

### Eligibility to access the Council Job Retention Allowance

The NSW Government is continuing the *Council Job Retention Allowance Subsidy Scheme* (JRA Subsidy), to assist local councils in responding to the continuing impact of COVID-19.

Eligibility will be determined upon councils demonstrating that significant areas of council operations have been or are expected to be impacted by the ongoing COVID-19 pandemic.

OLG anticipates that the greatest financial impact on councils will be in relation to the fall in cash receipts from rates and annual charges, user charges and fees and other revenue.

Councils should review their cash flow and assess the impact of the COVID-19 pandemic on payments that are now expected to be received. OLG understands that these are uncertain times and that projections provided will be based on the best available information at this time.

#### Process

Within the JRA Eligibility Return – Quarter 1 – 2021-22 councils can choose whether to use the current quarter 1 original budget (cash receipts) or the 2019-20 year's quarter 1 actual results (cash receipts) and compare those with the revised projected receipts for the current quarter.

Councils will meet the financial stimulus eligibility criteria if there is a demonstrated or likely loss of at least 30% in either rates and annual charges, user charges and fees or other revenue. These categories and components should reflect those reported in councils' financial statements and budgets and comply with the Local Government Code of Accounting Practice and Reporting.

Councils need to review each of councils' income categories and relevant components. The categories to review with examples of significant items are:

- Rates and annual charges (examples Residential rates, Business rates, Domestic Waste Management Services, Water Supply charges)
- User fees and charges (examples Parking Fees, Caravan Parks, Leisure Centres), and
- Other revenue (examples Parking Fines, Rental Income, Miscellaneous Sales)

To meet the financial stimulus eligibility criteria, a council needs to demonstrate the likely loss of 30% in just **ONE** of the above three categories only.

Within these categories and their components, councils need to determine significant items that have been detrimentally impacted by the pandemic and estimate the decrease in cash received or expected to be received. Councils only need to provide information for the significant categories and components affected. There is no need to complete information where changes have been small or immaterial.

Councils will also need to provide an indication of why this assumption is made. Below is a list of assumptions that can be selected from:

- Ratepayer (residential, business, farming) enquiries related to an inability to pay rates
- Ratepayer applications for hardship
- Council policies as a result of the pandemic
- Services no longer available/closed due to the Public Health Order, and  
Services no longer being utilised due to the Public Health Order.

Councils should contact OLG Performance Team if they have any enquiries, need assistance completing the return, or are having trouble satisfying the financial distress criteria.