

NOTICE OF MOTIONS

12.1 Notice of Motion - Bungendore Economic Stimulus Trial (Author: Schweikert/Schweikert)

File Reference: 11.1.1-07

Notice

Councillor Mark Schweikert will move the following motion:

Motion

That Council initiate a 12-month Economic Stimulus Trial using the Bungendore CBD and immediate surrounds incorporating the following measures:

- 1. A 50% refund on all applicable Council fees and charges for new businesses commencing operations in Bungendore's Town Centre and Environs during the trial period.**
 - 2. Refunds to be issued in the financial year following the year in which the fees and charges were paid.**
 - 3. Funding for the refund scheme to be sourced from the general fund and incorporated into operational budget deliberations prior to the commencement of each financial year.**
 - 4. A report to be provided to the Council each quarter detailing uptake, expenditure and the economic impact of the trial for further consideration.**
 - 5. An end of term trial report be presented with results for further deliberation by Council.**
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Comment from Cr Schweikert in support of this Notice of Motion

Bungendore is experiencing sustained population growth, increasing commercial interest, and rising demand for local services. However, the pace of new business establishment has not kept pace with community needs or economic potential, quite the opposite in fact with many businesses closing or up for sale. A targeted, time-limited economic stimulus trial may help accelerate commercial activity, attract new operators, and strengthen the town's long-term economic resilience. Its ultimate goal is to provide Council with useful data points for a much wider policy implementation action, if it so desires.

A 12-month stimulus trial focused on reducing the financial burden for new businesses provides a practical, low-risk mechanism to potentially encourage investment. Fees and charges associated with establishing a new business can be a barrier, particularly for small and family-run enterprises. Offering a 50% refund—paid in the following financial year—can provide a much needed stimulus for the sustainment of the business post commencement of trading.

Funding the refund from the general fund, and incorporating it into the annual operational budget deliberations, ensures transparency, fiscal discipline and appropriate oversight. This approach allows Council to balance economic stimulus objectives with broader financial responsibilities.

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A quarterly reporting requirement will provide Council with clear visibility of uptake, cost, and economic impact. This ensures the trial remains accountable, measurable, and able to be adjusted or discontinued based on evidence. It also supports informed decision-making regarding whether the initiative should be extended, modified, or concluded at the end of the trial period.

Overall, the proposed trial represents a modest, controlled investment designed to stimulate local economic activity, support new enterprises and strengthen Bungendore's commercial ecosystem during a period of growth and transition.

Staff Comment

Background information on this proposal including vacancy rates, current issues, business activation and what Council already provides to local tourism and business support via the Economy, Events and Arts team was detailed in the report to Council at the 26 August meeting (**Resolution 454/26**).

The Local Government Act (the Act) provides two separate pathways for Council to provide financial assistance to businesses:

1. Waiving or reducing Council fees under section 610E; or
2. Providing financial assistance under section 356.

1. Waive or Reduce Fees – section 610E

Section 610E allows Council to waive or reduce fees when the Council has determined that prevailing conditions have affected the profitability of local businesses and the fee waiver or reduction is a warranted economic relief or stimulus.

610E Council may waive or reduce fees

- (1) A council may waive payment of, or reduce, a fee (whether expressed as an actual or a maximum amount) in a particular case if the council is satisfied that the case falls within a category of hardship or any other category in respect of which the council has determined payment should be so waived or reduced.*
- (2) However, a council must not determine a category of cases under this section until it has given public notice of the proposed category in the same way as it is required to give public notice of the amount of a proposed fee under section 610F(2) or (3).*

This section is used by other NSW Councils to establish categories of fee reductions, including economic stimulus initiatives. For example, Cumberland City Council has a discount category in its fees and charges for Local Business Stimulus.

This approach has an efficiency advantage because costs are immediately incurred and accounted for, and the number of transactions for income and expenditure is reduced.

However, the application of section 610E to the proposed initiative is limited because Council charges relatively few discretionary fees to businesses and many of the remaining fees are prescribed by legislation or are not fees for the purposes of section 610E.

For example:

- Development Application (DA) fees are prescribed under the Environmental Planning and Assessment Act 1979 and the Environmental Planning and Assessment

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Regulation 2021. Council does not have discretion under section 610E to reduce a fee that is prescribed by State legislation.

- Developer contributions are contributions rather than Council fees and therefore cannot be reduced under section 610E.
- Rates and Annual Charges are not fees and cannot be reduced under section 610E.

Accordingly, section 610E provides a mechanism for Council to reduce those Council fees over which it has discretion, but it is unlikely to provide a significant economic stimulus if the intention is to provide a 50 per cent reduction across other rates and charges associated with business development.

It should be noted that DA fees are set by the NSW State Government and that all applications are made through the NSW Planning Portal. A DA is not made until the correct legislative fee is paid. Any reduction in a DA fee would be in the form of a post lodgement reimbursement to ensure compliance with the EP&A Act 1979 and the EP&A Regulations 2021.

2. Financial Assistance – section 356

Section 356 provides a broader mechanism to provide financial assistance to businesses and private individuals if the following criteria are met:

- i) The purpose is to exercise a Council function, and
- ii) 28 days public notice of the proposal is given before the resolution is passed. This can form part of the Operational Plan.

356 Can a council financially assist others?

- (1) *A council may, in accordance with a resolution of the council, contribute money or otherwise grant financial assistance to persons for the purpose of exercising its functions.*
- (2) *A proposed recipient who acts for private gain is not ineligible to be granted financial assistance but must not receive any benefit under this section until at least 28 days' public notice of the council's proposal to pass the necessary resolution has been given.*
- (3) *However, public notice is not required if—*
 - a) the financial assistance is part of a specific program, and*
 - b) the program's details have been included in the council's draft operational plan for the year in which the financial assistance is proposed to be given, and*
 - c) the program's proposed budget for that year does not exceed 5 per cent of the council's proposed income from the ordinary rates levied for that year, and*
 - d) the program applies uniformly to all persons within the council's area or to a significant group of persons within the area.*

Section 356 is therefore potentially the more appropriate mechanism to provide a fee rebate. Council already uses section 356 to provide financial assistance through two existing programs.

Council's Hardship and Financial Assistance Policy provides fee waivers and subsidised services for businesses and individuals experiencing financial hardship as a result of natural disasters. The policy comes into effect after any natural disaster event and provides specific assistance including subsidies for DA fees for structures destroyed in bushfires, waste disposal fees for building waste and free and reduced building and room hire.

Council's Donations Policy also provides financial assistance and includes Category C – Rates, Fees and Annual Charges.

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The policy establishes a transparent framework and assessment process for activities that align with Council's strategic objectives. This category provides financial assistance to eligible not for profit community organisations by way of one-off assistance with Development Application fees and associated charges. Businesses are not currently eligible under this program.

The proposed Economic Stimulus Trial is a new program not included in the Operational Plan and therefore in order to achieve the outcomes proposed in this Notice of Motion, Council could resolve to create an Economic Stimulus Trial Policy that defines the applicable Council fees, any business qualification requirements, the designated area and locations where it is applied, with the process and timeframes for applications and payments.

As the proposed program has not been included in the current Operational Plan, and does not presently meet the requirements of section 356(3), the policy proposal would require public exhibition and community feedback before a resolution to provide financial assistance is given. The program could subsequently be included in the draft Operational Plan.

In order for a Policy to be developed Council direction is sought as to which Council fees, charges and contributions would apply as outlined in the Information Report presented to the Council meeting on 26 August.

Council Fees, Charges and Contributions that could be applied to business include:

- Development Application Fees
- Developer Contributions (s7.11)
- Water and Sewer Developer Contributions (s.64)
- General Rates
- Water and sewerage access and usage charges
- Waste management and recycling charges
- Trade waste (where applicable)
- Food Safety Inspection Fees (where applicable)
- Community Room Hire

Until Council give direction as to which Council Fees and Charges would be provided at a 50% discount, providing an estimate for a budget allocation is unrealistic. What may be better is to allocate an amount to fund the Policy, for the trial with a cap per application.

Attachments

Nil