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BUSINESS PAPER

Additional Items

Ordinary Council Meeting

7 April 2020

Warwick Bennett
General Manager

We hereby give notice that an Ordinary Meeting of Council will be held on:

Tuesday, 7 April 2020 at 6pm
in the Council Chambers, Civic Centre
184 - 194 Bourke Street, Goulburn

Order Of Business

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Cr Bob Kirk
Mayor

Warwick Bennett
General Manager

15 REPORTS TO COUNCIL FOR DETERMINATION

15.1 COVID-19 UPDATE - MONDAY 6 APRIL 2020

Author: Warwick Bennett, General Manager

Authoriser: Warwick Bennett, General Manager

Attachments: Nil

Link to Community Strategic Plan:	Leadership in the Community
Cost to Council:	Unknown at this time but we propose to undertake ongoing reviews of the budget implications.
Use of Reserve Funds:	Nil

RECOMMENDATION

That

1. The report from the General Manager on COVID-19 Update be received
2. Council cancels its meeting on Tuesday the 21st April 2020 and Tuesday 19th May 2020

REPORT

As Council is aware there has been a major effect on the services of Council due to the Corona Virus COVID-19. A lot has happened since the last meeting of Council. I have kept Councillors and the community updated on a daily basis. The following is a summation of where we are at this time.

The following services and facilities have been closed to the community:

- Goulburn Mulwaree Library (including the Mobile Library)
- Goulburn Aquatic & Leisure Centre
- Goulburn Regional Art Gallery
- Rocky Hill War Memorial Museum
- Goulburn Community Centre
- Goulburn Historic Waterworks Museum
- Visitor Information Centre
- Library – including mobile library van
- Veolia Arena and Basketball Court
- Playground including the Adventure Playground
- Dog Parks
- Rage Cage

- Skate Parks
- Workspace Goulburn
- Outdoor gyms

The following services now have reduced opening hours:

- Animal Shelter – by appointment only
- Waste Management Centres
 - Tarago Waste Management Centre will only be open from 8am to 11am on Thursday and Saturday mornings only. This arrangement will start on Thursday 2 April.
 - Marulan Waste Management Centre will only be open from 12.30pm to 4pm on Thursday and Saturday afternoons only. This arrangement will start on Thursday 2 April.
 - Goulburn Waste Management Centre will only be open to the public on Tuesday, Wednesday, Friday and Saturday from 8am to 2pm.
- Public Toilets but retained the high use facilities namely:
 - Belmore Park
 - Marsden Weir
 - O'Brien Park
 - Eastgrove South
 - Tony Onions Park (Marulan)
 - Tarago Park
 - Tallong Park

We have identified the following as essential services:

- Water
- Waste Water
- Waste collection
- Waste disposal – albeit limited
- IT – to keep essential services systems going
- Health and wellbeing of essential staff
- Environmental Health and Building Surveying
- Cemeteries – on call
- Executive management
- Communications – limited also
- Payroll
- Accounts Payable
- Reception – phone answering service
- Normal on call services

- Road maintenance services
- Public toilets

All Council services are still operating, albeit some at reduced levels, this may change depending upon State or Federal Government directives.

In terms of staff we have split all service delivery teams into two to isolate each team from each other. We have a very strong responsibility to protect the health and wellbeing of staff and balance that with the need to provide quality service to the community in these difficult times. The reason for splitting the staff is that if one of the smaller teams is unfortunate enough to catch the virus then we still have a minimum operating team to carry out essential services. This has required us to reduce some services which will have a minimum impact on the community.

We are currently reviewing the Workforce Plan with the intent of staff coming back to full operating hours from the end of the school holidays being the 27 April 2020. The Prime Minister has announced that schools will reopen after the holidays and childcare facilities are now free of charge. Staff will be provided the opportunity to work from home and will continue as far as practicable to keep staff in separate teams. We will of course be monitoring the health information between now and then to make sure that any decision we make in line with health authorities directives.

We continue to ask the community for tolerance because we are endeavouring to keep the services operating. We are impressed that the staff are truly committed to providing the best possible service we can during these difficult times. We will continue to keep the community informed on a daily basis to ensure that the most up to date information is provided.

On a State wide level the 2020 Local Government elections have been postponed for 12 months as has the review of the community strategic plan.

The Council now has the opportunity of holding its meetings via video or audio conference and I believe Councillors in the vulnerable category (age or health) should utilise this technology. It is also recommended in this report that Council reduce its meetings to once per month for April and May. If anything urgent arises then both the mayor and General Manager can call an extra-ordinary meeting.

Included in this agenda is the adoption of the draft Delivery and Operational Plan for 2020/21. This will go on public exhibition and we will still be encouraging the community to make submissions online. The 2020/21 budget is most likely to be amended substantially as we become more affected by the Corona Virus. At this time we are not recommending any changes to the general direction of Council but I would suggest that by the end of this calendar year Council may be required to undertake a number of changes to the budget. As an Executive we will be focusing over the next few months on the financial impact of the Corona Virus on Council's operation.

It is going to be difficult over the next 12 months to understand the full impact of this virus in the community. As we all know a number of businesses are doing it extremely tough and some won't survive. As we have seen in the media there is also a lot people who have lost their jobs and thus are now reliant on Government for their income. There is also a significant impact on the value of superannuation schemes worldwide and this may have an impact also on our retirees to cope with day to day expenses. This may have a significant effect on people's ability to pay their rates going forward. As General Managers of Local Government in NSW we will be asking State Government to give this consideration in terms of assisting communities to recover.

We are currently preparing a report on financial scenarios if this crisis goes beyond the 30 June 2020. The scenarios will include if Council only receives 80% of its income or worst case scenario 60% of its income. What effect will this have on Council services and the ability of Council to maintain the existing levels of service? The reality is that this Council is in a reasonable resistant place. We have worked hard over the past five years to ensure financial sustainability and to be responsive in a timely manner to significant changes affecting the operations of Council. That being said the Government will need to provide financial assistance to Councils if we are to retain the high levels of service(s) we enjoyed prior to Coronavirus times. The Federal Government have stated clearly that financial assistance to local government is a State responsibility

General Managers are meeting twice per week (via zoom) to discuss financial options and award issues. A lot of discussions on a variety of issues include

- Deferring the rate increases (rate peg)
- Seeking agreements from the Unions not to impose Award increases
- Having Local Government included in the Jobkeeper payment regime
- An additional payment of the Financial Assistance Grants
- What are the consequences if ratepayers can't afford to pay rates
- Should Government under-write the non-payment of rates
- Should we impose penalties for non-payment of rates
- Should we delay Operations Plans and budgets (including consultation) to allow for adjustment of budgets to react to the effects of this crisis
- What will be the impact on the annual financial statements and audit
- What happens if some Councils go bankrupt through this process
- Should developer contributions be delayed
- How can we simplify the loan process through TCorp or internal loans
- Stimulus – Government can come out with stimulus packages to keep infrastructure moving – but what happens if Councils can't afford the \$ for \$ contributions

This report has been written a week before this Council meeting. It is without doubt there will be other changes that may affect Council's services. I will give a further update at the meeting.

As Council is aware Endeavour Industries has paused their contract and Council has now negotiated a trial period for the taking of recyclable material to the Hume facility in Canberra

At the time of writing this report Goulburn Mulwaree Council only has 10 positive cases of Coronavirus. 91% of positive cases of coronavirus are metropolitan based according to statistics we received from the Ministry of health late last week. We don't want to offer any opportunities for people to travel to this region over Easter whilst the virus is not in our community. All cases to date in this region have been residents who had returned from overseas and immediately went into self-isolation.

We will continue to keep the community informed through various media outlets and the Mayor undertakes a radio broad cast three days per week. If Councillors become aware of information that could be pertinent to the community please let our Communication Manager or the Mayor know and we will ensure that it is covered in the Mayors radio statement as well as other media outlets.

New valuations were released last week which are effective from 1 July 2020. Already some ratepayers think that because their valuation has doubled then rates will double. We are releasing information to the community that this is not the situation and how the process will work.

15.13 REQUEST TO DEFER PAYMENT OF S7.12 LEVY DEVELOPMENT CONTRIBUTION, 1 VINCENT AVENUE, GOULBURN (DA/0255/1920)

Author: Scott Martin, Director Planning & Environment

Authoriser: Warwick Bennett, General Manager

Attachments: 1. Letter from Owner requesting deferral of contributions [↓](#) 

Link to Community Strategic Plan:	CO1 Facilitate and encourage equitable access to community infrastructure and services, such as health care, education and transport. IN4 Maintain and update existing community facilities, and support the development of new community infrastructure as needed.
Cost to Council:	Nil direct cost but payment is deferred if Council accept recommendation
Use of Reserve Funds:	Nil

RECOMMENDATION

That:

1. The report of the Director Planning and Environment be received.
2. Council accept the request to defer payment of the s7.12 levy applicable to DA/0255/1920 for the purposes of obtaining a Construction Certificate, but require payment of the levy prior to the issuing of an Occupation Certificate (including an Interim Occupation Certificate). The total levy payable will be \$4202.96, adjusted according to the latest quarterly index (Sydney – All Groups) using the March 2020 index as a base.

BACKGROUND

Council officers recently approved a dwelling (DA/0255/1920) under delegation at 1 Vincent Avenue, Goulburn. The subject property is located within Stage 1 of the Joseph’s Gate development.

Development on the land is subject to developer levies in accordance with Council’s Section 7.12 (formerly s94A) Levy Development Contributions Plan 2009 (*the plan*). A condition requiring payment of the levy was subsequently applied to the development consent in accordance with the plan. The total value of the levy payable under the plan is currently \$4,202.96.

The owners have since advised that one of the owners has become unemployed as a result of the current Covid-19 pandemic, and are renting until their new home is constructed. Savings that would have been used to cover the payment of the levy are therefore being used to cover the temporary loss of employment. Consequently the owner is requesting that Council defer the levy.

A copy of the owner’s correspondence has been attached.

REPORT

Council’s Section 7.12 Development Contributions Plan 2009 (*the plan*) was adopted to provide a legal mechanism for Council to levy developments across the Goulburn Mulwaree local government area. Funds collected by the levy are used to assist with the provision of public facilities including, but not limited to, roads, parks and bus shelters.

The levy is applied to development in the following manner:

Cost of Construction	Rate of Levy
\$0 - \$100,000	0%
\$100,001 - \$200,000	0.5%
In excess of \$200,000	1%

Table 1: Levies payable for development

The estimated cost of development has been quoted as \$420,296.00, therefore in accordance with Table 1 above, a levy of \$4202.96 would currently be applicable to this development.

Section 1.5 of the Plan provides opportunities for certain development proposals to be exempted from the levy. This section states:

The levy will not be imposed in respect of development:

- *where the proposed cost of carrying out the development is \$100,000 or less*
- *for the purpose of disabled access*
- *for the sole purpose of providing affordable housing*
- *for the purpose of reducing a building’s use of potable water (where supplied from water mains) or energy for the sole purpose of the adaptive reuse of an item of environmental heritage, or*
- *that has been the subject of a condition under section 94 under a previous development consent relating to the subdivision of the land on which the development is to be carried out.*

Council may consider exempting other development, or components of developments from the section 94A levy on a case by case basis. For such claims to be considered, a development application will need to include a comprehensive submission arguing the case for exemption.

In accordance with Section 1.5, the request does not specifically meet the criteria required for an exemption to be granted. Council officers are also unaware of any previous occasion whereby an exemption was granted for the construction of a single dwelling.

The plan does however provide other opportunities for developers to meet their levy obligations. In this regard Section 1.11 allows for deferred or periodic payments in the following circumstances:

- *deferred or periodic payment of the contribution will not prejudice the timing or the manner of the provision of public facilities included in the works program*
- *in other circumstances considered reasonable by council.*

If council does decide to accept deferred or periodic payment, council may require the applicant to provide a bank guarantee by a bank for the full amount of the contribution or the outstanding balance on condition that:

- *the bank guarantee be by a bank for the amount of the total contribution, or the amount of the outstanding contribution, plus an amount equal to thirteen (13) months interest plus any charges associated with establishing or operating the bank security*
- *the bank unconditionally pays the guaranteed sum to the council if the council so demands in writing not earlier than 12 months from the provision of the guarantee or completion of the work*
- *the bank must pay the guaranteed sum without reference to the applicant or landowner or other person who provided the guarantee, and without regard to any*

dispute, controversy, issue or other matter relating to the development consent or the carrying out of development

- *the bank's obligations are discharged when payment to the council is made in accordance with this guarantee or when council notifies the bank in writing that the guarantee is no longer required*
- *where a bank guarantee has been deposited with council, the guarantee shall not be cancelled until such time as the original contribution and accrued interest are paid.*

In this instance, a deferral may be justified as the timing of the payment should not have an impact on the delivery of any public facilities. In recognition of the circumstances, and in keeping with the intent of Section 1.11, it would be considered fair and reasonable for Council to accept the applicant's request for a deferred payment.

Should Council accept this request for a deferred payment, a suitable timeframe in which the levy must be paid should be considered. Whilst it is still unknown as to how long the Covid-19 pandemic and its economic effects will continue for, the Federal and State Governments have both indicated that all efforts will be made to ensure the construction sector continues to function. It is therefore unlikely that the construction industry will be forced into a mandatory shutdown, hence it is expected that the dwelling would be completed within the next 9 months. On account of this timeframe it could be considered reasonable to require payment of the levy prior to the issuing of an Occupation Certificate (interim or final).

It is noted that this would put payment deep into the 2020/21 financial year at the earliest, in which case indexation in line with CPI would be applied as per Section 1.10 of the Plan. The adjusted levy would be calculated using the latest quarterly index (Sydney – All Groups) using the March 2020 index as a base.

Wayne Whitfield

Phone: [REDACTED]

Email: [REDACTED]

Keryn Neale

Phone: [REDACTED]

Email: [REDACTED]

Goulburn Mulwaree Council
Bourke Street
Goulburn NSW 2580

ATTN: General Manager

Dear Sir,

Re: Wayne Whitfield and Keryn Neale 1 Vincent Avenue Goulburn NSW 2580

I would like you to consider the option of deferring our payment under section 7.12 levy of 1% of development cost contribution fee of \$4,200 for property 1 Vincent Avenue Goulburn NSW 2580 purchased by Wayne Whitfield and Keryn Neale. This consideration is due to our current financial circumstances as we are at present paying rent and mortgage for at least the next 6 months and Keryn now has become unemployed due to Covid 19. Our excess savings have been contributed to our housing loan.

If this could be considered, we would be able to pay this levy in the future as we will not be paying both rent and mortgage.

Your attention to this matter would be greatly appreciated.

Yours sincerely,

Wayne Whitfield and Keryn Neale.