



CONFIRMED MINUTES

Special Council Meeting Tuesday, 21 April 2020

Date: Tuesday, 21 April 2020

Time: 5.00pm

Location: E-Meeting

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**MINUTES OF SHIRE OF YORK
SPECIAL COUNCIL MEETING
HELD AT THE E-MEETING
ON TUESDAY, 21 APRIL 2020 AT 5.00PM**

The York Shire Council acknowledges the traditional owners of the land on which the participants are attending this meeting.

1 OPENING

1.1 Declaration of Opening

Cr Denese Smythe, Shire President, declared the meeting open at 5.04pm.

1.2 Disclaimer

The Shire President advised the following:

"I wish to draw attention to the Disclaimer Notice contained within the agenda document and advise members of the public that any decisions made at the meeting today, can be revoked, pursuant to the Local Government Act 1995.

Therefore members of the public should not rely on any decisions until formal notification in writing by Council has been received. Any plans or documents in agendas and minutes may be subject to copyright. The express permission of the copyright owner must be obtained before copying any copyright material."

1.3 Standing Orders

No Change - E-Meeting via Zoom Platform

1.4 Announcement of Visitors

Nil

1.5 Declarations of Interest that Might Cause a Conflict

Nil

1.6 Declaration of Financial Interests

Nil

1.7 Disclosure of Interests that May Affect Impartiality

Nil

2 ATTENDANCE

2.1 Members

*Cr Denese Smythe, Shire President; Cr Denis Warnick, Deputy Shire President;
Cr Ashley Garratt; Cr Pam Heaton; Cr Stephen Muhleisen (arrived 5.10pm); Cr Kevin Trent*

2.2 Staff

Chris Linnell, Chief Executive Officer; Suzie Haslehurst, Executive Manager, Corporate & Community Services; Darren Wallace, Executive Manager, Infrastructure & Development Services; Helen D'Arcy-Walker, Council & Executive Support Officer

2.3 Apologies

Nil

2.4 Leave of Absence Previously Approved

Cr David Wallace

2.5 Number of People in the Gallery at Commencement of Meeting

There was no-one in the Gallery at the commencement of the meeting as the meeting was held as an E-Meeting via Zoom.

3 PUBLIC QUESTION TIME

Public Question Time is conducted in accordance with the Act and Regulations. In addition to this the Shire's Council Meetings Local Law 2016 states –

6.7 Other procedures for question time for the public

- (1) A member of the public who wishes to ask a question during question time must identify themselves and register with a Council Officer immediately prior to the meeting.
- (2) A question may be taken on notice by the Council for later response.
- (3) When a question is taken on notice the CEO is to ensure that—
 - (a) a response is given to the member of the public in writing; and
 - (b) a summary of the response is included in the agenda of the next meeting of the Council.
- (4) Where a question relating to a matter in which a relevant person has an interest is directed to the relevant person, the relevant person is to—
 - (a) declare that he or she has an interest in the matter; and
 - (b) allow another person to respond to the question.
- (5) Each member of the public with a question is entitled to ask up to 2 questions before other members of the public will be invited to ask their questions.
- (6) Where a member of the public provides written questions then the Presiding Member may elect for the questions to be responded to as normal business correspondence.
- (7) The Presiding Member may decide that a public question shall not be responded to where—
 - (a) the same or similar question was asked at a previous meeting, a response was provided and the member of the public is directed to the minutes of the meeting at which the response was provided;
 - (b) the member of the public uses public question time to make a statement, provided that the Presiding Member has taken all reasonable steps to assist the member of the public to phrase the statement as a question; or
 - (c) the member of the public asks a question that is offensive or defamatory in nature, provided that the Presiding Member has taken all reasonable steps to

assist the member of the public to phrase the question in a manner that is not offensive or defamatory.

- (8) A member of the public shall have 2 minutes to submit a question.
- (9) The Council, by resolution, may agree to extend public question time.
- (10) Where any questions remain unasked at the end of public question time they may be submitted to the CEO who will reply in writing and include the questions and answers in the agenda for the next ordinary Council meeting.
- (11) Where an answer to a question is given at a meeting, a summary of the question and the answer is to be included in the minutes.

Public Question Time Commenced at 5.06pm.

As per the new regulations regarding electronic meetings the Shire of York will comply with Administration Regulation 14 E (3) by ensuring the Unconfirmed Minutes be made publicly available in accordance with Administration Regulation 13.

Council has provided a means to submit a question prior to the meeting as per Administration Regulation 14 E (4) (a), this was done via email to the list of people who ever requested notifications of Shire Of York business and advertised on the Shire of York website.

3.1 Written Questions – Current Agenda

Nil

3.2 Public Question Time

Nil

As there were no questions received – Public Question Time concluded at: 5.06pm.

4 APPLICATIONS FOR LEAVE OF ABSENCE

Nil

5 PRESENTATIONS

5.1 Petitions

Nil

5.2 Presentations

Nil

5.3 Deputations

Nil

5.4 Delegates' reports

Nil

6 ANNOUNCEMENTS BY PRESIDING MEMBER WITHOUT DISCUSSION

Nil

7 OFFICER'S REPORTS

SY047-04/20 DRAFT FINANCIAL HARDSHIP POLICY

File Number:	OR.CMA.4
Author:	Suzie Haslehurst, Executive Manager, Corporate & Community Services
Authoriser:	Chris Linnell, Chief Executive Officer
Previously before Council:	Not applicable
Appendices:	1. Draft Financial Hardship Policy 2. DE3-12 Suspend and/or Write-Off Interest

NATURE OF COUNCIL'S ROLE IN THE MATTER

Executive

PURPOSE OF REPORT

This report presents a draft Financial Hardship Policy for Council's consideration and adoption.

BACKGROUND

The Shire of York has not previously adopted a Financial Hardship Policy. However, payments arrangements for those experiencing financial difficulty in meeting rates obligations are currently considered under delegation and referred to Council if necessary.

In light of the current Coronavirus Pandemic (COVID-19) and its effect on the global economy, officers have drafted a policy to formalise and clarify the process for those ratepayers experiencing financial hardship. The policy is intended to not only assist during the current situation, but to provide a framework for decision-making into the future.

The draft policy attached at Appendix 1 to this report has been prepared with reference to the WA Local Government Association (WALGA) template and similar policies adopted by other local governments.

COMMENTS AND DETAILS

The Shire's policy *F1.1 Revenue Collection* requires "that account is taken of the circumstances of people with debt owing to the Shire". As such, ratepayers are able to make an application to enter into a payment arrangement to pay off their outstanding rates and charges. Delegation DE3-3 provides authority for the Chief Executive Officer to approve payments agreements for outstanding rates and service charges, provided the debt is cleared prior to 30 June of the relevant financial year and there are no arrears owing. Applications that fall outside the parameters of this delegation are presented to Council for approval.

The draft Financial Hardship Policy is intended to allow further flexibility for payment of overdue rates and service charges in cases of genuine severe financial hardship.

The draft policy outlines the following criteria for determining financial hardship;

- Recent unemployment or under-employment
- Sickness or recovery from sickness
- Low income or loss of income
- Unanticipated circumstances such as caring for and supporting extended family

While the current COVID-19 Pandemic could give rise to the above circumstances, officers recognise that these circumstances could occur in other situations and therefore have drafted the policy to have a broader application than just COVID-19.

Where a ratepayer falls behind with rates and service charges payments and the debt recovery process is activated, interest and legal fees can substantially increase the amount outstanding in a short period of time, making it more and more difficult for those in genuine financial hardship to catch up and recover.

Therefore, the draft policy proposes that a ratepayer that enters into an approved payment agreement may request suspension and/or write-off of interest charges up to a maximum of \$400. In addition, as long as the ratepayer adheres to the conditions of the agreement, the Shire will suspend any debt recovery process.

It is proposed that the Chief Executive Officer be delegated authority to assess and approve applications made under this policy, including the interest to be suspended and/or written off up to the maximum amount. A new delegation of authority has been drafted and is attached at Appendix 2 to this report.

Finally, officers recognise the need for good governance and discretion within this process. Therefore, the policy requires that applicants are treated with respect, dignity and confidentiality and that the process is clear, equitable, consistent and transparent.

OPTIONS

Council could choose not to adopt a Hardship Policy at this time and rely instead on the provisions of Council's policy *F1.1 Revenue Collection*. However, while the policy requires "that account is taken of the circumstances of people with debt owing to the Shire" there is no provision within the policy for write-off of interest charges or suspension of the debt collection process.

Council could choose to vary the maximum amount of interest to be written off. However, officers have reviewed other local government policies and recommend \$400 as being a balance between providing an appropriate level of assistance and limiting the impact on other ratepayers. This also is considered a reasonable amount to be approved under delegation. Any requests exceeding this amount would be referred to Council. The recommended amount is approximately double the annual interest that would accrue on an average GRV rated property.

IMPLICATIONS TO CONSIDER

Consultative

WALGA

Shire of Mundaring

City of Wanneroo

City of Swan

City of Karratha

City of Kalamunda

Strategic

Strong and Effective Leadership

5.3 A financially sustainable Shire

5.4 Open and accountable systems

Policy Related

F1.1 Revenue Collection

G4.6 Risk Assessment and Management

Financial

As discussed above, the proposed maximum write-off of interest charges is approximately equal to 2 years' of interest that would accrue on an average GRV rated property should the rates and service charges not be paid.

Given that applicants will need to satisfy the criteria outlined in the policy to qualify for a write-off, the financial impact is anticipated to be minimal. In fact, the application of a hardship policy could result in fewer ratepayers defaulting and reduce the need to pursue debt recovery.

Legal and Statutory

Local Government Act 1995

5.42. Delegation of some powers and duties to CEO

- (1) *A local government may delegate* to the CEO the exercise of any of its powers or the discharge of any of its duties under —*
- (a) *this Act other than those referred to in section 5.43; or*
 - (b) *the Planning and Development Act 2005 section 214(2), (3) or (5).*

** Absolute majority required.*

6.49. Agreement as to payment of rates and service charges

A local government may accept payment of a rate or service charge due and payable by a person in accordance with an agreement made with the person.

Risk Related

Risk	Risk Type	Rating
Loss of income	Financial	Low (3)
Criticism from other ratepayers	Reputational	Moderate (6)

Workforce

Depending on the volume of applications submitted under this policy, there may be some impact on current resources both in terms of administering the applications but also in processing write-offs and placing a halt on interest accruals. This will be monitored and reported on if required.

VOTING REQUIREMENTS

Absolute Majority: Yes

RESOLUTION**010420****Moved: Cr Denis Warnick****Seconded: Cr Ashley Garratt****That Council:**

- 1. Adopts the policy F1.9 Financial Hardship as attached at Appendix 1 to this report.**
- 2. Requests the Chief Executive Officer to update the Shire of York Policy Manual to reflect adoption of F1.9 Financial Hardship and make the updated Policy Manual available on the Shire's website.**
- 3. Delegates authority to the Chief Executive Officer to suspend and/or write-off interest charges relating to Rates and Service Charges to a maximum of \$400 in accordance with the draft delegation DE3-12 Suspension and/or Write-off of Interest relating to Rates and Service Charges as attached at Appendix 2 to this report.**
- 4. Requests the Chief Executive Officer to update the Shire of York Register of Delegated Authority to reflect adoption of DE3-12 Suspension and/or Write-off of Interest relating to Rates and Service Charges and make the updated Register of Delegated Authority available on the Shire's website.**

CARRIED BY ABSOLUTE MAJORITY: 5/0



F1.8 FINANCIAL HARDSHIP – RATES AND CHARGES

Policy Objective

The purpose of this policy is to allow flexibility for payment of overdue Rates and Service Charges for ratepayers in severe financial hardship.

This policy is intended to ensure that all ratepayers suffering hardship are offered fair, equitable, consistent and dignified support.

Policy Scope

This policy applies to all ratepayers experiencing genuine severe financial hardship.

Policy Statement

Introduction

The Shire of York recognises that there are cases of genuine severe financial hardship, where ratepayers will experience difficulty in paying rates and service charges as they fall due.

It is not the Shire's intention to cause hardship to any ratepayer through the Shire's recovery process and consideration will be given to acceptable arrangements to clear any debt within an acceptable time frame. Consideration may also be given to reduce the impact of penalty interest on a ratepayer's ability to pay their debt.

The level of relief applicants may receive will be based on the evidence of genuine financial hardship, such as trauma/tragedy, level of income, reliance on social security, illness/disability, business failure or other factors considered relevant by the Chief Executive Officer (CEO).

Principles

- (a) Relief is provided to ratepayers experiencing genuine severe financial hardship.
- (b) Applicants are treated with respect, dignity and confidentiality.
- (c) The process is clear, equitable, consistent and transparent.

Provisions

Payment Difficulties, Hardship and Vulnerabilities

Payment difficulties, or short-term financial hardship, occur where a change in a person's circumstances result in an inability to pay a rates or service charge debt.

Financial hardship occurs where a person is unable to pay rates and service charges without affecting their ability to meet their basic living needs, or the basic living needs of their dependants.

Vulnerability can arise from the combination of individual characteristics, circumstances and the actions (or inaction) of institutions. There are a number of risk factors that increase the potential for people to find themselves in a situation of vulnerability. The Shire will use the Ombudsman Western Australia's four principles of good practice (Good Culture, Good Decisions, Good Support and Good Service) when considering the collection of overdue rates of people in situations of vulnerability. Any information provided to the Shire will be treated confidentially and respectfully with the aim of achieving positive outcomes.

SHIRE OF YORK: POLICY MANUAL

Financial Hardship Criteria

While evidence of hardship will be required, the Shire recognises that not all circumstances are alike. A flexible approach is to be applied to a range of individual circumstances including, but not limited to, the following situations:

- Recent unemployment or under-employment
- Sickness or recovery from sickness
- Low income or loss of income
- Unanticipated circumstances such as caring for and supporting extended family

Ratepayers seeking relief under this policy, must provide evidence from a qualified financial body (financial counsellor, accountant or bank). Ratepayers are encouraged to provide any information about their individual circumstances that may be relevant for assessment. This may include demonstrating a capacity to make some payment and where possible, entering into a payment proposal.

Any requests for relief outside the scope of this policy are to be referred to Council for their consideration.

The Shire will consider all circumstances, applying the principles of fairness, integrity and confidentiality whilst complying with statutory responsibilities.

Relief Options**Payment Agreements**

Payment arrangements facilitated in accordance with Section 6.49 of the Act are of an agreed frequency and amount. These arrangements will consider the following:

- That a ratepayer has made genuine effort to meet rate and service charge obligations in the past;
- The payment arrangement will establish a known end date that is realistic and achievable;
- The ratepayer will be responsible for informing the Shire of any change in circumstance that jeopardises the agreed payment schedule.

Interest Charges

A ratepayer that meets the Financial Hardship Criteria and enters into a payment arrangement may request a suspension and/or write off of interest charges (excluding the late payment interest applicable to the Emergency Services Levy) up to a maximum of \$400.

Applications will be assessed on a case by case basis.

Debt Recovery

The Shire will suspend any debt recovery process that has commenced, whilst negotiating a suitable payment arrangement with a ratepayer, provided the ratepayer is making regular payments towards the debt and is maintaining reasonable communication with Shire officers.

Where a debtor is unable to make payments in accordance with an agreed payment plan and the debtor advises the Shire and makes an alternative plan before defaulting on the 3rd due payment, then the Shire will continue to suspend debt recovery processes.

Where a ratepayer has not reasonably adhered to the agreed payment plan, any rates and charges that remain outstanding will then be subject to the rates debt recovery procedures

SHIRE OF YORK: POLICY MANUAL

prescribed in the *Local Government Act 1995*, as outlined in Shire of York policy F1.1 Revenue Collection. If interest had been held, this will also begin to accrue.

Applications

Applications for Financial Hardship Assistance must be made using the Financial Hardship (Rate Relief) Application Form.

Applications must include an original copy of an extreme hardship letter from a financial body.

Upon receipt, the ratepayer's application will be assessed by the Chief Executive Officer and the ratepayer will be notified of the decision in due course.

Key Terms/Definitions

Not Applicable

Policy Administration

Responsible Directorate/Division:	Corporate and Community Services
Author/Contact Officer Position:	Finance Officer (Rates and Sundry Debtors)
Relevant Delegation:	DE3-12 <i>Suspension and/or Write-off of Interest relating to Rates and Service Charges</i>
Relevant Legislation:	<i>Local Government Act 1995</i> Division 6 – <i>Rates and Service Charges</i> Subdivision 4 — <i>Payment of rates and service charges</i>
Relevant Documents:	Ombudsman Western Australia - <i>Local Government collection of overdue Rates for People in situations of vulnerability: Good Practice Guidelines.</i> <i>Policy F1.1 Revenue Collection</i>
Date Adopted:	
Reviews/Amendments:	

DE3-12 Suspension and/or Write-off of Interest relating to Rates and Service Charges**Function to be performed:**

A local government may suspend the accrual of and/or write-off any interest charges in relation to rates and service charges owed to the local government.

Legislative Power or Duty delegated:

Local Government Act 1995

Section 6.12 (b) Power to defer, grant discounts, waive or write off debts

6.47 Concessions

Legislative Power to delegate:

Section 5.42 and Section 5.44 *Local Government Act 1995*

Policy Provision:

F1.9 *Financial Hardship*

F1.1 *Revenue Collection*

Delegation to:

Chief Executive Officer

Delegation:

The CEO is delegated the power to suspend and/or write-off interest charges relating to rates and service charges.

Conditions and Exceptions:

CEO authorisation shall apply to an amount up to a maximum value of \$400 (suspension and/or write-off) per property per annum.

Chief Executive Officer delegates to:

Nil

Delegation delegated by the CEO:

N/A

Reporting Requirements:

Details recorded to meet legislative requirements and reported in the monthly Information Bulletin.

Financial Interest Return Required: Yes

Details of Review: Adopted – 21 April 2020

SY048-04/20 COVID-19 RECOVERY PLANNING

File Number:	RS.RES.5.3
Author:	Suzie Haslehurst, Executive Manager, Corporate & Community Services
Authoriser:	Chris Linnell, Chief Executive Officer
Previously before Council:	N/A
Appendices:	1. Minutes State Council 240320 2. Local Government Circular 01-2020

NATURE OF COUNCIL'S ROLE IN THE MATTER

Executive

PURPOSE OF REPORT

This report seeks direction from Council regarding the elements of planning for recovery from the effects of the Coronavirus Pandemic (COVID-19) in the Shire of York.

BACKGROUND

COVID-19 was declared a pandemic on 12 March 2020. On 16 March, the State Government of Western Australia declared a State of Emergency.

A series of restrictions has since been imposed on individuals and businesses, affecting the social, cultural and economic well-being of our community.

On 24 March 2020, Council adopted a Business Continuity Plan (BCP) to inform the Shire's operations during the State of Emergency. The key objectives of the BCP are:

- Protecting the safety and well-being of our people (including clients, councillors, staff, volunteers, contractors, suppliers and the wider community);
- Assisting to slow the spread of the virus in our community;
- Ensuring the continuity of essential Shire functions and services;
- Preparing for recovery of the Shire and the community and business will be a priority after the pandemic.

Since adoption of the BCP, the Shire front counter and all public venues have been closed to the public with all but a skeleton administration staff working from home. Where appropriate, Shire staff have been redeployed or encouraged to take accrued leave. The outside crew continues to operate with social distancing protocols in place.

The Shire has also initiated YorKIND – a social isolation support centre which provides information and links to services to those in need in the community and has focused on communicating information via a range of means including social media, website, flyers, print and broadcast media and via post. Telephone calls are being made to those considered most vulnerable in our community to check in with them and provide any assistance required.

On 24 March 2020, the WA Local Government Association (WALGA) held a Special State Council Meeting to consider the Local Government Sector's Response to the COVID-19 Pandemic. The Council resolved to request local governments to give consideration to the following suite of actions in response to COVID-19.

- Consider not increasing rates for the 2020-21 financial year
- Adoption of the WALGA template rates hardship policy by Local Governments that do not currently have a policy
- Consider rate relief options to support small businesses affected by the COVID-19 pandemic
- Review fees and charges considering whether fees can be reduced, waived or deferred during the COVID-19 pandemic
- Bring forward capital works and infrastructure spending with aggressive application of reserves and borrowing
- Prioritise Local Government spending with businesses and contractors located within the Local Government
- Implement business friendly payment terms to support business cash flow
- Consider supporting Community sporting and cultural groups by either establishing grant programs or waiving fees and charges
- Redeploy staff affected by facility closures to tasks that support the community

This initial suite of actions is in line with the request from the Premier of Western Australia to support the fight against the COVID-19 pandemic.

The minutes of the State Council Meeting are attached as Appendix 1 to this report.

The State Government has made a number of legislative amendments to enable business continuity in the current circumstances. Council held its first electronic Council meeting on 31 March 2020 in response to changed regulations. On 9 April, the Minister for Local Government issued a circular outlining further changes to the following regulations to enable flexibility during a State of Emergency:

- *Local Government (Financial Management) Regulations 1996*
- *Local Government (Functions and General) Regulations 1996*
- *Local Government (Long Service Leave) Regulations 1996*

The circular is attached at Appendix 2 for Council's information.

In preparation for the cancellation of the State of Emergency, officers are now working on developing a Recovery Plan and seek Council's direction with regards to the actions to be included in the Plan.

COMMENTS AND DETAILS

State Council Recommendations

Comment is provided below on the actions proposed by the State Council and a suggested timeframe for implementation by the Shire of York.

1. *Consider not increasing rates for the 2020-21 financial year* *Short-term*

Officers are proposing Council requests the CEO to develop the 2020/21 draft budget with no increase to the rate in the dollar. It should be noted that WALGA has advocated to the State Government for the deferral of revaluations for the next financial year. However, this has not been confirmed. Given that rates are calculated using the rate in the dollar set by Council multiplied by the value of the property as determined by the Valuer-General, any revaluation may result in a variance to the actual amount of rates applicable compared with 2019/20.

The Shire's Long Term Financial Plan is based on a 3% increase to the rate in the dollar per annum. A 0% increase will result in the reduction of approximately \$176,000 in planned revenue for the year. This will need to be considered during preparation of the 2020/21 budget.

2. *Adoption of the WALGA template rates hardship policy by Local Governments that do not currently have a policy.* *Immediate*

Officers have drafted a Financial Hardship policy which is the subject of a separate report in this agenda. Should this be adopted, ratepayers who can demonstrate genuine financial hardship can apply for the suspension or write-off of interest charges up to a maximum amount.

3. *Consider rate relief options to support small businesses affected by the COVID-19 pandemic* *Short-term*

The Shire's policy *F1.1 Revenue Collection* already makes provision for ratepayers to enter into a payment agreement, with approval delegated to the CEO subject to the full amount owing being cleared by 30 June of the relevant financial year. Applications that fall outside the parameters of the policy are presented to Council for consideration.

In addition, it is anticipated that the Recovery Plan will include provision of grant funding for small businesses and community groups which could be used to support rates payments. The parameters for this funding will be determined based on feedback from business and the community as to what their priorities are for recovery.

4. *Review fees and charges considering whether fees can be reduced, waived or deferred during the COVID-19 pandemic* *Short-term*

It is proposed that Council requests the CEO to draft the 2020/21 budget with no increase to fees and charges. Fees and charges are set in accordance with Section 6.17 of the *Local Government Act 1995* (the Act) and are reviewed annually by officers to determine whether the set fees continue to comply with the Act. The Shire of York's fees and charges were substantially reviewed in 2018/19. No significant increases were anticipated to be proposed in 2020/21.

Council could if it wished, determine to waive certain fees for a specified period. It is proposed that this is considered as part of the 2020/21 Budget process for Council's consideration.

5. *Bring forward capital works and infrastructure spending with aggressive application of reserves and borrowing* *Medium-term*

As part of the Major Strategic Review process, capital works projects will be considered with a view to bringing forward works that can be funded either using grant funds or reserves. Officers are proposing that a thorough review of the Shire's reserves is undertaken as part of the 2020/21 Budget process and discussed with Councillors at a workshop to be held on 5 May 2020 to determine where reserves could be utilised or re-purposed.

6. *Prioritise Local Government spending with businesses and contractors located within the Local Government* *Immediate*

One of the principles of policy *F1.2 Procurement* is that where appropriate, local and/or suppliers using significant local resources will be given preferential consideration in order to support the local economy. This is also referred to in Section 14 *Sustainable Procurement* of the policy which also includes a Local Price Preference. While good governance and policy compliance must be maintained, officers propose that the local purchasing aspect of the Shire's Procurement policy is strengthened. This is an operational matter and will be dealt with by the CEO.

7. *Implement business friendly payment terms to support business cash flow*

Officers currently operate in accordance with an approved internal procedure that provides for creditor payments to be made on the 14th and 30th of each month. Where an urgent payment is required, a special payment run will be processed. Officers recommend that this procedure allows sufficient flexibility to allow for payments to be made in special circumstances.

8. *Consider supporting Community sporting and cultural groups by either establishing grant programs or waiving fees and charges* *Medium-term*

It is proposed that this is considered as part of the 2020/21 Budget process for Council's consideration and discussed at the Budget workshop to be held on 5 May 2020.

Furthermore, as outlined above, it is anticipated that the Recovery Plan will include provision of grant funding for small businesses and community groups. The parameters for this funding will be determined based on feedback from business and the community as to what their priorities are for recovery.

9. Redeploy staff affected by facility closures to tasks that support the community *Immediate*

The Executive Management Group has reviewed staffing levels with a view to keeping staff employed and contributing to the local economy for as long as possible. Where appropriate, staff have been re-deployed to assist with increased cleaning, YorKIND activities or completing tasks that have outstanding for some time. However, the Shire employs several casual staff whose hours have been affected by COVID-19 closures. While the Shire is not eligible for Jobkeeper payments, in most instances, casual employees will be eligible for other government support.

Other measures implemented or proposed

In accordance with the BCP adopted on 24 March, a hold has been placed on debt collection activities and any new planning and building compliance follow-up.

Council could also choose to suspend all penalty interest charges relating to rates and charges for the remainder of the 2019/20 financial year. This would result in a reduction of approximately \$22,600 in income budgeted for penalty interest for 2019/20.

Should Council choose to suspend the above charges for the 2020/21 financial year, the financial impacts would be as follows:

GL Acct	Description	Amount
31214	Penalty Interest	\$100,000
31219	Interest on Instalments	\$24,000
31220	Instalment Administration Fee	\$19,500
31222	Pensioner Deferred Interest	\$2,000
106213	Fines & Penalties - Planning	\$2,000
	Reduced Income in 2020/21	\$147,500

In addition, consideration will need to be given to those facilities normally hired to the community such as the Town Hall, gym, old stadium, YRCC, sporting fields and courts etc. Officers will provide a detailed report and projections for the 2019/20 financial year as part of the 3rd quarter Financial and Costing Review process and determinations regarding 2020/21 will be discussed with Council at the next Budget workshop.

Amendments to the Local Government (Financial Management) Regulations 1996

Amendments have been made to increase flexibility around access to funding during a State of Emergency.

Specifically, changes to Regulation 18 provide an exemption from giving public notice of a change of 'use of money' in a Reserve Account where the money is to be used to respond to the State of Emergency.

Regulation 20 has been amended to exempt local governments from having to give public notice of a 'power to borrow' under Section 6.20 of the Act where funds borrowed are to be used to respond to the State of Emergency.

Regulation 21 now allows a local government to re-purpose monies borrowed but not yet spent where the monies are to be used to respond to the State of Emergency.

All decisions made in accordance with the above must be recorded in the Council's minutes along with the reasons for the decision. Officers will have consideration for these amendments when preparing the 2020/21 draft Budget.

Amendments to the Local Government (Functions and General) Regulations 1996

Amendments to Regulation 11 include:

- Raising the threshold requiring a public tender process for procurement of goods and services from \$150,000 to \$250,000.
- Exemption from requiring a public tender process for sourcing and securing essential goods or services to respond to a State of Emergency.
- Discretion to renew or extend an existing contract that expires during a State of Emergency.

These amendments will be considered where required with a separate report to Council presented if they are being contemplated.

Amendments to the Local Government (Long Service Leave) Regulations

Changes have been made to the above regulations to allow greater flexibility for employees to access accrued long service leave and to reduce restrictions in the event of a State of Emergency. These amendments will be considered where required.

Valuations by the Valuer-General

As discussed above, property rates are determined by the rate in the dollar set by Council multiplied by the gross rental value or unimproved value of the property as determined by the Valuer-General. While WALGA has advocated to the State Government to place a hold on new and the application of any revaluations already undertaken, this has not been confirmed. Therefore, while Council may choose to set a 0% rate increase, if revaluations are applied, this could affect the rate income yield for the year, either positively or negatively.

Therefore, it should be noted that ratepayers may receive a rate notice for 2020/21 that differs from that received in 2019/20.

Major Strategic Review

In accordance with the *Local Government (Administration) Regulations 1996*, the Shire of York is currently undertaking a major strategic review to update its Strategic Community Plan and Corporate Business Plan.

The Strategic Community Plan (SCP) provides the long-term view (10 plus year timeframe) for the Shire and sets out the vision, aspirations and objectives of the community. The Corporate Business Plan (CBP) is responsible for translating the strategic direction of the Shire, articulated within the SCP, into specific priorities and actions at an operational level. The CBP also draws together actions contained within the Long Term Financial Plan, Capital Works Programs and various informing strategies. The annual budget reflects the priorities contained in each year of the CBP.

Given the current circumstances, it is anticipated that the Recovery Plan will constitute the first year of the Shire of York CBP, informed by the community engagement that has already taken place and further engagement to be undertaken during the next few weeks.

OPTIONS

Council could choose not to accept or to vary the officer's recommendation. Officers acknowledge that the development of the Recovery Plan will evolve in accordance with changing circumstances. This report is seeking initial direction from Council. The final plan may include additional or amended proposed actions for Council's final consideration.

IMPLICATIONS TO CONSIDER**Consultative**

WALGA

WA Department of Local Government, Sport and Cultural Industries

Strategic***Strong and Effective Leadership***

5.1 *Effective and informed governance and decision-making*

5.3 *A financially sustainable Shire*

5.7 *Shire and community exhibit a responsive can-do philosophy*

Policy Related

G4.3 Financial Planning and Sustainability

G4.6 Risk Assessment and Management

Financial

Immediate financial implications have been discussed above. However, the full implications for the 2020/21 financial year will be considered as part of the 2020/21 Budget process and reported on when the budget is adopted.

Legal and Statutory

Local Government Act 1995

Risk Related

There are inherent risks in whatever Council decides in this instance. Should Council choose to accept the officer recommendations in full, the financial impact will be extreme (20). However, these are extraordinary circumstances, and should Council determine not to provide any relief at all, the reputational risk to the Shire is considered high (16).

In the current circumstances, local governments are being urged to strike a balance between fiscal responsibility and response to the State of Emergency. Therefore, it is proposed that Council does not rush into making decisions that could have a far-reaching effect on the sustainability of the Shire of York into the future. The officer recommendation reflects this approach.

Workforce

It should be noted that the decision to backdate the halt of penalty interest to 1 April as recommended will entail a substantial amount of work to process journal entries to reverse interest automatically applied since that date. However, it is anticipated that this can be done within current resources.

Officers did consider recommending the date of the Council resolution as the date of application but recognise that the effects of COVID-19 are already being experienced in the community and consider 1 April better reflects the time when the effects were starting to be contemplated.

There may also be workforce implications arising from the final Recovery Plan. These will be monitored and reported on as they occur.

VOTING REQUIREMENTS

Absolute Majority: Yes

Cr Stephen Muhleisen joined the meeting at 5.10pm

RESOLUTION**020420****Moved: Cr Pam Heaton****Seconded: Cr Ashley Garratt**

That Council requests the Chief Executive Officer to implement the following actions in response to the COVID-19 State of Emergency:

- 1. Halt the accrual of penalty interest charges relating to rates and charges effective from 1 April 2020.**
- 2. Review the Shire's reserves with a view to re-purposing funds to projects that will contribute to the local economy and present a report to the May Ordinary Council Meeting if re-purposing is contemplated.**
- 3. Undertake a detailed review of the impacts of COVID-19 as part of the 3rd quarter Finance and Costing Review and present a report to the Audit Committee and to the May Ordinary Council Meeting.**
- 4. Develop the 2020/21 draft budget with consideration for:**
 - a. no increase to the rate in the dollar;**
 - b. identification of funds that could be used to provide grant funding to businesses and community groups;**
 - c. review of fees and charges to identify possible reductions or waivers;**
 - d. review of reserves with a view to re-purposing funds to projects that will contribute to the local economy;**
 - e. no interest or administration fees to be charged on rates and service charges;**
 - f. the effects of relaxed debt recovery and compliance follow-up;**
 - g. potential borrowings required to fund capital works projects;**
 - h. review of staffing and leave accruals to ensure the structure meets organisational needs.**

CARRIED BY ABSOLUTE MAJORITY: 6/0



Special State Council Meeting

Minutes

27 March 2020



NOTICE OF MEETING

Special Meeting of the Western Australian Local Government Association State Council was held via video / teleconference on Friday 27 March 2020. The meeting commenced at 4:33pm.

1. ATTENDANCE, APOLOGIES & ANNOUNCEMENTS

1.1 Attendance

Members	President of WALGA, Chair Deputy President of WALGA, Northern Country Zone Avon-Midland Country Zone Central Country Zone Central Metropolitan Zone Central Metropolitan Zone East Metropolitan Zone East Metropolitan Zone Goldfields Esperance Country Zone Gascoyne Country Zone Great Eastern Country Zone Great Southern Country Zone Kimberley Country Zone Murchison Country Zone North Metropolitan Zone North Metropolitan Zone North Metropolitan Zone Peel Country Zone Pilbara Country Zone South East Metropolitan Zone South East Metropolitan Zone South Metropolitan Zone South Metropolitan Zone South Metropolitan Zone South West Country Zone	Mayor Tracey Roberts JP - In Person President Cr Karen Chappel JP President Cr Ken Seymour President Cr Phillip Blight Cr Jenna Ledgerwood Cr Paul Kelly Cr Catherine Ehrhardt Cr Cate McCullough President Cr Malcolm Cullen President Cr Cheryl Cowell President Cr Stephen Strange Cr Ronnie Fleay Cr Chris Mitchell JP Cr Les Price Mayor Mark Irwin Cr Frank Cvitan – Deputy – In Person Cr Russ Fishwick JP President Cr Michelle Rich Mayor Peter Long Cr Julie Brown Mayor Ruth Butterfield Cr Doug Thompson Mayor Carol Adams OAM Mayor Logan Howlett JP President Cr Tony Dean
Ex Officio	Chair Commissioner, City of Perth Local Government Professionals WA Deputy	Mr Andrew Hammond Ms Annie Riordan
Secretariat	Chief Executive Officer EM Strategy, Policy & Planning EM Governance & Organisational Services EM Commercial & Communications EM Infrastructure Manager Strategy & Association Governance Manager, Environment Policy Manager, Emergency Management Economics Policy Manager Manager Governance Executive Officer Governance	Mr Nick Sloan - In Person Mr Mark Batty - In Person Mr Tony Brown - In Person Mr Zac Donovan - In Person Mr Ian Duncan - In Person Mr Tim Lane - In Person Nicole Matthews - In Person Melissa Pexton - In Person Nebojsa Franich - In Person Mr James McGovern – In Person Ms Margaret Degebrod - In Person

1.2 Apologies

Local Government Professionals WA	Mr Jamie Parry
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ORDER OF PROCEEDINGS

1. The Chair declared the meeting open at 4:33pm.
- **Acknowledgement of Country**
The Chair acknowledged the Whadjuk Nyoongar people who are the Traditional Custodians of the land we met on today and paid respects to their Elders past, present and future.
- The Chair welcomed all State Councillors and WALGA Secretariat
- Welcome also to:
 - Cr Frank Cvitan, Deputy North Metropolitan Zone
 - Ms Annie Riordan, Deputy President, Local Government Professionals WA

APOLOGIES

Mr Jamie Parry, Local Government Professionals WA

2.1 DECLARATIONS OF INTEREST

Pursuant to our Code of Conduct, State Councillors must declare to the Chair any potential conflict of interest they have in a matter before State Council as soon as they become aware of it.

Nil

2.2 ANNOUNCEMENTS

WALGA Chief Executive Officer – Presentation

Mr Nick Sloan addressed the meeting.

3. MATTER FOR DECISION

- 3.1 Local Government Sector's Response to the COVID-19 Pandemic.

4. CLOSURE



3. MATTER FOR DECISION

3.1 Local Government Sector's Response to the COVID-19 Pandemic

By Nick Sloan, Chief Executive Officer

Suspension of Standing Orders

Moved: President Cr Michelle Rich
Seconded: Mayor Logan Howlett

That the State Council Standing Orders be suspended.

RESOLUTION 40.1/2020

CARRIED

Discussion held.

President Cr Stephen Strange left the meeting at 5:33pm and did not return.

Resumption of Standing Orders

Moved: Cr Julie Brown
Seconded: Cr Chris Mitchell

That the State Council Standing Orders be resumed.

RESOLUTION 41.1/2020

CARRIED

Moved: Cr Paul Kelly
Seconded: Mayor Carol Adams

That WALGA:

1. Notes the significant contribution of Local Governments in supporting their communities through the COVID-19 pandemic from a financial, economic, community and social perspective.
2. Requests each Local Government give consideration to the following suite of actions, for Local Governments with the capacity to do so, to provide a coordinated and consistent response to the COVID-19 pandemic:
 - a. Consider not increasing rates for the 2020-21 financial year
 - b. Adoption of the WALGA template rates hardship policy by Local Governments that do not currently have a policy
 - c. Consider rate relief options to support small businesses affected by the COVID-19 pandemic
 - d. Review fees and charges considering whether fees can be reduced, waived or deferred during the COVID-19 pandemic

- e. **Bring forward capital works and infrastructure spending with aggressive application of reserves and borrowing**
 - f. **Prioritise Local Government spending with businesses and contractors located within the Local Government**
 - g. **Implement business friendly payment terms to support business cash flow**
 - h. **Consider supporting Community sporting and cultural groups by either establishing grant programs or waiving fees and charges**
 - i. **Redeploy staff affected by facility closures to tasks that support the community**
3. **Notes the State Government is urgently drafting legislative and regulatory amendments to support the actions outlined in point 2 above**
 4. **Notes the advocacy for the following:**
 - a. **An increase in Local Government borrowing capacity beyond current Western Australian Treasury Corporation borrowing limits**
 - b. **Suspension of the Western Australian Treasury Corporation's borrowing guarantee charge of 0.7 percent on top of the loan interest rate for the 2020-2021 financial year**
 - c. **No increase to street lighting and utility tariffs in 2020-2021**
 - d. **Deferral of revaluations for the 2020-2021 financial year**
 - e. **Request the Office of the Auditor General to cease performance audits for the 2020-2021 financial year**
 - f. **Freezing of the waste levy for the 2020-2021 financial year**

RESOLUTION 42.1/2020**CARRIED**

President Cr Phillip Blight requested that his opposition to the resolution be recorded.

Executive Summary

- The world that we know and understand has changed dramatically with the COVID-19 virus spreading through our community at an unprecedented rate.
- A National Cabinet has been established to coordinate the national response and the Western Australian community is now looking to Local Government to show leadership and support.
- Anything short of an ambitious and courageous response from the sector and its leadership will have dire implications for the health, social and economic future of our State.

Attachments

- Letter from the WA Premier to WALGA President, Mayor Tracey Roberts, dated 17 March 2020 – attachment 1, via link below:
<https://walga.asn.au/getattachment/News,-Events-and-Publications/Media/COVID-19/Premier-Correspondence-17-March.pdf?lang=en-AU>

- Letter from WALGA President, Mayor Tracey Roberts, to the WA Premier dated 23 March 2020 – attachment 2.
- Letter from WALGA President, Mayor Tracey Roberts, to Local Government Mayors and Presidents dated 23 March 2020 – attachment 3.
- List of proposed Legislative and Regulatory Amendments – attachment 4.

Background

The Premier wrote to WALGA President, Mayor Tracey Roberts, on 17 March 2020, requesting that all Local Governments freeze rates fees and charges, in order to provide much needed financial support to households and businesses during the COVID-19 crisis. WALGA President, Mayor Tracey Roberts, replied to the Premier on 23 March 2020 and informed him that:

- The Local Government sector is acutely aware of the added financial pressure and uncertainty facing households, small businesses and the self-employed as a result of COVID-19.
- In order to realise a net zero rates, fees and charges increase, the sector needs support from the State Government in relation to a range of financial, regulatory and governance considerations.

On 23 March 2020, WALGA President, Mayor Tracey Roberts, wrote to all Councils and informed them of the above correspondence.

On 24 March 2020, a State and Local Government Partnership Agreement meeting was held. At this meeting, the Premier informed attendees that the COVID-19 situation had escalated, with expectations that the economic impact would be without precedent. The Premier urged the sector to consider the immediate implementation of any initiatives that would provide relief and economic stimulus for local economies, including the provision of financial support and relief to households and businesses,

Priority regulatory and legislative amendments to give effect to freeing up sector capacity has been tested informally with a working group of Local Government CEOs. The State Government has indicated that these changes will be given legislative priority (see attachment).

Comment

Initially, the economic impacts of COVID-19 were expected to be restricted to the sectors that relied on exports and imports from Asia. This primarily included the education, tourism, hospitality and construction sectors.

Over the past days and weeks, however, it has become an accepted view that the economic impacts of COVID-19 on the Australian and Western Australian economies will be severe. This is primarily due to the social distancing and business operating restrictions imposed by the Commonwealth Government, and uncertainty surrounding how long these restrictions will be in place. In addition, there is an expectation that further restrictions will be imposed, and the majority of businesses and schools will have to close their doors. This is weighing considerably on economic expectations.

Forecasts that aim to predict the extent of the economic impact of COVID-19 are constantly changing due the fluid nature of this event. This includes the extreme speed at which cases of COVID-19 transmission are occurring in Australia and the uncertain nature of any future Government response.

The most recent forecasts from Westpac expect job losses of over 800,000 across Australia by June and an unemployment rate of over 11% at this time. It is noted that only one week ago, the forecast from Westpac was that the unemployment rate would peak at 7%. The significant worsening of these forecasts were a result of widespread shutdowns announced by the Government.

The Bankwest Curtin Economics Centre has forecast similar job losses to Westpac in the immediate term, but expects the national unemployment rate will reach 12.7% in May 2021. This would mean

an additional one million people will be unemployed across Australia as a result of COVID-19. In WA, job losses of more than 100,000 are expected in the immediate term.

When travel restrictions and shutdowns eventually ease, the economy will rebound. It will, however, take a significant amount of time for the hundreds and thousands of people who lost their jobs due to COVID-19 to gain employment once again.

Although the Commonwealth and WA Governments have already announced economic stimulus measures, their ability to deliver future necessary stimulus will be compromised by their record levels of debt.

Given the unprecedented circumstances, there is a critical need for the Local Government sector to supplement the economic stimulus packages provided by the State and Federal Governments. In the immediate term, this is in the form of local level economic relief and support that focuses on:

- Ensuring that all Local Government employees maintain their employment;
- Providing financial relief and cash flow support to households and businesses;
- Making it easier for businesses to instill necessary changes to their operating models;
- Supporting local businesses and suppliers through additional spending; and
- Maintaining household and business confidence in the community.

A coordinated and widespread introduction of initiatives will demonstrate significant leadership from the sector. It will also demonstrate the Local Government sector's commitment to work together and do everything in its capacity to support local households and business during these highly uncertain times.

To assist the sector in undertaking the above initiatives, WALGA is looking at what it can do to ease financial pressure on members. A number of regulatory reforms are being progressed, and discussions with the Valuer General and Office of the Auditor General on matters critical to the sector are advanced. Furthermore, a special meeting of the LGIS Board will be held shortly with the goal of finalising a strategy to re-assign funds held in reserve to provide immediate financial relief for member councils in their 2020-21 contributions.

4 CLOSURE

There being no further business the Chair declared the meeting closed at 6:50pm.

DECLARATION

These minutes were confirmed at the meeting held on _____

Signed: Mayor Tracey Roberts

Person presiding at the meeting at which these minutes were confirmed

**Attachment 2 – Letter to Premier from WALGA President.****23 March 2020**

Hon. Mark McGowan MLA
Premier; Minister for Public Sector Management;
State Development, Jobs and Trade; Federal-State Relations
1 Parliament Place
West Perth
Western Australia 6005

e-mail: WA-Government@dpc.wa.gov.au

Dear Premier

State and Local Government response to COVID-19

Thank you for your correspondence dated 17 March 2019 regarding COVID-19.

The Local Government sector is acutely aware of the added financial pressure and uncertainty facing households, small businesses and the self-employed as a result of COVID-19.

I have written to all Councils advising of your request for their support and action to unilaterally freeze all Local Government Household Rates, Fees and Charges in 2020-21.

Many Councils are already demonstrating strong leadership and support for your initiative. However, in order to realise a net zero increase, we will need support from the State Government in relation to a range of financial, regulatory and governance considerations that need taking into account in complying with the request. Areas requiring resolution include, but are not limited to, the waste levy, electricity and street lighting tariffs and the planned revaluation of Gross Rental Values by the Valuer General in June 2020.

I have briefed the Local Government Minister on these measures, including options we have developed to further boost spending in our communities in the short to medium term. The team at WALGA are working carefully through the detail on these initiatives with your Ministerial colleagues and their agencies.

Please be assured that WALGA will continue to work with the State Government in support of WA's communities and households throughout this period of heightened uncertainty.

I am of the view that close collaboration between our two levels of Government is essential in ensuring that the State is in the best possible position to combat the economic and social impacts of COVID-19.

Yours sincerely

A handwritten signature in blue ink that reads "Tracey Roberts".

**Mayor Tracey Roberts
President**



Attachment 3 – Letter to all Councils from WALGA President

23/03/2020

Dear _____

COVID-19 and the Premiers request for a Local Government Rate Freeze

I am in receipt of a letter from the Premier requesting support and action to unilaterally freeze all Local Government Household Rates, Fees and Charges in 2020-21 (see attached).

As Local Government we are acutely aware of the negative impact COVID-19 is having on our communities. The added financial pressure and uncertainty facing households, small businesses and self-employers, as well as our individual Councils, is of significant concern.

I have responded to the Premier, advising that Local Government understands the hardship facing many households and local businesses, and are already demonstrating strong leadership.

However, in order to realise a net zero increase, we will need support from the State Government in relation to a range of financial, regulatory and governance considerations that need taking into account in complying with the request. Areas requiring resolution include, but are not limited to, the waste levy, electricity and street lighting tariffs and the planned revaluation of Gross Rental Values by the Valuer General in June 2020.

I can assure you that I, and the team at WALGA are working through these issues with the relevant Government Ministers, Departments and Agencies to have these addressed as expeditiously as possible.

I am of the view that close collaboration between our two levels of Government is essential in ensuring that the whole State is in the best possible position to combat the economic and social impacts of COVID-19. Consideration of a net zero increase to Council rates, fees and charges is an important element in reducing the pressure that our communities are facing.

I look forward to working with you in supporting WA's communities, businesses and households throughout this period of heightened uncertainty.

Should you or your staff require additional information on COVID-19, I refer you to the WALGA website: <https://walga.asn.au/News,-Events-and-Publications/Media/COVID-19>

Yours sincerely

A handwritten signature in blue ink that reads "Tracey Roberts".

Mayor Tracey Roberts
President



Attachment 4. – List of Proposed Legislative and Regulatory Amendments

The WA State Government are proposing the following legislative and regulatory amendments:

- Section 3.12 – Provide LGs the ability to suspend, by resolution, certain parts of a local law during a state of emergency or public health emergency.
- A power for the Minister to defer any election and extend the appointment of any Commissioners, notwithstanding the other provisions in the Act, for the duration of the State of Emergency.
- Power to be provided to Minister to waive requirement for absolute majority decision during a State of Emergency declared under the Emergency Management Act 2005
- All public meetings are suspended during a State of Emergency declared under the Emergency Management Act 2005.
- Where a state of emergency is declared under the Emergency Management Act 2005, all time periods specified in the Act are suspended and recommence after the time specified in the declaration has expired or it is revoked by the Minister.
- Minister (for Local Government) has power to waive requirements for giving public notice during a State of Emergency declared under the Emergency Management Act 2005.
- Purchasing/Tenders – Amendments to Local Government Function & General Regulations as per below;
 - Regulation 11(1) Tender Threshold: Increase the tender threshold to \$250,000 : This will permit Local Governments to extend the use their Purchasing Policy and apply local content provisions more readily to goods and services acquired via verbal and written quotations;
 - Regulation 11(2) Tender Exemptions: Introduce new tender exemption criteria for any goods or services associated with the state of emergency declaration (similar to purchases from expenditure authorised by Mayor / President in an emergency under s. 6.8(1)(c);
 - Regulation 21A(b) Varying a contract for the supply of goods or services: Currently limits renewal or extension of contracts where Regulation 11(2)(j) applies i.e. when renewal/extension clauses in contracts are exhausted. Recommend amending this Regulation to permit contract renewal or extension for an additional 12 months as a consequence of state of emergency, and for any existing contract at the discretion of the Local Government (that is, don't regulate rules such as 'essential services' as this proposal is more about business continuity and supporting existing suppliers esp. local)

WALGA has also requested consideration of the following two issues:

- Developer Contributions - Need ability to utilise Developer contributions funds set aside for emergency use in respect to COVID-19 - This will require an amendment to the Planning and Development Act 2005, Section 154: Money paid in lieu of open space
- Government Grants – Ability for Local Governments who have received Government Grants for projects (State and Commonwealth), for the funds be re-purposed to address COVID-19 issues. For example a LG has been provided grant funds to build a recreation centre, these funds could and the Councils own contribution could be re-purposed under State of Emergency provisions.



Hon David Templeman MLA
Minister for Local Government; Heritage; Culture & the Arts

Our Ref: 66-12084

TO ALL LOCAL GOVERNMENTS

CIRCULAR N^o 01-2020

**PRACTICAL ASSISTANCE FOR LOCAL GOVERNMENTS TO RESPOND DURING
A STATE OF EMERGENCY (COVID-19)**

I am advising that His Excellency the Governor, in Executive Council, has approved regulation amendments dealing with access to funding, procurement and long service leave during the COVID-19 outbreak.

Amendments are being made to the following regulations:

Local Government (Financial Management) Regulations 1996

The purpose of these amendments is to increase the flexibility of the local government sector to access funding in a timelier manner to respond to the State of Emergency Declaration under the *Emergency Management Act 2005*.

Regulation 18 contains exemptions from the requirement for a local government to give local public notice of a change of 'use of money' set aside in a Reserve Account (this currently requires one month's public notice). During a state of emergency in a local government district or part of a district, a further exemption is being provided to allow the local government to change the 'use of money' required to address a need arising from the hazard or from the impact or consequences of the hazard to which the state of emergency declaration relates. This decision, and the reasons for it, must be recorded in the formal minutes of the council.

Regulation 20 contains exemptions from the requirement for a local government to give local public notice of a 'power to borrow' under section 6.20 of the Act. An additional exemption from the period for giving local public notice is provided if the decision is made while a state of emergency declaration is in force and the local government considers that the borrowing is required to address a need arising from the hazard (in this case COVID-19) or from the impact or consequences of the hazard. Once again, this decision, and the reasons for it, must be recorded in the formal council minutes.

Level 7, Dumas House, 2 Havelock Street, West Perth, Western Australia 6005
Telephone: +61 8 6552 5400 Facsimile: +61 8 6552 5401 Email: Minister.Templeman@dpc.wa.gov.au

- 2 -

Regulation 21 provides further flexibility to a local government to re-purpose money borrowed, but not spent, to address a hazard or the impact or consequences of the hazard. This is tied to the declaration of a state of emergency and has the effect of exempting the local government from providing local public notice before they can access the funds for the new purpose. Once again, this decision, and the reasons for it, must be recorded in the council minutes.

Local Government (Functions and General) Regulations 1996

The primary purpose of these amendments is to increase the flexibility of the local government sector to contract with local suppliers during, and in the aftermath of, the State of Emergency Declaration under the *Emergency Management Act 2005*.

An amendment is being made to regulation 11(1) to increase the threshold to \$250,000 to align with State Government tendering thresholds. This will permit local governments to extend the use of their own purchasing policy and apply local content provisions more readily to goods and services acquired via written quotations.

Local governments should update their purchasing policy to cover the direct purchase of goods and services under \$250,000. For purchases over \$150,000, local governments should ensure that quotations are requested in writing and offers are received in writing. Regulation 11A covering purchasing policies will be updated in the coming weeks.

Regulation 11(2) contains two further exemptions when tenders do not have to be publicly invited.

The first exemption, in new regulation 11(2)(aa), ensures the formal tender process does not need to be undertaken when sourcing and securing essential goods and services to respond to a state of emergency. As outlined in regulation 11(3), there must be a state of emergency declaration in force for the local government district or part of the district and the goods or services must be required to address needs arising from, or impacts or consequences of, the hazard to which the emergency relates.

The other exemption in regulation 11(2)(ja) gives a local government the discretion to renew or extend a contract that expires when a state of emergency declaration is in force, even though this option is not included in the original contract. This will overcome the practical difficulty of businesses responding to a formal tender process while they are shut down or in the transition period when normal business resumes. Limits on this apply: the original contract must have less than three months left to run, the renewal or extension cannot be for more than twelve months, and there must be a state of emergency declaration applying to the district or part of the district when the renewal or extension is entered into.

- 3 -

A further exemption in regulation 11(2)(h) is being updated to encourage local governments to purchase goods or services supplied by Aboriginal businesses. The exemption will now reflect the fact that the Chamber of Commerce and Industry administers the Aboriginal Business Directory. A new exemption has been added recognising goods or services may also be supplied by Supply Nation.

Local Government (Long Service Leave) Regulations

The purpose of these amendments is to provide greater access to paid leave for local government employees stood down during a state of emergency declaration under the *Emergency Management Act 2005*.

Regulation 4 governs rules towards entitlements for long service leave. New regulation 4(da) provides that any period of absence from duty connected with an employer's response to a hazard, or the impact or consequences of the hazard declared under the *Emergency Management Act 2005*, is deemed as continuous service towards an employee's next entitlement of long service leave.

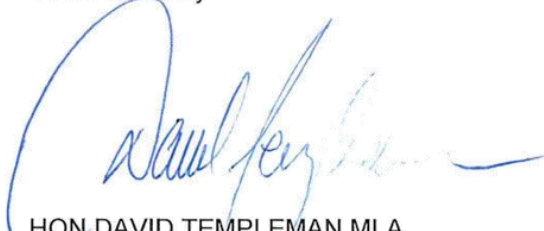
Regulation 7 deals with the actual taking of long service leave. Currently, leave may only be granted and taken in one consecutive period or, by agreement, not more than three consecutive periods. This restriction has been lifted to allow employees to take leave by agreement in two or more separate periods.

In addition, regulation 7A(2) establishes a new right for a worker to take advance leave by agreement with their employer if:

- (a) the worker has completed at least seven years of continuous service of the normal accrual period; and
- (b) the approval for the advance leave is given when there is a state of emergency declaration applying to the district or part of the district in which they work.

If you have any questions, please email LGresponse@dlgsc.wa.gov.au. This is a new email address which has been established to assist local governments during this time.

Yours sincerely



HON DAVID TEMPLEMAN MLA
**MINISTER FOR LOCAL GOVERNMENT;
HERITAGE; CULTURE AND THE ARTS**

- 9 APR 2020

8 MEETING CLOSED TO THE PUBLIC

8.1 Matters for which the meeting may be closed

Nil

8.2 Public Reading of resolutions to be made public

Nil

9 CLOSURE

The Shire President thanked everyone for their attendance and closed the meeting at 5.12pm.

The minutes were confirmed by the Council as a true and accurate record at the Council Meeting held on 28 April 2020.

SHIRE PRESIDENT