

# FAIR GO RATES SYSTEM

Assessment of Application  
for Higher Rate Cap

Community Engagement  
Borough of Queenscliffe

*June 2017*



mosaicLAB

### **Limitations of Use**

This report has been prepared by MosaicLab on behalf of and for the exclusive use of the Essential Services Commission (ESC).

The sole purpose of this report is to provide an assessment of the community engagement undertaken by the Borough of Queenscliffe for their application for a higher rate cap.

This report has been prepared in accordance with the scope of services set out by the ESC. In preparing this report, MosaicLab has relied upon the information provided in the Council's application form and attachments. The ESC can choose to share and distribute this report as they see fit. MosaicLab accepts no liability or responsibility whatsoever for or in respect of any use of or reliance upon this report by any third party.



# 1. SUMMARY - CONTENTS AND COMPLETENESS

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## 1.1 INTRODUCTION

Borough of Queenscliffe (the Council) is applying for a rate cap variation to raise additional income that will enable the Council to continue to deliver day to day community services and maintain and renew infrastructure. The increase is a proposed average rate increase of 4.5% in 2017-18 and represents an average rate of \$2,041.94, which is an increase of \$87.90 per property

MosaicLab have used the information provided by Council to assess to level the engagement undertaken and the alignment with the key engagement principles and best value principles as outlined in the *Fair Go Rates System - Reference Material Community Engagement*.

## 1.2 CONTENTS

Council provides its Community Engagement Policy. It describes the current approaches, principles and guidance notes for addressing community engagement activity. Of stand out note in relation to this engagement are two of Council's promises on how it will conduct itself during community engagement. These promises are:

1. (policy ref. 1.1.9.) Provide quality information to its community so that consultation is conducted in an informed atmosphere of shared knowledge and mutual respect.
2. (policy ref. 1.1.10) Be at the forefront of consultation best practice. Council will be bold and inventive in finding new ways of engaging residents.

Council have articulated clearly a 2 phased approach to how they have undertaken community engagement for this process. The process ran from c. mid January 2017 to mid June 2017.

During Phase 1 of the engagement Council were particularly focused on generating interest in the project and innovative in providing a mixture of engagement opportunities for both children and adults within the community. Consequently their participation rates were proportionally high in comparison to its population size and Council should be commended for its diverse effort to activate this level of interest. Council articulated how they made a heightened effort to ensure a representative sample of the community contributed to a 'Summit' process. In reference to Point 1 above it is not clear for any of phase one, the extent of data or process detail that took place within the engagement activity. Council have provided a summary of outputs and indicates that a prioritisation process did occur to get a clearer sense of what the community value in the area. It is assumed that these priorities have been used between phase 1 and 2 to build Council's business case for a rate variation in 2017 /2018.

Council have stated how they have tried to maximise their focus and resource capacity for the engagement process. Phase 2 of the engagement has not met the robust approach provided during Phase 1 both in its innovative approach and access / opportunity to ensure informed views have been obtained in response to a rate variation. Council have stated how 'Permission' was obtained from the ESC around the process of engagement that was adopted by

Council. Phase 2 provided a summary newsletter outlining Councils decision for the rate variation and provided an opportunity for submissions and a chance to attend a public information session in early to mid June. Council received a proportionally high submission rate that shows the majority of the participants are not in favour of a rate variation. Council have articulated a summary response of the submissions have indicated a strong view that this is largely due to participants being ill informed and/or misunderstanding the complexity of the decision. In relation to the rate variation engagement, community have not been involved in considering possible trade-offs against priorities identified in Phase 1 that would ultimately impact on the finances required by Council.

Council has also provided information about other engagement it has undertaken in recent years in relation to a variety of community plans and Council strategies. Basic information is provided about the scale of these engagements and some of the outcomes (desired community priorities). Though the engagement plans for these activities have not been provided nor any information on whether the service/budget trade-offs were presented or explored during these activities.

The Community Satisfaction Survey results are also included as evidence though no connection is made between this information and the budget and rate cap issues.

## 2. DOES THE ENGAGEMENT PROGRAM CONTAIN CLEAR, ACCESSIBLE AND COMPREHENSIVE INFORMATION AND FOLLOW A TIMELY PROCESS TO ENGENDER FEEDBACK FROM THE COMMUNITY

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### 2.1 ENGAGEMENT ACTIVITIES UNDERTAKEN

#### 2.1.1 ENGAGEMENT #1 - ANNUAL BUDGET AND RATE CAP VARIATION

Council held a 2 phase engagement program:

##### **Phase 1 Activation activity included:**

1. Borough Snapshot provided key contextual information. Posted with rate notices on January 24, letterbox dropped to properties in the 3225 postcode area west of Fellows Road, and published on Council's website
2. Mayor's Video Message briefly explaining the Council Plan, encouraging feedback and advising how feedback can be provided. (published on Council website)
3. All Councillors making targeted connections with community groups (no evidence of this has been provided)
4. All Councillors making themselves available at specific places at specific times for 'on the street' / 'over coffee' discussions with community members. Places and schedules provided to Councillors, focusing on high pedestrian traffic areas (no evidence provided)
5. Use of Council's network of local organisations and external agencies to assist in the dissemination of information, the sharing of the Mayor's video message, and to encourage feedback (no evidence provided)
6. Focused media campaign including media releases targeting local and regional newspapers and newsletters, along with the use of Council's own communications tools. *Provide Various Options for Feedback* (no evidence provided)

##### **Phase 1 Feedback Opportunities:**

1. Independently facilitated Community Summit on Friday 17 February. All community organisations invited to nominate one representative to attend the summit, and 50 randomly selected resident and non- resident ratepayers invited. (no process or detail evidence provided but summary of outputs noted in the submission)
2. Children's Summit, aimed at encouraging feedback from pre-school and primary school-aged children and their parents / carers. Scoped in collaboration with participating local educational organisations. (no evidence provided but summary outputs noted in submission)
3. Children's Survey promoted through Primary Schools. (no evidence provided)
4. Social media based campaign to seek the views and ideas of young people in the Borough aimed at secondary school aged people. (no summary provided, assumed to be part of general summation of outputs)

## Phase 2 Activation and Engagement Opportunities:

1. Community Bulletin (Appendix N of application) and Feedback Form (Appendix O of application) distributed to every ratepayer informing Council's decision to apply for a higher rate cap, explaining: (The newsletter clearly outlines Council's current position and reasoning for the variation)
2. Access to a variety of background documents and strategies published on Council website
3. An opportunity to submit a response in writing/survey to Council (summary of outputs and commentary provided by Council and clearly acknowledging the sentiment expressed by the community)
4. Public meetings to present the draft Council Plan 2017-2021 (no detail evidence of process provided. A summary of indicative topics discussed was noted by Council).

It is not possible to comment on the format and process in these sessions as no details have been provided.

The results of the phase 2 engagement were that two hundred and seventy five (275) submission forms were returned. 27% voted in favour of a rate cap variation and 73% voted against.

Overall the application provides evidence of:

- Good provision of information at phase 1 but limited opportunity to have a detailed understanding of the rationale for Council's recommendation in Phase 2 (noting that process had been indicated and approved by the ESC prior to undertaking this activity. This is a position expressed by Council and not validated with the ESC as part of this report).
- Representative spread of the Community Interests is evident in Phase 1 but no breakdown of this has been provided.
- High response rates to surveys in both Phase 1 and 2 but no understanding of the representative nature of the response with the exception of permanent V non permanent residents.
- High response rates from youth and child groups in Phase 1 of the engagement.

No evidence is provided of:

- Any results from discussions on the trade-off between services they value and services that could be reduced or eliminated
- Inviting discussion on the trade-off between services they value and services that could be reduced or eliminated

### 2.1.2 ENGAGEMENT #2 PRIOR ENGAGEMENT ON A RANGE OF COMMUNITY PLANS AND STRATEGIES

Council has sited a number of prior engagement activities from 2006 to 2014 that seem to have involved a considered level of iterative discussions to help inform key infrastructure strategies and needs assessments. While no process evidence has been provided Council have gone to considerable lengths to share and articulate the infrastructure challenges it faces and demonstrate how they are actively responding to the future needs of the community within their current resource constraints.

### 2.1.3 ASSESSMENT

These engagement activities can be assessed positively in relation to providing a mix of engagement activities 'responsive' to the needs of stakeholders (location and methods), there being good attendance at phase 1 workshops and an above average response rate to the submission opportunities in both Phase 1 and 2. There is some evidence that representative views on what the community value and would see as priorities has been undertaken by Council. There is good evidence that the community are generally satisfied with the work and relations with Council.

However, no evidence is provided that information and options relating to the budget situation and the trade-off between services and rate income were considered as part of these engagement activities. These decisions have been made by Council and provided as an inform/consult level of engagement with limited opportunity to influence the final recommendation. Hence, it is concluded that these engagement activities have limited material evidence in relation to the rate cap variation application.

## 2.2 WHAT INFORMATION WAS PROVIDED DURING THE ENGAGEMENT PROCESS

It is unclear what material evidence Council provided during the phase one engagement activity but Council states in its application that a variety of policy and strategy documents can be obtained via the Council website. Council have submitted evidence of a Phase 2 summary newsletter that indicates Council reasons for recommending a rate cap variation. Council also reiterates that documentation can be obtained via the Council website.

## 2.3 HOW WAS THIS INFORMATION PRESENTED

The application states that there was a formal presentation in phase 2 of the 2 public meetings but it is not clear how any data was presented at other face to face engagement activity.

## 2.4 HOW FEEDBACK WAS GATHERED AND WHAT THIS FEEDBACK WAS

There is no process detail in how the data was gathered in the face to face engagement activity. Council did receive a range of written (assumed hard and soft copy) survey responses in both phase 1 and phase 2.

## 2.5 ASSESSMENT

With the exception of the Phase 2 summary newsletter it is unclear what data and context were provided to participants in the engagement process. Council have made considerable effort to summarise the key outputs from both Phase 1 and Phase 2 of the process but no evidence has been provided on how this review and summation was conducted.

### 3. IS THE ENGAGEMENT ONGOING AND TAILORED TO COMMUNITY NEEDS? DOES THE PROGRAM FIT IN WITH COUNCIL'S ONGOING SRP ENGAGEMENT?

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#### 3.1 WHY COUNCIL ENGAGED IN THE WAY IT DID INCLUDING HOW COUNCIL CONSIDERED OPPORTUNITIES FOR ALL TO PARTICIPATE REGARDLESS OF LANGUAGE, GEOGRAPHIC, PHYSICAL OR TECHNOLOGICAL BARRIERS

Council have clearly articulated a working knowledge of the community and further acknowledge the importance of personal contacts and relations in the community. Council have been innovative, particularly in Phase 1 of the process to seek out and ensure a wide / representative view on what the community value has been heard.

#### 3.2 HOW THIS WAS TAILORED TO COMMUNITY NEEDS

Council have acknowledged the volume of non permanent residents and provided some opportunity for input in both phases of the engagement. Council also provided a limited, 1 public meeting in a Melbourne venue for a face to face engagement toward the closing weeks of the process.

#### 3.3 HOW THE ENGAGEMENT PROGRAM WAS DESIGNED TO ACCOMMODATE THE COMPLEXITY OF TRADE-OFFS REQUIRED

No evidence provided.

#### 3.4 HOW PREVIOUS ENGAGEMENT INFORMED FUTURE, PLANNED ENGAGEMENT

No evidence provided.

#### 3.5 ASSESSMENT

Council provided some evidence of how it has tailored its engagement to community needs, however, it can be assumed from the type of engagement activities it has undertaken that Council was aware of meeting the needs of an activated community with diverse views. Limited opportunity has been provided for the non permanent residence, however we would note that this is a particularly challenging audience for any Council in a similar position to reach.



## 4. DOES THE ENGAGEMENT PROGRAM PRIORITIES MATTERS OF SIGNIFICANCE AND IMPACT?

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### 4.1 HOW COUNCIL CONSIDERED THE SCALE OF THE HIGHER RATE CAP

The Council has not provided detail other than noting that sufficient time was allowed for Council to consider the result of phase one engagement activities in reaching their recommendation in time for publishing at phase 2.

### 4.2 WHETHER THE HIGHER RATE CAP IS ADDRESSING SHORT TERM OR LONG TERM FINANCIAL NEED

Council have provided significant data on policy and strategy decisions that have been the basis of many years of work and development.

### 4.3 HOW ENGAGEMENT WAS CONDUCTED IN THE CONTEXT OF THE ISSUES ABOVE

Limited summary information is provided in the application on this matter.

### 4.4 HOW THE OPTIONS OR TRADE-OFFS WERE PRESENTED

No information is provided in the application on this matter

### 4.5 WHAT COUNCIL LEARNT ABOUT THE COMMUNITY'S PRIORITIES THROUGH THE ENGAGEMENT PROCESS

Council did produce a clear set of priorities and themes in response to the engagement activity in phase 1. It is not clear how these themes were produced but it is implied that they were generated during the Summit workshop activity.

### 4.6 HOW COUNCIL ASSESSED DIFFERING COMMUNITY VIEWS

No information is provided on this matter

### 4.7 ASSESSMENT

Council has undertaken an innovative approach to the phase 1 engagement program with the Community Conversations and some evidence is presented on the findings (what council learnt about community priorities). However, very little evidence is presented on whether the engagement program prioritised matters of significance and impact. Council does not provide any information about the format and content of the engagement activities to know if the community was given information about the scale of the rate cap, short or long term financial needs, how the tradeoffs were presented and how council assessed different community views.

## 5. HAS THE ENGAGEMENT PROGRAM LED TO COMMUNITIES BECOMING MORE INFORMED ABOUT COUNCIL DECISION MAKING?

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Overall, Council is making a significant effort to encourage its community to become more informed about council decision making in that Council (evidence of ongoing communication):

### **ASSESSMENT**

Council is clearly committed to ongoing communication activities with the community and are presenting reasonable levels of clarification and context. Council provides no evidence of:

- Evaluating their community engagement programs
- How feedback was gathered (other than the survey results) and how the outcomes of the engagement processes were communicated with the community
- How the engagement influenced Council's decision to apply for a higher cap
- How council is responding to issues raised during the engagement
- How council is dealing with unmet community expectations in relation to rate increases and/or service provision

## 6. WHAT WERE THE VIEWS OF RATEPAYERS AND THE COMMUNITY ABOUT THE RATE INCREASE?

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The only information provided about the rate increase is the survey results from Phase 2 as summarised by the Council.

## 7. HOW WERE THESE VIEWS TAKEN INTO ACCOUNT BY COUNCIL IN MAKING THEIR DECISION?

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Council did not provide any information on how it took these views into account in making its decision.

## 8. COMMENTS ABOUT GAPS IN CONTENTS

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The following table lists the key gaps in the engagement process in our view, based on the evidence provided. Alongside these gaps, we have listed what we believe would assist the Council in further applications.

Engagement Gaps	Remedy
Providing iterative opportunities to be involved in the budget and rate capping engagement	The process could have been greatly enhanced by the ongoing interaction with the representative groups that supported and participated in the Phase 1 summit activities.
Providing evidence of the results/data from the Community Conversations on key issues of tradeoffs	Collect data from workshops on this question.
Support for understanding the context for the variation – high level of evidence that the decision is not supported but a concern this is from an ill informed perspective	Build opportunity to allow the community to share the final rationale and recommendation as to the level of rate rise that may be required.
Views may not be representative of the whole community	Different recruitment strategies were undertaken – reaching out to interest and randomly selected participants but no understanding of how this was completed and how their heightened informed views were built upon.
Time to understand information	A lack of opportunity to understand the complexity of the topic and rationale for final recommendations.

## 9. COMMENTS ABOUT THE IMPACT OF THESE GAPS

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Council did a commendable engagement activity in phase 1 and clearly have a large portion of the community activated and willing to have ongoing dialogue with Council. Council may have benefitted from a closer working relationship with the community when it came to the reasoning and rationales behind the final recommendations for the rate variation. It is clear Council have access to considerable volumes of data that would have supported this activity.

## 10. LIST ANY ITEMS IDENTIFIED FOR FURTHER INFORMATION

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Process design and or engagement plans for the Phase 1 and Phase 2 face to face engagement activity.

Evaluation data from the community in relation to the engagement program.

## 11. LIST ANY ITEMS FOR EXTERNAL ADVICE

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NA

## 12. CONCLUSION

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A innovative level of community engagement has been undertaken by a small Council to help inform the Council on what the community values in their area. A gap has occurred in including an opportunity for community to weigh up possible trade offs in service provision and asset investment / maintenance and how this would impact on the future budgets and the rate capping variation recommendation.

While there are gaps in the engagement process, Council has designed an engagement program specifically designed to address matters of significance (key community interests and values and an opportunity to openly comment on the final recommendation) It can be concluded that those attending would be more informed about council decision making processes.

The only information to support a rate variation is a survey that shows a majority of respondents not in favour of a rate cap variation. Given the relatively high numbers of response in proportion to the size of the community this may be a reasonable indicator of general sentiment to the proposed rate rise.

The more specific issue of rate rises compared with service level trade offs did not have sufficient engagement activity other than a response survey to a given Council position. Overall the engagement has not followed through on Key Engagement Principle no. 3 from the ESC.