

AMENDED ITEM



Item No: 6.2
Title: Notice of Motion - Coast COVID Economic Crisis
Department: Councillor

11 May 2020 Ordinary Council Meeting

Reference: F2020/00039 - D13952333
Author: Greg Best, Councillor
Bruce McLachlan, Councillor
Jilly Pilon, Councillor

Councillors Best, McLachlan and Pilon have given notice that at the Ordinary Council Meeting to be held on 11 May 2020 they will move the following motion:

- 1 That Council recognises the importance of stimulating the local coast economy as a consequence of COVID-19 on business closures and mass local job losses.**
- 2 That Council now urgently reconvene its recently cancelled Strategic Planning/Budget Workshop with a view to economically activating employment initiatives while drilling down on the real impacts of this pandemic on our coasts' business community, sporting organisations, volunteer groups and community club's.**
- 3 That any such virtual workshop should also explore all funding opportunities in the recently announced State Government \$395 million Local Government Pandemic Rescue Package.**

CEO Response

The Chief Executive Officer considers that this Notice of Motion has legal, strategic, financial or policy implications which should be taken into consideration by the meeting. As a result, the Chief Executive Officer will provide a report in relation to the Notice of Motion. This report will be provided as a Late Item and will be made available by close of business on the Friday prior to the Council Meeting.

Attachments

- 1 CEO Response to Notice of Motion - Coast COVID Economic Crisis D13956819

Title: CEO Response to Notice of Motion - Coast COVID Economic Crisis

Department: Governance



11 May 2020 Ordinary Council Meeting

Reference: F2020/00039 - D13956819

Author: Shane Sullivan, Unit Manager, Governance and Business Services
Carlton Oldfield, Acting Chief Financial Officer

Ricardo Martello, Executive Manager Innovation and Futures

Executive: Gary Murphy, Chief Executive Officer

Summary

This report provides a response to Item 6.2 - Notice of Motion – Coast COVID Economic Crisis.

Motion: *That Council recognises the importance of stimulating the local coast economy as a consequence of COVID-19 on business closures and mass local job losses.*

Staff Comments:

In March of this year, Council established a Central Coast COVID-19 Business Task Force to help local business. Information regarding this was included in the report to Council on 27 April 2020.

The Federal Government, NSW Government, Central Coast Council, Business NSW, Central Coast Industry Connect and Regional Development Australia Central Coast have joined forces to assess the economic impact of COVID-19 to the Central Coast economy and respond with local initiatives aimed at stimulating business investment, maintaining jobs and helping businesses withstand the effects of the pandemic.

A range of initiatives including Economic Modelling, Business surveys, Online Education seminars and an information portal for the local business community have been developed. www.centralcoasteconomy.com.au

As part of this initiative the Economic Development team co-ordinated Councils Phase 1 business and community relief package which included;

FEES & WAIVERS

1. Waive footpath dining fees
 - Rationale: Footpath outdoor dining fees have been levied for the year (July 2020) so Council would need to look at "refunds" rather than waive unless there are new applications (unlikely given current circumstances). Refunding

these fees would help to alleviate pressure on existing dining establishments as they transition to new lockdown measures and a reduced customer base.

2. Waive or refund food license fees and temporary good stall/premises fees
 - Rationale: Waiving and refunding food license fees would help to alleviate financial pressures on existing dining establishments as they transition to new lockdown measures and a reduced customer base.
3. Waive fees for Health and Building Compliance activities
 - Rationale: Health and Building Compliance fees apply to businesses such as hairdressers, nail shops, and tattoo parlours. With new lockdown measures restricting access to these industries, they represent a sector at risk.
4. Waiving lease/licenses for Councils commercial properties
 - Rationale: Commercial property leasing includes cinemas, cafes, child care centres, restaurant, and golf clubs. These industries have been impacted by lockdown measures. It is not recommended that telecommunications leases be waived, as the lockdown measures do not affect communications.

Phase 1 – Community Support Package:

5. Flexible approach to parking and other infringements
 - Rationale: With new lockdown restrictions on local businesses, restricting dining establishments to 'take-away only', this will allow for flexibility for patrons to access local services. Fines for 'Dangerous and Unsafe Practices' will continue to apply.
6. Waive or refund temporary event fees
 - Rationale: Lost revenue and refund for events cancelled at Kibble Park and Memorial Park due to social distancing restrictions.
7. Waive or refund fees associated with the use of parks
 - Rationale: Refund of fees for events such as weddings, markets, and personal trainers due to social distancing restrictions.
8. Waive or refund booking fees for all cancelled events on Council property
 - Rationale: Refunds for events to be held at community venues, senior centres, youth centres and sporting facilities due to event cancellations from social distancing measures.
9. Full refund for advertising bookings

- Rationale: Refund to community groups for future advertising on banner poles, as events have been restricted due to social distancing rules.
10. Waiving leases/licenses for Council's community properties
- Rationale: Community property leasing includes surf clubs, community centres, land leases, recreation centres, art facilities, tennis courts, cottages and residential. Based on lockdown measures, these businesses will be highly impacted.

PROCUREMENT

11. Council to endeavour to use local suppliers within the parameters of local government procurement rules noting that Council already has a 20% preference weighting for local suppliers.
12. Fast-track approval for registered local businesses to be on list of approved suppliers of Central Coast Council

ECONOMIC DEVELOPMENT

13. Form a COVID-19 Business Recovery Task Force with NSW Government, Regional Development Australia, Business NSW, Central Coast Industry Connect and Central Coast Food Alliance to streamline support and recovery efforts.
14. Launch a new internet portal to provide resources and information to businesses in the Central Coast region
- Central Coast Council, in conjunction with NSW Government, Regional Development Australia, Business NSW, Central Coast Industry Connect and Central Coast Food Alliance have partnered to develop an internet portal to provide resources and information to businesses in the Central Coast Region. This website will be operational on 27 March 2020.
15. Encourage the community to support local businesses by promoting shopping and eating locally and supporting social media marketing for business
- Central Coast Council, in conjunction with NSW Government, Regional Development Australia, Business NSW, and Central Coast Industry Connect have partnered to develop an internet portal to provide resources and information to businesses in the Central Coast Region. This website should be operational by mid-week (25 March 2020). As well, a social media campaign is planned to promote local businesses.

NON-ENFORCEMENT OF DEVELOPMENT APPROVALS: DELIVERY TIMES

16. To not enforce any condition on development approvals which limit delivery times to retailers in the municipality

17. To not enforce any delivery curfews on supermarket loading bays to help them meet current demand in the wake of the COVID-19 outbreak (already approved by NSW GOV)

Council's Economic Development team has set up a working group with all key areas within Council to develop a holistic recovery program for the community that is aimed at supporting business, tourism and the community to emerge from the phased lockdown removals over an extended period. The measures will look at a range of staged initiatives that will be timed to respond to the phase lifting of the lockdowns. The Group is looking at (but not limited to) areas such as commercial and community leases, licenses, planning reform for business and community, hardship applications for rates, access to NSW and Federal grants, enforcements and promotion of the area as a place to conduct business.

Council's phase 2 Community and Business Relief package will be reported to council for adoption in June as well as a Revised Draft Economic Development Strategy with a customised Economic Recovery and Resilience Plan.

Staff Recommendation:

The Motion is unnecessary.

Motion: ***That Council now urgently reconvene its recently cancelled Strategic Planning/Budget Workshop with a view to economically activating employment initiatives while drilling down on the real impacts of this pandemic on our coasts' business community, sporting organisations, volunteer groups and community clubs.***

Staff Comments:

As advised to Councillors previously, Council has engaged Grant Thornton to review Council's financial position currently and in the immediate period. The results of this work will be provided to Councillors and form part of a dedicated workshop.

This is in addition, to the actions taken as set out above in response to point one of the proposed Motion.

Staff Recommendation:

The Motion is unnecessary.

Motion: ***That any such virtual workshop should also explore all funding opportunities in the recently announced State Government \$395 million Local Government Pandemic Rescue Package.***

Staff Comments:

Work has commenced on evaluating the actual impact of the funding announced recently by the State Government. Any opportunities as a result of State Government initiatives are being assessed and regularly communicated to Councillors at weekly briefings held with the Chief Executive Officer.

The Council Job Retention Allowance

In order to be eligible to receive this funding Council would need to project or demonstrate a 30% reduction in own-source revenue each quarter commencing with the fourth quarter of 2019/20. Own source funding includes rates and annual charges, user fees and other revenue. It also includes interest and investment income.

The assessment for eligibility will be calculated across the board and not by service. Given this, it is likely that Central Coast Council would be ineligible. Indeed, feedback received from a number of NSW Councils has been that it is likely that very few Councils would be eligible for this funding support.

It is noted that certain roles are excluded from eligibility such as those roles involved in essential services.

For Central Coast Council the primary effort is to redeploy staff and to date this has been implemented successfully.

Funding to meet Council's increase in the emergency services levy for 2020-21

Councils will receive a grant to help offset the amount that their emergency services levy has increased by between 2019/20 and 2020/21. This is an amount levied by the State Government and as such, this funding is support from the State Government for an increased amount being charged to local government.

Council will be required to pay the Emergency Services Levy invoice to Revenue NSW and will be subsequently reimbursed the increased amount.

Local government contributions to ESL will total \$178.28 million for 2020/21 which is an increase of \$32.76 million since 2019/20.

Access to low interest, infrastructure loans from TCorp in line with TCorp's credit criteria

This is access to a loan and as such is not direct funding. It is also noted that eligibility for these loans is complex and staff are presently working with TCorp on borrowing opportunities.

Access, subject to meeting certain requirements, to a NSW Government guarantee for commercial borrowings.

This is access to an indemnity and as such is not direct funding. This provides that Councils seeking access to commercial finance will be able to, subject to conditions, receive a Deed of Indemnity for and on behalf of the Crown in right of the State of NSW. It is expected that this would increase the availability and reduce the cost of borrowing for Councils.

Staff Recommendation:

The Motion is unnecessary.

Link to Community Strategic Plan

Theme 4: Responsible

Goal G: Good governance and great partnerships

G2: Communicate openly and honestly with the community to build a relationship based on transparency, understanding, trust and respect.

Attachments

Nil.