

Agenda

Special Meeting of Council

Monday, 30th March 2020

Commencing at 7.00pm

Kingston City Hall
985 Nepean Highway, Moorabbin

kingston.vic.gov.au

Julie Reid
Chief Executive Officer
Kingston City Council

**City of Kingston
Special Meeting of Council**

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30 March 2020

Notice is given that a Special Meeting of Kingston City Council will be held at 7.00pm at Kingston City Hall, 985 Nepean Highway, Moorabbin, on Monday, 30 March 2020.

1. Apologies

2. Foreshadowed Declaration by Councillors, Officers or Contractors of any Conflict of Interest

Note that any Conflicts of Interest need to be formally declared at the start of the meeting and immediately prior to the item being considered – type and nature of interest is required to be disclosed – if disclosed in writing to the CEO prior to the meeting only the type of interest needs to be disclosed prior to the item being considered.

3. Items of Business

3.1 Community Support During COVID-19 5

4. Confidential Items

Nil

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Agenda Item No: 1

COMMUNITY AND BUSINESS SUPPORT PACKAGE: 1

Contact Officer: Paul Franklin, General manager, Corporate Services

Purpose of Report

The purpose of this report is to provide Council with a range of options to support our community and businesses during the current Coronavirus State of Emergency.

Disclosure of Officer / Contractor Direct or Indirect Interest

No Council officer/s and/or Contractor/s who have provided advice in relation to this report have declared a Conflict of Interest regarding the matter under consideration.

OFFICER RECOMMENDATION

That Council:

1. Recognises that the coronavirus State of Emergency will have considerable impact on our community; businesses and recipients of Council services;
2. In responding to the current State of Emergency affirms that Council and Officers will continue to apply the principles of:
 - providing leadership to and within the community in assisting to minimise the impact of the Coronavirus in the community; and
 - prioritising the health, safety and well-being of our residents, business community and service recipients.
3. Approves a community and business support package that includes:
 - Extension of Animal Registration payment date to 30 June 2020;
 - Waiver of Community and Sporting Club rents for 12 months;
 - Waiver of Sporting Clubs Winter Season rents;
 - Waiver of unpaid interest on overdue rates raised in 2019/20 and that no further interest on overdue rates be raised until after 30 June 2021;
 - Deferral of rate payments on rates to 30 June 2021 on application and in accordance with Council's Hardship Policy;
 - Waiver of parent portion of childcare fees where necessitous circumstances apply;
 - Commercial rents (as outlined in this report) be waived from 1 April 2020 for 3 months with an extension up to 6 months if State of emergency declaration remains in place;
 - Refund of current year Health and Food Premises registrations;
 - Refund of current year Footpath Trading (Tables & Chairs and Display of Goods) permit fees;
 - Waiver of Family Day Care Educators Administrative fee for 3 months with an extension up to 6 months if State of emergency declaration remains in place;

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4. Approves the waiver of 9 month's rent for APT's tenancy at 1230 Nepean Highway commencing on 1 April 2020.
5. Advocates to the Federal and State Governments to enhance and expand its Coronavirus testing and that Council can provide venues to allow this to occur.
6. Advocates to the State Government to expand eligibility for the Rates Concession to Health and other social benefit cardholders for the duration of the State of Emergency.
7. Writes to the Chief Executive Officer of Westfield Shopping Centres on behalf of tenants to seek rent relief during the State of Emergency.
8. Writes to the Chief Executive Officers of Woolworths and Coles to take such action that is necessary to maintain the social distancing rules, including consideration of:
 - One-way food aisles; and
 - Advising the community of the hours of least patronage.
9. Encourages SEMMA to work with local and regional manufacturers to ascertain their capability to transfer production to equipment needed during the current State of Emergency such as: testing kits; ventilators; masks; thermometers etc
10. Receives a further report on Council's ability to extend the life of existing business-related permits issued by Council.

1. Executive Summary

The current environment associated with the Coronavirus State of Emergency are without precedent. Council recognises this and acknowledges that:

- every member of our community, including recipients of our services, has been and will continue to be impacted;
- every business in the municipality has been and will continue to be impacted; and
- Council's usual operations and staff have been and will continue to be impacted.

This impact will continue until after the State of Emergency is over.

This report presents a range of responses for Council approval and specifically recommends initial relief options for Council to support our community and our local businesses – noting that this report is likely to be the first of many on this issue.

2. Background

Having initiated its Business Continuity Plan, Council's Business Continuity Team has been meeting at least daily for the last 2 weeks and less frequently before that dating back to late February / early March. Councillors have been provided with several briefings and frequent updates from the Chief Executive Officer to enable them to remain across the responses being put in place to support the Kingston community and reduce the spread of COVID-19. This has resulted in:

- The closure of Council services such as: Libraries, Waves Leisure Centres; and our Arts facilities;
- The closure of Council operated Community Centres and Neighbourhood Houses;
- A range of service delivery changes including Maternal and Child Health, Immunisation and meals on wheels services;

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- A reduction of the number of patrons in some services including Long Day Care and Kindergarten services; and
- Staff working in flexible ways to continue to deliver service to our community.

The Municipal Emergency Response has also been activated in response to the State Relief Plan being activated and to support the State's emergency response directives.

Since the activation of our Business Continuity Team, Officers have continued to apply the principles articulated by Councillors of:

- providing leadership to and within the community in assisting to minimise the impact of the Coronavirus in the community; and
- prioritising the health, safety and well-being of our residents, business community and service recipients.

3 Community and Business Support Package details

The following measures are recommended to Council as its immediate response to the impact on the broader Kingston community:

3.1 Community Support Measures

Animal Registrations

2020/21 Renewal due date extended to 30 June 2020 from 15 April 2020.

Community Rental Income

- Community / sporting club rents – 12 months' rent free.
Officers will act to implement in the most practical way i.e. either immediate rent free if not paid; or refund if paid.
Budget impact – approximately **\$150,000**
- Sporting Club – Winter Seasonal Allocations – winter season allocation rental fees waived.
Councillor are asked to note that these have not yet been billed to sporting clubs.
Budget impact approximately **\$90,000**

Rates

Three measures are recommended for immediate implementation:

- Reverse unpaid interest raised in 2019/20 and hold further interest on arrears until the 2021/22 financial year. Budget impact – approximately **\$800,000** over two years
- On application allow residents and business to pay rates and clear amounts due by 30 June 2021 without interest penalty; and
- Extend payment date for 4th Instalment to 30 June 2020.

Council is asked to note that Officers will assess all applications for payments with utmost regard for the circumstances of the applicants and in accordance with Council's Hardship Policy. Further that no legal actions for unpaid rates and charges will be pursued until after the 2020/21 year and subject to a further report to Council should the Hardship Policy require review.

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Council is also asked to note that a further report will be presented to Council in relation to extensions to the existing Council funded Rate Rebate scheme which is currently only available to those who are able to access the State Rate Concession scheme.

Childcare Related Support

Waive parent funded portion of child care / kinder fees for those in necessitous circumstances, as allowed for in the Family Youth and Children's services hardship procedures, waived (subject to Federal or State Government announcements on the ability to remain open) Budget impact - approximately **\$110,000** over next 6 months

3.2 Business Community Support Measures

Business Permits Annual Fees:

- Health (hairdressers, beauty parlours, tattooist) and food registrations
Permit is 1 January to 31 December – 700 (approx.) permits are current. Refunds will be processed as soon as possible.
Budget impact - **\$730,000**
- Footpath Trading (Tables Chairs / Display of Goods)
Permit is for 1 August to 31 July – 400 (approx.) permits. Refunds will be processed as soon as possible.
Budget impact - **\$170,000**

Family Day Care Educators

Support for in Home Child Care Educators by waiving the \$1.95 per hour fee that is collected by Council as an Administrative Fee. This is designed to support our Educators who are seeing demand from families fall and retain their services for the recovery phase in a hard to recruit sector.

Budget impact - Approximately **\$40,000 per month**

Commercial Rental Income

Rent free for commercial tenants (not including Mercy Health; Telcos; Cleanaway; or peppercorn rentals) including St Kilda FC, foreshore tenants, RSL and bowling clubs.

Officer Recommendation: to apply from 1 April 2020 - 3 months' rent waiver, with an extension to up to 6 months if State of Emergency declaration remains in place.

Budget impact – approximately - **\$42,000 per month (\$126,000 for 3 months; \$252,000 if 6 months)**

It is the officers view that the APT tenancy requires special consideration for the following reasons:

- The tenant has already experienced a significant downturn since January 2020;
- Will need more time to recover as the economy recovers – note link to travel / tourism industry and the multiplier effect this has on the economy;
- Has been a model tenant of Council for approximately 10 years;

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- Tenancy has enabled accelerated Council's loan repayments for 1230 Nepean Highway with significant interest savings benefitting Council;
- the current lease option has 4 years to run and an option for another 7-year option.;
- they are a significant local region employer with 350 staff based in Cheltenham, the majority of which live in Kingston or surrounding council areas;
- the spend in the Cheltenham Business area by those staff would conservatively be in the order of \$300,000 to \$400,000 in "Charman Rd" each year; and
- officers' assessment that it might take 2 years to lease back up to the current level of occupancy.

Officer Recommendation: waiver of rent (9 months) from 1 April to 31 December 2020.

Budget Impact – **Approximately \$846,000.**

The recommendations also includes several advocacy actions that have been discussed with Councillors.

Author: Paul Franklin, General Manager, Corporate