



Agenda Item: C2004-13 (revised)

Ordinary Meeting of Council

Wednesday, 29 April 2020, 6.00pm

The following item has been revised to include information in the **Officer Comment** section, which was mistakenly removed from the Agenda distributed on Friday, 24 April 2020. The additional information is highlighted in yellow.

C2004-13 INTERNAL WORKING GROUPS – COVID-19 RECOVERY

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| Meeting date: | 29 April 2020 |
| Responsible officer: | Manager Economic Development and Marketing; Manager Community Development; Manager Infrastructure and Engineering |
| Decision making authority: | Council |
| Agenda attachments: | <ol style="list-style-type: none">1. Terms of Reference – Economic Recovery Working Group (draft for adoption)2. Terms of Reference – Community Recovery Working Group (draft for adoption)3. Terms of Reference – Infrastructure Recovery Working Group (draft for adoption) |
| Additional information: | NA |

SUMMARY

The purpose of this report is to present for Council's consideration the Terms of Reference for three working groups that will address approaches to a post COVID-19 recovery and the 2020/21 budget process via three streams including the economy, community and infrastructure.

The initial task of the working groups will be identifying solutions through engagement with stakeholders to develop possible solutions to current challenges that may arise within the changing environment as we all move to recovery mode in managing COVID-19. This process will develop a dialogue and shared understanding towards a bigger picture with relevant stakeholders that forms options which can feed into the budget revisions for consideration by council during the next financial year.

This report recommends that Council approve the establishment of the three working groups, adopt the attached terms of reference and appoint the members for each working group.

BACKGROUND

Since March 2020 the COVID-19 pandemic has created significant unforeseen impacts across all aspects of the global community, including Fremantle's local economy and community.

The City is currently considering approaches to the role it can play in assisting the community recover as it weathers the lasting impacts of COVID-19.

The establishment of these working groups will also guide external consultation, have been proposed as a key foundation for the development of the City's approach to economic and community recovery over the next 12-18 months.

FINANCIAL IMPLICATIONS

A key outcome of the proposed working groups is to develop options for consideration and guide the high level allocation of budget against any infrastructure, economic and community development initiatives proposed for the FY2020/21 budget and subsequent budget reviews.

LEGAL IMPLICATIONS

The working groups will be established and managed in line with relevant council policies and legislation.

CONSULTATION

Community engagement is a key part of the City's commitment to being a transparent and responsive organisation.

The economic recovery working group will facilitate the delivery of four external industry engagement workshops. Whilst local industry will remain a focus, experts from outside of the Fremantle community may also be invited in order to offer any broader perspectives. The workshops will broadly include the groups below:

- Retail, hospitality and tourism
- Property development and management
- Technical, professional and industrial services
- Arts and Culture

Recognising our community is a source of knowledge and expertise and this can be harnessed to help find solutions to local issues and complex city challenges. It is intended that the City will hold a maximum of 2 workshops with a cross section of the following key stakeholders, depending on the content of each workshop.

- Aboriginal and Torres Strait Islanders
- CALD community
- Community groups
- Family and domestic violence
- Homeless and welfare
- Mental health
- Seniors and people with disabilities
- Sporting and recreation clubs
- Young people

These working groups are considered to be the first step in designing a sound process for broad community engagement in recovery planning and future re-visioning and re-shaping future strategy and service delivery.

OFFICER COMMENT

Economic recovery working group

The City's former economic development strategy (2015 – 2020) expired in 2020 and an interim economic development action was developed in order to drive City led economic development initiatives until the next major update of the City's Community Strategic plan and the State election scheduled for March 2021.

Since March 2020 the COVID-19 pandemic has created significant unforeseen impacts across all aspects of the global economy, including Fremantle's local economy, which has effectively resulted in the current interim economic development action plan becoming somewhat irrelevant within the context of such a dramatically changed economic situation.

Fremantle's economy has experienced significant negative impacts as a result of COVID-19, fundamentally changing the way businesses will need to operate in to the short and medium term. As such the delivery of initiatives focused on short term economic recovery over the next 12 months will need to become a priority for any city led economic development initiatives that are identified in the FY2020/21 budget.

Initial research carried out by officers has indicated Fremantle's economy has been significantly impacted by COVID-19. Industries such as retail, hospitality and tourism that make up a large part of our economy have had many restrictions imposed on their trade as a result of State and Federal Government regulations.

Many businesses are now closed or operating at a reduced capacity which has resulted in job losses and reduced ability to cover expenses such as rent and outgoings. Fremantle has also experienced a significant drop in visitation and workforce population. Notwithstanding the significant impact this has had on businesses and the broader Fremantle economy, it has also had a significant impact on City revenue streams including car parking, rent from property and other fees and charges.

It is apparent that a recovery period is likely to span well beyond the point of restrictions being lifted and across a variety of further stages in to the medium and longer term.

Businesses and consumers will respond differently to each of these stages, with the stages likely to be defined by the point at which key decisions around lifting or easing restrictions are being made by State and Federal Governments, as well as the point at which major infrastructure projects are rolled out by State and Federal Governments to stimulate an economic recovery.

Different approaches to stimulating the economy will need to be considered for each of the different stages. Approaches will need to factor in the characteristics of each of these stages including but not limited to timing around staged re-opening of restricted businesses, return to usual places of work for those working at home, reemployment of

workforces that had been stood down, changes in consumer behaviour and confidence, and the potential for a significant reduction in consumer spending and confidence after an initial 'honeymoon period' when restrictions are first lifted.

Any local government led approach to this recovery should be considered in line with these stages and the way in which businesses, consumers and other levels of government are likely to respond to each. In recognising the need to plan for the City's response to current economic and social challenges, it is recommended that these working groups be established to assist in guiding the development of options for consideration as part of the City's initial 12 month response in line with the City's financial capacity to implement these options.

It is proposed that the purpose of the economic recovery working group is to:

- Provide a forum for provision of advice on the establishment of an approach that outlines options for the short, medium and long term recovery of Fremantle's economy after the significant impacts resulting from COVID-19
- Provide a mechanism for external engagement with relevant stakeholders who are able to add value to the development of an approach to economic recovery
- The Group is expected to provide advice and/or recommendations on:
 - The extent of impacts being faced by the different industries and sectors that form part of Fremantle's business community
 - What support may be required by the business community to enable recovery, and what elements of that support local government can be reasonably expected to provide, or have the capacity to provide
 - How to achieve consistent, productive and meaningful business community engagement as part of any initiatives proposed
 - Approaches to the delivery of local government led economic development initiatives, with consideration of the of different stages of recovery likely to be faced over the next five years
 - Considerations of action being taken by State and Federal Governments to ensure any City led initiatives proposed are complimentary and without duplication
 - Approaches to the funding of any proposed initiatives in line with the City's current and ongoing financial position, for consideration as part of the budget process

The group's advice and recommendations will guide:

- Consideration of the City's vision, objectives and goals for economic recovery in light of impacts as a result of COVID-19.

- The development of an economic recovery plan that will supersede the current 2 year economic development action plan and the proposed economic development strategy and is to primarily focus on an initial 12 month response. The plan can also include considerations around general approaches to the medium and longer term which can be further developed during the initial 12 month period. The plan is to be presented to council for consideration and adoption prior to June 30 2020 as part of the budget process
- High-level allocation of budget into proposed initiatives in line with the City's financial capacity for consideration as part of the budget process
- Communication and engagement with the local business community on the approaches and initiatives proposed or endorsed by the group
- Consideration of State and Federal advocacy activities required as part of delivering the plan.

In addition to the working group, it is proposed that four external workshops are to be held with each focusing on key streams of Fremantle's business community including:

- Retail, hospitality and tourism
- Property development and construction
- Technical, professional and industrial services
- Arts and Culture

Whilst priority will be given to engaging with local industry, it is also proposed that some experts from outside of Fremantle may be invited in order to provide alternative external perspectives.

Community recovery working group

The impact of the COVID-19 crisis has extended to residents and ratepayers of Fremantle, many of whom have been affected by a reduction in work hours and income as well as social isolation. While many people have family and friends, access to technology and their health to enable self-sufficiency, there are a number of isolated vulnerable people in the community who require assistance in some form to continue to live their daily lives.

A number of internal initiatives are already being carried out to assist in addressing these challenges to assist the most vulnerable and disadvantaged in our community. This includes the City's Neighbour to Neighbour program and expansion of Library services as well as the Fremantle Community Legal centre which is maintaining their services to vulnerable and disadvantaged West Australians during this time.

The community is also being supported by local service agencies such as Red Cross continuing to operate 7 days a week (using a drop off model) as well as the Street Doctor and St Pats continuing to provide critical services. Some great initiatives have resulted from their work, including the Door to Door meals, drive through flu vaccinations and the

Hougoumont Hotel project in conjunction with Day Dawn Aboriginal Tenancy Support Agency to support rough sleepers.

However, data to date indicates an increase in homelessness, more overt behaviour from those sleeping rough and increased domestic violence and also that many are struggling with these unprecedented changes to our lives. The most recent rough sleeper count undertaken across eight metropolitan local governments indicates approx. 800 people sleeping rough in the Perth metropolitan area presently.

Along with an economic recovery planning, there will be the critical need for a community recovery planning that covers a broad range of people including the vulnerable and disadvantaged as outlined above, and also those who need some kind of stimulus to regenerate and regroup as part of the recovery process. This includes our community groups, sporting clubs, seniors, people with a disability, young people, aboriginal people and isolated people in the community.

We have long known that loneliness and social isolation causes many people significant emotional pain and can have a negative impact on their health and wellbeing. Now with COVID-19, we are being told to socially distance. This may further influence the problems associated with loneliness. It is important we focus on keeping up social connections even while physically distancing, it's perhaps our greatest resource and underpins social capital, social cohesion, good health and great neighbourhoods.

Taskforces have been established to combine the efforts of community sector service partners and the State so that joint service delivery is targeted where it is needed the most. The taskforces will plan and respond to the impact of COVID-19 on Western Australia's vulnerable people, plan and respond to ensure vulnerable people have access to essential services. The Community Recovery Working Group is looking to adopt a similar approach, and will be looking at solutions that build resilience as well as offer sustainable solutions where possible. This will include opportunities presented by grant funding from various sources.

Additional funding for emergency and financial relief to the community has been recently announced by government to assist the sector to bring community back to a healthy position. The introduction of the Job Keeper and Job Seeker allowance for a period of six months has provided some relief to community, there is still uncertainty should government restrictions still be in place at the end of this stimulus package.

Different approaches for the different stages of recovery as well as different mechanisms for the different cohorts in the community needing assistance will need to be considered by the Community Recovery Working Group.

The Group is expected to provide advice and/or recommendations on:

- The extent of impacts being faced by different groups in the community particularly those that are most vulnerable
- What support may be needed by the broader community to enable recovery, and what elements of that support local government can be reasonably expected to provide, or have the capacity to facilitate and advocate.

- How to achieve consistent, productive and meaningful community engagement as part of any initiatives proposed, recognising our community is a source of knowledge and expertise and this can be harnessed to help find solutions to local issues and complex city challenges.
- How to develop a sustainable, resilient community recovery approach
- Approaches to guide the City's delivery of local government led community capacity initiatives under the health and happiness focus area, with consideration of the different stages of recovery likely to be faced over the next five years.
- Considerations of action being taken by State and Federal Governments to ensure any City led initiatives proposed are complementary and without duplication
- Approaches to the funding of any proposed initiatives in line with the City's current and ongoing financial position, for consideration as part of the budget process
- Alignment to the State Welfare Plan
- Provide comment on any relevant strategies and policies

The group's advice and recommendations will guide:

- Consideration of the City's vision, objectives and goals for community recovery in light of impacts as a result of COVID-19.
- The development of a community recovery action plan that will have a primary focus on an initial 12 month response. The plan can also include considerations around general approaches to the medium and longer term which can be further developed during the initial 12 month period. The plan is to be presented to council for consideration and adoption prior to June 30 2020 as part of the budget process.
- High-level allocation of budget into proposed initiatives in line with the City's financial capacity for consideration as part of the budget process.
- Communication and engagement with the local community organisations and service providers as needed on the approaches and initiatives proposed or endorsed by the group
- Consideration of State and Federal advocacy activities required as part of delivering the plan.

Infrastructure recover working group

The Infrastructure Directorate has progressed through significant change and service development over the past 3 years. Whilst much of the early work focused on improving the structure, skills and capacity of the directorate and its business units, much of the latter activity (over the last 18 months) has focused on improved Asset Management and Project Management and also improving knowledge, data and the application of appropriate service levels.

As a result of this work, Infrastructure is now better placed to be able to define and evidence key aspects of its current (and future) projects, works, programs and services. This information is now important and will be pivotal in helping inform the City's decision making process needed to address the impacts of COVID-19 on Infrastructure services.

At the current time (up until the 30 June 2020) and in response to the financial impact of COVID-19, Infrastructure has significantly reduced its operational activities. Infrastructure is now predominately focused on essential services, providing emergency response and ensuring community safety in respect to its assets, amenities and services.

The majority of the 2019/2020 capital works program in Infrastructure will continue to be delivered in line with current resource capacity. It is noted however, that the 2020/2021 financial year will be challenging and preparations are required to develop a suitable recovery / transitional plan that considers Infrastructure services and project priorities from an organizational perspective. Any consideration of infrastructure priorities will also need to align with relevant government stimulus areas to ensure the City is able to access as much of any relevant stimulus being provided. It is considered that for the most part the only likely significant financial government support through recovery will come for infrastructure projects.

It is anticipated therefore, that the purpose of the Infrastructure Recovery Working Group will be to:

- Provide a forum for provision of advice on the establishment of an approach that outlines options for Fremantle's infrastructure focused recovery in the short, medium and long term after the significant impacts resulting from COVID-19
- Provide a mechanism for engagement with State and Federal government who are able to add value to the development of an approach to infrastructure recovery.
- The Group is expected to provide advice and/or recommendations on:
 - Operational level of service provided by different aspects of the City's infrastructure portfolio.
 - Infrastructure priorities for any proposed stimulus funding from State or Federal Governments.
 - What local government can be reasonably expected to provide, or have the capacity to provide.
 - How to achieve sustainable infrastructure management as part of any initiatives proposed.
 - Planning for a staged approach to infrastructure project delivery and operational management, with consideration of the of different stages of recovery likely to be faced over the next five years.
 - Considerations of action being taken by State and Federal Governments to ensure any City led initiatives proposed are complimentary and without duplication.
 - Approaches to the funding of any proposed initiatives in line with the City's current and ongoing financial position, for consideration as part of the budget process.

The group's advice and recommendations will guide:

- The development of an infrastructure recovery plan. The plan will provide guidance on infrastructure priorities and be used to guide both capital and operational budgets. The plan is to be presented to council for consideration and adoption prior to 30 June 2020, as part of the budget process.
- High-level allocation of budget into proposed initiatives in line with the City's financial capacity for consideration as part of the budget process.

Conclusion

The initial task of the working groups will be identifying solutions with stakeholders to develop options for consideration with opportunities that may arise within the changing environment as we all move to recovery mode in managing COVID-19. This process will develop a dialogue and shared understanding towards a bigger picture with relevant stakeholders that can feed into the budget revisions considered by council during the next financial year.

These working groups may crossover with each other during the process of engagement with stakeholders and as part of the determination of options so it is vital they collaborate with each other where appropriate and report back to council often.

VOTING AND OTHER SPECIAL REQUIREMENTS

Simple majority required

OFFICER'S RECOMMENDATION

Council:

- 1. Approve to establish the following working groups:**
 - i. Economic Recovery Working Group**
 - ii. Community Recovery Working Group**
 - iii. Infrastructure Recovery Working Group**
- 2. Adopt the terms of reference for each working group (in part 1), as shown in Attachment 1, 2 and 3.**
- 3. Appoint the following members to the Economic Recovery Working Group:**
 - i. Mayor and Chief Executive Officer (ex officio members)**
 - ii. Cr**
 - iii. Cr**
 - iv. Cr**
 - v. Cr**
 - vi. Director City Business**
 - vii. Manager Economic Development**

4. **Appoint the following members to the Community Recovery Working Group:**
 - i. **Mayor and Chief Executive Officer (ex officio members)**
 - ii. **Cr**
 - iii. **Cr**
 - iv. **Cr**
 - v. **Cr**
 - vi. **Director Community Development**
 - vii. **Manager Community Development**

5. **Appoint the following members to the Infrastructure Recovery Working Group:**
 - i. **Mayor and Chief Executive Officer (ex officio members)**
 - ii. **Cr**
 - iii. **Cr**
 - iv. **Cr**
 - v. **Cr**
 - vi. **Director Infrastructure**
 - vii. **Manager Asset Management**
 - viii. **Manager Infrastructure Engineering**

6. **Note the working groups have no decision making authority and will provide advice and/or recommendations to council for consideration, in accordance with the terms of reference.**