



The Hon Damien Tudehope MLC

Minister for Finance and Small Business,
Vice-President of the Executive Council and
Leader of the Government in the Legislative Council

PUBLIC ACCOUNTABILITY COMMITTEE
NSW GOVERNMENT'S MANAGEMENT OF THE COVID-19 PANDEMIC
Thursday 21 May 2020
Answers to Questions on Notice
Hon Damien Tudehope MLC, Minister for Finance and Small Business

Question 1:

What were the main reasons for the 537 applications for COVID-19 support small business grants not being approved? (Transcript p. 41)

Answer:

During the online application process, the customer needs to confirm that they:

- Have an annual turnover of \$75,000 or more.
- Sit below the NSW Government 2019-20 payroll tax threshold of \$900,000.
- Have the required number of full-time equivalent employees as at 1 March 2020.

If the customer selects "No" to any of the above or their small business does not have the required FTE, the application stops there and does not progress to further assessment.

If the application proceeds for assessment, the main reasons applications are not approved are:

- The customer has proactively withdrawn their application after realising the eligibility criteria are not met.
- The letter provided by the accountant for businesses outside of the highly impacted industries does not meet the requirements and therefore eligibility criteria is not met. In these cases, before a final decision is made, the assessor will first consider the applicant's Business Activity Statements for the relevant periods and follow up with the applicant and/or accountant for any further relevant information.

Question 2:

(a) How many applications have been made for COVID-19 land tax relief in relation to both commercial and residential properties?

(b) What is the total value of land tax relief in waivers or refunds granted in relation to landlords reducing rent for commercial tenants and for residential tenants? (Transcript p. 44-45)

Answer:

(a) As at 19 June 2020, 4,029 applications for land tax relief have been received.

Of the 5,363 properties claimed:

- 3,540 are commercial properties (66%) and
- 1,823 are residential properties (34%).

(b) As at 16 June 2020, 689 applications for relief have been finalised with over \$3.6 million in land tax relief being granted for 848 properties.

The land tax relief scheme remains open until 31 October 2020 so it is too soon to assess the full extent of the take up of this scheme.

Question 3. How many additional staff have been appointed to Service NSW and the Office of the Small Business Commissioner to handle requests for assistance and mediation in relation to the *Retail and Other Commercial Leases (COVID-19) Regulation 2020*? (Transcript p.51)

As at 17th June, 19 new Small Business Commission Mediation Services positions have been recruited.

As at 27th April, 62 new Service NSW employees have been recruited to support business customers impacted by COVID-19, all of whom have been trained in providing support on commercial leasing.

Question 4. What is the average time taken to complete mediation in relation to the *Retail and Other Commercial Leases (COVID-19) Regulation 2020*? (Transcript p. 51)

The time between filing an application for mediation and the mediation day itself is 27 days on average. However, about 66% of COVID matters will close as private negotiation after an average of 2 days.

Time taken on the day of mediation is between 3 and 5 hours.

Question 5. When do the guidelines for a 50% reduction in fines come into effect? (Transcript p. 52)

Answer:

The '*Reduction of a Penalty Notice Amount*' Guidelines will come into effect from 1 July 2020.



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