

**ITEM MAYORAL MINUTE: FINANCIAL SUPPORT FOR
LOCAL GOVERNMENT - COVID-19**

Department Executive Services

Author Initials: AT

REPORT

I am calling on Councillors to support the Local Government sector's campaign for assistance in dealing with the health and economic crisis caused by the COVID-19 pandemic.

The City of Canada Bay is being hit hard by the financial impacts of COVID-19. Council has faced increased costs and at the same time is experiencing declining revenue as ratepayers are forced into financial hardship. The impacts are rapidly escalating.

Major losses in revenue have resulted from the closure of Five Dock Leisure Centre and other community venues and facilities that are no longer able to be hired by our community. Council's support of small business and community organisations who lease facilities from Council but have been unable to operate due to the implementation of physical distancing measures will receive fee waivers.

The extent of the impact of COVID-19 on revenue has been conservatively estimated at a loss of \$4M for the fourth quarter of 2019/20 and up to a further \$4.2M for the first quarter of 2020/21.

Council expects that the revenue loss will be coupled with deteriorating cash flows as ratepayers and businesses seek deferred payment plans to relieve financial hardship. This impact is likely to be more evident beyond the first quarter of 2020/21.

I am recommending that we support the campaign, which is being coordinated on behalf of the NSW sector by Local Government NSW (LGNSW) and at a national level by the Australian Local Government Association (ALGA).

The City of Canada Bay is doing everything possible to provide support and deliver the services needed to protect community health and keep our communities running during these difficult times. The wellbeing, safety and livelihoods of our communities, customers, and staff is our top priority. However, if additional assistance is not provided, Council may be forced to cut services, infrastructure maintenance and staff.

It is critical that the Local Government sector receives adequate funding and resources to coordinate and deliver the goods and services needed as we navigate

through, and recover from, natural disasters and the new challenges presented by COVID-19 and its massive impacts on people and our local economies.

Council needs urgent financial assistance from the Federal Government and NSW State Government to maintain infrastructure, services and employment as well as funding to give Councils the capacity to provide hardship assistance to the community.

The measures listed below would be effective and simple to implement:

- Increasing Financial Assistance Grants payments to 1% to help Councils maintain essential functions and services, acknowledging the increased costs and mounting revenue losses arising from COVID-19 (and drought and bushfire where affected), as well as giving Councils capacity to provide hardship assistance to businesses and residents.
- Immediate financial assistance to support Council employees, especially in early education and care.
- Providing stimulus funding to Councils for projects that will help sustain Council operations and boost local economies. This could be achieved through increasing or bringing forward funding under existing funding programs or introducing new programs. Existing Federal funding programs include the Roads to Recovery, Bridges Renewal and Road Safety Blackspots programs. State programs include Fixing Local Roads, Fixing Country Bridges and the Stronger Country Communities programs.
- Increased access to TAFE, VET and other apprenticeship opportunities that Council staff can undertake to address skill shortages, especially for staff in non-essential services who are unable to be redeployed.

RECOMMENDATION

THAT the City of Canada Bay calls on the Federal Government and NSW Government to urgently deliver comprehensive and multifaceted financial support and stimulus packages to Local Government to enable them to continue to operate effectively and provide essential services during the COVID-19 pandemic.

1. THAT the City of Canada Bay calls for the packages to include the following measures:
 - a. Increasing Financial Assistance Grants payments to 1% to help Councils maintain essential functions and services, acknowledging the increased costs and mounting revenue losses arising from COVID-19 (and drought and bushfire where affected), as well as giving Councils capacity to provide hardship assistance to businesses and residents.
 - b. Immediate financial assistance to support Council employees, especially in early education and care.
 - c. Providing stimulus funding to Councils for projects that will help sustain Council operations and boost local economies. This could

be achieved through increasing or bringing forward funding under existing funding programs or introducing new programs.

- d. Increased access to TAFE, VET and other apprenticeship opportunities that Council staff can undertake to address skill shortages, especially for staff in non-essential services who are unable to be redeployed.
2. THAT the City of Canada Bay commends the NSW and Federal Governments on their stewardship during this crisis and commits to working in partnership to protect community health and sustain local economies through this crisis.
 3. THAT Council write to local members Member for Reid Fiona Martin MP, Member for Drummoyne John Sidoti MP, the Prime Minister the Hon Scott Morrison MP, NSW Premier the Hon Gladys Berejiklian MP, Federal Treasurer the Hon Josh Frydenburg MP, NSW Treasurer the Hon Dominic Perrottet MP, NSW Local Government Minister the Hon Shelley Hancock MP, Federal Minister for Local Government the Hon Mark Coultan, Federal Opposition Leader the Hon Anthony Albanese MP, NSW Opposition Leader Jodi McKay MP, Federal Shadow Minister for Local Government Jason Clare MP and NSW Shadow Minister for Local Government Greg Warren MP to confirm their support for increased financial assistance and stimulus funding for Local Government to help Councils maintain essential services and employment during the COVID-19 pandemic.
 4. THAT the City of Canada Bay endorses Local Government NSW's sector-wide campaign to obtain financial assistance, employment support and stimulus funding for the Local Government sector.
 5. THAT Council advise LGNSW President Linda Scott of the passage of this Mayoral Minute.

