



2 April 2020

The Hon Scott Morrison MP
Prime Minister
Parliament House
CANBERRA ACT 2600

Dear Prime Minister

Re: COVID-19 - Financial Assistance for NSW Councils

As the President of the Southern Sydney Regional Organisation of Councils (SSROC) and on behalf of member councils, I would like to express SSROC's appreciation and support of the Government's approach to managing the present extraordinary events facing our Nation.

Like you and your Government, SSROC and its member Councils are focused on ensuring the health and well-being of our communities and staff, whilst also ensuring the ongoing provision of essential services for our residents.

As you would agree, managing our operations within the current environment, particularly from a financial perspective, is a significant challenge for each Council. Whilst every effort is being made by the Government to financially support most industries, businesses and individuals, our communities are similarly looking to our Councils to offer additional/further local stimulus packages and/or financial relief to help them manage their affairs throughout this crisis.

While each Council is individually responding to their communities' needs, some of the common areas where Councils are focusing their efforts are in relation to:

- Providing rates relief to ratepayers facing financial hardship, whilst having to balance our cashflow needs;
- Considering the overwhelming push by our communities to not increasing their 2020/21 rates by the rate-peg amount;
- Waiving fees and charges, rents and lease payments for services and facilities that are closing and/or no longer able to operate during the crisis;
- Additional servicing and operational costs, including increased health and sanitisation costs, to manage the pandemic;
- Stopping the issuing of fines and the collection of paid parking, which for some members is a significant portion of their income; and
- Most importantly, our commitment to continuing to employ all staff throughout the crisis period – indeed over 8,000 throughout our region and 40,000 staff throughout our sector, collectively.

Whilst I recognise the enormous costs facing the Government, some thought and consideration needs to be given to assisting our local government sector throughout the ensuing period so as to ensure that the crisis does not financially cripple Councils or see Councils facing the prospect of standing down staff, where we do not have access to the JobKeeper funds, in the process.

By way of example and/or suggestion, consideration may be given to the following options to assist Councils:

- Consideration be given by the Federal Government:
 - as part of the forthcoming budget, to recognise the support and commitment provided by local government, and allocate additional funding under their Financial Assistance Grants Program; and
 - Extending the JobKeeper Program to specific local government services and/or functions, particularly for casual employees and specific services which compete with the private and/or not-for-profit sector (e.g. childcare services), who would be entitled to claim a payment for their staff.
- Similarly, I have written to the Premier to ask that consideration may be given by the NSW Government to:
 - Not increasing any state government charges and/or levies for the 2020/21 financial year for Councils (e.g. emergency services, planning levy and waste levies, external audit fees, etc.);
 - Reviewing the Local Government Act to provide added flexibility to manage certain statutory/regulatory requirements to enable and allow Councils to operate more effectively, including accessing or temporarily utilising externally restricted funds, such as Developer Contributions, without Ministerial approval;
 - Delaying rates-harmonisation for merged councils beyond the current timeframe, being June 2021, to better align with the revised election date and allow new Councils to better assess their long term financial plans, particularly in light of the likely financial impact that the pandemic may have on those councils;
 - A concerted effort being made to introducing planned or shelved Government initiatives or programs to assist in strengthening and streamlining our sector, such as improvements to the rating system suggested by IPART; and
 - Working with NSW Treasury to develop a funding strategy and/or access to an interest-free line of credit for Councils to ensure they effectively manage their cashflow and/or liquidity during the crisis and beyond.

I appreciate that at present your focus and commitment is to managing and containing this unprecedented crisis throughout our nation. As indicated, you have our support and importantly our commitment to both managing and enforcing the Government's decisions and guidelines, as required.

That said, we similarly look to you to assist the local government sector to ensure that we too are not forgotten and are recognised as a key partner in supporting our communities in managing this crisis.

Whilst I have noted some of our thoughts and suggested measures, it would be of great benefit if we had the opportunity to discuss the above and more in relation to how SSROC could continue to assist our member councils protecting their communities and staff without being left with a financial crisis of their own when the pandemic ends.

Accordingly, I look forward to your response.

Yours faithfully



Councillor John Faker
Mayor of Burwood Council
President, Southern Sydney Regional Organisation of Councils

cc: The Hon Mark Coulton MP, Minister for Regional Health, Regional Communications and Local Government