

Supplementary material

Guidelines for regulatory fee relief during emergencies

Scope of the guidelines

- These guidelines have been prepared to assist agencies in developing fee relief proposals in response to the coronavirus emergency and for future disasters and emergencies.
- These guidelines apply to fee relief proposals relating to regulatory services provided by agencies during periods of disaster or emergency.
- The following terms define the scope of the guidelines:
 - **fee relief**: fee refunds, waivers, deferrals, reductions and/or term extensions;
 - **regulatory services**: the processing of applications, registrations, licences, approvals and permits;
 - **agencies**: Victorian Government entities subject to the Standing Directions issued by the Assistant Treasurer under the *Financial Management Act 1994*; and
 - **emergency**: a state of disaster or emergency declared by the government under relevant legislation.

The guidelines in brief

No.	Guideline
1	Fee relief should have an appropriate legal basis.
2	Fee relief should be delivered in a timely manner.
3	Fee relief should be appropriately targeted .
4	Fee relief should be temporary .
5	Fee relief should complement other policy measures.
6	Fee relief should be affordable and beneficial .

Guideline 1

Fee relief should have an appropriate legal basis.

- Agencies should ensure that fee relief has an appropriate legal basis.
- Many Acts provide for an ability to waive, defer, refund or reduce fees. These often require regulations or other instruments to be made to enliven the power which may not occur at short notice. This can hinder a timely response to an emergency such as the coronavirus pandemic.

Guideline 2

Fee relief should be delivered in a timely manner.

- Agencies should have the capability to deliver fee relief in a timeframe that addresses the needs of Victorians during a disaster or emergency.
- Emergencies often have impacts that cause immediate hardship and distress for individuals, households and businesses. This has been the case in the 2019-20 bushfires and the coronavirus pandemic.
- Fee relief therefore needs to be implemented quickly to ameliorate this hardship. Using existing arrangements may be the fastest way to deliver fee relief.

Guideline 3

Fee relief should be appropriately targeted.

- Fee relief should be targeted at Victorians experiencing financial hardship as a result of an emergency or disaster.
- Targeting can be achieved through the application of eligibility criteria. Such criteria should be designed to target those individuals, households and businesses who are experiencing financial hardship.
- In relation to the coronavirus pandemic, eligibility criteria could be based on:
 - directions issued by Victoria's Chief Health Officer.
 - criteria used for related policy interventions, such as the turnover requirements for the Commonwealth Government's JobKeeper wage subsidies.
- Agencies should consult DTF on the development and application of eligibility criteria.

Guideline 4

Fee relief should be temporary.

- Fee relief should address the immediate needs of Victorians experiencing financial hardship as a result of an emergency or disaster.
- Fee relief, often together with other measures, is intended to provide temporary support so that the community and business are in a better position to manage and then recover from the emergency.
- As fee relief is a temporary measure, sunset clauses and time limits on the provision of fee relief should be considered.

Guideline 5

Fee relief should complement other policy measures.

- Fee relief should complement, and not overlap or conflict with, other policy measures of the Victorian or Commonwealth governments.
- Victorian Government interventions should act alongside interventions from the Commonwealth Government and those of other states and territories.

Guideline 6

Fee relief should be affordable and beneficial.

- Fee relief needs to be affordable to government and ameliorate financial hardship caused by disasters and emergencies.
- Proposals for fee relief should be costed. This involves estimating the revenue forgone from implementing a proposal. Estimates of the cost and benefit, and comparison with other options, will assist in assessing a proposal.
- Agencies should consult DTF during the development of fee relief proposals, including the consideration and costing of budget implications as well as the development of eligibility criteria. The implications for cost recovery or self-funding arrangements may also need to be considered.
- Final approval of fee relief proposals should rest with the relevant portfolio Minister and, where the revenue impacts are significant*, in consultation with the Treasurer.

* That is, with a revenue impact exceeding \$500,000 a year. This threshold will be adjusted annually using the Treasurer's annual rate, commencing on 1 July 2020.

Further information

Contact details

For further information about these guidelines, please contact Economic Policy, Department of Treasury and Finance:

- website: dtf.vic.gov.au
- email: pricing@dtf.vic.gov.au
- phone: 03 9651 5111.