



PORT STEPHENS
C O U N C I L

MAYORAL MINUTES
14 APRIL 2020

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MAYORAL MINUTES

MAYORAL MINUTE

ITEM NO. 1

**FILE NO: 20/90099
EDRMS NO: PSC2015-01024**

COVID-19 FINANCIAL SUPPORT

THAT COUNCIL:

- 1) Call 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.
 - 2) Call 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 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.
 - 3) 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 through this crisis.
 - 4) Write to the local Federal and State member(s) Meryl Swanson MP, the Hon. David Gillespie MP, Tim Crakanthorp MP and Kate Washington 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, 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.
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- 5) Endorse Local Government NSW sector-wide campaign to obtain financial assistance, employment support and stimulus funding for the local government sector.
- 6) Advise LGNSW President Linda Scott of the passage of this Mayoral Minute.

BACKGROUND

The purpose of this report is call on all 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.

Port Stephens Council and its community is already suffering the consequences of the COVID-19 crisis.

It is recommended that Council support the LGNSW 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).

Port Stephens Council is struggling with the financial impacts of COVID-19. Council has faced increased costs and at the same time is experiencing declining revenue with business closures and as more and more ratepayers are forced into financial hardship. The impacts are rapidly escalating.

Port Stephens Council 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 projects, maintenance works and staff.

It is critical that the local government sector receives adequate funding and resources to coordinate and deliver the services needed to 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 Council 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, as well as giving Council 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 Council for projects that will help sustain Council's 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.

ATTACHMENTS

Nil.

MAYORAL MINUTE

ITEM NO. 2

**FILE NO: 20/90960
EDRMS NO: PSC2015-01024**

COVID-19 BANK OVERDRAFT

THAT COUNCIL:

- 1) Formally resolve to apply for an overdraft increase to an amount between \$5 million to \$10 million pending formal acceptance from the Commonwealth Bank of Australia.

BACKGROUND

The purpose of this report is to advise Council of the current financial difficulties being experienced due to the COVID-19 virus and the need now to re-examine Council's overdraft facilities.

The current overdraft with the Commonwealth Bank stands at \$2.5 million and has not been called upon on many occasions over the past twelve months. Given the current exceptional circumstances it was initially considered appropriate to increase this to \$5 million to cover operational expenses over the next 3, 6 and 9 months.

The CBA has been approached and is considering this request, but has requested specific Council support for the increase. Given the level of uncertainty around Council's position it would perhaps be prudent to make an application for an increase in the overdraft to, say, \$10 million if that is acceptable to the CBA. Should that not be acceptable for any reason, then the application be amended to \$5 million.

ATTACHMENTS

Nil.