



**SPECIAL COUNCIL MEETING
TUESDAY, 24 MARCH 2020**

AGENDA

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AGENDA

REPORTS

DRAFT BUDGET PREPARATIONS FOR FINANCIAL YEAR ENDING 2021

NOTICE OF MEETING AND AGENDA

CR _____

PLEASE TAKE NOTICE that the next **SPECIAL COUNCIL MEETING** will be held in the Council Chambers, Orchard Avenue, Armadale at **7:00pm** in accordance with Standing Orders Local Law section 2.2(2).

TUESDAY, 24 MARCH 2020

**JOANNE ABBISS
CHIEF EXECUTIVE OFFICER**

24 March 2020

1 DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS

2 RECORD OF ATTENDANCE / APOLOGIES / LEAVE OF ABSENCE

Leave of Absence previously granted to Cr Silver

3 PUBLIC QUESTION TIME

Minimum time to be provided – 15 minutes (unless not required)

A procedure has been adopted by Council to ensure the orderly conduct of Public Question time and a copy of this procedure is attached to the Council Agendas made available in the public gallery.

The public's cooperation in this regard will be appreciated.

4 BUSINESS OF THE MEETING

**DRAFT BUDGET PREPARATIONS FOR FINANCIAL YEAR ENDING
2021**

BUSINESS ARISING FROM REPORT

5 CLOSURE

1.1 - DRAFT BUDGET PREPARATIONS FOR FINANCIAL YEAR ENDING 2021

WARD : ALL
FILE No. : M/168/20
DATE : 24 March 2020
REF : JS
RESPONSIBLE MANAGER : Executive Director
Corporate Services

In Brief:

- For Council to consider the draft budget for the financial year ending 30 June 2021, based on a 'rate freeze'.
- That Council:
 1. Acknowledges its role in a whole-of-government response to the COVID-19 Pandemic Emergency to minimise the economic and social impacts on the community;
 2. Requests the Chief Executive Officer to prepare the draft budget for the financial year ending 30 June 2021, based on a 'rate freeze';
 3. Request a further urgent report on the adoption of a hardship policy and other measures to assist ratepayers during the Pandemic Emergency.

Tabled Items

Nil

Decision Type

- Legislative** The decision relates to general local government legislative functions such as adopting/changing local laws, town planning schemes, rates exemptions, City policies and delegations etc
- Executive** The decision relates to the direction setting and oversight role of Council.
- Quasi-judicial** The decision directly affects a person's rights or interests and requires Councillors at the time of making the decision to adhere to the principles of natural justice.

Officer Interest Declaration

Nil

Strategic Implications

Nil

Legal Implications

Nil

Council Policy/Local Law Implications

Nil

Budget/Financial Implications

The recommendation in this report will set the basis for drafting the FY21 budget. Council will consider adopting the budget and imposing rates around July/August.

Consultation

Executive Leadership Team

BACKGROUND

On 12 March 2020, the World Health Organisation made the assessment that COVID-19 can be characterised as a pandemic. Subsequently, on 15 March 2020 the WA State Government declared a state of emergency in Western Australia, along with a formal public health emergency.

As of 24 March 2020, there are 140 confirmed cases in WA. To date, 9,948 Western Australians tested for COVID-19 in WA have returned a negative result. As at 1:00pm AEDT 23 March 2020, there have been 1,416 laboratory confirmed cases of COVID-19 in Australia, and seven deaths. Of the confirmed cases, there have been 586 cases from NSW, 259 cases from QLD, 98 cases from SA, 14 cases from TAS, 296 cases from VIC, 19 cases from the ACT, 4 cases from the NT and 140 cases from WA.

DETAILS OF PROPOSAL

In conjunction with the Federal Government, the Western Australian State Government commenced measures to minimise the spread of the pandemic. Progressively, these measures have included prohibiting overseas arrivals of foreign nationals, prescribing mandatory isolation periods for nationals arriving from overseas, prohibiting gatherings of 500 people or more, limiting the number of people that can gather in an enclosed space to one person per 4m², the temporary closure of registered and licensed clubs (excluding bottleshops attached to these venues), pubs, hotels (excluding accommodation), gyms, indoor sporting venues, cinemas, casinos, entertainment venues, restaurants and cafes (which will be restricted to take away and/or home delivery), places of worship, weddings, funerals (other than very small groups with the 4m² per person rule to apply), and maintaining a social distance of 1.5m. Further measures are expected as the rate of confirmed cases increase.

On Monday 16 March, the City activated its Critical Response Team to oversee the City's business continuity. Later on the same day, the Council delegated authority to the Chief Executive Officer and authorised expenditure of up to \$500,000 for the City to fulfil its roles and responsibilities in response to the Pandemic Emergency.

It is widely anticipated that the measures being taken by Government to stem the spread of the Pandemic will have negative economic and social impacts. Some businesses will close some people will lose their income, either temporarily or permanently. This requires a whole of government response, including economic stimulus and welfare support, consistent with the respective roles of the three tiers of government.

From a local government perspective, this may include a freezing of local government rates, fees and charges. It may also include Local Governments providing the mechanism for economic stimulus through capital works, funded by grant funds or projects brought forward.

Recently, the Premier of Western Australia wrote to the West Australian Local Government Association (WALGA) requesting that Local Governments consider freezing of local government rates, fees and charges. It stated in part:

“During this period local governments and local government leaders will have an important role to play, not only fulfilling responsibilities under the Plan, but also providing leadership in their communities to help people through this difficult time.

Many of the restrictions being put into place will have economic and financial implications for businesses and families.

To ease the financial pressures on families, the State Government yesterday took the decision to freeze all Household Tariffs, Fees and charges in 2020-21.

Local government can also play a significant role to relieve pressure on families and businesses. Local government rates form a significant part of family and business expenses. Rate relief will further assist with these pressures.

I am requesting that you seek your members support and action to unilaterally freeze all Local Government Household Rates, Fees and Charges in 2020-21.

Combined, these measures will provide relief to families and business from the impacts of the spread of COVI D-19.”

It is appropriate that Council consider the matter urgently to inform the community and government of the Council’s position.

COMMENT

The implementation of a general revaluation of all gross rental value rated properties is due this year and will likely confuse the community on the application of a rates freeze. The City is currently advocating through WALGA that the Valuer General hold off on the imposition, on the effective date, of the new gross rental valuations until next year. If this is agreed then every ratepayer can expect exactly the same rates notice as they received last year.

In conjunction with the Council position on a rates freeze, it is opportune to review the City’s position on hardship, to ensure the City’s policy is appropriate for the circumstances. Some of the matters under consideration include reducing or waiving fees, charges and penalty interest. The legislative mechanisms to do this are currently being reviewed. It is worthy to note that the Ombudsman’s¹ report recommends that government recognise people in situations of vulnerability and adopt a hardship policy that enables officers to take a different approach to the collection of overdue rates.

¹ Local government collection of overdue rates for people in situations of vulnerability: Good Practice Guidance 2018

CONCLUSION

It is requested that Council:

1. Acknowledges its role in a whole-of-government response to the COVID-19 Pandemic Emergency to minimise the economic and social impacts on the community;
2. Requests the Chief Executive Officer to prepare the draft budget for the financial year ending 30 June 2021, based on a 'rate freeze';
3. Request a further urgent report on the adoption of a hardship policy and other measures to assist ratepayers during the Pandemic Emergency

ATTACHMENTS

There are no attachments for this report.

RECOMMEND

That Council:

1. **Acknowledges its role in a whole-of-government response to the COVID-19 Pandemic Emergency to minimise the economic and social impacts on the community;**
2. **Requests the Chief Executive Officer to prepare the draft budget for the financial year ending 30 June 2021, based on a 'rate freeze';**
3. **Request a further urgent report on the adoption of a hardship policy and other measures to assist ratepayers during the Pandemic Emergency.**