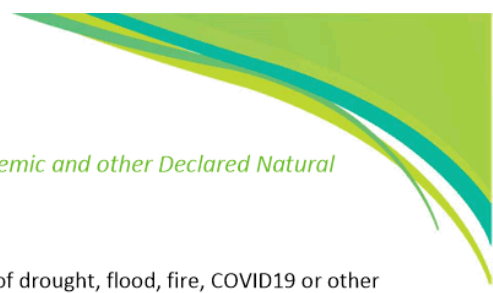
1. Statutory Declaration detailing:
 - a. Estimated income and expenditure from all sources for the year from **1 July 2020 to 30 June 2021**;
 - b. The current balances of bank accounts and, if applicable, investment accounts;
 - c. Details of any real property owned and estimated value, including information on the listing of any property for sale;
 - d. Details of any other assets (i.e. boats, cars, livestock etc.) and estimated value;
 - e. Description, interest rate and balance of other debts such as personal loans, mortgages, credit cards etc., and if they are up to date or also in arrears;
 - f. Details of any refusal of loans or credit that have been sought to assist in paying the debts;
 - g. Details of superannuation fund balances and if an early release has been sought to assist in paying the debts; and
 - h. Any other information that is relevant to your current financial situation.

Group: Insert group name
Unit: Insert unit names
Approved: Ordinary Meeting (Resolution Number XX-XX/XXXX)

Date Approved: XX/XX/XXXX
ECM: 37XXXX

Effective Date: 00/00/2000
Version: X
Review Date: 00/00/20XX
Superseded/Revoked: NA

Page 2 of 4



Category 2 – Rates and Charges Drought, Flood, Fire, Health Pandemic and other Declared Natural Disasters. (Short Term)

Eligibility

- The property owner is experiencing financial hardship because of drought, flood, fire, COVID19 or other declared natural disasters.
- Loss of income/employment because of drought, flood, fire, COVID19 or other declared natural disasters.
- The property is not vacant land
- Usually the unforeseen change should have occurred within the last 6 months
- The property owner is unable to maintain a realistic payment commitment.

Types of Assistance

- Agreed payment commitment outside the current debt recovery action
- Freezing of interest charges up to a maximum of 6 months.
- Short term payment extension for the current half year rates only – deferment to a maximum period of 6 months to pay the current rates and charges with no loss of discount.

Requirements for assessments

1. Statutory Declaration detailing:
 - a. Evidence of employment or income loss
 - b. Evidence of situation if not a declared natural disaster or pandemic;
 - c. Any other information that is relevant to your current short-term financial situation.

Category 3 – Other Financial Hardship Applications – Due to Financial Hardship, Drought, Flood, Fire, Health Pandemic and other Declared Natural Disasters – Other financial obligations (Short Term)

Eligibility

- The customer is experiencing financial hardship and the hardship has arisen from unexpected or unforeseen events. (Death of a family member, serious illness, sudden loss of job)
- Usually the unforeseen change should have occurred within the last 6 months
- The customer is unable to maintain a realistic payment commitment
- The customer is experiencing financial hardship because of drought, flood, fire, COVID19 or other declared natural disasters.
- Loss of income/employment due to drought, flood, fire, COVID19 or other declared natural disasters.
- The customer has a balance due with Council in relation to Infrastructure Charges, Development Application Fees, and Waste Fees (those not included on a rate notice).

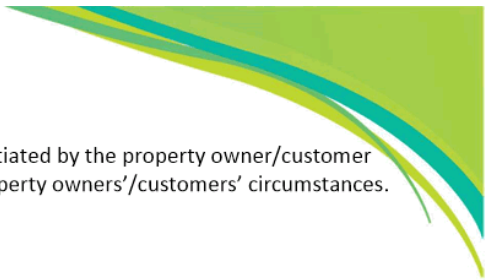
Types of Assistance

- Freezing of interest charges up to a maximum of 6 months
- Short term payment extension for the current outstanding fees or charges for a period of up to 6 months
- Agreed payment commitment outside the current debt recovery action process
- Waiving of fees, charges and billed reimbursements

Requirements for assessments

1. Statutory Declaration detailing:
 - a. Evidence of employment or income loss
 - b. Evidence of situation if not a declared natural disaster or pandemic;
 - c. Any other information that is relevant to your current short-term financial situation.

Group: Insert group name	Effective Date: 00/00/2000
Unit: Insert unit names	Version: X
Approved: Ordinary Meeting (Resolution Number XX-XX/XXXX)	Review Date: 00/00/20XX
Date Approved: XX/XX/XXXX	Superseded/Revoked: NA
ECM: 37XXXX	



A review of the hardship will be completed regularly and may be renegotiated by the property owner/customer and the responsible officer to take into consideration changes in the property owners'/customers' circumstances.

Failure to comply

If the property owner/s/customer's:

- Fails to commit to the agreed payment commitment
- Fails to comply to the Council's offer of relief
- Does not reply to Council's offer

If the agreed decision is forfeited Council will continue with normal debt recovery action and charging of interest. Interest will be back dated to the date it ceased. The property owner/customer will be contacted prior to commencement of debt recovery action. No further hardship application from the property owner/customer will be accepted for the following 12 months.

Related Documents

[Lockyer Valley Regional Council Rates and Charges Debt Collection and Recovery](#)

[Lockyer Valley Regional Council Sundry Debt Collection and Recovery Policy](#)

DRAFT

Group: Insert group name Unit: Insert unit names Approved: Ordinary Meeting (Resolution Number XX-XX/XXXX) Date Approved: XX/XX/XXXX ECM: 37XXXX	Effective Date: 00/00/2000 Version: X Review Date: 00/00/20XX Superseded/Revoked: NA
--	---

5.0 MEETING CLOSED

There being no further business, the meeting closed at 1:43pm.