



Shire of
Serpentine
Jarrahdale

Special Council Meeting

Confirmed Minutes

5.30pm

Monday, 6 April 2020

Purpose: To discuss the Shire of Serpentine Jarrahdale's ongoing response to the COVID-19 pandemic.

Contact Us

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In Person

Shire of Serpentine Jarrahdale

6 Paterson Street, Mundijong WA 6123

Open Monday to Friday 8.30am-5pm (closed public holidays)



www.sjshire.wa.gov.au



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The purpose of this Special Council Meeting is to discuss and, where possible, make resolutions about items appearing on the agenda. Whilst Council has the power to resolve such items and may in fact, appear to have done so at the meeting, no person should rely on or act on the basis of such decision or on any advice or information provided by a Member or Officer, or on the content of any discussion occurring, during the course of the meeting. Persons should be aware that the provisions of the *Local Government Act 1995* (Section 5.25(1)(e)) and *Council's Standing Orders Local Law 2002 (as amended)* – Part 14, Implementing Decisions. No person should rely on the resolutions made by Council until formal advice of the Council resolution is received by that person.

The Shire of Serpentine Jarrahdale expressly disclaims liability for any loss or damage suffered by any person as a result of relying on or acting on the basis of any resolution of Council, or any advice or information provided by a Member or Officer, or the content of any discussion occurring, during the course of the Council meeting.



Councillor Attendance Register

In accordance with Ordinary Council Meeting, 16 December 2019, Resolution OCM293/12/19, clause 5 – “That Council requests the Chief Executive Officer maintain a Councillor Attendance Register recording Councillor Attendances at Ordinary Council Meetings, Special Council Meetings and Policy Concept Forums”.

Council October 2019 –

Date	Type	Cr Rich	Cr Atwell	Cr Byas	Cr Coales	Cr Dagostino	Cr Denholm	Cr McConkey	Cr Strange	Cr Strautins
30/03/20	PCF	✓	✓	✓	✓	✓	✓	✓	✓	✓
23/03/20	SCM	✓	✓	✓	✓	✓	✓	✓	✓	✓
16/03/20	OCM	✓	✓	✓	✓	✓	✓	✓	✓	✓
24/02/20	PCF	✓	✓	✓	A	✓	✓	✓	✓	✓
17/02/20	OCM	✓	✓	✓	✓	✓	✓	✓	✓	✓
03/02/20	PCF	✓	A	✓	✓	A	✓	✓	✓	✓
03/02/20	SCM	✓	A	✓	✓	A	✓	✓	✓	✓
16/12/19	OCM	✓	✓	✓	✓	✓	✓	✓	✓	✓
18/11/19	OCM	✓	✓	✓	✓	✓	✓	✓	✓	✓
04/11/19	PCF	✓	✓	✓	✓	✓	✓	✓	✓	✓
28/10/19	SCM	✓	✓	✓	✓	✓	✓	✓	✓	✓
21/10/19	SCM	✓	✓	✓	✓	✓	✓	✓	✓	✓

A – Apology

LOA – Leave of Absence

NA – Non Attendance



Minutes of the Special Council Meeting of the Shire of Serpentine Jarrahdale held on Monday, 6 April 2020.

The Shire President, Councillor Rich opened the meeting at 5.34pm and welcomed Councillors and staff, and acknowledged the Shire of Serpentine Jarrahdale is located on the traditional land of the Noongar People, and paid her respects to the Traditional Owners, Elders Past, Present and Emerging.

Shire President, Councillor Rich stated that pursuant to Regulation 14 of the *Local Government (Administration) Regulations 1996*, the Special Council Meeting will be held via ‘electronic means and that members are authorised to attend the meeting using the online video conferencing software provided by the Shire.’

For public health reasons the meeting is closed to the public.

As a meeting held via electronic means, pursuant to Regulation 14E, the following applies:

- Council will have discretion to respond to public questions received. In accordance, with the Shire’s policy, questions for Council Meetings were to be received by 2:00pm on the day of the meeting;
- while the meeting will be closed to the public due to the declared public health emergency, for the purposes of the Act, it is considered open, as the Council will comply with the requirement to make the unconfirmed minutes of the meeting available for public inspection under Regulation 13; and
- if a member has a financial or proximity interest, they will be ‘disconnected’ from the meeting and invited to return once the matter is dealt with.

Minutes

1. Attendances and apologies (including leave of absence):

In Attendance:

Councillors: M RichPresiding Member
D Atwell
M Byas
R Coales
M Dagostino (present from 5.42pm)
B Denholm
K McConkey
L Strange
D Strautins

Officers: Mr P Martin.....Chief Executive Officer
Ms H Sarcich.....Deputy CEO / Director Community Services
Mr F Sullivan.....Director Corporate Services
Mr A Trosic.....Director Development Services
Mr S HardingDirector Infrastructure Services
Dr K Parker.....Manager Governance
Mr J O’Neill.....Manager Economic Development and Promotions



Ms A Liersch.....Agendas and Minutes Officer (Minute Taker)

Due to this Special Council Meeting being held as an 'electronic meeting', as defined in the *Local Government (Administration) Regulations 1996*, Officers distributed recommendations to Councillors prior to the Special Council Meeting to enable the meeting to be administered in accordance with legislation, including the Shire's Standing Orders.

SCM078/04/20

COUNCIL RESOLUTION

Moved Cr Byas, seconded Cr Strange

That Council –

1. Pursuant to Clause 18.1 of the Standing Orders, **SUSPENDS** the following clauses of the Standing Orders for the duration of the meeting:
 - 8.2 Members to occupy own seats
 - 8.3 Leaving meetings
 - 9.1 Members wishing to speak
 - 9.8 Members not to interrupt.
2. Pursuant to Clause 18.2 of the Standing Orders, **NOTES** that the Shire President directs that those in attendance:
 - wishing to speak, but not interject, do so politely and by first stating their name for the benefit of the members, staff and minute taker;
 - refrain from using online chat during the meeting;
 - mute their microphone when not speaking;
 - are especially patient in respect to the taking of minutes; and
 - conduct themselves in the manner expected for a Council meeting.
3. **REQUESTS** that the votes of all members present be recorded in the minutes for all matters resolved at this Special Council Meeting.

CARRIED UNANIMOUSLY 8/0

Councillors Rich, Atwell, Byas, Coales, Denholm, McConkey, Strange and Strautins voted FOR the motion.

Councillor Dagostino joined the meeting at 5.42pm.

2. Public question time:

2.1 Public questions

Nil.



3. Public statement time:

Nil.

4. Petitions and deputations:

Nil.

5. Declaration of Councillor's and Officer's interest:

Nil.

6. Receipt of reports:

6.1 Reports

6.1.1 – COVID-19 Fiscal Response (SJ3235)	
Responsible Officer:	Director Corporate Services
Senior Officer:	Chief Executive Officer
Disclosure of Officers Interest:	No officer involved in the preparation of this report has an interest to declare in accordance with the provisions of the <i>Local Government Act 1995</i> .

Authority / Discretion

Advocacy	When the Council advocates on its own behalf or on behalf of its community to another level of government / body / agency.
Executive	The substantial direction setting and oversight role of the Council such as adopting plans and reports, accepting tenders, directing operations and setting and amending budgets.

Report Purpose

The purpose of this report is to consider Officer recommendations to address the significant economic dislocation happening within our community and the financial impact on the organisation as a result of the various social isolation directives to limit the spread of the COVID-19 virus.

Relevant Previous Decisions of Council

There is no previous Council decision relating to this issue.

Background

In recent times, the community has received increasing legal directives from state and federal agencies requiring a significant number of businesses to curtail activities in an attempt to limit the spread of the COVID-19 virus.



This has resulted in significant economic dislocation.

There are very long queues forming outside of Centrelink offices, the MyGov website has been overwhelmed a number of times as it was unable to cope with the number of new unemployment benefit applications, and the Commonwealth Bank has seen hardship enquiries escalate from 300 a day to 15,000 a day across Australia.

The length of time social distancing rules continue to be enforced is unknown but it is clear that the economic climate is deteriorating quickly and will continue to deteriorate while the COVID-19 restrictions apply.

Community / Stakeholder Consultation

Policy Concept Forum

Not Applicable.

Statutory Environment

Emergency Management Act 2005

“36. Functions of local government

It is a function of a local government —

- (a) subject to this Act, to ensure that effective local emergency management arrangements are prepared and maintained for its district; and*
- (b) to manage recovery following an emergency affecting the community in its district; and*
- (c) to perform other functions given to the local government under this Act.”*

Comment

The *raison d'être* for Local Government is to provide important social services such as waste collection, local governance, community support and regulatory services, and aid the recovery response from natural disasters such as bushfires and pandemics as well as infrastructure operation and maintenance.

It is highly likely that should the economic climate continue to deteriorate, we could see the unemployment rate rise to high levels. This could mean a significant number of residents will not be able to pay their rates or rubbish collection charges in a timely manner in the coming financial year.

Should that occur, Local Governments around Australia will be unable to continue to provide those significant public and social functions and in the absence of financial injections from other sources, the fundamental basic services of local government could be impacted.

This would also result in the Shire not being able to undertake a coordinated recovery from COVID-19 in keeping with the requirements of the *Emergency Management Act*. Local Government, in this respect, is the direct and closest level of government to community, that will be relied upon to coordinate local recovery for each and every Australian.



This is an unusual predicament as rates are secured against property, that is to mean the debt is always collectable upon the sale of the property but this is not helpful in this circumstance, as the forced sale of the property cannot occur until the debt is three years past due. It is a key challenge in respect of liquidity.

Therefore the problem is one of cash flow, not revenue.

Local Governments are unable to access any of the support measures recently announced thus far and in particular, the Prime Minister as recently as Friday 3 April 2020 reiterated that Local Government was not eligible for Job keeper provisions.

On 19 March 2020, the Reserve Bank of Australia announced a number of sweeping measures to support the economy through these unprecedented times.

One of the measures announced was Quantitative Easing, in order to inject vast amounts of money into the economy meaning the Federal Government now has an unlimited purse to provide fiscal stimulus to the economy, and is the only level of government able to fund local government to deliver the local community recovery from this disaster.

The State Government by contrast has limited ability to fund recovery from such a natural disaster as the COVID-19 pandemic.

The State does have the ability to borrow funds at a significantly discounted rate of interest and this facility is extended to Local Governments, all be it with a punitive borrowing guarantee fee, currently set at 0.7% on top of the loan interest rate.

Listed below are a number of options that Council could consider in supporting the local community through these difficult times without putting increased financial strain on either the local community or the State. These proposals importantly recognise that the systems and functions of local government need to be maintained, as foundation to the recovery process:

Proposal One

Request the Federal Treasury provide immediate support for our community by funding the Australian communities entire Rates and Waste Collection revenue for the 2020/21 budget year.

Request WALGA to immediately begin lobbying the Federal Government to provide immediate support for the collective communities of Australia by funding the entire Local Government Rates and Waste Collection revenue for the 2020/21 budget year.

Proposal Two

Request the Chief Executive reviewing operation costs throughout the organisation at its 3rd quarter budget review process with a view to achieving cost saving. This could include measures such as reviewing levels of service, freezing recruitment and curtailing training.

Proposal Three

Request the State Treasury to immediately suspend the Western Australian Treasury Corporation's borrowing guarantee Fee effectively reducing Local Governments borrowing costs to a very low level.



Request the State Treasury relax Local Government borrowing limits to the extent that they can borrow a significant portion of the 2020/21 rate book as a short-term working capital facility or Overdraft.

While the rate debt is still incurred by the ratepayer, this would have the effect of allowing Council to materially defer the due date of the rate debt, yet allow it to get on with important business as outlined above including assisting the local community to recover from this crisis and continue business as usual.

Proposal Four

Request the Chief Executive Officer prepare a Shire budget for 2020/21 with a consideration to providing a penalty interest rate concession.

This will have the effect of providing extremely limited incentive to pay the rates by the due date or enter into any form of payment arrangement. It should be noted that proposal 3 only becomes viable if Proposal Three succeeds.

This will also remove approximately \$270,000 from expected budget revenue and will materially curtail Council's ability to operate in a financially sustainable way.

Proposal Five

Request the Chief Executive Officer prepare a Shire budget for 2020/21 with a consideration to providing instalment arrangements free of all interest and fees.

This will also remove approximately \$200,000 from expected budget revenue and will materially curtail Council's ability to operate in a financially sustainable way.

Proposal Six

Request the Chief Executive Officer to prepare a Shire budget for 2020/21 with no increase in the rate burden on the community.

This should be attainable without a material drop in Level of Service due to the loss of pricing power by either the labour market or the business community.

This in no way allows Council to address the emerging financial sustainability issues that are occurring following 10 years of hyper growth, and the continuation of these pressures once the crisis abates.

Further it does not allow Council any opportunity to address emerging rating equity issues.

It should be noted that the Valuer General is expected to issue a whole of shire revaluation to apply as of the 1 July 2020. Therefore, whilst the quantum of rate revenue Council receives will be unchanged from the prior financial year it is unlikely that any ratepayer will receive the exact same rate assessment as the prior year.

On the 27 March 2020, WALGA State Council passed the following a series of resolutions in response to the crisis and has requested that each local government give consideration to a series of actions listed below with officer comment.

That WALGA:

- 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

This report gives consideration to this issue.

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

Council already has a policy containing hardship provisions, (3.2.11 – Rates Collection and General Debtors) however this may require review depending upon the severity of the economic dislocation experienced in the community. Further Council will be requested to suspend the debt collection provision of the policy.

c. Consider rate relief options to support small businesses affected by the COVID-19 pandemic

Council recently resolved to request the minister to review the valuation methodology of 36 businesses operating within the Shire. Officers recommend that when the valuation review is complete that a report be brought to Council to determine if a concession or phased application of any new valuation methodology is warranted.

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

Officers intend to prepare a budget with no increase in Council controlled fees and expect to be able to make some reductions.

e. Bring forward capital works and infrastructure spending with aggressive application of reserves and borrowing.

This request will be dealt with as part of Council's upcoming budget deliberations however, given the significant reduction in revenues expected in the next financial year, this is unlikely to be able to be facilitated.

f. Prioritise Local Government spending with businesses and contractors located within the Local Government

Within the law this is already standard practise.

g. Implement business friendly payment terms to support business cash flow.

The Shire already operates within best practise given significant governance process that need to apply to the payment of public funds.

h. Consider supporting Community sporting and cultural groups by either establishing grant programs or waiving fees and charges.



Council already has a community grants program. Officers intend to bring further reports including recommendations from the Local Recovery Coordination Group to Council as necessary to discuss additional recovery requirements and initiatives.

i. Redeploy staff affected by facility closures to tasks that support the community.

This is a routine part of business as usual at the moment and the Executive group have been actively working to achieve this with significant process changes and work from home arrangements provisions rolled out. Staff redeployed in the organisation will be reassessed if the crisis continues in the new financial year. This is in line with advice received from the Office of the Premier and Cabinet.

Options and Implications

Option 1

That Council REQUESTS the Chief Executive Officer to:

1. REQUEST WALGA to immediately begin lobbying the Federal Government to provide immediate support for the collective communities of Australia by funding the entire Local Government Rate and Waste Collection revenue for the 2020/21 budget year.
2. REQUEST the State Treasury to immediately suspend the Western Australian Treasury Corporation's borrowing guarantee fee.
3. REQUEST the State Treasury relax Local Government borrowing limits.
4. PREPARE a Shire budget for 2020/21 with consideration to providing a penalty interest rate concession on rates.
5. PREPARE a Shire budget for 2020/21 with consideration to providing instalment arrangements free of interest and fees.
6. PREPARE a Shire budget for 2020/21 with no increase in the rate burden on the community.
7. SUSPEND the debt collection provisions of Council Policy 3.2.11 – Rates Collection and General Debtors until 30 June 2020.
8. BRING a future report to Council detailing savings the 3rd quarter budget review process
9. BRING a report to Council to determine if a phased application of new valuation methodology is warranted for the properties contained in OCM060/03/20 upon receipt of the valuations.

Option 2

That Council declines to respond to the Economic impacts of COVID-19.

Option 1 is recommended.





Conclusion

Our society is facing a very unique threat in the COVID-19 virus, and to combat its effect, we are all required to not interact with each other for an unknown period of time.

Unfortunately, this has the effect of reducing economic activity, essentially creating poverty which will undermine the very fabric of our society and must be prevented at all costs.

The Federal, State and Local Governments have a responsibility and tools to assist in alleviating poverty which needs to be employed with immediate effect.

It is important that the Shire does not unnecessarily add to that poverty effect and can play a small role by containing costs associated with its service delivery models by not increasing its rates burden this coming year. This will see the Shire continue its service delivery, to get our community back on track through this unprecedented time.

Attachments (available under separate cover)

Nil.

Alignment with our Strategic Community Plan

Outcome 4.2	A strategically focused Council
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Financial Implications

The adoption of the proposals detailed above will significantly curtail Council's ability to attain financial sustainability and apply an equitable rating burden across the district. However, they should see Shire costs reduced and buffer the local community from the worst effects of the economic dislocation currently occurring. It should be noted that some savings measures may result in a reduction of service levels to the community.

Risk Implications

Risk has been assessed on the basis of the Officer's Recommendation.

Risk	Risk Likelihood (based on history and with existing controls)	Risk Impact / Consequence	Risk Rating (Prior to Treatment or Control)	Principal Risk Theme	Risk Action Plan (Controls or Treatment proposed)
Council cannot achieve financial sustainability now or in the immediate future	Almost Certain (5)	Catastrophic (5)	Extreme (20-25)	Financial Impact - 5 Catastrophic - More than \$2M	Manage by addressing expected issues through the 2020/21 Annual Budget process



Risk Matrix

Consequence		Insignificant	Minor	Moderate	Major	Catastrophic
		1	2	3	4	5
Likelihood	5	Medium (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
	4	Low (4)	Medium (8)	High (12)	High (16)	Extreme (20)
	3	Low (3)	Medium (6)	Medium (9)	High (12)	High (15)
	2	Low (2)	Low (4)	Medium (6)	Medium (8)	High (10)
	1	Low (1)	Low (2)	Low (3)	Low (4)	Medium (5)

A risk rating of **25** has been determined for this item.

Any items with a risk rating over 10 (considered to be high or extreme risk) will be added to the Risk Register, and any item with a risk rating over 17 will require a specific risk treatment plan to be developed.

The risk treatment plan is anticipated to be the 2020/2021 Annual Budget.

Voting Requirements: Simple Majority

Officer Recommendation

That Council requests the Chief Executive Officer to:

1. REQUEST WALGA to immediately begin lobbying the Federal Government to provide immediate support for the collective communities of Australia by funding the entire Local Government Rate and Waste Collection revenue for the 2020/21 budget year.
2. REQUEST the State Treasury to immediately suspend the Western Australian Treasury Corporation's borrowing guarantee fee.
3. REQUEST the State Treasury relax Local Government borrowing limits.
4. PREPARE a Shire budget for 2020/21 with consideration to providing a penalty interest rate concession on rates.
5. PREPARE a Shire budget for 2020/21 with consideration to providing instalment arrangements free of interest and fees.
6. PREPARE a Shire budget for 2020/21 with no increase in the rate burden on the community.
7. SUSPEND the debt collection provisions of Council Policy 3.2.11 – Rates Collection and General Debtors until 30 June 2020.
8. BRING a future report to Council detailing savings the 3rd quarter budget review process.
9. BRING a report to Council to determine if a phased application of new valuation methodology is warranted for the properties contained in OCM060/03/20 upon receipt of the valuations.



MOTION

Moved Cr Coales, seconded Cr McConkey

1. That Council requests the Chief Executive Officer to:
 - a) REQUEST WALGA to immediately begin lobbying the Federal Government to provide immediate support for the collective communities of Australia by funding the entire Local Government Rate and Waste Collection revenue for the 2020/21 budget year.
 - b) REQUEST the State Treasury to immediately suspend the Western Australian Treasury Corporation's borrowing guarantee fee.
 - c) REQUEST the State Treasury relax Local Government borrowing limits.
 - d) PREPARE a Shire budget for 2020/21 providing a penalty interest rate concession on rates.
 - e) PREPARE a Shire budget for 2020/21 providing instalment arrangements free of interest and fees.
 - f) PREPARE a Shire budget for 2020/21 with no increase in the rate burden on the community.
 - g) SUSPEND the debt collection provisions of Council Policy 3.2.11 – Rates Collection and General Debtors until 30 June 2020.
 - h) BRING a future report to Council detailing savings the 3rd quarter budget review process.
 - i) BRING a report to Council to determine if a phased application of new valuation methodology is warranted for the properties contained in OCM060/03/20 upon receipt of the valuations.
2. That Council, pursuant to sections 5.98A, 5.99, and 5.99A of the *Local Government Act 1995*, DECIDES to set the fees and entitlements of Councillors for the months of April, May, June 2020 to zero and REQUESTS that the associated funding be used in the COVID-19 response.

SCM079/04/20

COUNCIL RESOLUTION

Moved Cr Byas, seconded Cr McConkey

That Standing Orders 9.5, 9.6, 10.7 and 10.13 be suspended at 5.51pm.

CARRIED UNANIMOUSLY 9/0

Councillors Rich, Atwell, Byas, Coales, Dagostino, Denholm, McConkey, Strange and Strautins voted FOR the motion.

The mover and the seconder agreed to point 1(d) of the Motion being amended.





SCM080/04/20

COUNCIL RESOLUTION

Moved Cr Byas, seconded Cr Atwell

That Standing Orders be reinstated at 6.18pm.

CARRIED UNANIMOUSLY 9/0

Councillors Rich, Atwell, Byas, Coales, Dagostino, Denholm, McConkey, Strange and Strautins voted FOR the motion.

Pursuant to clause 10.6 of Standing Orders Local Law 2002 (as amended), the Presiding Member broke down the following Motion into two parts.

MOTION

Moved Cr Coales, seconded Cr McConkey

1. That Council requests the Chief Executive Officer to:

- a) **REQUEST WALGA to immediately begin lobbying the Federal Government to provide immediate support for the collective communities of Australia by funding the entire Local Government Rate and Waste Collection revenue for the 2020/21 budget year.**
- b) **REQUEST the State Treasury to immediately suspend the Western Australian Treasury Corporation's borrowing guarantee fee.**
- c) **REQUEST the State Treasury relax Local Government borrowing limits.**
- d) **PREPARE a Shire budget for 2020/21 providing a 2% penalty interest rate concession on rates.**
- e) **PREPARE a Shire budget for 2020/21 providing instalment arrangements free of interest and fees.**
- f) **PREPARE a Shire budget for 2020/21 with no increase in the rate burden on the community.**
- g) **SUSPEND the debt collection provisions of Council Policy 3.2.11 – Rates Collection and General Debtors until 30 June 2020.**
- h) **BRING a future report to Council detailing savings the 3rd quarter budget review process.**
- i) **BRING a report to Council to determine if a phased application of new valuation methodology is warranted for the properties contained in OCM060/03/20 upon receipt of the valuations.**

MOTION LOST 3/6

*Councillors Coales, Dagostino and Strautins voted FOR the motion.
Councillors Rich, Atwell, Byas, Denholm, McConkey, Strange and Strautins voted AGAINST the motion.*



MOTION

Moved Cr Coales, seconded Cr McConkey

2. That Council, pursuant to sections 5.98A, 5.99 and 5.99A of the *Local Government Act 1995*, DECIDES to set the fees and entitlements of Councillors for the months of April, May and June 2020 to zero and REQUESTS that the associated funding be used in the COVID-19 response.

MOTION LOST 3/6

*Councillors Coales, McConkey and Strautins voted FOR the motion.
Councillors Rich, Atwell, Byas, Dagostino, Denholm and Strange voted AGAINST the motion.*

SCM081/04/20

COUNCIL RESOLUTION / Officer Recommendation

Moved Cr Byas, seconded Cr McConkey

That Council requests the Chief Executive Officer to:

1. REQUEST WALGA to immediately begin lobbying the Federal Government to provide immediate support for the collective communities of Australia by funding the entire Local Government Rate and Waste Collection revenue for the 2020/21 budget year.
2. REQUEST the State Treasury to immediately suspend the Western Australian Treasury Corporation's borrowing guarantee fee.
3. REQUEST the State Treasury relax Local Government borrowing limits.
4. PREPARE a Shire budget for 2020/21 with consideration to providing a penalty interest rate concession on rates.
5. PREPARE a Shire budget for 2020/21 with consideration to providing instalment arrangements free of interest and fees.
6. PREPARE a Shire budget for 2020/21 with no increase in the rate burden on the community.
7. SUSPEND the debt collection provisions of Council Policy 3.2.11 – Rates Collection and General Debtors until 30 June 2020.
8. BRING a future report to Council detailing savings the 3rd quarter budget review process.

CARRIED UNANIMOUSLY 9/0

Councillors Rich, Atwell, Byas, Coales, Dagostino, Denholm, McConkey, Strange and Strautins voted FOR the motion.



6.1.2 – COVID-19 Community Recovery Arrangements (SJ3250)	
Responsible Officer:	Deputy CEO / Director Community Services/ Local Recovery Coordinator
Senior Officer:	Chief Executive Officer
Disclosure of Officers Interest:	No officer involved in the preparation of this report has an interest to declare in accordance with the provisions of the <i>Local Government Act 1995</i> .

Authority / Discretion

Executive	The substantial direction setting and oversight role of the Council such as adopting plans and reports, accepting tenders, directing operations and setting and amending budgets.
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Report Purpose

The purpose of this report is to provide Council with information in regards to the Recovery Arrangements for COVID-19 and request Council consider budget allocation for recovery activities.

Relevant Previous Decisions of Council

Nil

Background

The *Emergency Management Act 2005* specifies that it is the responsibility of the local government to manage recovery following an emergency affecting the community in its district. Recovery is defined in the Act as “the support of emergency affected communities in the reconstruction and restoration of physical infrastructure, the environment and community, psychosocial and economic wellbeing”.

The Government of Western Australia declared a State of Emergency on 16 March 2020 and a Public Health Emergency on 17 March 2020 in response to COVID-19 coronavirus.

In response, a meeting of the Local Emergency Management Committee was held on 19 March 2020 and the Shire of Serpentine Jarrahdale Local Recovery Plan was activated including the formation of a Local Recovery Coordination Group.



Community / Stakeholder Consultation

Policy Concept Forum

An update on the recovery activities to date was provided at the following Policy Concept Forum Meeting.

Meeting Date	30 March 2020
Councillors in Attendance	Cr Rich, Cr Atwell, Cr Byas, Cr Coales, Cr Dagostino, Cr Denholm, Cr McConkey, Cr Strange, Cr Strautins

Statutory Environment

Emergency Management Act 2005

36. *Functions of local government*

It is a function of a local government —

- (a) *subject to this Act, to ensure that effective local emergency management arrangements are prepared and maintained for its district; and*
- (b) *to manage recovery following an emergency affecting the community in its district; and*
- (c) *to perform other functions given to the local government under this Act.*

39. *Functions of local emergency management committees*

The functions of a local emergency management committee are, in relation to its district or the area for which it is established —

- (a) *to advise and assist the local government in ensuring that local emergency management arrangements are established for its district; and*
- (b) *to liaise with public authorities and other persons in the development, review and testing of local emergency management arrangements; and*
- (c) *to carry out other emergency management activities as directed by the SEMC or prescribed by the regulations.*

Local Government Act 1995

6.8. *Expenditure from municipal fund not included in annual budget*

- (1) *A local government is not to incur expenditure from its municipal fund for an additional purpose except where the expenditure —*

(a) *is incurred in a financial year before the adoption of the annual budget by the local government; or*

(b) *is authorised in advance by resolution*; or*

(c) *is authorised in advance by the mayor or president in an emergency.*



* *Absolute majority required.*

(1a) *In subsection (1) —*

additional purpose means a purpose for which no expenditure estimate is included in the local government's annual budget.

(2) *Where expenditure has been incurred by a local government —*

(a) *pursuant to subsection (1)(a), it is to be included in the annual budget for that financial year; and*

(b) *pursuant to subsection (1)(c), it is to be reported to the next ordinary meeting of the council.*

Council Policy - Community Grants and Council Policy- Community Contributions provide the Shire of Serpentine Jarrahdale framework in regards to grants and donations from the Shire to community and not-for-profit groups.

Comment

Local Emergency Management Committee and Local Recovery Coordination Group

A Special Local Emergency Management Committee (LEMC) meeting was held on 19 March 2020 and was attended by a range of representatives from State agencies, not-for-profit organisations and Shire representatives. The minutes of this meeting are included with this report as **attachment 1**.

A Local Recovery Coordination Group (LRCG) was formed in line with the Shire of Serpentine Jarrahdale Recovery Plan. The first meeting of the group was held on 26 March 2020. At this meeting it was resolved to form two sub-committees being the Community Wellbeing Sub-Committee and the Economic Sub-Committee. The minutes of this meeting are included with this report as **attachment 2**.

A second meeting of the LRCG was held on 2 April 2020, the minutes of the meeting are included with this report as **attachment 3**. At this meeting the Local Recovery Coordination Group endorsed the Operational Recovery Plan COVID-19 included in this report as **attachment 4** and the Recovery Communications Plan COVID-19 included in this report as **attachment 5**. Both of these documents are intended to be fluid documents and will be regularly updated as the details of the emergency and community recovery needs change.

At this meeting, it was also agreed that due to the importance of economic recovery, it is necessary to give consideration to the Economic Sub-Committee becoming an Economic Recovery Group focused on supporting the economic recovery of Serpentine Jarrahdale based businesses as opposed to a sub-committee of the LRCG. This will allow the group to make recommendations directly to Council. Further consideration regarding the composition and activities of this group will be brought to Council for consideration at a later date.



The minutes of the Economic Recovery Group will be provided to the LRCG and the Local Recovery Coordinator will continue to attend meetings of the group to ensure there is no duplication of recovery activities.

The first meeting of the Economic Sub-Committee was held on 30 March 2020 the minutes of this meeting are included in this report as **attachment 6**. Further recommendations in regards to Economic Recovery are detailed in an alternative report presented to Council tonight.

The Community Wellbeing Sub-Committee has now had two meetings held on 27 March 2020 and 3 April 2020. The minutes of the meeting held 27 March 2020 are included with this report as **attachment 7**; the minutes of the meeting held 3 April 2020 were not available at the time of preparing this report.

As a result of the meeting held 27 March 2020, the Helping Hands SJ program was developed as a collaborative effort between the Shire, Neighbourhood Watch, local not-for-profit and community groups, and the Office of Alyssa Hayden MLA.

The program allows for those in the community who are in need of some assistance to register their details and the nature of their need, and be connected with volunteers, agencies and / or community organisations who can assist them.

State Recovery and District Level Recovery

The Shire received the State Recovery Plan COVID-19 on 25 March 2020, this is included in this report as **attachment 8**.

At a district level, a Metropolitan Operational Area Support Group (OASG) has been formed and assists the Department of Health with strategic support through:

- The provision of agency-specific information.
- Expert advice.
- Resources and support.
- Facilitating information exchange at a district level.

The first meeting is scheduled to be on Friday 3 April 2020, the minutes for the meeting were unavailable at the time of preparation of this report. The Chief Executive officer and Deputy CEO / Director Community Services as the Local Recovery Coordinator, are Council's representatives on the OASG.

Recovery Communications

A Recovery Communications Plan COVID-19 has been developed and endorsed by LRCG and is included in this report as Attachment 5.

Officers have been regularly updating Shire communication channels with recovery information including information regarding the contact details for mental health agencies, information about the Helping Hands SJ program, the Neighbourhood Watch #viralkindness program and general wellbeing posts such as the worldwide Bear Hunt initiative and the chalk rainbows and messages of kindness initiatives.



The Shire also has a dedicated COVID-19 webpage on the Shire website, www.sjshire.wa.gov.au/our-shire/covid-19, which acts as a central portal for information for community and businesses in regards to the emergency.

Emergency Funding for Recovery Activities

Through communications with local community groups and not-for-profit organisations it has been raised with Shire Officers that local community groups that are responding to community need during this time, require additional financial support to enable them to continue to meet demand for their services. It is anticipated that this emergency could continue for some time and with increasing unemployment there is, and will continue to be, an increased need in the community. It will be important to ensure the sustainability of service provision and support for the community.

Additionally there is a need to assign funds for the communications necessary to be undertaken for the recovery effort and also the need to ensure funds are available for other recovery activities that may need to be undertaken. As per the Shire's Local Recovery Plan, the Shire maintains the Emergency Management Reserve for the purpose of emergency and recovery activities, currently there is an amount of \$260,724.51 in the reserve.

Council is requested to consider a budget allocation of \$60,000 from this reserve to support immediate recovery activities in the Shire.

It is proposed that an amount of \$30,000 of this \$60,000 be made available for donations to community groups and/or not-for-profit organisations who demonstrate they are responding directly to community need in Serpentine Jarrahdale as a result of the COVID-19 emergency. Council are also asked to consider that the Chief Executive Officer in consultation with the Shire President, be authorised to approve donations up to the value of \$5000 per donation. This will ensure an ability to be timely and responsive in the support of local groups and organisations. A report will be provided to Council at each Ordinary Meeting of Council outlining the details of any donations given.

In order to enable this, Council is requested to approve the exclusion of COVID-19 related donations from the provisions of Council Policy - Community Grants and Council Policy-Community Contributions.

Shire Officers will work with local community groups and not-for-profit organisations to assist them as required to make applications for funding through Lotterywest and the Western Australian State Government to support their ongoing operations during this emergency.

Consideration of Ongoing Community Recovery

Due to the rapidly changing nature of this emergency, it is unknown how long the recovery efforts will need to continue. Whilst efforts are currently focussed on the initial response and support, there remains a need to give consideration to longer term recovery and how Council may use its resources to support the recovery of the community of Serpentine Jarrahdale.

A recent resolution from WALGA has encouraged Councils to consider supporting community sporting and cultural groups by either establishing grant programs or waiving



fees and charges, and there is the opportunity to consider how the Shire's events, grants program and community programs can support community recovery. Officers intend to bring further reports including recommendations from the Local Recovery Coordination Group to Council as necessary to discuss additional recovery requirements and initiatives.



Options and Implications

Option 1

That Council:

1. NOTES the minutes of the Local Emergency Management Committee, Local Recovery Coordination Group and Community Wellbeing Sub-Committee and Economic Sub-Committee.
2. APPROVES a budget variation as follows:

Account Number	Type	Description	Debit	Credit
4000-15003-6910	Increase Expenditure	Donations	30,000	
4000-15003-6386	Increase Income	Advertising & Promotion	15,000	
4000-15003-6125	Increase Expenditure	Materials/Consumables	15,000	
4000-15003-5012	Reserve Transfer	Transfer from Emergency Management Reserve		60,000
Reason: To enable Recovery Activities in response to the COVID-19 Emergency				

3. AUTHORISES the Chief Executive Officer, in consultation with the Shire President, to provide donations up to \$5000 to community groups and/or not-for-profit organisations who demonstrate they are responding directly to community need in Serpentine Jarrahdale as a result of the COVID-19 emergency.
4. NOTES that future reports will be presented to Council regarding how Council may use its resources to support community recovery.
5. APPROVES the exclusion of COVID-19 related donations from the provisions of Council Policy - Community Grants and Council Policy- Community Contributions.

Option 2

That Council:

1. NOTES the minutes of the Local Emergency Management Committee, Local Recovery Coordination Group and Community Wellbeing Sub-Committee and Economic Sub-Committee.
2. DOES NOT approve a budget variation from the Emergency Management Reserve.
3. NOTES that future reports will be presented to Council regarding how Council may use its resources to support community recovery.

Option 1 is recommended.



Conclusion

The COVID-19 emergency is unprecedented. It is important that the Shire continues to be responsive in meeting the recovery needs of the community.

Attachments (available under separate cover)

- **6.1.2 - attachment 1** – Local Emergency Management Committee Minutes (E20/3750)
- **6.1.2 - attachment 2** - Local Recovery Coordination Group Minutes 26 March 2020 (E20/3827)
- **6.1.2 - attachment 3** - Local Recovery Coordination Group Minutes 2 April 2020 (E20/4207)
- **6.1.2 – attachment 4** - Operational Recovery Plan COVID-19 (E20/3629)
- **6.1.2– attachment 5** - Recovery Communications Plan COVID-19 (E20/3931)
- **6.1.2 – attachment 6** – Economic Sub Committee Minutes 30 March 2020 (IN20/6860)
- **6.1.2 – attachment 7** – Community Wellbeing Sub Committee Minutes 27 March 2020 (E20/3994)
- **6.1.2 – attachment 8** – State Recovery Plan (IN20/7130)

Alignment with our Strategic Community Plan

Outcome 1.1	A healthy, active, connected and inclusive community
Strategy 1.1.2	Provide a healthy community environment
Outcome 1.3	A safe place to live
Strategy 1.3.3	Enhance community safety
Outcome 4.1	A resilient, efficient, and effective organisation
Strategy 1.3.3	Provide efficient, effective, innovative, professional management of Shire operations to deliver the best outcome for the community within allocated resources



Financial Implications

Council is requested to approve a budget variation as follows:

Account Number	Type	Description	Debit	Credit
4000-15003-6910	Increase Expenditure	Donations	30,000	
4000-15003-6386	Increase Income	Advertising & Promotion	15,000	
4000-15003-6125	Increase Expenditure	Materials/Consumables	15,000	
4000-15003-5012	Reserve Transfer	Transfer from Emergency Management Reserve		60,000
Reason: To enable Recovery Activities in response to the COVID-19 Emergency				

Risk Implications

Risk has been assessed on the basis of the Officer's Recommendation.

Risk	Risk Likelihood (based on history and with existing controls)	Risk Impact / Consequence	Risk Rating (Prior to Treatment or Control)	Principal Risk Theme	Risk Action Plan (Controls or Treatment proposed)
That Council does not approve the emergency expenditure and community based groups do not have sufficient funds to support community	Unlikely (2)	Major (4)	Moderate (5-9)	Reputation - 4 Major - Substantiated, public embarrassment, widespread high impact on key stakeholder trust, high media profile, third party actions	Accept Officer Recommendation



Risk Matrix

Consequence Likelihood		Insignificant	Minor	Moderate	Major	Catastrophic
		1	2	3	4	5
Almost Certain	5	Medium (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely	4	Low (4)	Medium (8)	High (12)	High (16)	Extreme (20)
Possible	3	Low (3)	Medium (6)	Medium (9)	High (12)	High (15)
Unlikely	2	Low (2)	Low (4)	Medium (6)	Medium (8)	High (10)
Rare	1	Low (1)	Low (2)	Low (3)	Low (4)	Medium (5)

A risk rating of **6** has been determined for this item.



Voting Requirements: Absolute Majority: s6.8(b) of the *Local Government Act 1995*

SCM082/04/20

COUNCIL RESOLUTION / Officer Recommendation

Moved Cr Byas, seconded Cr Atwell

That Council:

- 1. NOTES** the minutes of the Local Emergency Management Committee, Local Recovery Coordination Group and Community Wellbeing Sub-Committee and Economic Sub-Committee.
- 2. APPROVES** a budget variation as follows:

Account Number	Type	Description	Debit	Credit
4000-15003-6910	Increase Expenditure	Donations	30,000	
4000-15003-6386	Increase Income	Advertising & Promotion	15,000	
4000-15003-6125	Increase Expenditure	Materials/Consumables	15,000	
4000-15003-5012	Reserve Transfer	Transfer from Emergency Management Reserve		60,000

Reason: To enable Recovery Activities in response to the COVID-19 Emergency

- 3. AUTHORISES** the Chief Executive Officer, in consultation with the Shire President, to provide donations up to \$5000 to community groups and/or not-for-profit organisations who demonstrate they are responding directly to community need in Serpentine Jarrahdale as a result of the COVID-19 emergency.
- 4. NOTES** that future reports will be presented to Council regarding how Council may use its resources to support community recovery.
- 5. APPROVES** the exclusion of COVID-19 related donations from the provisions of Council Policy - Community Grants and Council Policy- Community Contributions.

CARRIED BY ABSOLUTE MAJORITY 9/0

Councillors Rich, Atwell, Byas, Coales, Dagostino, Denholm, McConkey, Strange and Strautins voted FOR the motion.



6.1.3 – Priorities for Economic Stimulus and Development resulting from COVID-19 for the Shire of Serpentine Jarrahdale (SJ3235)	
Responsible Officer:	Manager Economic Development, Tourism and Marketing
Senior Officer:	Chief Executive Officer
Disclosure of Officers Interest:	No officer involved in the preparation of this report has an interest to declare in accordance with the provisions of the <i>Local Government Act 1995</i> .

Authority / Discretion

Advocacy	When the Council advocates on its own behalf or on behalf of its community to another level of government / body / agency.
Executive	The substantial direction setting and oversight role of the Council such as adopting plans and reports, accepting tenders, directing operations and setting and amending budgets.

Report Purpose

The purpose of this report is to seek Councils direction and endorsement of the proposed economic development priorities for stimulus and recovery resulting from the impacts of COVID-19.

Relevant Previous Decisions of Council

Nil.

Background

It has been widely reported on the economic impacts resulting from COVID-19. It has also been widely documented the response and stimulus packages being released by the State and Federal Governments.

Local Governments have been requested to consider economic stimulus packages priorities or bring forward capital works programs. The purposes of this report is to seek Councils direction on the proposed economic priorities for this plan.



Community / Stakeholder Consultation

The priorities and approach outlined in this report is the result of consultation and input from the following organisations:

- Local Businesses
- Peel Development Commission
- Regional Development Australia – Peel
- Peel Chamber of Commerce and Industry
- Business SJ
- Other Local Governments
- Economic Development Australia
- Small Business Development Corporation

Statutory Environment

Nil.

Comment

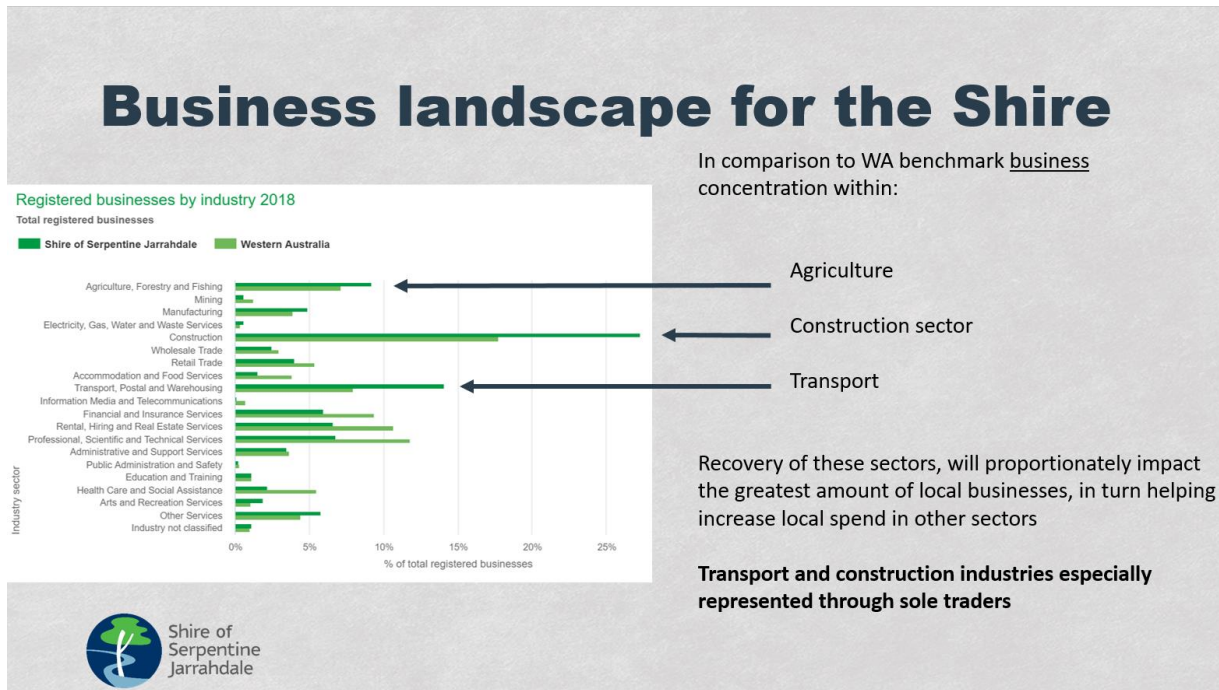
Shire Officers have been working on an Economic Recovery Plan which includes economic stimulus projects by the Shire, as well as private sector development projects. This work has been undertaken in light of the potential financial and other assistance that may be available from Federal and State governments.

Business and Employment Landscape in the Shire

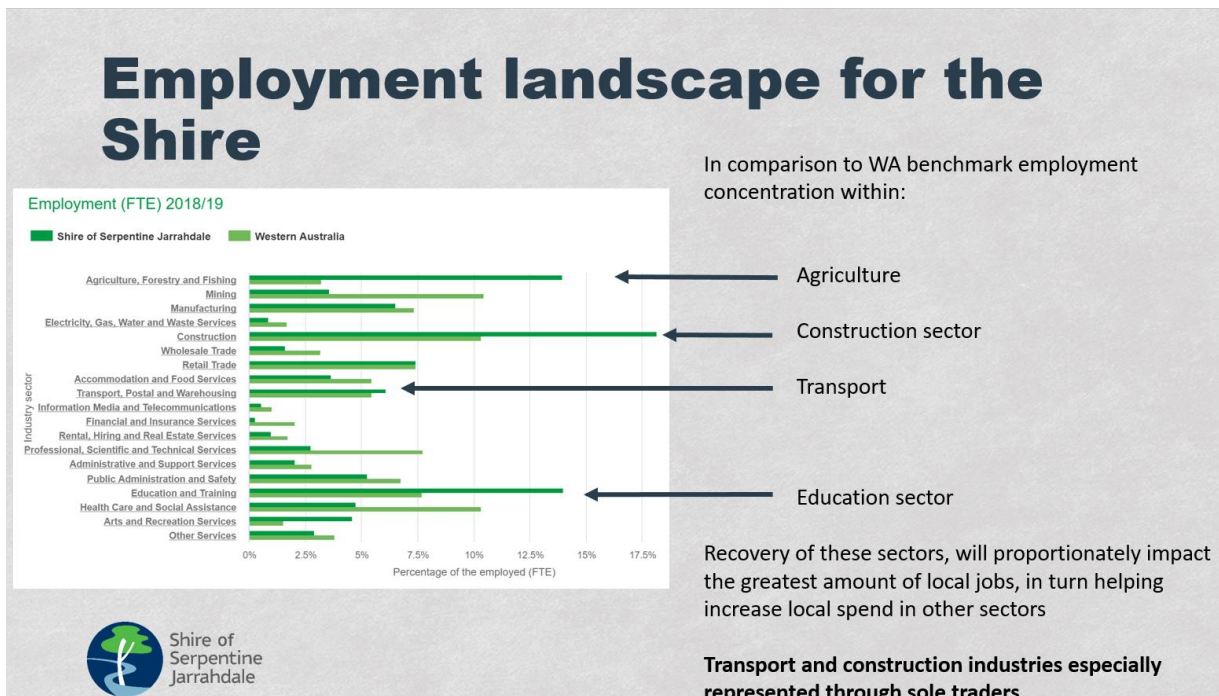
The Bankwest Curtin Economics Centre has anticipated approximately 109,000 West Australian job losses in a 12-month period as a result of the COVID-19 crisis. The sectors hardest hit are anticipated to include Construction, Mining, Hospitality, Retail, Transport, Postal and warehousing and Arts and recreation.



The main businesses in the Shire are as per the figure below:



The employment situation in the Shire is concentrated in the following sectors:





In 2018/2019 the Shire's Top 10 local employment sectors were as follows (economy.id.com.au):

1. Construction
2. Education and Training
3. Agriculture, Forestry and Fishing
4. Retail Trade
5. Manufacturing
6. Transport, Postal and Warehouse
7. Public Administration and Safety
8. Health Care and Social Assistance
9. Accommodation and Food Services
10. Arts and Recreation Services.

In 2016 the Top 10 industry sectors of employment for residents was: (profile.id.com.au)

1. Construction
2. Manufacturing
3. Retail Trade
4. Health Care and Social Assistance
5. Education and Training
6. Transport, Postal and Warehouse
7. Public Administration and Safety
8. Mining
9. Other Services
10. Professional, Scientific, and Technical Services.

The above information shows that businesses in the Shire will be severely impacted by the pandemic. The Shire will play a critical part in the economic and investment recovery by coordinating information dissemination, business assistance programs and stimulus projects.

Feedback Received from Businesses

Officers have been working collaboratively with the Peel Chamber of Commerce and Industry (Peel CCI), their local SJ subgroup and Business SJ through daily video conferencing. The Group has been sharing information and initiatives on business recovery and assistance programs as well as direct feedback from a wide range of businesses in the Shire. Many of the concerns are based on income, business survival and welfare of employees.



Included in the report are the **attachment 1** – Peel CCI Business Survey for the Peel region and **attachment 2** – Peel CCI Business Survey for the Serpentine Jarrahdale area.

Additionally to the above, Business SJ has advised that the Business community has concerns regarding the Shire's stance on residential and business rates and new road construction impacting on retail business.

It has been relayed to Shire Officers that supermarket food supply chains are experiencing a 30% increase in sales and foot traffic, but 60% reduction in stock orders filled (40-60% stock capacity). It is noted that fresh produce costs have increased up to 400%. The principal recommendation is to develop better local supply chains and not be as dependent on national and international supply chains.

Therefore, Officers are proposing the following basis for stimulus of the local economy:

- Road infrastructure to make transport sector more competitive and get agricultural produce to markets. Given that the primary production sector remains a predominant employer and economic generator in our community, road infrastructure investment will enable business to operate more efficiently through its supply and production chains.
- Provide construction sector workers with greater access to job opportunities in the southern metropolitan growth areas. Most of our construction sector workers exist as sole traders, and thus quicker access via improved road links to local construction markets will assist these operators in accessing opportunities.
- Ongoing support for residential subdivision/development and thus growth through new home construction. This has the combined benefit of civil construction stimulus, combined with new home construction that will generate work across the range of sectors that interact with construction (including transport, logistics, warehousing, bulk material supply etc).
- Opportunity to target major retail, commercial, industrial and agricultural investment to help attract a wide variety of jobs. These jobs will add to a greater local presence of higher income earning workforce, which will enable a greater local spend to be captured by retail and associated population driven small businesses within the Shire.

It is proposed that the Shire response stimulus will primarily be focused on the areas:

- Information and Advice (Immediate)
- No increase to rates (Short Term)
- Shire Stimulus Projects (Short Term)
- Facilitating Private Sector Investment (Medium Term)
- Government Investment (Longer Term)



Information and Advice

The Shire has been proactive in putting information for local businesses on media channels including website, newspaper, and Facebook. This has particularly focused upon assisting businesses to access the wide range of support programs offered by the State and Federal Governments. Furthermore, Shire staff have been available to answer questions from businesses and direct them to appropriate locations for further information.

The Shire website is updated daily with latest advice regarding State, Federal and other economic assistance programs. A full page newspaper advert was also put in the Examiner on 2 April that detailed how to access the available assistance.

The Shire has also been successful in sourcing professional advisory services for local businesses. Officers have retained the services of the Business Foundations and Business Advisory Southwest & Peel who provide free over-the-phone / e-mail assistance regarding all government business assistance programs.

It is proposed this immediate support continues for the coming months.

Not increasing rates, fees and charges

Many businesses have identified the need for Council to consider not increasing rates and fees and charges. This matter is the subject of another report on this agenda.

Shire Stimulus Projects

The Federal Government has asked local governments to identify potential stimulus projects. Furthermore, the State Government has asked Councils to consider bringing forward capital works programs to stimulate the economy.

The condition on the request from the Federal Government is that projects must be able to commence construction within 6 months. In considering which projects to propose, Officers have been very conscious of the following factors:

- The alignment with community priorities or if projects are identified in the Corporate Business Plan.
- If the projects are construction ready, have sufficient project planning undertaken and relevant approvals either are in place or can be obtained in the timeframe. This is critical to enable compliance with the criteria of being able to commence construction within 6 months.
- The ability for the Shire to make a matching contribution towards any capital costs.
- The ability for the Shire to cover any maintenance or operating costs associated with any projects.
- The capacity of the Shire to manage the construction of the project.

Overall, whilst the Shire has identified a number of priority projects in strategies prepared over recent years the reality is that the Council has not adopted any Business Cases for



projects. Business Cases are generally seen as a measure of appropriate planning for projects to enable them to be considered construction ready.

Officers are currently working on Business Cases for the following projects, but these will not be finalised for some months:

- Kiernan Park Recreation Precinct
- Jarrahdale Trails Town
- Byford Trails Hub
- Byford to Mundijong Trail
- Jarrahdale Oval Trails Head

Timing and the level of project planning rules these projects out of consideration. This doesn't mean they will not continue to be progressed and funding be sought through normal processes, just that they are not recommended as short-term stimulus projects.

The upgrade of Shire roads is a main priority for the community as identified in recent community surveys. The Shire has prepared a list of road and intersection upgrades required to meet the needs of the growing population with an estimated total of \$79 million. The details of these roads are outlined in **attachment 3**. In relation to projects that could commence within 6 months, Officers have developed a \$25,266,745 road stimulus package, refer **attachment 4**. The Shire would be relying on the stimulus package funding, as the Shire does not have the financial capacity to fund these upgrades from its own resources.

In addition to this, road construction projects are relatively straight forward to plan and design for (in accordance with relevant standards). Furthermore, the Shire has a qualified and experienced team who can manage these projects.

It is therefore proposed that the upgrades of Shire roads be put forward as a proposed stimulus priority from the Shire.

Officers have assessed opportunities for other projects meet most of the above-mentioned criteria and have identified 1) the proposed Nature Play and Splash Park in Byford and 2) the extension to the SJ Recreation Centre.

In respect of the proposed Nature Play and Splash Park in Byford, project planning work has been undertaken which is attached at **attachment 5** for reference. Councillors had identified this in the recent project prioritisation workshops as part of the Corporate Business Plan as only a low priority project. However, given the discrete nature of the project and positive community impact, Officers are recommending it be put forward as a stimulus project.

The Council has allocated funds in this year's budget (\$300,000 from reserve) towards this project. In addition, it should be noted that the Shire would invest significant staff time in delivering the project, which should also be considered as part of the Shire's contribution (albeit in kind). If Council wanted to progress this project it could propose these funds as its contribution towards the project, noting the budget is now estimated at \$2.8m.

This estimated operation of the park will cost appropriately \$160,000 per annum. Council should be aware and prepared to include these funds in next year's budget.



In respect of the second project identified, being the extension to the SJ Recreation Centre, this is included within the Draft Community Infrastructure Development Contribution Plan (CIDCP). The CIDCP identifies an extension to the current facility, in the form of extending the indoor courts which are currently well over subscribed for use. The planned expansion is for a further four indoor courts (multi use basketball and netball), which factoring in the current two courts, will provide for a flexible six court total indoor space. The demand for this facility expansion is in the short term, noting the historic and forecast growth for the Shire is particularly focused on Byford.

Over the longer term, the population centre of the Shire will shift to Mundijong, which is the reason that Kiernan Park remains the strategic regional sport and recreation location for the long term. However, in the short term, to take advantage of available stimulus that will target opportunities for local construction workers to be engaged on the project, the SJ Recreation Centre expansion is a priority for consideration.

In terms of costs, the Community Infrastructure Facilities Costing Tables (within the CIDCP) identifies this project as a total cost of \$6m (build cost) and \$0.22m (additional parking cost), and combined with architectural design costs of 10% results in a total project cost of \$6.85m.

However, other than designs for the car parking extension the Shire has very limited planning for this project. Although a court extension is relatively straightforward and could be considered as a design and construct project, Officers would prefer to prepare a detailed design and pre tender costing prior to committing to this project as a stimulus project. Therefore, it is being ruled out at this stage however if Council wanted design works could be undertaken if appropriate resources were allocated, which might make it available for any future stimulus program.

Equally however, planning for Stage 1 of Kiernan Street development might be progressed to a sufficient stage by this time making it eligible for any future programs.

On this basis, Officers are recommending Council identify the following projects for Economic Stimulus projects at this time:

- Hyper growth Road upgrades
- Nature Play and Splash Park

In light of the issues above Officers are not recommending any capital projects be brought forward and funded entirely by the Shire at this stage.

Facilitating Private Sector Investment

Rather than recommending a large number of Shire projects as potential stimulus projects for the reasons outlined above, Officers are instead proposing that the Shire assist investors and developers to access potential Federal and State Government support to facilitate large private sector investment in the Shire.

There have been a number of major developers interested in establishing, relocating or expanding in the Shire for number of years. Many of these developers see the current market conditions including access to debt at low levels and the opportunity for government subsidies or grants as an opportune time to transition these projects into reality. Eleven private sector investment opportunities are currently being investigated



with a total value exceeding \$800 million. The proponents of these projects forecast that 4,040 construction jobs and 4,860 ongoing jobs will be created.

Officers are proposing to play a facilitation role with these developers and Peel Development Commission and RDA Peel to identify and access State or Federal funding and support programs which may become available in response to COVID19.

It is important to note that Officers are recommending that:

- No Shire funds be invested in these developments
- Each development will be subject to normal development approval processes and appropriate regulations unless determined otherwise by the State Government.

This medium term strategy is designed to provide opportunities for local businesses and also jobs in the Shire once COVID-19 has passed and the economy needs to get moving again.

Government Investment in the Shire

Both the State and Federal Governments have committed large amounts of funding to major capital infrastructure in the Shire that will contribute significantly to the economic and social development of the community. These include:

- Extension of Tonkin Highway from Thomas Road to South West Highway
- Extension of the train line to Byford as part of the MetroNet Project.

As is the experience in other locations across the metropolitan area, Officers expect that these infrastructure projects will stimulate new home construction in the Shire.

Officers are recommending Council reinforce to both the Federal and State Governments the need for these projects to continue to proceed and seek commitments for this to occur.

In addition to these projects, Officers are also recommending the following infrastructure projects be considered as potential stimulus projects by the Federal and State Governments:

- Realignment of the Freight Rail as part of the Tonkin Highway extension. Main Roads are undertaking planning, design and community consultation for this project at the present time. However as Officers understand funding for construction is not yet confirmed.
- Dual Carriage Way of Thomas Road from South West Highway to Kwinana Freeway. Officers understand this road already has a higher traffic count than Armadale Road. The duplication of this road (and resumption as a Main Roads road) is seen as a major improvement to east west links in the Shire as well as providing opportunities for job creation.

Officers recommend that two other opportunities should be considered as part of the Shire's longer term economic development, namely a new TAFE in Byford and also a Health Hub in Byford. These projects are only at early stages and Officers are recommending a request be made for the State Government to fund the Business Cases for these projects as they will have long term economic and community benefits to the community.



These opportunities have been identified by Officers as consideration is given to creating an integrated transport hub in Byford as part of the MetroNet project.

Byford TAFE

Perth Peel 3.5 identifies the opportunity for a new TAFE in the area of Byford/Whitby/Mundijong to service the South East Corridor population. Officers, along with the Peel Development Commission, have initiated discussions with South Metro TAFE and the Department of Education and Workforce Development regarding this opportunity. A TAFE in the Shire would not only provide training and development opportunities for people in the region, but it would also be a major source of skilled employment. Early indications are that if an appropriate site can be secured a TAFE similar size to the Thornlie Campus could be developed in the Shire in the medium to longer term.

Byford Health Hub

Health Hub models have been provided in a number of locations across the metropolitan area including Rockingham, Cockburn and Mandurah. These facilities provide a range of services for both public and private health professionals to meet with the needs of the community. There is support for investigating a Health Hub for the Byford area from the stakeholders involved given the needs in the community and the growth in the Shire.

Both of these projects not only provide construction stimulus to meet the needs of the community but also provide opportunities for professional employment therefore diversifying the Shire's employment base.

Although considered medium to long-term projects Officers are recommending the Council ask the State and/or Federal Governments to fund the development of Business Cases and project development for the following projects:

- Byford TAFE
- Byford Health Hub.

Options and Implications

Council has the option to identify and recommend a number of alternative projects for the economic priorities and stimulus of the Shire. Officers would encourage Council in doing so to be mindful of the Shires financial position.

Conclusion

The Premier and the Minister for Local Government are encouraging Local Governments to implement a stimulus program to assist with the economic recovery of the local community. They are encouraging Local Government's to draw down on reserves and increase borrowings to "bring forward" major capital projects.

Unfortunately, the Shire has limited options in this regard due to the following reasons:



- The Shire has limited reserve funds. Many reserves have been drawn down upon in recent years to fund community projects.
- Officers are currently preparing businesses cases for major Shire projects however the timing does not align with any potential stimulus requirements.
- The Shires current operating position provides limited scope to fund the operation and maintenance of any new major community facilities.
- If Council limits rate increases in the coming years to minimise the financial impact upon the community this will also limit the Shires ability to co-contribute to construction and maintain/operate additional community facilities.

The Shire is fortunate however to have major government infrastructure committed in the Shire (ie Tonkin Highway Extension and Byford MetroNet) which in their own right will stimulate development in the area.

Furthermore, there are a number of large private sector investors who are interested in either relocating or establishing in the Shire. These have the potential to create meaningful opportunities for local contractors and jobs for residents.

The Shire is also well positioned in the longer term to attract major new government facilities including a new TAFE and Health Hub. These are likely to bring major community and economic benefits to the community for a long time.

It is with these factors in mind Officers have recommended the approach outlined in the report.

Attachments (available under separate cover)

- **6.1.3 - attachment 1** – Feedback from Peel Chamber of Commerce and Industry for the Peel Region (E20/4208)
- **6.1.3 - attachment 2** - Feedback from Peel Chamber of Commerce and Industry for Serpentine Jarrahdale (E20/4209)
- **6.1.3 - attachment 3** – Roads and Intersection Upgrades (E20/4218)
- **6.1.3 – attachment 4** – Road Stimulus Package (E20/4213)
- **6.1.3 - attachment 5** – Nature Play and Splay Park Design (E20/1757)
- **6.1.3 - attachment 6** – Current Reserve Balances (E20/4210)

Alignment with our Strategic Community Plan

Outcome 3.1	A commercially diverse and prosperous economy
Strategy 3.1.1	Actively support new and existing local business within the district.
Outcome 4.2	A strategically focused Council
Strategy 4.2.1	Build and promote strategic relationships in the Shire’s interest.



Financial Implications

Attachment 6 is a copy of the current reserve balances of the Shire. Council has the option to draw down from some or all of these reserves to fund projects associated with providing economic stimulus if the project aligns with the purpose of the reserve.

The Shire President approved \$11,000 towards the engagement of Business Foundations in accordance with the Emergency Provisions in the Local Government Act. The costs of this service is being sourced from CEO Consultancy.

Additional advertising associated with the immediate awareness short term phase is being sourced from the Economic Development budget.

Risk Implications

Risk has been assessed on the basis of the Officer's Recommendation.

Risk	Risk Likelihood (based on history and with existing controls)	Risk Impact / Consequence	Risk Rating (Prior to Treatment or Control)	Principal Risk Theme	Risk Action Plan (Controls or Treatment proposed)
Council does not agree to the recommendation	Unlikely (2)	Catastrophic (5)	High (10-16)	Financial Impact - 5 Catastrophic - More than \$2M	Accept Officer Recommendation

Risk Matrix

Consequence \ Likelihood		Insignificant	Minor	Moderate	Major	Catastrophic
		1	2	3	4	5
Almost Certain	5	Medium (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely	4	Low (4)	Medium (8)	High (12)	High (16)	Extreme (20)
Possible	3	Low (3)	Medium (6)	Medium (9)	High (12)	High (15)
Unlikely	2	Low (2)	Low (4)	Medium (6)	Medium (8)	High (10)
Rare	1	Low (1)	Low (2)	Low (3)	Low (4)	Medium (5)

A risk rating of **10** has been determined for this item.



Voting Requirements: Simple Majority

SCM083/04/20

COUNCIL RESOLUTION Officer Recommendation

Moved Cr Byas, seconded Cr Atwell

That Council ENDORSES the following as the basis for economic priorities and stimulus for the Shire of Serpentine Jarrahdale:

- 1. Continues to provide information and advice for small businesses**
- 2. Proposes the following projects as Shire Stimulus Projects to attract Federal and/or State Government funding:**
 - a. Hyper-growth Road Upgrades**
 - b. Nature Play and Splash Park Byford**
- 3. Requests the Chief Executive Officer to play a facilitation role with potential developers, Peel Development Commission and RDA Peel to identify and access State or Federal funding and support programs which may become available in response to COVID19.**
- 4. Requests the Federal and State Governments:**
 - a. Reaffirm support for existing committed infrastructure projects including:**
 - i. Extension of Tonkin Highway from Thomas Road to South West Highway.**
 - ii. Extension of the train line to Byford as part of the MetroNet Project.**
 - b. Consider new additional government infrastructure projects including:**
 - i. Realignment of the Freight Rail as part of the Tonkin Highway extension.**
 - ii. Dual Carriage Way of Thomas Road from South West Highway to Kwinana Freeway.**
 - c. Provide funding to commence planning for new medium to long term government facilities including undertaking development of Business Cases for:**
 - i. Byford TAFE; and**
 - ii. Byford Health Hub.**

CARRIED 6/3

*Councillors Rich, Atwell, Byas, Denholm, Strange and Strautins voted FOR the motion.
Councillors Coales, Dagostino and McConkey voted AGAINST the motion.*



7. Motions of which notice has been given:

Nil.

8. Urgent business:

Nil.

9. Closure:

There being no further business the Presiding Member declared the meeting closed at 7.09pm.

I certify that these minutes were confirmed at the Ordinary Council Meeting held on
20 April 2020.

.....
Councillor Rich - Presiding Member

25/02/2021

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Date