
**MM5/20 COVID 19 - FINANCIAL ASSISTANCE - Mayor, Councillor
Jerome Laxale**

File Number: MYR/07/10/20 - BP20/310

This Mayoral Minute seeks support for the local government sector's campaign for assistance in dealing with the health and economic crisis caused by the COVID-19 pandemic.

The financial impact of the current COVID-19 pandemic is significant and poses a far greater financial risk to Council than the Global Financial Crisis of 2009. For the City of Ryde, the net financial impact of COVID-19 has been estimated at \$12 million between 1 March 2020 and 31 December 2020, or \$1.2 million per month.

Net income projections relating to the following areas are impacted the greatest:

- Ryde Aquatic Leisure Centre
- Parking Control
- Development Applications
- Environmental Enforcement, and
- Sport and Recreation

I recommend that Council support the campaign, 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).

Council has faced increased costs and at the same time is experiencing declining revenue as more and more ratepayers are forced into financial hardship. The impacts are rapidly escalating.

City of Ryde 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.

Local Government must be at the forefront of economy recovery. Council's should be at the heart of all federal and state infrastructure stimulus packages.

Further, Council's need 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.

MM5/20 (continued)

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

- Increase 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 as well as giving councils capacity to provide hardship assistance to businesses and residents.
- Immediate financial assistance to support all council employees.
- 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.
- Extension of the Government's economic stimulus package to the Local Government sector run leisure and swimming centres facilities that are currently closed and generating no income.
- Full payment of the 2020/21 Financial Assistance Grants by June 2020.
- Allow Council to utilise restricted funds for internal loans (e.g. Domestic Waste Reserve, S7.11, water and sewer, emergency services levy, parking levy) to generate employment and support the provision of services.
- Provision of a six month mortgage waiver by TCorp, consistent with that being provided by the Federal Government under the Loan Guarantee scheme.
- Increase access to TCorp State Government loans.
- Extension of grants by 12 months to cater for significant interruption to Council's service capability.
- Reduction of financial ratios (cash reserves: liquid assets and current assets) to free up internal cash reserves.
- Deferral of the requirement that Councils have matching funds when commencing infrastructure projects.

MM5/20 (continued)

RECOMMENDATION:

- (a) That City of Ryde call on the Federal Government and NSW Government to urgently deliver comprehensive and multifaceted financial support and stimulus packages to local government due to the COVID-19 pandemic.
- (b) That City of Ryde call for the packages to include the following measures:
- 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.
 - Providing stimulus funding to councils for projects that will help sustain council operations and boost local economies.
 - 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.
 - Extension of the Government's economic stimulus package to the Local Government sector run leisure and swimming centres facilities that are currently closed and generating no income.
 - Full payment of the 2020/21 Financial Assistance Grants by June 2020.
 - Allow Council to utilise restricted funds for internal loans (e.g. Domestic Waste Reserve, S7.11, water and sewer, emergency services levy, parking levy) to generate employment and support the provision of services.
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MM5/20 (continued)

- (c) That City of Ryde commend 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.
- (d) That Council write to the local Federal Member for Bennelong and State Members for Ryde and Lane Cove, Prime Minister the Hon Scott Morrison MP, NSW Premier the Hon Gladys Berejiklian MP, Federal Treasurer the Hon Josh Frydenberg 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 Coulton, Federal Opposition Leader the Hon Anthony Albanese, 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 boost employment during the COVID-19 pandemic.
- (e) That Council endorse Local Government NSW's sector-wide campaign to obtain financial assistance, employment support and stimulus funding for the local government sector.
- (f) That Council advise LGNSW President Linda Scott of the passage of this Mayoral Minute.
- (g) That Council thank the NSW State Government for the provision of funding to support child care services provided by local government and write to the NSW Local Government Minister, Hon Shelly Hancock MP in this regard.

ATTACHMENTS

There are no attachments for this report.

Report Prepared By:



Jerome Laxale
Mayor