

FAIR GO RATES SYSTEM

Assessment of Application
for Higher Rate Cap

Community Engagement
Towong Shire Council

June 2017



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 Towong Shire Council for their application for a higher rate cap.

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1 SUMMARY - CONTENTS AND COMPLETENESS

1.1 INTRODUCTION

Towong Shire Council (the Council) is applying for a rate cap variation to raise an additional income of approximately \$230,000 that will enable the Council to continue to deliver day to day services and maintain and renew infrastructure.

MosaicLab have used the information provided by Council to assess the level of 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 some reasons for their choice of engagement approach in so far as 'our experience has demonstrated to us that more traditional engagement approaches are most effective in obtaining the views of our community....' (page 14). Council also refers to the data for submissions to key planning projects over the last 4 years which indicates a limited response rate.

Council has provided a copy of their Community Engagement Strategy. This strategy provides the overarching principles that they work to and their commitment to engagement

The Council did provide a clear outline of what they delivered (6 workshops in different locations around the Shire) and they outlined several distribution networks that were used to ensure that knowledge of the workshops was widespread. The integrity of the aims of these workshops and what was undertaken appear to be in strong alignment and addressed the key questions that were relevant to a rate-cap variation application.

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. Information is provided about the scale of these engagements (list of engagement activities and attendance) and some of the outcomes (desired community priorities).

2. INFORMATION AND TIMELINESS

2.1 ENGAGEMENT ACTIVITIES UNDERTAKEN

2.1.1 ANNUAL BUDGET AND RATE CAP VARIATION

Council held 'Let's Talk About the Future' workshops in six towns/communities across the shire that were attended by a total of 196 residents (or 3.3% of the population). The format for these workshops appears to be a strong focus on providing information (draft Council Plan, achievements of the last four years, budget challenges, capital works budget and the impact of the rate cap) and then time to gather feedback and guidance from the community. The amount of time given to each of these tasks is not outlined in the application.

There were small groups discussions facilitated by Councillors and the CEO that considered the aspect of trade-offs between what is delivered and what people are prepared to pay. As mentioned previously, the quality of these discussions and the time given to them, are not provided.

There is no evidence in the application of any feedback from these sessions as a process for involving local people in this decision.

The application provides evidence of:

- Good provision of information
- Geographic spread of the workshops – held in six towns/communities
- A high turn up of people for small communities (average of 30 per session)
- Inviting discussions on the trade-off between services they value and services that could be reduced or eliminated
- The feedback received across the 6 workshops. This feedback shows all the data collected through the workshops. There is no discussion about how this (recent) data has been shared with the participants and the broader community, nor is there a n easy summary to help understand the feedback quickly.

No or limited evidence is provided of:

- Opportunities to be involved other than attending a workshop

2.1.2 PRIOR ENGAGEMENT ON A RANGE OF COMMUNITY PLANS AND STRATEGIES

Council lists four community master planning processes or strategic projects that have also provided the opportunity to gather further feedback about what local community members value.

Council provides information on the engagement activities undertaken for each of these four projects. Each of these projects appears to have used a small variety of methods such as workshops, open days, focus groups, surveys and website updates.

Council claims that these workshops have built a greater understanding amongst participants of the constraints that council needs to work under and an awareness that priorities need to be established. The use of this feedback appears to have been used to establish the Council Plan and annual budgets.

2.1.3 CONCLUSION

All the 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 the workshops and the community being involved in coming to consensus on priority projects.

The broader strategic projects appear to have provided an idea of priorities for different locations and have informed the council plan but the service levels and rate implications at these sessions appear not to have been discussed.

The community forums on sustainability, service delivery priorities and forward planning appear to have provided the opportunity for a trade-off discussion between services and rate income, although the implications of different service level choices do not appear to have been shared and hence the quality of the trade-off discussion may have been somewhat diminished.

2.2 WHAT INFORMATION WAS PROVIDED DURING THE ENGAGEMENT PROCESS

Council states in its application that it provided the following information at the six Community Forums held in towns/communities across the shire:

- Projects and services delivered in your locality
- Projects 'in the works' for your localityOur finances (and rate capping)
- Cost saving and efficiencies we have achieved
- Your feedback and guidance
- Future opportunities
- General discussion

2.3 HOW WAS THIS INFORMATION PRESENTED

The application states that there was a formal presentation followed by small group discussions facilitated by Councillors and the CEO. There were 5 key questions used as a basis for these discussions:

1. What does Council do well (what is working)?
2. What would you like us to do better (or more of)?
3. What are the two to three projects or programs you would like to see Council deliver over the next 3-4 years?
4. Are you getting 'Value for money' from Councils and if not, why not? How do you measure 'value for money'?
5. What rate increase (if any) are you prepared to pay to maintain the current level of services and infrastructure? And what are you prepared to do without?

2.4 HOW FEEDBACK WAS GATHERED AND WHAT THIS FEEDBACK WAS

As mentioned above, following the formal presentation at the six community forums, community members were invited to discuss key questions about services and rates. It is not known whether participants had time to discuss and fully understand complex financial information and trade-offs as no information was provided on the length of the session and amount of discussion time in comparison to presentation time. The early analysis of the data was provided in the application. The consolidated feedback was provided in late June and gives a sense of the amount of data collected. It is uncertain how this consolidated feedback was shared with the participants or the broader community (it is only recently compiled and there may be plans to distribute). A clear summary of this feedback would help with understanding.

There is no evidence provided as to how the sessions were evaluated.

2.5 ASSESSMENT

In setting up the community forums, Council provided significant engagement across six towns/localities with a good attendance of 196 people. It also provided a significant level of information to participants at these sessions.

Council raised valuable questions with the community which raised issues of trade-offs between current service and rates. The level of 'consequence' or 'implication' understanding between choices appear limited and may have reduced the quality of the feedback.

3. TAILORING OF ENGAGEMENT

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 provides information about the reasons for the choice of engagement approaches. These reasons were that their 'experience has demonstrated that a more traditional engagement approach is effective'. This experience coupled with the demographics (dispersed and aged population) and limited digital connectivity in areas of the Shire were the main drivers for the engagement approach chosen.

Council provided no reference to those with different language or physical barriers in their assessment of appropriate methods.

3.2 HOW THIS WAS TAILORED TO COMMUNITY NEEDS

Council indicated the locations of each of the six meetings as the main tailoring approach. No other information was provided.

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

Council states that at the six community forums, community members were invited to provide feedback on the current and future services they value and what 'value for money' means for them. They also discussed what rate increase (if any) they would be prepared to pay and what they would be prepared to do without. This is a fundamental trade-off question. Council states that the feedback is being consolidated and that a clear response back to participants will outline how their feedback will have been considered.

The trade-off discussion was somewhat limited by what appears to be a lack of information about the implications of a higher or lower rate increase, or 'more' or 'less' services (i.e. the implications of choices).

3.4 HOW PREVIOUS ENGAGEMENT INFORMED FUTURE, PLANNED ENGAGEMENT

Council provides limited information in its application in relation to this question. Information stating 'experience' and limited responses to 'submission processes' are the two main reasons for choosing the geographic workshops only.

3.5 ASSESSMENT

Council used prior experience, an aged population and limited digital connectivity as the main drivers for the engagement approach chosen. Other reasons such as complexity of the topic were also mentioned. Potential tailoring of the approach could be enhanced through reference to prior engagement feedback, further analysis of demographics, evaluation data from previous projects or rate capping/ Council Budget conversations.

4. PRIORITISING MATTERS OF SIGNIFICANCE AND IMPACT

The Council specifically asked the participants about what is 'value for money' and how they measure it. They also asked what rate increase would be acceptable and what services they would be prepared to forego.

No information is provided on

- How the scale of the higher rate cap was discussed within the smaller group discussions
- Whether Council included the issues of short term or long term financial needs in its engagement program or how the engagement was conducted in the context of these issues.
- How options or trade-offs were presented.
- How it assessed different community views. Although the council states that it is consolidating the feedback document at the moment.

ASSESSMENT

The engagement program provided good scope for discussions around significant service and cost issues and clearly Council prioritised these matters for discussion – investing time for both the Councillors and CEO to be present at 6 community workshops. In addition, some evidence is presented on the findings (what council learnt about community acceptance of rate increases).

Council provides limited information about the format and content of the engagement activities so it is difficult to assess: whether the community was given information about the short and long term financial needs, how the tradeoffs were presented and how council assessed different community views.

5. BUILDING INFORMED COMMUNITIES

Overall, Council appears to be making an effort to encourage its community to become more informed about council decision making. They have shown by the engagement undertaken around the four master plans and ongoing conversations with the community. Council also states that it is consolidating the feedback (including Council responses) from the sessions and will share that with the community once completed .

However, Council provides little or no evidence of:

- Evaluating their community engagement programs and specifically the engagement for this rate cap variation application
- How the engagement influenced Council's decision to apply for a higher cap
- How council is dealing with unmet community expectations in relation to rate increases and/or service provision

ASSESSMENT

While Council is making forward progress towards their community becoming more informed about council decision making, there is still much work to be done in terms of gathering feedback at engagement activities, evaluating engagement programs, documenting how engagement influences council's decision making and how council is responding to the community issues and expectations.

6. RATEPAYERS AND COMMUNITY VIEWS ABOUT THE RATE INCREASE

Council have provided a lengthy document outlining the consolidated feedback from the sessions. This document also outlines some of the processes used in the sessions to gather data. A summary of this feedback would help with ease of understanding. In addition, it is uncertain how this feedback will be shared or distributed.

7. VIEWS CONSIDERED BY COUNCIL IN MAKING THEIR DECISION?

Council provided little information on how it took these views into account in making its decision. The application states that the feedback was mixed and that overall this would support the current strategic direction. There is no evidence to support this statement.

8. ENGAGEMENT GAPS AND REMEDIES

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
No community engagement plan or framework was provided	An organisation community engagement strategy has been provided, this document gives a good overview of the principles and commitment to engagement. A short engagement plan for the project would also be useful.
Providing tailored opportunities for involvement in the budget and rate capping engagement. The only method was a community forum.	Other options include online survey, hard copy survey and small group discussions with 'hard to reach' groups. Even if this has proven difficult in the past, this can still be offered as an option.
Implications of tradeoffs not being fully understood	Providing clear information about the impact of different choices might help people make more informed decisions around service levels and rates. You can do this through some simple indicators of change or through providing two workshops (1) which outlines the issues and get initial ideas and the second (2) outlining the implications of this (based on work done by council in the interceding weeks)
Providing evidence of the results/data from the Community forums on key issues and tradeoffs.	A comprehensive document has been provided by Council on the consolidated feedback from the 6 workshops. A summary of this feedback would help with understanding the overall themes. A brief description outlining how the consolidated feedback report would be used would also help with understanding the ongoing process.
No information on whether council adapted its budget in relation to community feedback	Council to document community feedback, whether that feedback has been incorporated into the council plan and budget and report to the community on those elements not incorporated and why. We assume this is forthcoming.
Views may not be representative of the whole community	Different recruitment strategies can be undertaken - reaching out to new groups by going to meet people where they already meet e.g. at schools (for young families) or at sporting events (for young people) or people can be randomly selected to match the demographics of the community
Sufficient time to understand complex information	Hold longer workshops, hold multiple meetings or incorporate more discussion time in to workshops.
No evaluation	Commence a simple evaluation process after each engagement activity and compile and share the results to enable continuous improvement.

9. COMMENTS ABOUT THE IMPACT OF THESE GAPS

No further comments.

10. LIST ANY ITEMS IDENTIFIED FOR FURTHER INFORMATION

Information on the following matters would assist in the assessment of this application:

- More data from the community forums – what was the agenda, how was data collected, what information was shared/presented
- More information on how council used the data from the engagement process to make its decision about the rate cap
- The summary of the consolidated feedback and the response from Council about how they will use that data

11. CONCLUSION

A significant level of community engagement has been undertaken by a small rural Council to consider the budget and rate capping variation through a series of community forums.

While there are gaps in the engagement process, Council has designed an engagement program specifically to address matters of significance (the budget and rate cap variation) and tailored this program to community needs (by holding sessions in six communities and providing relevant information). It can be concluded that those attending would be more informed about council decision making processes.

Given the small community and the attempt to access and understand views across the shire and the comprehensive nature of the consolidated feedback report, in our view this application meets the basic tenor of the engagement principles as outlined in the Commission's community engagement guidance and reference materials.