

SPECIAL MEETING AGENDA

TO BE HELD AT THE COUNCIL CHAMBERS - CIVIC CENTRE 101 GOONDOON STREET, GLADSTONE

On 24 March 2020

Commencing at 9.00am

Leisa Dowling CHIEF EXECUTIVE OFFICER

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G/3. OFFICERS' REPORTS

G/3.1. OFFICER'S REPORTS

G/3.1.2. COVID-19 SUPPORT PACKAGE

Responsible Officer: General Manager Finance Governance and Risk

Council Meeting Date: 23 March 2020

File Ref: HS12.6, RV9.1

Purpose:

The purpose of this report is to provide direction and authority for the granting of financial assistance and support to the local community as a result of Coronavirus (COVID-19).

Officer's Recommendation:

That Pursuant to section 9(1) of the Local Government Act 2009, Council resolves that:

- 1. The due date of Water Consumption levies issued by Council in rates notices issued on 18 February 2020, shall be extended under s130(7) of the *Local Government Regulation 2012* to have an effective due date of 30 June 2020;
- 2. Effective from 1 March 2020, a concession equivalent to the Interest on Overdue Rates or Charges be granted until 30 June 2020;
- 3. The Chief Executive Officer:
 - (a) report back to Council before 30 June 2020, with recommendations for further rates concessions for the 2020/21 financial year, aligned with the status of the Coronavirus (COVID-19) and to take effect from 1 July 2020;
 - (b) update the current *Rating Financial Hardship Policy* (P-2019-07) to provide concessions for residents, businesses and other entities that have been affected by a pandemic such as the Coronavirus (COVID-19) for approval by Council; and
 - (c) develop and implement a grants program for eligible sporting and community groups that have been adversely affected by Coronavirus (COVID-19). The grants program is to be for a maximum of \$400,000 allocated from the 2019/20 Expenditure Budget with individual grants up to a maximum of \$10,000 for each eligible group;
- 4. All Council event applications, booking and ticketing fees, permits and associated licenses for events that have been cancelled as a direct result of Coronavirus (COVID-19);
- 5. All existing permits for regulated uses and premises including but not limited to Environmentally Relevant Activities, Personal Appearance Services, Food Businesses, Roadside Vending and Street Marketing and Commercial Activities on Council Owned Land be extended for a period of six-months from the relevant expiry date;
- 6. The Chief Executive Officer be delegated the power to approve all applications for commercial activities on council land in accordance with the Commercial Activities on Council Land Policy (P-2018-11);
- 7. Waive commercial rents on Council owned/or managed land from 1 March 2020 until 30 June 2020; and
- 8. The Chief Executive Officer identifies and reports to Council on any other measures to be implemented that may reduce the financial impact on residents, businesses and the community as affected by Coronavirus (COVID-19) before 30 June 2020.

Background:

Coronavirus (COVID-19) is currently spreading throughout Australia with a dramatic impact on all facets of our community. Whilst Council's charges and regulations are a small part of the total taxation and regulation applicable to the community, there are some measures that can be considered by Council to reduce the burden on the community.

Options, Risk and Opportunity Analysis:

To assist the community in the initial stage of the Coronavirus (COVID-19), Council has developed a number of initiatives to provide support to community including sporting and recreational associations, community service providers, ratepayers and the business community that have been or will be affected by the virus.

Currently in the Gladstone Region, this unprecedented event is only in the early stages of impact. The support initiatives identified within this report are initial avenues available to Council to provide assistance to the community. It is anticipated that a broader of suite of initiatives to both support and stimulate the local area will need to be explored during the development of the 2020/2021 Budget.

The initial initiatives identified are:

Rating Concessions

Given Council's annual rating cycle has now been completed, the primary assistance that Council can provide at this point in time is to:

- extend due dates;
- ease penalty interest provisions; and
- extend and expand the Rating Financial Hardship Policy that currently only provides assistance to principal place of residence ratepayers.

Water Consumption Notices were issued by Council on 18 February 2020, with payment due on 20 April 2020. It is proposed that the due date be extended to 30 June 2020 to assist in the easing of immediate cash flow issues arising due to the dramatic and sudden cessation of business activity due to travel and movement restrictions associated with the Coronavirus (COVID-19).

To further assist our community, Council can cease the application of penalty interest on overdue rates and charges, effective from 1 March 2020, this will assist all sectors of the community that may be struggling to meet current rates obligations, further freeing up cash flow within the community.

Extending the application of the current Rating Financial Hardship Policy to commercial and industrial property owners will enable more targeted assistance to those rate payers who may be experiencing the economic impacts associated with Coronavirus (COVID-19).

Sporting and Community groups

Sporting and community groups are the foundation of our community, running events and organised sporting activities. With the current limitations on social gatherings imposed by the Federal Government, a number of events, regular sports fixtures and their associated activities have had to be cancelled leaving the groups out of pocket, due to either refunds or incurring fixed costs that have already been expended. To assist, it is proposed that Council commence a grant program wherein eligible groups can access up to \$10,000 to cover some of their out of pocket expenses as a result of the current imposed bans.

In addition to the grants, it is proposed to refund any event application fees for organised events at Council's Entertainment Centre or on other land owned and or managed by Council that have been cancelled as a result of Coronavirus (COVID-19).

Business Community

The Coronavirus (COVID-19) will have a significant impact on all aspects on our commercial and industrial sectors.

As an initial response it is proposed to provide some regulatory relief for businesses in the form of an extension of the expiry dates for existing permits for regulated uses and premises including:

- ERAs (Environmentally Relevant Activities);
- Personal Appearance Services (Tattooists, body piercers, etc);
- Food businesses (cafes, restaurants, mobile vendors, food stalls);
- Roadside vending and street marketing; and
- Commercial Activities on Council owned land.

Council can provide further assistance to the small business community through the Commercial Activities on Council Land Policy. Currently only Council can approve applications for Stationary Vendors. To allow Council to respond to the needs of local vendors as they adjust their operating models to meet social distancing measures and to efficiently assess and approve applications it is proposed that the Chief Executive Officer be delegated authority to approve all applications under the Commercial Activities on Council Land Policy (P-2018-11).

The waiver of commercial rents on Council owned and managed land is also an avenue to provide support to our community's cafés, restaurants and businesses that are directly impacted due to the closure of the surrounding Council and private facilities and the impact of increasing social distancing measures.

This situation will continue to evolve and change but it is certain that the impacts to the region's ratepayers, small business and commercial sectors as well as the many community and sporting groups will be significant.

The impact on the local economy will be wide reaching and Council will stand up its Disaster Recovery Groups including our Economic Recovery Group (with membership of representatives from small and medium enterprises as well as our major industrial partners) and our Community Recovery Group. Consultation with these groups will be imperative to ensure that future strategies adopted by Council are targeted to attain the best value for the region.

Communication and Consultation:

The development of this initial paper is based on discussions with Manager Revenue Services, General Managers Customer Experience and Community Development and Events.

Legal Strategy and Policy Implications:

Whilst Council is in caretaker mode, the proposed resolutions are not Major Policy Decisions, and therefore can be made.

The impact of Coronavirus (COVID-19) is an issue that requires immediate response and hence the initiatives proposed are made under Section 9 (1) *Local Government Act 2009* from Council as they are deemed necessary for the good rule of the local government area.

Financial and Resource Implications:

Whilst the full financial impact of the interruption to our community cannot be estimated at this point, the proposed measures are estimated to provide initial assistance in the order of \$1m to the community, with a net impact on the current financial year of approximately \$0.6m, with \$0.4m being funded from the redirection of Events expenditure budgeted within the 2019/2020 financial year.

Summary:

It is necessary for Council to demonstrate leadership during this crisis with the proposed changes to adopted policies being the first to assist the general community.

Anticipated Resolution Completion Date:

Initial completion of immediate measures by 25 March 2020 with longer term policies and position papers to be completed by 30 June 2020.

Attachments:

Nil.

Tabled Items:

Nil.

Report Prepared by:

General Manager Finance Governance and Risk