



MELTON CITY COUNCIL

**Minutes of the Meeting
of the Melton City Council**

14 May 2020

TABLE OF CONTENTS

1.	APOLOGIES AND LEAVE OF ABSENCE	2
2.	DECLARATION OF ANY PECUNIARY INTEREST, OTHER INTEREST OR CONFLICT OF INTEREST OF ANY COUNCILLOR	2
3.	PRESENTATION OF STAFF REPORTS	3
3.1	COVID-19 FINANCIAL HARDSHIP MITIGATION MEASURES	3
	To determine the Council's financial hardship mitigation measures in response to the COVID-19 pandemic	
4.	URGENT BUSINESS	21
5.	CLOSE OF BUSINESS	21

MELTON CITY COUNCIL

MINUTES OF THE MEETING OF THE MELTON CITY COUNCIL
HELD VIA A VIDEOCONFERENCE ON 14 MAY 2020 AT 7:00PM

Present: Cr L Carli (Mayor)
Cr S Abboushi (Deputy Mayor)
Cr K Hardy
Cr G Kesic
Cr K Majdlik
Cr M Mendes
Cr S Ramsey
Cr Y Sebire
Cr B Turner

Mr K Tori, Chief Executive Officer
Mr P Bean, General Manager Corporate Services
Mr M Heaney, General Manager Community Services
Mr L Shannon, General Manager Planning and Development
Ms LJ Mellan, Executive Manager Property and Projects
Ms C Denyer, Manager Legal and Governance
Mr J Whitfield, Governance Coordinator
Ms R Bartlett, Governance Officer

1. APOLOGIES AND LEAVE OF ABSENCE

Nil.

2. DECLARATION OF ANY PECUNIARY INTEREST, OTHER INTEREST OR CONFLICT OF INTEREST OF ANY COUNCILLOR

Nil.

3. PRESENTATION OF STAFF REPORTS

3.1 COVID-19 FINANCIAL HARDSHIP MITIGATION MEASURES

Author: Kel Tori - Chief Executive Officer
Presenter: Kel Tori - Chief Executive Officer

PURPOSE OF REPORT

To determine the Council's financial hardship mitigation measures in response to the COVID-19 pandemic

RECOMMENDATION:

No officer recommendation.

Procedural Motion

Crs Majdlik/Abboushi.

That standing orders be suspended.

CARRIED

Cr Ramsey left the videoconference at 8:15pm.

Cr Ramsey returned to the videoconference at 8:16pm.

Procedural Motion

Crs Majdlik/Abboushi.

That standing orders are resumed.

CARRIED

The Mayor, Cr Carli, vacated the Chair.

The Deputy Mayor, Cr Abboushi took the Chair.

The meeting was adjourned at 9:07pm.

The meeting resumed at 9:23pm.

Motion

Crs Carli/Majdlik.

That Council:

- a) Grant a waiver to residential owner occupiers pursuant to Section 171 of the Local Government Act 1989 based on general financial hardship resulting from the economic impact of the COVID-19 pandemic, with the objectives of:
 - a. stimulating the local economy;
 - b. easing the financial burden on owner occupier ratepayers during an unexpected period of severe financial downturn; and
 - c. assisting those residential owner occupier ratepayers to be able to meet their rates liability when amounts become due and payable.
- b) Apply the waiver, based on Council's records and without the need for any eligible rate payer to apply for such waiver, to the 4th quarter instalment of 2019/20 general rate.
- c) Determine the waiver to be in the amount of \$100 per eligible rateable assessment.
- d) Proceed with the draft budget with a 0% rate increase for the 2020/21 Budget.
- e) Attach a copy of these Minutes, with the outcome and the Division called, to the 4th quarter of the 2019/20 rates notices to the affected residents.

LOST

Cr Carli called for a division thereby setting aside the vote.

For:

Crs Abboushi, Carli, Kesic and Majdlik

Against:

Crs Hardy, Mendes, Ramsey, Sebire and Turner

The Deputy Mayor declared the Motion LOST

The Deputy Mayor, Cr Abboushi, vacated the Chair.

The Mayor, Cr Carli took the Chair.

The meeting was adjourned at 10:22pm.

The meeting resumed at 10:30pm.

Procedural Motion

Crs Ramsey/Hardy.

In accordance with Council's Meeting Procedure Local Law 2013 and with the time now being 10:30pm, that Council extend the meeting by one (1) forty-five (45) minute interval.

LOST

Motion

Crs Abboushi/Kesic.

That Council convene a meeting on Tuesday 19 May 2020 at 7:00pm.

CARRIED

In accordance with Clause 9.18(d) of the Council's Meeting Procedure Local Law 2013, it is recorded that the following motion was on the table and was un-debated at the time the Council resolved to not continue this meeting; refer the Procedural Motion above:

Motion

Crs Ramsey/Turner

1. That Council vary its Financial Hardship Policy, effective immediately, to:
 - a) On application, provide each eligible ratepayer experiencing financial hardship access to a waiver of \$200 for the 4th quarter 2019/20 rates
 - b) Accept as evidence of eligibility for financial hardship the possession of a Current Personal Centrelink Reference No (CRN) and in receipt of a welfare payment (child care rebates excluded).
 - c) Require alternative evidence of Financial Hardship, to the satisfaction of the General Manager Corporate Services, from applicants without a CRN
 - d) Council review all programmes to find savings that would underpin Budget shortfall.
 - e) Councillors review Capital Works initiatives in the Draft 2020/2021 Budget.
2. That officers provide a report to the September 2020 Council meeting detailing the number of ratepayers who have received the waiver under this provision and the cost to Council to allow Council to measure the success or otherwise of the waiver.
3. That Council officers prepare a draft 2020/21 Budget for Councillor consideration that is based on a 2% general rate increase, with a general financial hardship waiver pursuant to Section 171 of the Local Government Act applied to residential owner occupied properties, of the amount equivalent to 2% of the general rate levied on each property with the objectives of:
 - a. stimulating the local economy;
 - b. easing the financial burden on owner occupier ratepayers during an unexpected period of severe financial downturn; and
 - c. assisting those residential owner occupier ratepayers to be able to meet their rates liability when amounts become due and payable,

and that the waiver apply, based on Council's records and without the need for any current eligible rate payer to apply for such waiver, to the 1st quarter instalment of 2020/21 general rate.

REPORT

1. Executive Summary

At its advertised Meeting held Monday 11 May 2020, the Council resolved to hold a Meeting of Council on Thursday 14 May 2020 to consider financial hardship mitigation measures in response to the COVID-19 pandemic.

Officers have provided Councillors with all relevant financial and legal information in order for a decision to be made including but not limited to the report set out at Item 12.9 of the agenda for the 11 May 2020 Council Meeting, of copy of which is attached at **Appendix 1**. The legal advice obtained on this matter is also attached at **Appendix 2**.

2. Background/Issues

At its advertised Meeting held Monday 11 May 2020, Council considered at Item 15.5 Notice of Motion 689 (Cr Carli).

Notice of Motion 689 proposed as follows:

That Council:

- a) *Grant a waiver to residential owner occupiers pursuant to Section 171 of the Local Government Act 1989 based on general financial hardship resulting from the economic impact of the COVID-19 pandemic, with the objectives of:*
 - a. *stimulating the local economy;*
 - b. *easing the financial burden on owner occupier ratepayers during an unexpected period of severe financial downturn; and*
 - c. *assisting those residential owner occupier ratepayers to be able to meet their rates liability when amounts become due and payable.*
- b) *Apply the waiver, based on Council's records and without the need for any eligible rate payer to apply for such waiver, to the 4th quarter instalment of 2019/20 general rate, and*
- c) *Determine the waiver to be in the amount of \$100 per eligible rateable assessment.*

Cr Ramsey foreshadowed a Motion should this Notice of Motion be defeated.

Notice of Motion 689 was debated, then voted on and was Lost.

Cr Ramsey then moved the foreshadowed Motion (seconded Cr Mendes) as follows:

That Notice of Motion 689 (Cr Carli) be deferred to a meeting of Council to be held at 7:00pm on Thursday 14 May 2020 and that in the interim our Mayor convene a Councillor workshop at 7:00pm on Wednesday 13 May 2020 to explore all options.

This Motion was debated, then voted on and was Carried.

Officers have provided Councillors with all relevant financial and legal information in order for a decision to be made including but not limited to the report set out at Item 12.9 of the agenda for the 11 May 2020 Council Meeting, of copy of which is attached at **Appendix 1**. The legal advice obtained on this matter is also attached at **Appendix 2**.

3. Council and Wellbeing Plan Reference and Policy Reference

The Melton City Council 2017-2021 Council and Wellbeing Plan references:

1. A proud, inclusive and safe community: A City of people leading happy and healthy lives
 - 1.2 *A safe and equitable community.*

4. Financial Considerations

Financial considerations were set out in in Item 12.9 of the 11 May 2020 Council agenda at **Appendix 1**. These will be further explored at the Councillor workshop scheduled for 13 May 2020.

5. Consultation/Public Submissions

There has been no direct public consultation on this issue.

All Consultation has been between Councillors and/or Councillors and staff.

A Councillor workshop is scheduled to occur on Wednesday 13 May 2020.

Councillors have been provided with various financial briefings by staff over the last few weeks as minuted and reflected in the Agenda of 11 May 2020.

6. Risk Analysis

The financial effects and risks to the Council, as an entity, will depend on the financial hardship mitigation measures Council resolves to put in place. Different financial scenarios and their effect must be considered, including the impact (if any) to existing and planned services and/or capital works.

The effects of any mitigation measures upon Council as an entity must then be balanced against the effects of any mitigation measures to Council as a local government area, that is, the effects upon the community. Financial measures may have the effect of stimulating the local economy, allowing residents to better survive and allowing residents to more easily meet their rates liability.

Highly dependent on the quantum and also the details as to entitlement/process of any mitigation measures, the reputational risks include being perceived as financially reckless, financially strategic or somewhere in between.

7. Options

To be determined.

LIST OF APPENDICES

1. Item 12.9 - Melton City Council COVID-19 Program Report - dated 11 May 2020
2. Email and Legal Advice - dated 24 April 2020 - **CONFIDENTIAL**

Designated as confidential by the Chief Executive Officer pursuant to Section 77(2)(c) and Section 89(2)(f) of the *Local Government Act 1989*.

4. URGENT BUSINESS

Nil.

5. CLOSE OF BUSINESS

The meeting closed at 10:40pm.

Confirmed

Dated this

.....CHAIRPERSON