



Special Council Meeting

Minutes (unconfirmed)
Tuesday 7 April 2020

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1. Official Opening

The Presiding Member opened the meeting at 6:31pm and welcomed Councillors, Staff and Members of the Public Gallery. The Presiding Member also acknowledged the Traditional Owners of the land on which we meet the Whadjuk Noongar people.

2. Attendance, Apologies and Leave of Absence Previously Approved

Councillors

South East Ward

John Giardina
Janelle Sewell
Geoff Stallard

South West Ward

Lesley Boyd
Mary Cannon
Brooke O'Donnell

North West Ward

Sue Bilich (arrived at 6:35pm)
Lisa Cooper
Dylan O'Connor

North Ward

Cameron Blair
Kathy Ritchie
Margaret Thomas JP (Mayor) Presiding Member

Members of Staff

Chief Executive Officer

Rhonda Hardy

Executive Team

Gary Ticehurst - Director Corporate Services
Brett Jackson - Director Asset Services
Peter Varelis - Director Development Services

Management Team

Alida Ferriera - Manager Financial Services
Alison Egan - Manager People Services

Administration Support

Darrell Forrest - Governance Advisor
Donna McPherson - Executive Assistant to the CEO

Members of the Public 8

Members of the Press Nil.

Apologies

Nil.

Leave of Absence Previously Approved

Nil.

3. Public Question Time

A period of not less than 15 minutes is provided to allow questions from the gallery on matters relating to the functions of this meeting. For the purposes of Minuting, these questions and answers will be summarised.

3.1 Mr Peter Forrest - 36 Panoramic Terrace, Kalamunda

Q. As there is no media present at this meeting will a transcript of this meeting be available to the public without charge.

A. The Chief Executive Officer advised the media had requested a recording of the meeting be provided to them. The City is investigating live streaming of public meetings in accordance with a Council Resolution. The City will make available the sound recording of tonight's meeting and waive the charge.

4. Petitions/Deputations

4.1 A deputation was received from Mr Russell Tosh regarding Item 8.1.1. Zig Zag Scenic Drive: Proposed Temporary Measures. Mr Tosh spoke in favour of the closure of Zig Zag Scenic Drive.

4.2 A deputation was received from Mr Johannes Pannekoek regarding Item 8.1.1. Zig Zag Scenic Drive: Proposed Temporary Measures. Mr Pannekoek spoke in favour of the closure of the Zig Zag Scenic Drive.

4.3 A deputation was received from Mr Andy Farrant regarding Item 8.1.1. Zig Zag Scenic Drive: Proposed Temporary Measures. Mr Farrant's deputation, in favour of the closure of the Zig Zag Scenic Drive, was received in writing and read to the meeting.

4.4 A deputation was received from Mr Isaac George regarding Item 8.1.1. Zig Zag Scenic Drive: Proposed Temporary Measures. Mr George spoke in favour of the closure of the Zig Zag Scenic Drive.

4.5 A deputation was received from Ms Leigh Hambly regarding Item 8.1.3 COVID-19 Pandemic – Budget Setting Parameters and Principles 2020/21 and changes to budget 2019/20. Ms Hambly's deputation, in favour of the

recommendations of the report, was received in writing and read to the meeting.

4.6 A deputation was received from Mr Stephen Price MLA , Member for Forrestfield, regarding Item 8.1.3 COVID-19 Pandemic – Budget Setting Parameters and Principles 2020/21 and changes to budget 2019/20. Mr Price spoke in support of the recommendations of the report and provided an overview to the meeting of the measures taken to support the community by the State Government.

4.7 A deputation was received from Dr Shayne Silcox. Dr Silcox spoke to each item on the agenda. Dr Silcox supported the recommendations presented for all matters to be considered.

5. Announcements by the Member Presiding Without Discussion

5.1 Nil.

6. Matters for Which the Meeting may be Closed

6.1 Nil.

7. Disclosure of Interest

7.1. Disclosure of Financial and Proximity Interests

- a. Members must disclose the nature of their interest in matter to be discussed at the meeting. (Section 5.56 of the *Local Government Act 1995*.)
- b. Employees must disclose the nature of their interest in reports or advice when giving the report or advice to the meeting. (Section 5.70 of the *Local Government Act 1995*.)

7.1.1 Nil.

7.2. Disclosure of Interest Affecting Impartiality

- a. Members and staff must disclose their interest in matters to be discussed at the meeting in respect of which the member or employee had given or will give advice.

7.2.1 Nil.

8. Reports to Council

8.1. Chief Executive Officer Reports

8.1.1. Zig Zag Scenic Drive: Proposed Temporary Measures

Declaration of financial / conflict of interests to be recorded prior to dealing with each item.

Previous Items	OCM183/2013; OCM74/2014; OCM 90/2014
Directorate	Asset Services
Business Unit	Asset Services
File Reference	HU-PUH-007
Applicant	N/A
Owner	City of Kalamunda
Attachments	1. Zig Zag Scenic Drive - Analysis of Road Closure Options and Outcomes [8.1.1.1 - 2 pages]

TYPE OF REPORT

Advocacy	When Council is advocating on behalf of the community to another level of government/body/agency
<input checked="" type="checkbox"/> Executive	When Council is undertaking its substantive role of direction setting and oversight (e.g. accepting tenders, adopting plans and budgets)
Information	For Council to note
Legislative	Includes adopting Local Laws, Town Planning Schemes and Policies. When Council determines a matter that directly impacts a person's rights and interests where the principles of natural justice apply. Examples include town planning applications, building licences, other permits or licences issued under other Legislation or matters that could be subject to appeal to the State Administrative Tribunal

STRATEGIC PLANNING ALIGNMENT

Kalamunda Advancing Strategic Community Plan to 2027

Priority 1: Kalamunda Cares and Interacts

Objective 1.2 - To provide a safe and healthy environment for community to enjoy.

Strategy - 1.2.1 Facilitate a safe community environment.

Priority 2: Kalamunda Clean and Green

Objective 2.3 - To reduce the amount of waste produced and increase the amount of reuse and recycling of waste.

Strategy 2.3.1 - Identify and implement strategies to reduce waste.

Priority 3: Kalamunda Develops

Objective 3.4 - To be recognised as a preferred tourism destination.

Strategy 3.4.1 - Facilitate, support and promote, activities and places to visit.

EXECUTIVE SUMMARY

1. The purpose of this report is to seek Council direction regarding temporary measures that could be implemented at Zig Zag Scenic Drive (ZZSD) and nearby streets to address concerns raised by Councillors.
2. Ward Councillors have raised with the Administration concerns from some residents regarding hooning and antisocial behaviour in this area. Councillors discussed the matter with the Administration at a Strategy Session on 31 March 2020.
3. It is feasible to implement some temporary measures regarding ZZSD and the Administration seeks Council determination to a preferred course of action.

BACKGROUND

4. In June 2014, Council received a report outlining the community engagement undertaken regarding ZZSD. The relevant Council Decision (OCM90/2014) proposed, in essence, a sequence of traffic calming and parking improvements in Lascelles Parade and further development of measures aimed at tourism and addressing antisocial behaviour.
5. The traffic calming and parking improvements have been undertaken in subsequent years as budgets permit, however no substantive position has been determined regarding the future development of ZZSD.
6. The City has also adopted the Cycling Master Plan 2017 which included a key strategy that ZZSD be closed to vehicles to facilitate pedestrian and cyclists going up and down the hill. This adoption of the Cycling Master Plan was subject to further determination regarding the future of ZZSD.
7. Ward Councillors have raised concerns regarding the increase in hooning and antisocial activity in the area (amongst other matters) and this has been discussed at strategy sessions with Council and the Administration through 2019 and 2020.

8. A strategy session undertaken on 31 March 2020 outlined key issues for consideration. This report now seeks Council direction on the matter.

DETAILS AND ANALYSIS

9. It is considered the following are the main issues requiring attention in this matter:
- a) hooning and vehicle rollovers due to excessive speed in Lascelles Parade;
 - b) hooning in ZZSD;
 - c) antisocial behaviour at the upper car park in Lascelles Parade;
 - d) antisocial behaviour in the vehicle pull off bays on ZZSD including supposed illicit drug dealing and consumption;
 - e) illegal overnight camping by the side of the road in ZZSD where facilities are not set up for this activity;
 - f) litter and dumping, as well as human waste products including faeces, used sanitary napkins and toilet paper by way of example;
 - g) four-wheel drive vehicles cutting trails into the Gooseberry Hill National Park from ZZSD and damaging the natural environment;
 - h) conflicts between vehicles driving down ZZSD; and
 - i) the desire to enhance tourism within the City and the role the ZZSD would play in this.
10. All of the issues raised above can be linked, wholly or partially to vehicle activity on Lascelles Parade and ZZSD. A presentation to Councillors set out what anticipated benefits or reduction in amenity would occur if road access was:
- a) no change to current access; or
 - b) closure of ZZSD 'after hours'; or
 - c) closure of ZZSD to all vehicles with access only for pedestrians and cyclists.
- The anticipated change in each issue depending on the scenario is provided as Attachment 1 to this report.
11. Whilst the permanent closure to vehicles appears to have substantive benefits in dealing with the issues, it is recognised this may incur substantial criticism towards the City.
12. It is considered then the City proceed with a trial of the selected outcome (unless no change was determined) and gather factual data as to any changes to the issues as a result of the trial. A subsequent report to Council after the trial would then allow informed judgement as to what permanent measures are needed.

13. It is recommended any trial be undertaken for a three-month period with appropriate delay in commencing to complete traffic counts and other data gathering currently underway and compliance to prescribed periods of notice.
14. In regard to the hooning issues on Lascelles Parade, a recommended a series of substantive traffic calming devices, such as chicanes and road narrowings, could be installed to substantially reduce available sections of roadway where vehicles can 'get up to speed' or undertake 'doughnuts' on the road. The estimated cost of this is being developed and will be listed in the draft 2020/21 Capital Works program for consideration.
15. It is further proposed, once a determination is made as to the long-term vehicle access to ZZSD (open / partial closed / fully closed), the City can then develop an appropriate tourism strategy taking into account vehicle access. It would be premature at this stage to commence this strategy.

APPLICABLE LAW

16. The *Local Government Act 1995* prescribes arrangements for temporary or permanent road closures.

APPLICABLE POLICY

17. Nil.

STAKEHOLDER ENGAGEMENT

18. If Council wish to proceed as soon as possible with any measures, then the Community will be informed of the actions being undertaken.

FINANCIAL CONSIDERATIONS

19. Installation of manually operated gates for the trial would be in the order of \$20,000 with a further \$4,000 to have a security contractor attend to close them each evening for a three-month period.

SUSTAINABILITY

Social Implications

20. Potential to reduce antisocial behaviour.

Economic Implications

21. Potential to grow tourism.

Environmental Implications

22. Potential to protect Gooseberry Hill National Park.

RISK MANAGEMENT

23.	Risk: That significant criticism is levelled towards the City as a result of any decision made to address, or not address, the issues regarding vehicles on Zig Zag Scenic Drive.		
	Consequence	Likelihood	Rating
	Moderate	Almost Certain	High
	Action/Strategy		
	Council clearly communicate that undertaking a trial of any changes is such to gauge the impact and then determine if permanent measures are warranted.		

CONCLUSION

24. It is recognised there is no perfect solution that can be funded at an acceptable level. The matters and options raised allow Council to make a decision as to how to deal with the matter.

Voting Requirements: Simple Majority

RECOMMENDATION

That Council:

1. NOTE provision of traffic calming measures for Lascelles Parade will be listed for consideration by Council as part of the draft 2020/2021 Budget process.
2. DETERMINE not to close Zig Zag Scenic Drive to vehicles at this time;

OR

2. UNDERTAKE a three-month trial of closing Zig Zag Scenic Drive to vehicles between the hours of ____ PM and ____ AM, seven days per week to commence by 30 May 2020;

OR

2. UNDERTAKE a three-month trial of closing Zig Zag Scenic Drive to vehicles at all times to commence by 30 May 2020.

Cr Blair presented an amendment to the recommendation as presented. A seconder was received for the amendment. Cr Boyd foreshadowed an additional amendment. Cr Boyd's additional amendment was accepted by the mover and seconder and included in the recommendation.

RESOLVED SCM 43/2020

That Council:

1. NOTE provision of traffic calming measures for Lascelles Parade will be listed for consideration by Council as part of the draft 2020/2021 Budget process.
2. UNDERTAKE a six-month trial of closing Zig Zag Scenic Drive to vehicles at all times to commence by 30 May 2020.
3. REQUEST the Chief Executive Officer provide a report on the results of the temporary closure, and a recommendation for a permanent solution including recommendations for preparing a resultant Tourism strategy for this area.

Moved: **Cr Cameron Blair**

Seconded: **Cr Margaret Thomas**

Vote: **CARRIED UNANIMOUSLY (12/0)**

ZIG ZAG SCENIC DRIVE (ZZSD): OPTIONS FOR CONSIDERATION

Issue No.	Issue	Description & Discussion
1	Hooning – Zig Zag Scenic Drive	Burnouts and doughnuts on road, disturbing peace of nearby residents especially at night.
2	Hooning – Lascelles Parade	As above but greater proximity to residents and increase risk of vehicle crashes impacting private property.
3	Littering and Dumping	Discarded rubbish, human organic waste, other waste and dumping along ZZSD. Unsafe and unsanitary clean up required.
4	Camping	Apart from being illegal, leads to increased litter and dumping.
5	Illicit Drug Activity	Instances of drug trading and drug consumption – antisocial behaviour spoiling enjoyment of others.
6	Bicycle – Vehicle Conflict	Some cyclists do the wrong thing and cycle uphill on ZZSD and can cause conflict with vehicles coming down ZZSD and risks of accidents and injuries.
7	Sightseeing – ZZSD	Visitors in vehicles can pull off ZZSD at several points and enjoy the views of the Gooseberry Hill National Park and City, especially during early evening when City lights are switched on.
8	Sightseeing – Lascelles Parade carpark	As above but with different aspects.
9	Damage to Gooseberry Hill National Park	Vehicles (predominantly four-wheel drives) carve tracks into the Gooseberry Hill National Park from ZZSD causing damage to the natural environment and accelerating erosion.

ZIG ZAG SCENIC DRIVE (ZZSD): OPTIONS FOR CONSIDERATION

Scenario →:	No Change to Existing Vehicle Access Arrangements	Vehicle Access stopped "after hours" ¹	Vehicle Access stopped at all times, pedestrians and cyclists allowed 2-way access
Issue No.	Outcome Anticipated		
1	No change to current situation	Would reduce disturbances at night	Would mitigate issue completely
2	No change to current situation	May see reduction in vehicles who cannot continue down ZZSD	May see reduction in vehicles who cannot continue down ZZSD
3	No change to current situation	Not anticipated to have substantive reduction	Would see substantive reduction
4	No change to current situation	No change, vehicles would enter before access is closed	Would be reduced to whatever can be carried 'on your back'
5	No change to current situation	Anticipate some reduction but move problem elsewhere	Anticipate substantial reduction but move problem elsewhere
6	No change to current situation	No change – almost all cyclists are day use	Would mitigate issue completely
7	No change to current situation	Depending on close time, wouldn't negatively impact enjoyment of visitors	Would be a negative outcome as visitors unable to drive down ZZSD
8	No change to current situation	No change to current benefit	No change to current benefit
9	No change to current situation	Do not anticipate any substantive improvement	Would mitigate issue completely

1: After Hours is not yet defined, but assumed after sunset but before say 10pm

8.1.2. Adoption of Policy - COVID 19 - Financial Hardship

Declaration of financial / conflict of interests to be recorded prior to dealing with each item.

Previous
Items

Directorate Chief Executives Office

Business Unit Governance and Legal

File Reference N/A

Applicant
Owner

Attachments 1. Draft policy - COVID 19 Financial Hardship [8.1.2.1 - 3 pages]

TYPE OF REPORT

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Executive	When Council is undertaking its substantive role of direction setting and oversight (eg accepting tenders, adopting plans and budgets)
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STRATEGIC PLANNING ALIGNMENT

Kalamunda Advancing Strategic Community Plan to 2027

Priority 4: Kalamunda Leads

Objective 4.1 - To provide leadership through transparent governance.

Strategy 4.1.1 - Provide good governance.

EXECUTIVE SUMMARY

1. The purpose of this report is for Council to adopt a new policy in relation to financial hardship assistance from the City arising from the COVID-19 pandemic - COVID-19 – Financial Hardship (Policy) (Attachment 1).

2. The Policy has been developed to give effect to the City of Kalamunda's (City) commitment to support the whole community to meet the unprecedented challenges arising from COVID-19, the City recognises these challenges will result in financial hardship for our ratepayers.
3. It is recommended Council adopt the draft policy – COVID-19 – Financial Hardship.

BACKGROUND

4. The City periodically reviews, revokes and adds new policies to ensure compliance with legislative requirements, operational and strategic objectives.

DETAILS AND ANALYSIS

5. Local governments have been requested to consider adopting a policy to provide clear guidance to their residents of assistance that may be provided to them during the current COVID-19 pandemic and the criteria for assistance.
6. The Western Australian Local Government Association (WALGA) has provided guidance to local government to assist in the development of the policy.
7. The information provided by WALGA has been included in the draft policy and represents a considered approach by the City.
8. It is intended that the Policy will apply throughout the period of the emergency declarations. Once the declarations have been cancelled consideration can be given to the need to continue the Policy in its current form or if amendments may be needed to ensure assistance can be provided for an extended period.

APPLICABLE LAW

9. *Local Government Act 1995 and Local Government (Financial Management) Regulations 1996.*

APPLICABLE POLICY

10. This is a new policy to provide clear guidance to the community on assistance available from the City for financial hardship arising from COVID-19.

STAKEHOLDER ENGAGEMENT

11. Due to the urgency of responding to the current State and Public Health Emergency declarations, no community consultation has been undertaken in developing the Policy.

FINANCIAL CONSIDERATIONS

12. The financial impact of adopting the Policy will depend on the level of assistance sought by the City's residents.

SUSTAINABILITY

Social Implications

13. Will depend on the level of assistance sought by the City's residents.

Economic Implications

14. Will depend on the level of assistance sought by the City's residents and businesses.

Environmental Implications

15. Nil.

RISK MANAGEMENT

- 16.
- | | | |
|---|-------------------|---------------|
| Risk: Council does not implement strategies to facilitate the provision of assistance to residents of City in the quickest possible time during the COVID 19 pandemic. | | |
| Consequence | Likelihood | Rating |
| Moderate | Likely | Medium |
| Action/Strategy | | |
| Ensure strategies are in place to meet the expectations of City residents. | | |

CONCLUSION

17. The draft Policy - COVID 19 – Financial Hardship - represents a considered approach by the City of the assistance that could be made available and the applicable criteria for financial hardship arising from the COVID 19 pandemic.

Cr Bilich proposed two changes to the wording of the Policy under Section 3(2) and Section 3(3). These amendments were accepted by the mover and seconder.

Voting Requirements: Simple Majority

RESOLVED SCM 44/2020

That Council ADOPT the draft policy – COVID 19 – Financial Hardship (Attachment 1) as amended.

Moved: **Cr Dylan O'Connor**

Seconded: **Cr John Giardina**

Vote: **CARRIED UNANIMOUSLY (12/0)**

Governance 17: COVID – 19 Financial Hardship Policy

1. Purpose

To give effect to the City of Kalamunda's (the City) commitment to support the whole community to meet the unprecedented challenges arising from the COVID19 pandemic, the City recognises that these challenges will result in financial hardship for our ratepayers.

This Policy is intended to ensure that the City offer fair, equitable, consistent and dignified support to ratepayers suffering hardship, while treating all members of the community with respect and understanding at this difficult time

2. Policy Application

This policy applies to:

1. Outstanding rates and service charges as at the date of adoption of this policy; and
2. Rates and service charges levied for the 2020/21 financial year.

This policy will only apply for the duration of the Western Australian State and Public Health Emergency Declarations for COVID 19.

3. Policy Statement

It is a reasonable community expectation, as the City deals with the effects of the pandemic that those with the capacity to pay rates will continue to do so. For this reason the Policy is not intended to provide rate relief to ratepayers who are not able to evidence financial hardship and the statutory provisions of the *Local Government Act 1995* and *Local Government (Financial Management) Regulations 1996* will apply

(1) Payment difficulties, hardship and vulnerability

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. The City recognises the likelihood that COVID19 will increase the occurrence of payment difficulties, financial hardship and vulnerability in our community. This policy is intended to apply to all ratepayers experiencing financial hardship regardless of their status, be they a property owner, tenant, business owner etc

(2) Anticipated Financial Hardship due to COVID19

The City recognises that many ratepayers are already experiencing financial hardship due to COVID-19. We respect and anticipate the probability that additional financial difficulties will arise when their rates are received.

The City encourages ratepayers to contact the City prior to their account falls into arrears to apply for hardship consideration in accordance with the terms of this policy. Where possible and appropriate, the City will also provide contact information for a recognised financial counsellor and/or other relevant support services.

(3) Financial Hardship Criteria

While evidence of hardship will be required, we recognise that not all circumstances are alike. The City will take a flexible approach 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 are encouraged to provide any information about their individual circumstances that will be relevant for assessment. This may include demonstrating a capacity to make some payment and where possible, entering into a payment proposal. The City will consider all circumstances, applying the principles of fairness, integrity and confidentiality whilst complying our statutory responsibilities

(4) Payment Arrangements

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 in achieving the discharge of the debt;
- The ratepayer will be responsible for informing the City of any change in circumstance that jeopardises the agreed payment schedule

(5) Deferment of Rates

Deferment of rates may apply for ratepayers who have a Pensioner Card, State Concession Card or Seniors Card and Commonwealth Seniors Health Care Card registered on their property. The deferred rates balance:

- remains as a debt on the property until paid;
- becomes payable in full upon the passing of the pensioner or if the property is sold or if the pensioner ceases to reside in the property;
- may be paid at any time, BUT the concession will not apply when the rates debt is subsequently paid (deferral forfeits the right to any concession entitlement); and
- does not incur penalty interest charges.

(6) Debt recovery

The City will suspend its debt recovery processes whilst negotiating a suitable payment arrangement with a debtor. Where a debtor is unable to make payments in accordance with the agreed payment plan and the debtor advises us and makes an alternative plan before defaulting on the 3rd due payment, then we will continue to suspend debt recovery processes.

Where a ratepayer has not reasonably adhered to the agreed payment plan, then for any Rates and Service Charge debts that remain outstanding on 1 July 2021, the City will offer the ratepayer one further opportunity of adhering to a payment plan that will clear the total debt by the end of the 2021/2022 financial year.

Rates and service charge debts that remain outstanding at the end of the 2021/22 financial year, will then be subject to the rates debt recovery procedures prescribed in the *Local Government Act 1995*.

(7) Review

The City will establish a mechanism for review of decisions made under this policy, and advise the applicant of their right to seek review and the procedure to be followed.

(8) Communication and Confidentiality

The City will maintain confidential communications at all times and undertakes to communicate with a nominated support person or other third party at your request.

Where financial hardship arising from the COVID 19 pandemic can be demonstrated, the City may advise ratepayers of this policy and its application, when communicating in any format (i.e. verbal or written) with a ratepayer that has an outstanding rates or service charge debt.

The City recognises that applicants for hardship consideration are experiencing additional stressors, and may have complex needs. The City will provide additional time to respond to communication and will communicate in alternative formats where appropriate and will ensure all communication with applicants is clear and respectful.

Status	
--------	--

Related Local Law			
Related Council Policies			
Relevant Delegation			
Related Internal Procedures			
Related Budget Schedule			
Legislation	<i>Local Government Act 1995</i> <i>Local Government (Financial Management) Regulations 1996</i>		
Notes and Conditions			
Authority			
Adopted		Next Review Date	

8.1.3. COVID-19 Pandemic – Budget Setting Parameters and Principles 2020-21 and Changes to Budget 2019-20

Declaration of financial / conflict of interests to be recorded prior to dealing with each item.

Previous Items	N/A
Directorate	Corporate Services
Business Unit	Financial Services
File Reference	
Applicant	N/A
Owner	N/A
Attachments	1. Local COVID 19 Pandemic Preparedness Plan [8.1.3.1 - 35 pages]

TYPE OF REPORT

Advocacy	When Council is advocating on behalf of the community to another level of government/body/agency
X Executive	When Council is undertaking its substantive role of direction setting and oversight (eg accepting tenders, adopting plans and budgets)
Information	For Council to note
Legislative	Includes adopting Local Laws, Town Planning Schemes and Policies. When Council determines a matter that directly impacts a person’s rights and interests where the principles of natural justice apply. Examples include town planning applications, building licences, other permits or licences issued under other Legislation or matters that could be subject to appeal to the State Administrative Tribunal

STRATEGIC PLANNING ALIGNMENT

Kalamunda Advancing Strategic Community Plan to 2027

Priority 4: Kalamunda Leads

Objective 4.1 - To provide leadership through transparent governance.

Strategy 4.1.1 - Provide good governance.

Strategy 4.1.2 - Build an effective and efficient service-based organisation.

EXECUTIVE SUMMARY

1. The purpose of this report is to:
 - a) obtain Council endorsement of the budget setting parameters and establish principles informing the 2020/21 annual budget; and
 - b) obtain Council endorsement on financial assistance principles proposed by the City to mitigate the financial hardship of the community as a result of COVID-19 and
 - c) endorse the changes to the 2019/20 budget.
2. The City of Kalamunda (City) acknowledges the significant public health and economic implications of COVID-19 and is focused on developing an annual budget for 2020/21 that gives due consideration to the current global situation.
3. The City also acknowledges that the community is already experiencing financial hardship and therefore seeks the Council's, in principle, support of a number of measures that will seek to recognise the financial hardship.
4. It is recommended that Council:
 - a) endorse the budget setting parameters and establish principles informing the 2020/21 annual budget; and
 - b) endorse the recommended changes to the 2019/20 budget; and
 - c) adopt the Local COVID-19 Pandemic Preparedness Plan. (LCPPP)

BACKGROUND

5. The impacts of COVID-19 demands all levels of government provide leadership, support and compassion so as to minimise health risks and the financial burden on the community, while maximising support for the most vulnerable.
6. The City has developed a LCPMP (Attachment 1). The Plan is intended to inform the community to ensure they are aware of the City's planning and response in relation to this matter.
7. The current status of COVID-19 in Australia is evolving rapidly and it is having a significant impact on public health and the economy. In response, the City is focused on developing an annual budget for 2020/21 that gives due regard for the impacts of COVID-19 while also putting measures in place that will recognise the financial hardship being experienced by the community.

DETAILS AND ANALYSIS

8. The City has put in place a framework that will enable it to respond quickly and effectively in managing its response to COVID-19.

Section 4 of the LCPPP outlines the City's response to COVID-19. A key aspect of the response are the establishment of the City's priorities as follows:

- a) Develop and Implement the LCPPP
- b) Respond to daily directions from the Commonwealth and state government
- c) Provide daily communications to staff
- d) Provide weekly communications to Community from the Mayor
- e) Develop a Community COVID-19 Support Response Plan
- f) Develop and implement Community Support Initiatives
- g) Develop a Local Recovery Plan

9. The financial implications on the City's operations will be impacted by a number of factors including but not limited to:

- a) The duration of COVID-19.
- b) The effectiveness of the federal and state government's stimulus packages.
- c) The ability of local business to resume operations following COVID-19.
- d) The overall economic conditions.

10. The City's response to COVID-19 is focused around initiatives that will provide:

- a) Support to businesses whilst they transition to a new service/product delivery model.
- b) Provide financial relief to businesses to improve cash-flow.
- c) Provide financial relief for those members of the community experiencing financial hardship.
- d) Expenditure savings.
- e) Stimulate spending that will create new jobs and economic development.
- f) Will reflect the Premier's intent of the role local government has in supporting its community during this time.

11. Furthermore, the City's response is focused on a balanced combination of financial restraint and economic stimulus measures that will generate economic development and employment opportunities.

12. With regard to the 2020/21 annual budget, it is proposed the following principles and parameters are endorsed to inform the budget:
- a) Adopt no increase in total rate revenue for 2020/21.
 - b) Adopt no increase in fees and charges, including waste fees for 2020/21.
 - c) Waive 2020/21 food and health inspection fees for targeted small businesses adversely affected by COVID-19.
 - d) Develop a 2020/21 operating budget that is reflective of the anticipated no change in rates and fees revenue. Identify cost savings initiatives across capital and operational expenditure that can be redirected to core functions with the details to be considered during the 20/21 budget process.
 - e) Identify priority capital works projects that would predominately be funded from reserves and/or borrowings for consideration during the 2020/21 budget process that can assist in economic stimulus.
 - f) That the City negotiate with tenants of City owned properties to assess the impact of COVID-19 on their capacity to meet rental payments during the 2020/21 year. The result of these negotiations will be considered as part of the 2020/21 budget process.
13. The City has estimated that the impact of freezing rates and fees in 2020/21, compared to an anticipated CPI increase, would be \$1 million reduction in revenue. In response, cost saving initiatives will be incorporated as part of the budget process to offset this lower than anticipated revenue. Additionally, cash flow will be closely monitored as the next financial year progresses to match as best possible spending to the income as it is received by the City.
14. The City has been advised by the State Government it needs to retain its workforce to be ready for the recovery. The City is developing a Redeployment Strategy in order to meet this requirement. The City will prioritise for redeployment, where required, its full and part time permanent employees, followed by contract and casual staff.
15. The City has initiated the on-line Kalamunda Connected Register to identify residents in hardship and volunteers who are willing and able to support others in the community. The City has launched the register on its website and now in the process of developing guidelines around the detail of implementation.
16. The City will recommend to Council that it considers establishing a new Reserve - The Crisis Relief Fund in the 2020/21 Budget. This is intended to support community group initiatives, small business and the tourism community and individuals in serious hardship. The fund would be

established with criteria and guidelines and will require Council to approve any funds being utilised.

17. The City has assessed the financial impact of waiving 2020/21 food and health inspection fees for targeted small businesses adversely impacted by COVID-19 as approximately \$37,000. Based on the City's assessment and the targeted approach, this waiver would provide approximately 170 small businesses direct fee relief in 2020/21. The City has excluded large retail chains, fast food outlets and major supermarkets from the waiver.
18. If during the 2020/21 Financial Year, it is necessary to undertake significant changes to the adopted budget for 2020/21. Notwithstanding the above principles, the matter will be brought to Council for final consideration as part of the budget adoption process.
19. The City has identified some potential stimulus projects, these projects are at a very high-level cost and concept phase, and would be subject to the following criteria:
 - a) could be largely funded from reserves, borrowings or (if available), State and Federal grants;
 - b) relatively simple to add into the 2020/21 works program from a resourcing perspective;
 - c) provide visible and / or tangible outcomes for the community; and
 - d) have the potential for local firms to become involved in the projects as suppliers of goods and services.

The stimulus projects are aimed at providing the community with additional confidence the City will continue to function and operate.

20. These projects are:
 - a) Walliston Transfer Station – Hard stand, drainage & Tip Shop (\$1m)
 - b) LED Street Light roll out program to commence (\$1m)
 - c) Enhanced inspection and cleans of drainage systems in peri urban and rural areas (\$200,000)
 - d) Program to roll out new female in sport change rooms at Kostera Oval, Ray Owen Reserve, Scott Reserve and Maida Vale Reserve cognisant of master plans for each reserve (\$2m)
 - e) Consider a Bushfire Stimulus to assist the Community prepare for the next fire season
 - f) Improvements to selected parks, car parking expansion & improvement to reserves in High Wycombe (\$760,000), Maida Vale (\$220,000), Forrestfield (\$450,000), Gooseberry Hill (\$13,000), Kalamunda (\$260,000) and Lesmurdie (\$320,000) funded from public open space cash-in-lieu reserves

- g) Central Lane (\$2.4m) and/or Haynes Street (\$2.2m) streetscape improvements to stimulate local businesses when this crisis is over
- h) City Park & Reserve Signage (\$200,000)
- i) Ray Owen Carpark (\$860,000), partly funded through cash-in-lieu
- j) Woodlupine Brook Restoration project (\$200,000), partly funded through cash-in-lieu

Note: These initiatives are high level proposals requiring refinement prior to seeking formal allocation of budgets.

21. During the budget process, Councillors will be presented with detailed analysis of the austerity and stimulus measures being proposed.
22. With regard to the 2019/20 annual budget, it is proposed that the following principles are endorsed in order to provide financial relief to the community:
- a) Suspend lease rental for City owned buildings estimated impact of \$66,000.
 - b) Provide a full refund on all COVID-19 related cancelled bookings at City properties or facilities estimated impact of \$372,000.
 - c) Suspend debt recovery through the courts for outstanding rates payments. This relates to General Procedure Claims that have been lodged for outstanding rates debtors. This will reduce incurring additional legal expenses to ratepayers during this time, with debt recovery to recommence subsequent to the COVID-19 crisis. This does not have a financial impact on the City as the legal costs are recovered from the ratepayer.
 - d) Reduce creditor payment terms from 30 to 14 days. (Based on current low interest rates on term investments, cash flow impact would be very minor).

In total the above measures will result in an estimated reduction of \$438,000 of revenue for the 2019/20 financial year. It should be noted the statutory budget review was adopted by Council at its Ordinary Council Meeting on 24 March 2020 reporting a year end estimated accumulated surplus of \$3.5 million, which is sufficient to fund the financial relief efforts mentioned.

23. In response to the Premier's recent announcement that the tender threshold will be raised once regulations are gazetted the City will revise its purchasing and procurement policy to promote local buying where possible.

24. The City will continue advocacy efforts and seek grant funding to increase stimulus activities. Any State or Federal stimulus packages or Lotterywest funding will be monitored. The major projects that will be targeted are as follows:
- a) Stirk Park Playground and Skatepark Development
 - b) Ray Owen Basketball Masterplan
 - c) The Maida Vale Masterplan
 - d) The Scott Reserve Masterplan
 - e) Kalamunda Cycle Plan Implementation
 - f) Forrestfield North Transit Oriented Development
 - g) Water Harvesting Expansion Project (establish an additional Managed Aquifer Recharge system)
 - h) Woodlupine Community Hub
25. Throughout the 2020/21 budget the City will continue to monitor the implications of the COVID-19 and the associated health and economic impacts to the City's residents and businesses.

APPLICABLE LAW

26. *Section 6:12 (1)(b) of the Local Government Act 1995*

Power to defer, grant discounts, waive or write off debts

- 1) *Subject to subsection (2) and any other written law, a local government may –*
 - a) *When adopting the annual budget grant a discount or other incentive for the early payment of any amount of money or*
 - b) *Waive or grant concessions in relation to any amount or money or*
 - c) *Write of any amount of money, which is owed to the local government*

APPLICABLE POLICY

27. S-FIN2 – Debt Collection
CEO Instruction 2.1 – Waving of Fees and Charges for Community Groups

STAKEHOLDER ENGAGEMENT

28. This report has not been the subject of community engagement and has been compiled in urgent response to the COVID-19 crisis. However, the City has engaged on a weekly basis with State Government Department, the Premier, the Minister for Local Government and the Western Australian Local Government Association.

29. The City's response is consistent with all instructions received from the above-mentioned authorities.

FINANCIAL CONSIDERATIONS

30. The forecast costs to the City of the 2019/20 budget principles and parameters are estimated to be \$438,000 to be funded from the accumulated surplus.
31. The City has estimated a significant impact on the City's 2020/21 estimated revenue of \$1million due to the zero increase in rates and fees and charges. The details of each initiative will be formalised through the budget process.

SUSTAINABILITY

Social Implications

32. The social implications for the community as an outcome of COVID-19 is significant. The City in formulating its Crisis Relief Budget Parameters have put those effected by COVID-19 in the forefront of its thinking.

Economic Implications

33. It is expected that the City's response to the COVID-19 will support and reduce the economic impact to City the community.

Environmental Implications

34. A number of the stimulus projects being recommended will have significant environmental benefits.

RISK MANAGEMENT

35.	Risk: That COVID-19 has a more significant impact on the City and Community than is currently understood.						
	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 33%; padding: 2px;">Consequence</th> <th style="width: 33%; padding: 2px;">Likelihood</th> <th style="width: 33%; padding: 2px;">Rating</th> </tr> </thead> <tbody> <tr> <td style="padding: 2px;">Major</td> <td style="padding: 2px;">Possible</td> <td style="padding: 2px;">High</td> </tr> </tbody> </table>	Consequence	Likelihood	Rating	Major	Possible	High
Consequence	Likelihood	Rating					
Major	Possible	High					
	Action/Strategy						
	<p>The City continues to monitor advice provided by the federal and state governments.</p> <p>The City continues to brief elected members on estimated impacts of COVID-19</p>						

Risk: That the City fails to adopt an effective response to COVID-19 leading to significant reputational damage.		
Consequence	Likelihood	Rating
Significant	Possible	High
Action/Strategy		
The City continues to monitor advice provided by the federal and state governments. The City continues to brief elected members on estimated impacts of COVID-19		

Risk: Council and Community demand a further rate cut resulting in the City's financial sustainability being compromised.		
Consequence	Likelihood	Rating
Critical	Almost Certain	Extreme
Action/Strategy		
Provide information regarding the catastrophic adverse impact on future year budgets and conflict with State Government intent regarding staffing.		

Risk: Lack of effective response to COVID-19 by the City resulting in State Government intervention.		
Consequence	Likelihood	Rating
Critical	Possible	High
Action/Strategy		
The City aligns COVID-19 response with State and Federal advice.		

CONCLUSION

- 36. COVID-19 will have a significant public health and economic impact on the City's community.
- 37. The uncertain duration of COVID-19 together with the lack of certainty around the effectiveness of the Federal and State Government stimulus initiatives demands that Local Government's take decisive action to limit the risks to the community.
- 38. The City's response to COVID-19 is focused around initiatives that will provide:
 - a) Support to businesses whilst they transition to a new service/product delivery model.
 - b) Provide financial relief to businesses to improve cash-flow.

- c) Provide financial relief for those members of the community experiencing financial hardship.
 - d) Expenditure savings.
 - e) Stimulate spending that will create new jobs and economic development.
 - f) Will reflect the Premier's intent of the role local government has in supporting its community during this time.
39. The parameters and principles identified will provide an opportunity to introduce measures in the 2019/20 financial year that will provide an estimated \$438,000 in financial assistance.
40. In terms of the 2020/21 financial year, the City seeks endorsement of the parameters and principles that will inform the upcoming budget. Council will be provided with detailed analysis regarding the implications of each item throughout the budget process schedule to commence on 7 April and conclude in June 2020.
41. Applying no increase to the rate revenue will provide much needed temporary relief to the community. Other measures detailed in this report will provide the City with the capacity and flexibility to stimulate the economy once COVID-19 has passed.
42. Any consideration to reduce the rates revenue any further than what is being proposed in this report will have a catastrophic adverse impact on future year budgets and future generations. For example, every 1% further reduction would need savings of \$370,000 per annum to be found within operational and capital works budgets. Depending on the size of any proposed reduction may have enduring need to permanently cut services and staff.
43. Any reduction in rate revenue would lock in temporary hardship and make it a permanent issue for future generations. The *Local Government Act 1995* under Section 1.3 (3) states "*a local government in carrying out its role must use its best endeavours to meet the needs of current and future generations through an integration of environmental protections, social advancement and economic prosperity.*"
44. Another factor to consider the possibility the State Government may consider rate capping in the future, which would make financial recovery very difficult.
45. It should be noted that in benchmarking against other metropolitan local governments, the City of Kalamunda rate in the dollar sits 8% below the metropolitan average for residential rates and 30% below the commercial and industrial rates.

Suspension of Standing Orders

RESOLVED SCM 45/2020

That Standing Orders be suspended.

Moved: **Cr John Giardina**

Seconded: **Cr Janelle Sewell**

Vote:	<u>For</u>	<u>Against</u>
	Cr Geoff Stallard	Cr Lesley Boyd
	Cr Janelle Sewell	Cr Dylan O'Connor
	Cr John Giardina	
	Cr Mary Cannon	
	Cr Brooke O'Donnell	
	Cr Sue Bilich	
	Cr Lisa Cooper	
	Cr Cameron Blair	
	Cr Kathy Ritchie	
	Cr Margaret Thomas	

CARRIED/ABSOLUTE MAJORITY (10/2)

Standing Orders were suspended at 7:30pm.

Resumption of Standing Orders

RESOLVED SCM 46/2020

That Standing Orders be resumed.

Moved: **Cr John Giardina**

Seconded: **Cr Brooke O'Donnell**

Vote: **CARRIED UNANIMOUSLY (12/0)**

Standing Orders were resumed at 8:00pm.

Voting Requirements: Absolute Majority

Part 1 Financial year - 2019/20 and 2020/21- Lease Rental Charges:

RESOLVED SCM 47/2020

That Council:

1. APPROVE the change in the 2019/20 Budget related to suspension of lease rental for City owned buildings for the remainder of the financial year and reduce the accumulated surplus by \$66,000.
2. INSTRUCT the Chief Executive Officer to commence negotiations with commercial tenants of City owned properties to amend lease arrangements until such time they can conduct their businesses in the same manner as prior to COVID-19.
3. APPROVE the suspension of lease rental payments from community based and not-for-profit tenants of City owned properties from 1 July 2020 until 3 months after they are able to reopen their operations.

Moved: **Cr Lesley Boyd**

Seconded: **Cr Janelle Sewell**

Vote: **CARRIED UNANIMOUSLY/ABSOLUTE MAJORITY (12/0)**

Part 2 Financial year - 2019/20 – Cancelled Bookings at City Properties and Facilities:

RESOLVED SCM 48/2020

That Council:

1. APPROVE the change in the 2019/20 Budget related to full refund on all COVID-19 related cancelled bookings at City properties or facilities and reduce the accumulated surplus by \$372,000.

Moved: **Cr Brooke O'Donnell**

Seconded: **Cr Kathy Ritchie**

Vote: **CARRIED UNANIMOUSLY/ABSOLUTE MAJORITY (12/0)**

Part 3 Financial year - 2019/20 – Debt Collection:

RESOLVED SCM 49/2020

That Council:

1. INSTRUCT the Chief Executive Officer to suspend debt recovery through the courts for outstanding rates payments.

Moved: **Cr Cameron Blair**

Seconded: **Cr Janelle Sewell**

Vote: **CARRIED UNANIMOUSLY/ABSOLUTE MAJORITY (12/0)**

Part 4 Financial year - 2019/20 – Creditor Payments:

RESOLVED SCM 50/2020

That Council:

1. INSTRUCT the Chief Executive Officer to reduce creditor payment terms from 30 to 14 days for the remainder of the 2019/20 financial year.

Moved: **Cr Cameron Blair**

Seconded: **Cr Geoff Stallard**

Vote: **CARRIED UNANIMOUSLY/ABSOLUTE MAJORITY (12/0)**

Part 5 Budget process for 2020/21 – Rates Proposals:

RESOLVED SCM 51/2020

That Council:

1. INSTRUCT the Chief Executive Officer to prepare a draft budget 2020/21 on the basis of a zero percent increase in Rate revenue.

Moved: Cr Margaret Thomas

Seconded: Cr John Giardina

Moved: **Cr Janelle Sewell**

Seconded: **Cr Brooke O'Donnell**

Vote: **CARRIED UNANIMOUSLY/ABSOLUTE MAJORITY (12/0)**

Part 8 Budget process for 2020/21 – Employee costs

RESOLVED SCM 54/2020

That Council:

1. INSTRUCT the Chief Executive Officer to prepare a draft budget 2020/21 on the basis of retaining all fulltime and permanent part-time staff as per instructions from the Premier.

Moved: **Cr Janelle Sewell**

Seconded: **Cr Lisa Cooper**

Vote: **CARRIED UNANIMOUSLY/ABSOLUTE MAJORITY (12/0)**

Part 9 Budget process for 2020/21 – Establish a new Reserve

RESOLVED SCM 55/2020

That Council:

1. INSTRUCT the Chief Executive Officer to prepare a draft budget 2020/21 on the basis of creating a new temporary Reserve - The Crisis Relief Fund.
2. Request the CEO to define the purpose of the reserve and prepare criteria and guidelines for the funding and disbursement of the funds.

Moved: **Cr Sue Bilich**

Seconded: **Cr Lisa Cooper**

Vote: **CARRIED UNANIMOUSLY/ABSOLUTE MAJORITY (12/0)**

Part 10 Local COVID-19 Pandemic Preparedness Plan

RESOLVED SCM 56/2020

That Council:

1. ADOPT the Local COVID-19 Pandemic Preparedness Plan (Attachment 1)

Moved: **Cr Dylan O'Connor**

Seconded: **Cr John Giardina**

Vote: **CARRIED UNANIMOUSLY/ABSOLUTE MAJORITY (12/0)**

Part 11 Allowances, Salaries and Wage Increases

RESOLVED SCM 57/2020

That Council:

1. AGREE to forego any increases to Councillor allowances as determined by the State Administrative Tribunal for 2020/21 Financial year.
2. SUGGEST the Chief Executive Officer gives consideration to freezing all pay increases for salaried contract officers employed at the City for the 2020/21 Financial year.
3. SUGGEST the Chief Executive Officer gives consideration to entering into negotiations with relevant Unions and Staff employed under the Enterprise Agreements seeking to freeze any pay rises for the 2020/21 Financial year.

Moved: **Cr Sue Bilich**

Seconded: **Cr Dylan O'Connor**

Vote: For
Cr Geoff Stallard
Cr John Giardina
Cr Lesley Boyd
Cr Mary Cannon
Cr Brooke O'Donnell
Cr Cameron Blair
Cr Sue Bilich

Against
Cr Janelle Sewell

Cr Lisa Cooper
Cr Dylan O'Connor
Cr Kathy Ritchie
Cr Margaret Thomas

CARRIED/ABSOLUTE MAJORITY (11/1)

Part 12 Advocacy

RESOLVED SCM 58/2020

That Council:

1. REQUEST the Mayor to write to the Prime Minister requesting they reconsider their decision and declare Local Government to be eligible for jobkeeper payments.

2. REQUEST The Mayor write to the Premier and the Minister for Lands in respect to the revaluation of land and property being deferred until 2021.

Moved: **Cr Janelle Sewell**

Seconded: **Cr Brooke O'Donnell**

Vote: **CARRIED UNANIMOUSLY/ABSOLUTE MAJORITY (12/0)**

9. Meeting Closed to the Public

9.1 Nil.

10. Closure

There being no further business, the Presiding Member declared the Meeting closed at 9:00pm.

I confirm these Minutes to be a true and accurate record of the proceedings of this Council.

Signed: _____
Presiding Member

Dated this _____ day of _____ 2020.