



CORANGAMITE
SHIRE

agenda

CORANGAMITE SHIRE

MEETING OF COUNCIL

TUESDAY 12 MAY 2020

To be held at the virtually and livestreamed online
commencing at 3.30pm

COUNCIL:

Cr Neil Trotter (South West Ward)
MAYOR

Cr Ruth Gstrein (Central Ward)
DEPUTY MAYOR

Cr Helen Durant (Central Ward)

Vacant (Central Ward)

Cr Simon Illingworth (Coastal Ward)

Cr Lesley Brown (North Ward)

Cr Jo Beard (South Central Ward)

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Order of Business

1. PRAYER

We ask for guidance and blessing on this Council. May the true needs and wellbeing of our communities be our concern. Help us, who serve as leaders, to remember that all our decisions are made in the best interests of the people, culture and the environment of the Corangamite Shire.

Amen

2. ACKNOWLEDGEMENT OF COUNTRY

We acknowledge the Traditional Owners of the land on which we are meeting, and pay our respects to their Elders, past and present.

3. APOLOGIES

4. DECLARATIONS OF CONFLICT OF INTEREST

5. CONFIRMATION OF MINUTES

RECOMMENDATION

That the Minutes of the Corangamite Shire Ordinary Council meeting held on Tuesday 28 April 2020 be confirmed.

6. DEPUTATIONS & PRESENTATIONS

7. OFFICERS' REPORTS

ANDREW MASON
CHIEF EXECUTIVE OFFICER

DISCLAIMER

The advice and information contained herein is given by the Council without liability or responsibility for its accuracy. Before placing any reliance on this advice or information, a written enquiry should be made to the Council giving the entire reason or reasons for seeking the advice or information and how it is proposed to be used.

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6. DEPUTATIONS & PRESENTATIONS

1. Members of the public may address Council under this section of the Agenda of a Meeting of the Council if:
 - a) The person is addressing the Council in respect to a submission on an issue under Section 223 of the *Local Government Act*, or
 - b) The person has requested that they address Council on an issue and the Mayor has agreed that they be heard.
2. Requests to address Council must be received by 5.00 pm on the day prior to the scheduled Meeting of the Council.
3. Presentations made to Council in this section of the Agenda may not exceed five minutes in length, although Councillors may ask questions proceeding each presentation. If a presentation exceeds five minutes in length, the Mayor may request that the presenter ceases to address Council immediately.

7. OFFICERS' REPORTS

7.1 Draft Budget 2020-2021 Conflicts of Interest

Author: David Rae, Director Corporate and Community Services

File No:

Previous Council Reference: Nil

Declaration

Chief Executive Officer – Andrew Mason

In providing this advice to Council as the Chief Executive Officer, I have a direct interest to disclose in this report.

Author - David Rae

In providing this advice to Council as the Director Corporate and Community Services, I have no interests to disclose in this report.

Summary

The proposed 2020-2021 Budget contains an item in which Cr Illingworth has declared a conflict of interest.

This report proposes the item be dealt with separately. Cr Illingworth must leave the meeting room (physical or virtual) whilst the recommendation in respect of his conflict is considered. Once the item which is the subject of the recommendation is determined by Council, all Councillors are then able to vote on the proposed 2020-2021 Budget.

Introduction

Notwithstanding the *Local Government Act 2020*, Section 79C(2) of the *Local Government Act 1989* continues to apply and exempts a Councillor from a conflict of interest in circumstances where Council has previously approved the matter in which the Councillor has an interest, including funding, and the Councillor has disclosed the conflict of interest at the time the matter was approved by Council for inclusion in the Budget.

Issues

In developing the proposed 2020-2021 Budget, an extensive range of activities and initiatives have been considered for funding.

The *Local Government Act 1989* requires a Councillor to declare any conflict of interest in relation to matters to be considered by Council and to leave the meeting for the duration of discussion and not vote on that matter. This provides the opportunity for any disclosures of direct and indirect interest to be documented before consideration of the Budget by Council. For items approved in previous budgets and likely to be carried forward to 2020-2021 no further declaration is necessary.

The draft 2020-2021 Budget includes a proposed Council contribution of \$5,000 to the South West Academy of Sport (SWAS). This is an annual contribution by Council to assist SWAS to

deliver a high-performance sports program for aspiring athletes across south west Victoria. SWAS has links with Australian Institute of Sport, the Victorian Institute of Sport and other peak sporting associations. Cr Illingworth is a Board member of SWAS and has declared a conflict of interest in regard to the proposed contribution.

Policy and Legislative Context

This report has been prepared to address requirements of the *Local Government Act 1989*, specifically Section 79C(2), which deals with conflicts of interests for the purposes of approving an annual budget. This report is also in accordance with its commitment in the Council Plan 2017-2021 that:

We are committed to ensuring the ethical behaviour of Councillors and staff, maintaining good governance and remaining financially sustainable

Council will demonstrate high levels of ethical behaviour and governance standards

Council will make budgetary decisions that ensures Council remains in a strong financial position now and into the future.

Financial and Resource Implications

The financial implications are addressed in the proposed 2020-2021 Budget.

Conclusion

The proposed 2020-2021 Budget includes funding for an item which Cr Illingworth has declared a conflict of interest. A Councillor is taken to not have a conflict of interest for the purposes of approving a budget if Council approves the item and the proposed funding prior and the Councillor has disclosed the nature of the conflict in respect of the funding at that time. Council is asked to consider the item in which Cr Illingworth has declared a conflict of interest for inclusion in the 2020-2021 Budget.

RECOMMENDATION

That Council approves a \$5,000 contribution to South West Academy of Sport for inclusion in the 2020-2021 Budget.

7.2 Draft Budget 2020-2021

Author: Adam Taylor, Manager Finance

File No:

Previous Council Reference: Nil

Declaration

Chief Executive Officer – Andrew Mason

In providing this advice to Council as the Chief Executive Officer, I have no interests to disclose in this report.

Author - Adam Taylor

In providing this advice to Council as the Manager Finance, I have no interests to disclose in this report.

Summary

This report is to consider the proposed 2020-2021 Budget, incorporating the 2020-2021 Fees and Charges Schedule in accordance with the *Local Government Act 1989* (the Act). The proposed 2020-2021 Budget is attached to this report under separate cover.

Introduction

The proposed 2020-2021 Budget for the financial year commencing 1 July 2020, has been developed in consultation with Councillors and officers and with reference to the long-term financial plan, asset management plans and community plans. The coronavirus epidemic has also necessitated the following items being integrated into the Budget and Strategic Resource Plan:

- A proposed 0% increase in rates and a \$2.5 million COVID-19 community and business recovery fund. It should be noted an increase in the waste management charge will be required. Detail on the proposed fund has been provided as a separate agenda item.
- Future budget assumptions reflecting a medium-term economic recovery given the likely ongoing financial impact in the medium-term. This is also likely to have an impact of future rate caps and government funding.

Excluding the items above, the budget has been prepared on a 'business as usual' approach. Officers have also considered scenarios to quantify the financial impact of the economic shutdown on Council operations. Subsequent impacts to the budget after adoption will be forecast and reported to Council during the quarterly finance reports.

The Budget document has been prepared on the basis of the legislative requirements contained in the 'model budget' as developed by the Local Government industry taskforce and issued to all municipalities across Victoria. The proposed Budget document has been developed under the following sections:

- Overview
- Budget Reports
- Long Term Strategies
- Appendices, including fees and charges.

In accordance with the *Local Government Act 1989*, the Budget includes linkages to the Council Plan 2017-2021 and details:

- Activities and initiatives to be funded
- How the activities and initiatives will contribute to achieving the strategic objectives
- The service performance indicators.

Issues

An operating deficit of \$119,664 has been budgeted with a capital works program of \$14.032 million. Key performance indicators include delivery of a year-end unrestricted working capital ratio of 244%. The budget has been developed on the basis on no increase in rates.

The Budget is an essential planning and resource tool produced annually and is vital to the ongoing operational and financial viability of Council. It sets out the expected income and expenditure of both operational and capital activities for the coming year and also incorporates Council's rating and borrowing strategies. The Budget also ensures the accountability of Council's operations and forms part of the public accountability process.

The Budget has been prepared to ensure that Council continues to maintain its services and meet the objectives of Council's asset management framework and Strategic Resource Plan. The principles of sound financial management require Council to deliver recurrent operating surpluses, continue to invest in asset renewal and maintain adequate liquidity; the Budget presented delivers these outcomes.

The Budget document details the processes to be undertaken in order to adopt the Budget in accordance with the Act and the *Local Government (Planning and Reporting) Regulations 2014* (the Regulations). As required by the Regulations, the Budget also includes the prescribed performance indicators.

2020-2021 Budget Outcomes

Key financial outcomes for the 2020-2021 Budget are as follows:

	2020-2021 Budget
Operating result	(\$119,664)
Rate income	\$22,199,831
Underlying rate increase	0.00%
Total increase in rates & charges on 2019-2020 forecast	0.75%
Operating expenditure	\$33,279,769
Capital expenditure	\$14,031,500
Loan redemption including interest	Nil
Transfer to reserves	\$2,122,150
Total budget commitments	\$49,433,419
Cash balance at year end	\$21,156,634
New loans	nil
Working Capital Ratio (Unrestricted)	244%

Rate Income

Rates and Charges will account for 49% of total Council revenue in 2020-2021. In accordance with Council's resolution of 24 March 2020 it is proposed not to increase rates (including municipal charges) for the 2020-2021 year. The Strategic Resource Plan includes rate increases equal to an estimate of CPI over the next four years.

The proposed underlying increase in rates and charges subject to the rate cap for 2020-2021 is 0.05% year-on-year. The waste management charge will increase by 5.07% noting that this decreased by 4.39% in the previous year as a result of a \$19 positive adjustment.

The overall increase in rates and charges including the waste management charge will be 0.47% on the 2019-2020 forecast. This is detailed below:

Type of Charge	2019-2020 Forecast	2020-2021 Budget	Increase	Comments
General Rates	18,475,857	18,489,057	0.07%	Includes supplementary rates
Municipal Charge	1,725,055	1,723,680	-0.08%	
	20,200,912	20,212,737	0.05%	Increase in rates and charges including supplementary rates
Waste Management Charge	1,866,011	1,960,644	5.07%	Increased cost of service and Landfill Levy
Rating Agreements	28,684	26,450	-7.79%	
TOTAL	22,095,607	22,199,831	0.47%	Total increase in rates & charges

Council is responsible for collecting the Victorian State Government Fire Services Property Levy. The levy appears on rate notices as a separate charge. Council does not derive any benefit and is required to remit amounts collected to the State Revenue Office quarterly. Council is also responsible for the collection of the Landfill Levy on behalf of the State Government. This levy will increase significantly from 1 January 2021 and is partially responsible for the increase in the Waste Management Charge.

Differential Rates

Section 4.1 of the Budget includes details on the differential rates contained within the adopted Rating Strategy for 2018-2021. The differential rates include a reduction in the Farm Rate from 89.5% to 89% in accordance with Council's Rating Strategy.

User Fees and Charges

User fees and charges are projected to increase by 1.34% or \$0.81 million to \$6.09 million. All user fees have been increased by an average of 2.50% to maintain parity between user charges and the costs of service delivery.

Operating Expenditure

Council’s budgeted operating expenditure for 2020-2021 will be \$33.28 million (on a “cash” basis). This represents an increase of \$2.14 million, or 6.87% over the 2019-2020 Adopted Budget as per the following table:

	2019-2020 Adopted Budget	2020-2021 Draft Budget	2019-2020 v 2020-2021 Favourable / (Unfavourable)	
Operating Expenditure (Cash)	\$31,139,937	\$33,279,769	(\$2,139,832)	(6.87%)

A number of operating initiatives are contained within the budget (refer to Section 2) and total \$2.47 million, of which \$2.09 million will come from council operations, \$60,000 from external grants and \$325,000 from community contributions. The increase in operating expenditure largely reflects the \$2.5 million COVID-19 community and economic recovery fund.

Capital Expenditure

The total Capital Works program will be \$14.03 million, of which \$9.66 million will come from Council operations, \$4.19 million from external grants and \$180,000 from community contributions. Details are provided in Section 4.2 of the attached Budget document. Council will continue to heavily invest in its road network through capital renewal, which is also supplemented by programmed maintenance.

The 2020-2021 Capital works program includes:

- \$6.92 million on road, drainage and bridge assets with grant income of \$2.28 million budgeted
- \$1.54 million of heavy plant and light fleet replacements
- \$2.29 million of recreation, leisure and community facilities
- \$3.38 million of other projects including land, buildings, waste management, kerb and channel, information technology, footpaths and streetscapes.

A substantial part of the capital works program is based on existing asset management plans. Other projects have been included to take advantage of external funding opportunities and to deliver community planning outcomes. Council’s asset renewal gap for 2020-2021 is projected to be 97% against a long-term target of 100%. Council’s four-year Strategic Resource Plan forecasts an average annual renewal ratio of 110%.

Major Budget Initiatives

Some major budget initiatives included in the 2020-2021 budget include:

Project	Amount
COVID-19 economic stimulus and support package	\$2,500,000
Twelve Apostles Trail – stage 1 construction	\$2,220,000
Cobden streetscape construction	\$300,000
Timboon town centre activation construction	\$450,000
Council grants programs	\$347,500
Traineeship and apprenticeship program	\$105,000
Recreation reserves master planning	\$50,000

Borrowings

The Budget provides for no new borrowings in 2020-2021.

Reserve Transfers

Defined Benefit Fund

It is anticipated there will be future calls on Council for the Defined Benefit Fund. Council made a decision in the 2014-2015 Budget to allocate \$400,000 to a “cash backed” reserve each year until sufficient provision has been made for a future call. The projected reserve balance as at 30 June 2021 will be \$1.330 million. No additional reserve transfers are proposed in the budget, the reserve will be increased by a nominal interest amount to preserve the balance.

Landfill Restoration

The Naroghid landfill has an estimated remaining life of 54 years. The current net present value estimate for restoration and monitoring is \$3.363 million and was recently reviewed in June 2019. The draft budget includes a \$100,000 transfer to the landfill restoration reserve. This additional allocation will create a reserve of \$673,839 as at 30 June 2021.

Future Large-Scale Projects

A new reserve was created in 2018-2019 to hold funds required for future large-scale projects which have been identified by Council. These projects include Port Campbell streetscape and the 12 Apostles Trail. For 2020-2021 an allocation of \$2 million is recommended to be allocated to the reserve. The projected balance at the end of 2020-2021 will be \$7.499 million.

Risks

The dynamic environment is likely to increase the risk around the budget’s financial outcomes. The major risks identified include:

- Vision Superannuation Defined Benefit Fund – The share market volatility and predicted economic downturn is likely to impact the defined benefit fund. Council may receive a call to ensure the plan is fully funded. The reserve for this purpose currently sits at \$1.330 million.
- Federal and State Government budgets – Given the high level of stimulus packages provided by both Federal and State Governments, the availability of future grants and funding opportunities is likely to be severely limited. There is also a risk future financial assistance grants may be adversely affected.
- Economic Uncertainty – It is unknown what the broader economic impacts will be particularly in regard to tourism. Whilst some sectors of the economy are currently performing strongly, particularly agriculture and construction, a protracted economic recovery in tourism, retail and hospitality may be to the detriment of some in our community.
- Business as usual approach – The 2020-2021 budget has been built using a business as usual approach. This is unlikely to be the case in the short-term and the scenarios which have been forecast for the current year are also likely to impact this budget. Any changes to the budget after adoption will be forecast and reported to Council during the quarterly finance reports.

Statutory Disclosures

The 2020-2021 Budget includes the disclosure requirements of the *Local Government Act 1989* and the *Local Government (Finance and Reporting) Regulations 2014*. The required statutory information pertaining to Rates and Charges is detailed within Section 4.1.

Policy and Legislative Context

Council is required under the Act to adopt the Budget by 30 June 2020. Council is required to undertake public consultation as part of the process. The Budget is Council’s annual financial strategic document and has been prepared in accordance with its commitment in the Council Plan 2017-2021 that:

Council will make budgetary decisions that ensures Council remains in a strong financial position now and into the future.

Council will deliver value for money by ensuring that services are required and delivered efficiently and sustainably.

Council will advocate strongly in relation to roads, cost shifting, and other Council and community priorities.

Internal / External Consultation

Council will advertise the 2020-2021 Budget and call for public submissions under Section 223 of the *Local Government Act 1989*. Any person making a submission and wishing to be heard in support of their submission will have an opportunity to do so at a virtual meeting of a Committee of the whole Council on 9 June 2020. Adoption of the budget is proposed at the Ordinary Council meeting to be held at 7.00 pm on 23 June 2020, to which the outcomes from those discussions and submissions will be reported and the Budget may be adopted with or without amendment.

Financial and Resource Implications

The Budget has been prepared in accordance with the direction provided by Council and in accordance with Council's Long-Term Financial Plan. The Budget has been prepared within the following parameters:

- A 0.47% increase in rates and charges which results from a 0% increase to capped rates (including municipal charge) and 4.72% increase in waste management charge
- An operating deficit of \$119,664
- A capital works program of \$14.032 million
- An unrestricted working capital ratio of 244% to maintain a solid liquidity buffer for Council to meet its short-term obligations
- Capital budgets have been prepared in accordance with good asset management principles.

Contained within the 2020-2021 Budget document is:

- Detailed information on project initiatives, staffing and resources
- Detailed capital works program included proposed future capital expenditure (Section 4.2.1 and 4.2.2)
- 2020-2021 Fees and Charge Schedule (Appendix A).

Options

Council may approve the 2020-2021 Budget for public exhibition, incorporating the 2020-2021 Fees and Charges Schedule, as presented with or without amendments.

Conclusion

The 2020-2021 Budget maintains Council's sound financial position with a strong commitment to a high standard of services, complemented by a significant capital works program and a fund to support community and economic recovery in response to the coronavirus pandemic.

The 2020-2021 Budget presented to Council is balanced and has regard to the key indicators that reflect Council's financial sustainability. The attached Budget has been prepared in accordance with the best practice "model budget" and constitutes the public document that will be subject to public review.

RECOMMENDATION

That:

- 1. The 2020-2021 Budget, incorporating the 2020-2021 Fees and Charges Schedule (Appendix A), annexed to this resolution be the Budget prepared by Council in accordance with Section 127 of the *Local Government Act 1989*.**
- 2. Public notice and inspection:**
 - (a) Public notice of the preparation of the 2020-2021 Budget, incorporating the 2020-2021 Fees and Charges Schedule (Appendix A), in accordance with Section 129(1) of the *Local Government Act 1989* be given.**
 - (b) The 2020-2021 Budget, incorporating the 2020-2021 Fees and Charges Schedule (Appendix A) be made available for public inspection on Council's website. Paper copies will also be available upon request.**
- 3. Submissions:**
 - (a) Any person who lodges a written submission in respect of the 2020-2021 Budget, incorporating the 2020-2021 Fees and Charges Schedule and has requested to be heard in support of such written submission be heard by the Committee of the whole Council at a meeting on 9 June 2020.**
- 4. The 2020-2021 Budget, incorporating the 2020-2021 Fees and Charges Schedule is proposed to be adopted at a meeting of Council on 23 June 2020.**

Attachments

1. Draft Budget 2020-2021 - Under Separate Cover

7.3 COVID-19 Financial Hardship Policy

Author: David Rae, Director Corporate and Community Services

File No:

Previous Council Reference: Nil

Declaration

Chief Executive Officer – Andrew Mason

In providing this advice to Council as the Chief Executive Officer, I have no interests to disclose in this report.

Author - David Rae

In providing this advice to Council as the Director Corporate and Community Services, I have no interests to disclose in this report.

Summary

This report recommends the adoption of the COVID-19 Financial Hardship Policy dated May 2020 (attached).

The purpose of the COVID-19 Financial Hardship Policy is to provide a framework for financial relief to individuals, business and organisations who need assistance from the impacts of the Coronavirus (COVID-19) Pandemic.

Introduction

The Policy provides individuals, businesses and organisations with a clear and transparent understanding of options and assistance available if they are experiencing financial hardship due to the pandemic. This Policy provides direction to Council officers when collecting and providing for debts owed to Council and to ensure consideration is given to the financial hardship caused by COVID-19.

Issues

COVID-19 was declared a global pandemic on the 30 January 2020 and a State of Emergency was declared in Victoria on the 16 March 2020.

As a consequence of Federal and State Government restrictions to contain the spread of COVID-19 the economy has been impacted to varying degrees. Many businesses, organisations and their employees, including those within Corangamite Shire, have experienced financial hardship as a result of government intervention.

The COVID-19 Financial Hardship Policy seeks to assist eligible business, organisations and individuals within Corangamite Shire that are experiencing financial hardship. The Policy applies to all monies owed to Corangamite Shire Council for rate debts (including rates, service charges, municipal charge and fire services levy) and non-rate debts (including animal registrations, permits, fees and user charges).

The Policy establishes the guidelines for assessing eligibility for hardship based on the principles employed by the Federal Government. The Policy stipulates eligible applicants will be able to access deferred payment options and interest waivers on debts due. The Policy makes provision for non-rate debts to be waived subject to eligibility and resolution by Council.

It is proposed the COVID-19 Financial Hardship Policy operate on a temporary basis and if not reviewed by 30 November 2020 the Policy will sunset.

Policy and Legislative Context

Consideration of this report is in accordance with the commitment in the Council Plan 2017-2021 that:

Council will demonstrate high levels of ethical behaviour and corporate governance standards. We will make budgetary decisions that are reflective of our financial circumstances. We will advocate for and with the community to achieve outcomes.

Internal / External Consultation

The COVID-19 Financial Hardship Policy was developed by officers in response to the COVID-19 pandemic. The Policy has been reviewed by Council's Senior Officer Group and Council was briefed on the proposed Policy on 7 May 2020.

Financial and Resource Implications

Rates and Charges, user fees and statutory fees represent the majority of revenue for Corangamite Shire and as such the timing of payments and granting of deferred payment or waivers has the ability to have large financial implications for Council. The COVID-19 Financial Hardship Policy will ensure Council's financial position and cashflow is not adversely effected by entering into arrangements with debtors who are experiencing financial hardship as a consequence of COVID-19.

Options

Councillors may choose to adopt the COVID-19 Financial Hardship Policy as presented with or without amendment. Alternately, Council may choose to not adopt the Policy.

Conclusion

Council encourages all ratepayers and customers to make alternate payment arrangements where they are experiencing financial hardship as a consequence of COVID-19. The proposed COVID-19 Financial Hardship Policy formalises current practice and recognises cases of financial hardship experienced as consequence of COVID-19 requires temporary support.

RECOMMENDATION

That Council adopts the COVID-19 Financial Hardship Policy dated May 2020, with a sunset provision to revoke the policy on 30 November 2020 if not reviewed by Council prior.

Attachments

1. COVID-19 Financial Hardship Policy

COVID-19 Financial Hardship Policy

Corangamite Shire
May 2020



CORANGAMITE
SHIRE

Corangamite Shire Council – COVID-19 Financial Hardship Policy

Council Policy



COVID-19 Financial Hardship Policy

Introduction

The purpose of this COVID-19 Financial Hardship Policy is to provide a framework for financial relief to individuals, business and organisations who need assistance from the impacts of the Coronavirus (COVID-19) Pandemic.

Purpose

COVID-19 was declared a global pandemic on the 30 January 2020 and a State of Emergency was declared in Victoria on the 16 March 2020.

The Policy provides individuals, businesses and organisations with a clear and transparent understanding of options and assistance available if they are experiencing financial hardship due to the pandemic. This Policy provides direction to Council officers when collecting and providing for debts owed to Council and to ensure consideration is given to the financial hardship caused by COVID-19.

Scope

This Policy applies to all monies owed to Corangamite Shire Council for rate debts (including rates, service charges, municipal charge and fire services levy) and non-rate debts (including animal registrations, permits, fees and user charges).

Council will provide assistance to those in financial hardship in accordance with the *Local Government Act*, while ensuring it does not jeopardise its financial sustainability.

Rates and charges are a secure and reliable source of revenue that Council uses to deliver services to the community. In times of crisis it is important to remember that Council still requires cash flow to deliver critical services to the community, however, it is also recognised that the COVID-19 Pandemic may cause significant financial hardship for members of the community and businesses and Council has a responsibility to provide assistance.

This Policy will be guided by the principles of transparency, efficiency, capacity to pay and equity by treating all debtors consistently and in a fair manner.

Definitions

Council means Corangamite Shire Council, being a body corporate constituted as a municipal Council under the Local Government Act.

COVID-19 means the novel coronavirus disease.

Debt means the amount (of money) owed by a debtor as a result of a transaction with Council.

Debtor means the individual, business or organisation (including a not-for profit) or other party that owes a debt to Council as a result of a transaction with Council.

Ratepayer means the occupier of any rateable property who is liable to pay rates. This may be the property owner or a tenant who under the lease agreement is liable to pay rates.

Adopted at Council on: 12 May 2020
Agenda Item:
Responsibility: Finance Manager
Document Number: XXXXX

Department: Finance
To be reviewed by: November 2020

Page Number: 2

Corangamite Shire Council Policy – COVID-19 Financial Hardship Policy

References

Local Government Act
Rates and Charges Collection and Hardship Policy

Policy Detail

Financial Hardship

Financial hardship is a circumstance of experiencing a lack of financial means, which may be either ongoing or temporary. This Policy is to address temporary financial hardship due to impacts of COVID-19.

Identification of Financial Hardship caused by the impacts of COVID-19

For ABN registered businesses and organisations assessed by the Australian Taxation Office (ATO) as being eligible for the Commonwealth JobKeeper Payment they are automatically deemed to be in Financial Hardship for the purposes of this Policy.

Individuals as a direct result of the COVID-19 in receipt of JobSeeker from 20 March 2020 or JobKeeper are automatically deemed to be in Financial Hardship for the purposes of this Policy.

For businesses, organisations or individuals that are not automatically deemed to be in Financial Hardship for the purposes of this Policy (as per the tests above), Financial Hardship will be determined by assessment by Corangamite Shire Council officers. External assessment by an independent accredited financial counsellor may be required.

The Financial & Consumer Rights Council of Victoria (FCRC) is the peak body for Financial Counsellors in Victoria. The FCRC can help affected persons find a financial counsellor – please visit www.fcrc.org.au or call 1800 007 007 for more information.

Application for Financial Hardship caused by the impacts of COVID-19

Access to the Financial Hardship provisions of this Policy is via the Application for COVID-19 Financial Hardship Assistance form.

Assessment of applications for Financial Hardship caused by the impacts of COVID-19

Assessment of applications for Financial Hardship caused by the impacts of COVID-19 will be an objective assessment based on the information provided by the debtor in the application.

Debtor to enter into a payment plan

The total deferral of all financial responsibilities due to an event can cause a secondary bout of financial stress when the event has concluded, and debts remain owing. Council's aim is to provide assistance through the COVID-19 event without creating additional financial stress after the pandemic is over.

Council encourages all debtors impacted by COVID-19 to enter into a payment plan tailored specifically to their needs to reduce the amount of debt owing after the pandemic.

Council will hold interest on debt accumulated by debtors deemed to be experiencing Financial Hardship under this Policy who have entered into a payment plan. The interest hold will begin from 24 March 2020 and continues whilst this Policy remains in force to allow ample time for debts to be paid without interest accruing on overdue amounts. If

Adopted at Council on: 12 May 2020
Agenda Item: X.X
Responsibility: Finance Manager
Document Number: XXXXX

Department: Finance
To be reviewed by: November 2020

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Corangamite Shire Council Policy – COVID-19 Financial Hardship Policy

a debt remains outstanding following the revocation or sunseting of this Policy the debt will be recovered in accordance with previously existing practices.

Rate debtors

Amounts due by all rate debtors for amounts owing in respect of the 2019-2020 financial year or earlier are wholly deferred until at least 31 July 2020. Interest will also not be charged. If amounts remain unpaid as at 31 July 2020 rate debtors who are deemed to be experiencing Financial Hardship under this Policy must enter into a payment plan in accordance with the provisions above.

Refusal to enter into a payment plan

If a debtor is unable or refuses to enter in to a payment plan for amounts due, Council will defer debt recovery action to allow ample time for the debt to be paid without interest charged. If the debt remains outstanding for 90 days, the debt will be recovered in accordance with previously existing practices.

Non-rate debt waivers

Individuals who are deemed to be in Financial Hardship for the purposes of this Policy (see above) and are unable to repay their non-rate debt may make application to Council for the non-rate debt to be waived. The application will be in a form to be determined by Council Officers. Applications for non-rate debt waivers will only be considered whilst this Policy remains in force. Council will make the determination on requests for the waiver of non-rate debts after assessment by Council officers.

Commercial leases of Council owned facilities

Council will have regard to the National Cabinet's mandatory Code of Conduct for commercial tenancies in determining eligibility to waive rents due under a commercial lease. An eligible lessee will receive a 100% waiver on rents due whilst this Policy remains in force and they remain eligible for JobKeeper. Lessee's remain liable for all outgoings and must prove eligibility on a monthly basis to receive an ongoing waiver.

Debt recovery

Council will make a reasonable attempt to contact a customer about their overdue account. This may include a reminder letter, account statement, email or phone call.

Whilst this Policy remains in force and debtors have entered into and continue to honour a payment arrangement, Council will hold off on all legal action for the collection of rate and non-rate debtors. Rate debtors remain liable for legal costs incurred by Council.

Monitoring

This Policy will be reviewed regularly by officers to ensure Council's cash flow position is not compromised. Officers will seek a review by Council if necessary.

Reference to linked Procedure or Guidelines, if applicable

Application for COVID-19 Financial Hardship Assistance form.

Review Date

This Policy will be reviewed by Council no later than 30 November 2020. If the Policy is not reviewed by 30 November 2020 it sunsets.

It is considered that this Policy does not impact negatively on any rights identified in the *Charter of Human Rights and Responsibilities Act 2006*.

Adopted at Council on: 12 May 2020
Agenda Item: X.X
Responsibility: Finance Manager
Document Number: XXXXX

Department: Finance
To be reviewed by: November 2020

Page Number: 4

7.4 COVID-19 Economic Stimulus and Support Package Policy

Author: Rory Neeson, Manager Growth and Engagement

File No:

Previous Council Reference: Nil

Declaration

Chief Executive Officer – Andrew Mason

In providing this advice to Council as the Chief Executive Officer, I have no interests to disclose in this report.

Author - Rory Neeson

In providing this advice to Council as the Manager Growth and Engagement, I have no interests to disclose in this report.

Summary

The COVID-19 pandemic has created one of the biggest challenges for Council to respond to in recent times. With forced business closures and changes to operations coupled with restrictions on how the community can interact with each other, it is essential that Council can be responsive to our resident's needs.

While a variety of support packages have been offered by both the State and Federal Government, the aim of Council's package is to provide more localised support to its residents, businesses and ratepayers and to stimulate the local economy through job creation, grant programs, fee waivers, marketing, promotion, welfare support and social connectivity.

The package has been divided into four categories which include fee waivers, employment, stimulus and welfare/social support.

As part of the stimulus package, Council has also applied to the State Government's Working for Victoria Initiative. This policy provides guidance as to how Council will administer this funding through the creation of short-term employment opportunities at Council if this application is successful.

The total value of Council's Economic Stimulus and Support Package is \$4.8 million which will have a profound impact on assisting our community to recover from the COVID-19 pandemic.

Some non-monetary initiatives have also been included in the policy around procurement to create further benefits for local businesses in the Shire.

The package will also align closely with Council's COVID-19 Recovery Plan which is currently under development and supports a range of programs and initiatives in this policy.

Introduction

This policy provides guidance on how Council will administer its Economic Stimulus and Support Package Policy including potential funding obtained through the Working for Victoria Initiative if Council's funding application is successful.

Issues

The Economic Stimulus Support Program has been split up into four categories which include fee waivers, employment, stimulus and welfare/social support. Programs to be delivered in these categories are detailed below.

Fee Waivers

Food, Registered Premise, Accommodation and Wastewater Fee Waivers - \$100,000

Council will provide up to \$80,000 in fee waiver relief for food, registered premises and accommodation businesses as part of their annual registration renewal process and for new businesses registering with Council in the 2020-2021 financial year.

Council will also provide up to \$20,000 in fee waiver relief to applications for a new or an alteration to an existing domestic wastewater system, within the Corangamite Shire for the 2020-2021 financial year.

Waiver/reduction in planning and building fees - \$50,000

Council will provide up to \$50,000 in fee waivers for planning and building permit applications, as part of its approach to support local construction, projects and businesses.

This fee waiver funding is not targeted at major or complex construction projects the value of building works required to be under \$350,000 to be eligible.

Fee waivers will be capped at a maximum of \$2,000 per project, combined for both planning and building applications (where required).

Statutory building fees will be excluded from fee waivers under this policy.

Waiver/reduction in non-rate fees and charges - \$170,000

Council will provide up to \$170,000 in relief for customers of Council experiencing financial hardship as a consequence of COVID-19. Applications received for hardship will be assessed in accordance with the COVID-19 Financial Hardship Policy currently under development.

Leases - commercial tenants - \$40,000

Council will suspend and waive rental payments based on the reduction or closure in the tenant's trade during the COVID-19 pandemic period.

Waiver of interest on rates and charges - \$40,000

Council will not charge interest on overdue rates and charges during the 2020-2021 financial year.

Employment

A major component of Council's Economic Stimulus and Support Policy is the creation of up to 47 short term jobs at the Council funded by both Council and the Working from Victoria Initiative.

These positions will be focused around short term construction projects and COVID-19 business and community support roles.

The total value of these new positions and associated costs is \$3.7 million which includes a Council contribution of \$1.4 million (funded through the economic stimulus and support package) and Working from Victoria funding of \$2.3 million (pending approval).

Stimulus

Infrastructure - \$330,000

Footpath expansion projects will be delivered as an economic stimulus creating opportunities for local contractors and / or casual employment. These projects, which will provide for walking loops and or connections to township infrastructure were identified as part of Council's 2019-2020 budget or for consideration in Council's 2020-2021 draft budget and see five projects completed in five different towns of the Shire.

Small business funding programs - \$180,000

- Digital - \$50,000
This program will look to assist businesses who have been impacted by COVID-19 to purchase/upgrade existing digital/e-commerce/e-booking technology.
- Diversification - \$50,000
This program will look to assist businesses who fundamentality change/pivot their business following the COVID-19 pandemic and offer a new service or significantly change the way they do business.
- Traditional Advertising - \$50,000
This program would see Council work with local advertising companies (newspapers and radio) to provide support for businesses to continue/recommence advertising locally following the pandemic.
- Forced Business Closure - \$30,000
This program will provide a one-off grant payment of \$1,000 for any business that has been forced to close through recommendations from the Victorian Chief Health Officer that reopens following the pandemic.

To be eligible for any of the above grant program businesses would have to:

- Be located in Corangamite Shire
- Have a valid ABN
- Have 20 or fewer permanent FTE employees
- Have been successful in receiving funding through a State or Federal Government COVID-19 grant/subsidy program.

Businesses will only be eligible to apply for two of the above funding programs to ensure funding can be provided to as many impacted businesses as possible in the Shire through the economic stimulus and support package.

Businesses who apply to these economic stimulus and support programs would still be eligible to apply to other economic development grant programs such as the Retail Area Façade Improvement Program and the Small Business Innovation Program.

Marketing and Promotion - \$50,000

This funding would be split into two parts, one focussed around building on Council's current campaign promoting residents to shop local and the other to work with neighbouring Councils, the regional tourism board and local tourism groups promoting domestic tourism when restrictions are lifted.

Procurement – priority purchase from local business

Council's Procurement Policy has regard to supporting local businesses and employment when undertaking public tenders. Whilst the COVID-19 Economic Stimulus and Support Package Policy remains in force a 20% weighting shall be applied to all procurement by Council, public tender or otherwise, in the support of local suppliers, contractors and services.

Procurement – buy local made focus

In support of the 20% weighting described above Council should seek to procure and encourage the manufacture and/or provision of supplies and services from local suppliers and contractors that are not currently available.

Welfare/Social Support

Community events and activities - \$50,000

This funding would be used in different ways to support the community to recover from COVID-19 including Council running events and community gatherings, supporting events (once restrictions are lifted), and providing funding to community groups outside the events and festivals program.

Community Groups and Volunteer Support - \$25,000

This funding would be used to assist volunteer and community groups in the recovery from COVID-19 through funding of digital tools and training to help them better communicate with their members and provide one-off grants to groups where needs and issues arise in the recovery phase of Council's response.

Grants to local charities - \$25,000

Charities, or like organisations, are eligible to receive funding of up to \$2,000 from Council where it can be demonstrated they are responding to a community need as a consequence of COVID-19.

Policy and Legislative Context

This policy has been prepared consistent with the resolution at the 24 March Ordinary Council Meeting which stated.

That Council, having considered the impacts of COVID-19 on the residents and businesses of Corangamite Shire:

1. In respect to current year rates and charges due 31 May 2020:
 - a. Allow deferred payment under section 170 of the Local Government Act 1989 until 31 July 2020; and
 - b. Waive interest under section 171 of the Local Government Act 1989 otherwise due on the amounts deferred under item 1) a).
2. Direct the Chief Executive Officer in drafting the 2020-2021 budget give consideration to:
 - a. Capping the average increase in rates to 0% (Nil); and
 - b. Making provision for a range of measures that could support ratepayers and businesses for an amount not exceeding \$2.5million.

This policy is consistent with the following objectives as part of the 2017-2021 Corangamite Shire Council Plan.

Governance and Financial Sustainability:

Council will demonstrate high levels of ethical behaviour and governance standards.

Council will make budgetary decisions that ensures Council remains in a strong financial position now and into the future.

Council will deliver value for money by ensuring that services are required and delivered efficiently and sustainably.

Council will build strong and effective partnerships with key stakeholders including peak organisations and the State and Federal Governments.

Vibrant Economy, Agriculture and Tourism:

Maintain our competitive advantage as an “investment friendly” Council and a leader in local economic development

Support and facilitate the development of the visitor economy.

Safe and Healthy Communities:

Council will continue to provide and support a range of community and social support services.

Engage with and listen to our communities.

Council will provide and support a range of opportunities that support people to engage in healthy and active lifestyles, the arts, recreation and sport.

Support our small towns and dispersed population.

Improve the health and wellbeing of our community.

Internal / External Consultation

Extensive internal communication has occurred amongst Council officers in the development of this policy. External feedback through surveys, phone calls and discussions with the community has also been used to inform the development of programs and initiatives included in this policy.

Financial and Resource Implications

Council indicated at its March Council Meeting that it would like officers to prepare an economic stimulus and support package in response to the COVID-19 pandemic as part of its 2020-2021 budget development.

This policy looks to provide programs for Council to deliver on this goal and is funded through savings identified in the 2019-2020 budget for programs that could no longer proceed due to the COVID-19 pandemic, funding from the 2020-2021 budget and a potential funding application to the Working for Victoria Initiative.

The total value of this Economic Stimulus and Support Package (pending successful Working for Victoria Initiative application) is \$4.8 million.

Options

Council may choose to adopt this COVID-19 Economic Stimulus and Support Policy, make changes and adopt this policy or choose not to adopt this policy.

Conclusion

The COVID-19 pandemic has created significant challenges both for Council across all its services and the whole of the community to respond to. Through the adoption of this policy, Council can ensure that it is responsive to these challenges, provides an economic boost to the local economy, supports small businesses in the Shire and partner with the community to re-engage with each other through the recovery phase of the COVID-19 pandemic.

RECOMMENDATION

That Council:

1. **Adopts the COVID-19 Economic Stimulus and Support Package Policy and commences implementation of the program.**
2. **Discontinues the following special charge schemes declared by Council at its meeting on 26 November 2019, so that benefitting property owners do not contribute funds to the works in line with the new policy:**
 - (a) **the provision of concrete footpath and associated works to benefitting property owners on Mitchell Street, from Dover Street to Adams Street, Cobden.**
 - (b) **the provision of concrete footpath and associated works to benefitting property owners on William Street, Lismore.**

Attachments

1. COVID-19 Economic Stimulus and Support Package Policy



**CORANGAMITE
SHIRE**

**COVID-19 Economic
Stimulus and Support
Package Policy
Corangamite Shire
May 2020**

Council Policy



COVID-19 Economic Stimulus and Support Package Policy

Introduction

The COVID-19 pandemic has created one of the biggest challenges for Council to respond to in recent times. With forced business closures and changes to operations coupled with restrictions on how the community can interact with each other, it is essential that Council can be responsive to our resident's needs.

Through the provision of this stimulus package, Council hopes to be able to lessen the burden on the community and stimulate the local economy through a variety of different programs, initiatives and projects.

Purpose

The purpose of this policy is to provide Council with guidance as to how it will administer an economic stimulus package including proposed funding received through the Working for Victoria Initiative to assist businesses and the community recover from the COVID-19 pandemic.

Scope

The policy relates to how Council will administer funding and support through its COVID-19 economic stimulus and support package. This includes details on Council's pending application to the State Government's Working for Victoria Initiative.

Other programs and initiatives completed by Council outside of this package (e.g. regular grant programs or funding allocations) will need to comply with current policies, guidelines and procedures.

This policy will be constantly reviewed through Council's response to COVID-19 to ensure it continues to provide the correct level of support and be responsive to the communities need during this time. This could include variations or alterations as required to ensure Council adapts to changes to situations as they arise, in consultation with Councillors.

Definitions

- Council – Corangamite Shire Council
- COVID-19 – The current pandemic virus that has brought the need for this policy
- Working for Victoria Initiative – \$500 million funding program from the State Government to stimulate short term employment

References

- Corangamite Shire Council Economic Development Strategy 2017 – 2021
- Procurement Policy
- Rates and Charges and Collection Policy
- Special Rates and Charges Policy

Adopted at Council on: 12 May 2020
Agenda Item:
Responsibility: Manager Growth and Engagement
Document Number:

Department: Growth and Engagement
To be reviewed by: May 2021

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Corangamite Shire Council – COVID-19 Economic Stimulus and Support Package

Policy Detail

This policy provides advice on how Council plans to administer an economic stimulus and support package to the Corangamite community in its recovery from the COVID-19 pandemic.

While a variety of support packages have been offered by both the State and Federal Government, the aim of Council's package is to provide more localised support to its residents, businesses and ratepayers and to stimulate the local economy through job creation, grant programs, fee waivers, marketing, promotion, welfare support and social connectivity.

The stimulus package has been split up into the following categories which include fee waivers, employment, stimulus and welfare/social support with details of the individual programs in each of these categories detailed below.

Fee Waivers

Food, Registered Premise, Accommodation and Wastewater Fee Waivers - \$100,000

Council will provide up to \$80,000 in fee waiver relief for food, registered premises and accommodation businesses as part of their annual registration renewal process and for new businesses registering with Council in the 2020-2021 financial year.

To be eligible for this fee waiver applicants will need to meet the following criteria:

- The business must be based in and operate out of Corangamite Shire.
- All application and renewal forms and details required in those forms must be submitted correctly and within the required timeframe.
- The fee waivers will only be provided until all allocated money is expended. Any renewals or new business registrations after this period will be required to pay normal fees as per Council fees and charges schedules.

The fee waiver does not apply to inspection or transfer fees associated with the operation or sale of a business.

Council will provide up to \$20,000 in fee waiver relief to applications for a new or an alteration to an existing domestic wastewater system, within the Corangamite Shire for the 2020-2021 financial year.

To be eligible for this fee waiver, the systems must be installed in accordance with the requirements of the Environment Protection Act, Council's Domestic Wastewater Management Plan and not located within the designated reticulated sewage area.

The domestic wastewater fee waivers will only be provided until all allocated money is expended. Any applications after this period will be required to pay normal fees as per Council fees and charges schedules.

Applicants to domestic wastewater fee waivers would still be eligible for Council's Domestic Wastewater System Contribution Program subject to meeting the criteria of that program.

Corangamite Shire Council – COVID-19 Economic Stimulus and Support Package

Waiver/reduction in planning and building fees - \$50,000

Council will provide up to \$50,000 in fee waivers for planning and building permit applications, as part of its approach to support local construction, projects and businesses.

This fee waiver funding is not targeted at major or complex construction projects.

To be eligible for this fee waiver, the application needs to address the following criteria:

- Submit an application with plans prepared by a drafts person or building designer from the region; and/or
- Involve the use of local builders, trades or businesses (quotes to be provided); and/or
- Support the establishment or variation of a new or existing business.
- Be a resident or be operating a business located in the Corangamite Shire.
- The value of the building works be less than \$350,000.

To apply the applicant would need to complete an online application form and address the relevant eligibility criteria, including accompanying quotes or a letter of intention.

Fee waivers will be capped at a maximum of \$2,000 per project, combined for both planning and building applications (where required).

Statutory building fees will be excluded from fee waivers under this policy.

Waiver/reduction in non-rate fees and charges - \$170,000

Council will provide up to \$170,000 in relief for customers of Council experiencing financial hardship as a consequence of COVID-19. Applications received for hardship will be assessed in accordance with the COVID-19 Financial Hardship Policy currently under development. ABN holders are not eligible for waiver or reduction in non-rate fees and charges. Furthermore, eligible recipients must also reside in Corangamite Shire.

Leases - commercial tenants - \$40,000

Council will suspend and waive rental payments based on the reduction or closure in the tenant's trade during the COVID-19 pandemic period. In addition, Council will refer to the National Cabinet Mandatory Code of Conduct SME Commercial Leasing Principles and Directions for further guidance. An eligible lessee will receive a 100% waiver on rents due whilst this policy remains in force as long as the lessee remains eligible for the Federal Government JobKeeper Initiative. The lessee will also be required to prove eligibility to this initiative on an ongoing monthly basis.

Waiver of interest on rates and charges - \$40,000

Council will not charge interest on overdue rates and charges during the 2020-2021 financial year. Ratepayers remain liable for rates and charges and should enter into an appropriate payment arrangement in accordance with Council's Rates and Charges Collection and Hardship Policy. This applies to all ratepayers.

Employment - \$3.7 million

A major component of Council's Economic Stimulus and Support Policy is the creation of up to 47 short term jobs at the Council.

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Responsibility: Manager Growth and Engagement
Document Number: 2864824

Department: Growth and Engagement
To be reviewed by: 30 June 2021

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Corangamite Shire Council – COVID-19 Economic Stimulus and Support Package

The total value of these new positions and associated costs is \$3.7 million which includes a Council contribution of \$1.4 million (funded through the economic stimulus and support package) and Working from Victoria funding of \$2.3 million (submission pending).

These positions will be focused around short term construction projects and COVID-19 business and community support roles.

Some funding has also been set aside for training and induction, plant equipment and hire, materials, office accommodation and other incidental costs.

Recruitment to most of these positions will be completed in line with the recommendations from the Working for Victoria Initiative (if successful) where applicants will have had to register through the online portal to be eligible for employment in the new the roles.

Stimulus

Infrastructure - \$330,000

Footpath expansion projects will be delivered as an economic stimulus creating opportunities for local contractors and / or casual employment.

These projects, which will provide for walking loops and or connections to township infrastructure were identified as part of Council's 2019-2020 budget or for consideration in Council's 2020-2021 draft budget and include:

- Camperdown-Cobden Road footpath, Camperdown
- Hennessy Street footpath, Port Campbell
- Baynes Street, Austin Avenue, Cameron Street footpath, Terang
- William Street extension to school footpath, Lismore
- Mitchell Street, Dover Street to Adams Street, footpath, Cobden

These projects will be delivered with a waiving of Council's Special Rates and Charges Policy, which would ordinarily require contributions from abutting property owners.

Small business funding programs - \$180,000

Digital - \$50,000

This program will look to assist businesses who have been impacted by COVID-19 to purchase/upgrade existing digital and e-commerce technology. Details of this grant program include:

- Council to complete a \$1:\$2 grant program for businesses to complete a digital assistance package.
- Businesses contribute \$1,000 and Council contributes \$2,000 providing a maximum total of \$3,000 for a digital assistance package.
- Applications for smaller amounts of funding would still be eligible.
- Examples of works eligible as part of this funding stream would include setting up a e-commerce website/app with training, online booking software for accommodation providers, 12 months management of a website, setting up Facebook/Instagram online shops and assistance in managing or providing training in how to complete online advertising (e.g. Facebook/Google listings or targeted advertising).

Corangamite Shire Council – COVID-19 Economic Stimulus and Support Package

- Other options presented by businesses as part of their application would be considered if focused around purchase/upgrades to online technology.
- Engagement to occur with local companies to explore different types of packages that could be offered however businesses would be able to explore the use of any service provider specific to their needs.
- To apply businesses would complete an application form as well as a quote/letter of intention of works/service proposed.
- This program would commence in May until funding is exhausted funded through savings identified in the 2019-2020 budget that contributes to Council's Economic Stimulus and Support Package.
- Guidelines would be made available as part of the application process to ensure businesses have a clear understanding of the criteria involved in applying for funding.
- Funding would be allocated on first in first served basis, with officers able to award funding without Council decision through CEO delegation if the application meets the guidelines.
- Businesses would have 12 months to use the package.
- To be eligible businesses would have to:
 - Be located in Corangamite Shire
 - Have a valid ABN
 - Have 20 or fewer permanent FTE employees
 - Have been successful in receiving funding through a State or Federal Government COVID-19 grant/subsidy program (this will make it easier for Council to ensure applicants have been financially impacted by the pandemic).
- Farming enterprises located in the Shire who meet the above criteria are eligible to apply.
- 80% of funding to be allocated if grant successful, with remaining 20% to be provided following the completion of an acquittal report.

Diversification - \$50,000

This program will look to assist businesses who fundamentally change/pivot their business following the COVID-19 pandemic and offer a new service or significantly change the way they do business. Details of this grant program include:

- Council to complete a \$1:\$2 grant program for businesses to complete a business diversification assistance package.
- Business contribute \$2,500 and Council contributes \$5,000 for a maximum \$7,500 project.
- Applications for smaller amounts of funding would still be eligible.
- Funding could be used for business fit outs/changes/upgrades, new equipment purchases, staff training and education.
- 50% of the grant must be spent locally where possible.
- As part of the application businesses would need to clearly demonstrate how the grant will support a change in their business operations.
- Upgrades covered in the Digital Assistance Grants Program would be ineligible.
- To apply businesses would complete an application form as well as a quote of works/service proposed.
- This program would commence in May until funding is exhausted funded through savings identified in the 2019-2020 budget that contributes to Council's Economic Stimulus Package.

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Department: Growth and Engagement
To be reviewed by: 30 June 2021

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Corangamite Shire Council – COVID-19 Economic Stimulus and Support Package

- Guidelines would be made available as part of the application process to ensure businesses have a clear understanding of the criteria involved in applying for funding.
- Funding would be allocated on first in first served basis, with officers able to award funding without Council decision through CEO delegation if application meetings the policy/guidelines.
- Businesses would have six months to use the funding.
- To be eligible businesses would have to:
 - Be located in Corangamite Shire
 - Have a valid ABN
 - Have 20 or fewer permanent FTE employees
 - Have been successful in receiving funding through a State or Federal Government COVID-19 grant/subsidy program (this will make it easier for Council to ensure applicants have been financially impacted by the pandemic).
- Farming enterprises located in the Shire who meet the above criteria are eligible to apply.
- 80% of funding to be allocated if grant successful, with remaining 20% to be provided following the completion of an acquittal report.

Traditional Advertising - \$50,000

This program would see Council work with local advertising companies (newspapers and radio) to provide support for businesses to continue/recommence advertising locally following the pandemic. Details of this grant program include:

- Council officers to work with local traditional advertising companies (e.g. Western District News and ACE Radio through an EOI process) to complete a \$1:\$2 traditional advertising grant program.
- Businesses contribute \$1,000 and Council contributes \$2,000 providing a total of \$3,000 for a traditional advertising package.
- Applications for smaller advertising packages would still be eligible.
- Officers will work with local advertisers to develop details of what would be included in the \$3,000 advertising package that would be included in the guidelines of the program.
- This program has the benefit of assisting both local small businesses and traditional advertising companies (i.e. local newspapers who are experiencing significant downturn and loss of staff).
- This program would commence in July until funding is exhausted funded through Council's Economic Stimulus Package.
- Businesses would have 12 months to use the package from when they are successful in receiving the grant.
- To apply businesses would complete an application form as well as a quote/letter of intention of works/service proposed.
- Guidelines would be made available as part of the application process to ensure businesses have a clear understanding of the criteria involved in applying for funding.
- Funding would be allocated on a first in first served basis, with officers able to award funding without Council decision through CEO delegation.
- To be eligible businesses would have to:
 - Be located in Corangamite Shire
 - Have a valid ABN
 - Have 20 or fewer permanent FTE employees

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Corangamite Shire Council – COVID-19 Economic Stimulus and Support Package

- Have been successful in receiving funding through a State or Federal Government COVID-19 grant/subsidy program (this would make it easier for Council to ensure applicants have been financially impacted by the pandemic)
- Farming enterprises located in the Shire who meet the above criteria are eligible to apply.
- 80% of funding to be allocated if grant successful, with remaining 20% to be provided following the completion of an acquittal report.

Forced Business Closure - \$30,000

- The program will provide a one off grant payment of \$1,000 for any business that has been forced to close through recommendations from the Victorian Chief Health Officer that reopens following the pandemic.
- Eligible businesses would include any listed on the DHHS website (excluding government business such as libraries and swimming pools) e.g. gyms, beauty parlours, golf courses, restaurants and cafes who haven't operated a takeaway service, private caravan parks (a full list to be provided in guidelines). Other requests could be considered for businesses who have closed on a case by case basis.
- Program to commence once relevant restrictions are lifted as the business would need to recommence trading to be eligible.
- Guidelines would be made available as part of the application process to ensure businesses have a clear understanding of the criteria involved in applying for funding.
- Businesses could apply to this program before restrictions are lifted but no funding would be provided until after the business is permitted to open.
- Funding allocated on a first in first served basis, with officers able to award funding without Council decision through CEO delegation.
- To be eligible businesses would have to:
 - Be located in Corangamite Shire
 - Have a valid ABN
 - Have 20 or fewer permanent FTE employees
 - Have been successful in receiving funding through a State or Federal Government COVID-19 grant/subsidy program (this will make it easier for Council to ensure applicants have been financially impacted by the pandemic).
- 100% of the funding would be provided if the business is eligible and has re-opened following the forced closures.

Businesses will only be eligible to apply for two of the above funding programs to ensure funding can be provided to as many impacted businesses as possible in the Shire through the economic stimulus and support package.

Businesses who apply to these economic stimulus and support programs would still be eligible to apply to other economic development grant programs such as the Retail Area Façade Improvement Program and the Small Business Innovation grant programs.

Marketing and Promotion - \$50,000

This funding would be split into two parts, one focussed around building on Council's current campaign promoting residents to shop local and the other to work with neighbouring Councils, the regional tourism board and local tourism groups promoting domestic tourism when restrictions are lifted.

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Document Number: 2864824

Department: Growth and Engagement
To be reviewed by: 30 June 2021

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Corangamite Shire Council – COVID-19 Economic Stimulus and Support Package

Shop Local Campaign

- Similar to the work undertaken post the 2018 St Patrick's Day Fires, Council would look to develop a shop local campaign to encourage the community to support local businesses in the Shire.
- Campaign to be presented through a variety of different mediums including traditional (radio, print and TV) through to social and digital channels.
- While some of this work has already commenced, the use of this funding would allow Council to increase its efforts in this space in support of our local business community. This is something officers have heard from businesses as part of the one on one phone calls and surveys currently being completed.

Domestic Tourism Campaign

- This funding would be used, potentially with other neighbouring Shires and the regional tourism body, as part of a domestic tourism campaign once travel bans are lifted in Australia.
- The aim will be to encourage visitation to our Shire and region by domestic travelers, an area that is tipped to boom, especially with the likelihood of low international visitation following the pandemic.
- The funding would be used in both traditional and digital promotion of the Shire/region.

Procurement – priority purchase from local business

Council's Procurement Policy has regard to supporting local businesses and employment when undertaking public tenders. Whilst the COVID-19 Economic Stimulus and Support Package Policy remains in force, a 20% weighting shall be applied to all procurement by Council, public tender or otherwise, in the support of local suppliers, contractors and services.

Procurement – buy local made focus

In support of the 20% weighting described above, Council should seek to procure and encourage the manufacture and/or provision of supplies and services from local suppliers and contractors that are not currently available.

Welfare/Social Support

Community events and activities - \$50,000

- This funding would be used in different ways to support the community to recover from COVID-19.
- This includes Council running events and community gatherings, event support (once restrictions are lifted), providing funding to community groups outside the events and festivals program (e.g. a community group wanting to run locally focused event). This could be especially important due to the community grants program running from April to May and many groups may not apply for small event grants (up to \$1,000) due to timing.
- Increasing the allocation to the Events and Festival Grant Program if we see an increase in applications, or events trying to be held once restrictions are lifted.

Corangamite Shire Council – COVID-19 Economic Stimulus and Support Package

- Running or supporting existing events through Council officer and funding support that otherwise wouldn't proceed (e.g. Camperdown Car and Bike Show with officers playing a much greater role in the running of the event if relevant restrictions eased. This would also allow this event to keep its spot-on annual events calendar).

Community Groups and Volunteer Support - \$25,000

This funding will be used to:

- support information to re-engage residents with sporting and community groups.
- support training for groups on how to continue to operate in an online environment.
- develop videos and support materials to assist groups to meet and engage in an online environment.
- consider and provide funding contributions of up to \$1,000 where required for seed funding to support groups where identified issues and needs arise in the recovery phase of Council's response.

Grants to local charities - \$25,000

Charities, or like organisations, are eligible to receive funding of up to \$2,000 from Council where it can be demonstrated they are responding to a community need as a consequence of COVID-19.

Eligible charities, or like organisations, must:

- Be located in Corangamite Shire
- Have a valid ABN registered in Corangamite Shire
- Demonstrate need in responding to the impacts of COVID-19 in the Shire.

To apply groups would complete an application form as well as provide a letter demonstrating how they have been responding to the communities need during the COVID-19 pandemic.

Review Date

Policy expires 30 June 2021 unless otherwise resolved by Council.

It is considered that this Policy does not impact negatively on any rights identified in the *Charter of Human Rights and Responsibilities Act 2006*.