

FAIR GO RATES SYSTEM

Assessment of Application
for Higher Rate Cap

Community Engagement
Pyrenees Shire Council

April 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 Pyrenees Shire Council for their application for a higher rate cap.

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1 OVERALL COMMENTS

The Pyrenees Shire Council (the Council) is applying for a rate cap variation to fund the maintenance of gravel roads in the shire. This means that the engagement processes relating to the Gravel Roads Strategy, the annual budget and the long term financial plan are relevant to this assessment.

MosaicLab have used the information provided by the Council in the attachments and the application form to assess the level of engagement undertaken and the alignment with the 'Key Engagement Principles' and 'Best Value Principles' as outlined Fair Go Rates System – Reference Material – Community Engagement.

2 ASSESSMENT OF WHAT WAS UNDERTAKEN

2.1 ANNUAL BUDGET AND TEN YEAR FINANCIAL PLAN

2.1.1 ENGAGEMENT ACTIVITIES UNDERTAKEN

The Council usually conducts two workshops during the development of the budget. These are “informal evenings” where information is presented about a range of budget matters. “There is a Q&A session and community members are encouraged to contribute comments...”

The ten-year financial plan is reviewed by Councillors and officers in Nov/Dec each year and again as part of the budget process. The community can comment on this plan as part of the budget workshops. This process also involves the statutory submission process.

2.1.2 THE RESULTS

The Council provides no information on:

- whether the two 'usual' workshops were held
- the numbers of people who attended
- where and when these workshops were held
- the amount of time for the workshop
- how they were advertised

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- how information was provided (although the information was provided on Council's current financial position, proposed budget projects, issues and an overview of the Council's long term financial plan the way in which this information was provided was not detailed)
 - how many comments were made by community members
 - what the comments were
 - whether the Council adapted its budget in line with any of these comments
 - whether they advised community members if their comments were included and if not included why not.
 - Whether any submissions were made
 - whether the people engaged were representative of the community.

2.1.3 ASSESSMENT

It is not possible to know if the community knew they were able to contribute, the reach of the engagement (how many people) and if they did contribute what they wanted and whether they had any influence. The process run by the Council will not be representative of the community but instead caters for those who are activated, engaged and able to attend.

Discussing the key trade-offs around budgets and therefore community feedback on these dilemmas appears not to have been the approach used in these sessions. Therefore, the engagement approach may be limiting the community's understanding of the 'matters of significance' and constrains the level of detailed 'clear, accessible and comprehensive information' provided to community members.

The process appears to be timely and does provide a good overview of the current financial position. It also provides for a narrow mechanism of feedback into both the Annual Budget and the Long Term Financial Plan.

2.2 GRAVEL ROAD STRATEGY

2.2.1 ENGAGEMENT ACTIVITIES UNDERTAKEN

Five consultation sessions were held in August 2016 in five different locations across the Shire. The numbers at each session ranged from 4 to 21 with an overall total of 66 people. People were asked five questions culminating in 'would you be prepared to pay an additional amount in rate for the next four years to improve the maintenance condition of the shire's gravel roads.

An online survey was held with the same five questions.

2.2.2 THE RESULTS

- Council reports that 106 concerns were noted on locality maps and lists the common issues from the workshops but not specific answers to some of the questions eg would you be prepared to pay more rates. Attendees could provide feedback at the workshop or via the survey.
- 32 people responded to the survey – these may or may not have been the same people who attended workshops. The survey responses show that 74% people are not satisfied with current maintenance of gravel road but only 30% would be willing to pay more rates to help cover the cost of grading unsealed roads.
- The Gravel Roads Strategy document appears to provide some collated results for the community meetings, online survey and direct mail – stating:
 - that there is a high level of dissatisfaction with the current level of gravel road maintenance (77%)
 - Four out of five respondents believe the Council is not spending enough money on maintaining and renewing gravel roads
 - 74% of respondents are not willing to pay more in rates to help cover the additional costs

2.2.3 ASSESSMENT

The Council provided no information on:

- what information they provided at the workshops or in association with the survey – though there is a PowerPoint attached to the application which could be assumed to be used at the workshops
- whether the Council adapted its Gravel Road strategy in line with the comments
- whether they advised community members if their comments were included and if not included why not.

3 WHY COUNCIL ENGAGED IN THE WAY IT DID

Council provides no information in its application in relation to why it chose the above methodologies. The five workshops for the Gravel Roads Strategy would appear to be a response to 'geography' – allowing people to attend a workshop in five different locations. It also provided an online survey in addition to the five workshops. Far less options are provided for the annual budget and no information is provided on where these were/are held.

3.1 TAILORING TO COMMUNITY NEEDS

Council provides no information in its application in relation to this question

3.2 DESIGNED TO ACCOMMODATE THE COMPLEXITY OF TRADE-OFFS REQUIRED

Council provides no information in its application in relation to this question. There was one question in the survey that asked 'would you be prepared to pay an additional amount in rates for the next four years to improve the maintenance condition of the shire's gravel roads'. This is an example of the core trade off. As it was a survey, it would have been hard for the Council to provide sufficient information about the trade-offs involved including one comparing support for spending on roads versus spending on other services.

3.3 HOW PREVIOUS ENGAGEMENT INFORMED FUTURE, PLANNED ENGAGEMENT

Council provides no information in its application in relation to this question

4 ENGAGEMENT PROGRAM PRIORITISES MATTERS OF SIGNIFICANCE AND IMPACT

Council did address the scale of the rate cap and whether it was addressing short or long term financial needs (assumed long in terms of road maintenance issues). However, the options or trade-offs and how the Council assessed differing community views, were not mentioned in the application and it is uncertain whether the budgetary needs and issues, and how they impact on each other were shared with those who participated in any of the engagement programs. The Gravels Roads Strategy indicated what the Council learnt about the community's priorities through the engagement process. There were no results shared about learnings from the budget workshops.

- Council reports that 106 concerns were noted on locality maps at the workshop and lists four common issues from the workshops (e.g. a higher frequency and standard of grading) but provides no data in relation to the specific questions e.g. would you be prepared to pay more rates.
- 32 people responded to the survey – these may or may not have been the same people who attended workshops. The survey responses show that 74% people are not satisfied with current maintenance of gravel road but only 30% would be willing to pay more rates to help cover the cost of grading unsealed roads.
- There was no evidence in the application about how the engagement was evaluated, whether communities became informed through the process nor how the outcomes have been communicated back to the broader community nor the participants in the processes.
- The Council has not provided any information about the views of the ratepayers and the community to the proposed rate increase. The Gravel Roads Strategy survey found that 30% would be willing to pay more rates to help cover the cost of grading unsealed roads

5 KEY 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 Gap | Description | Remedy |
|---|--|--|
| Details about the engagement activities | Why particular activities were chosen, previous engagement and community knowledge that informed this approach, what was undertaken, what information was provided | <ul style="list-style-type: none"> • Provide evidence in the form of information kits, background papers, runsheets or agendas which list the activities undertaken • Provide information about what has been learnt from previous engagement in the Shire that has informed the approach (data, statistics, research, evaluation reports) • List out the number of activities that took place (in this case for the Annual Budget and 10-year financial plan), how many people attended and how long these meetings were • List out the online options e.g. were submissions made and how they were used in the process • Explain the comments received • When a survey is used explain how these uninformed responses compare with those who might participate in a workshop |
| Responsiveness, feedback & evaluation | How you responded to the comments or input, how you evaluated your activities, the feedback received about process from participants | <ul style="list-style-type: none"> • Provide an evaluation plan (can be brief) • Provide evidence of what feedback you received in this evaluation • Provide a 'response' document that lists what feedback you got and what you did with it • Explain how you have provided the above 'response' document to the community and especially to participants in order to 'complete the loop' for their involvement |

...continued overleaf

| Engagement Gap | Description | Remedy |
|---------------------------|--|---|
| Diversity of participants | How you ensured the broader community knew about the process and could contribute; how you ensured the different community members were involved; how you actively 'sort out 'unusual voices' | <ul style="list-style-type: none"> • Provide evidence of the advertising activities and reach • Provide evidence of how you attempted to meet diverse groups 'where they meet' rather than expecting them to come to you • Consider direct invitation and random sampling to supplement the 'usual voices' or those who self-select • Show evidence of how you tailored your approach for different groups or people • Give data that outlines whether those who participated were representative of the broader community |
| Trade-off discussion | How the differing options were presented to participants; what a rate cap rise variation could be spent on and how this could affect other services; what no rate cap rise variation would mean for the Shire and its services | <ul style="list-style-type: none"> • Show evidence of the different dilemmas that the Council is facing and how these were transparently shared with the community • Outline the approach taken to help participants learn about the issues • Provide evidence of the broad options that the participants could consider, their responses to these and how you used their input |



6 CONCLUSIONS

The community engagement activities that support this application have focused on the Gravel Roads Strategy with possible smaller activities for the Council Annual Budget and Long Term Financial Plan that do not have any supporting evidence.

The inclusion of an online survey and geographic workshops for the Gravel Roads Strategy is to be commended. An online survey is cost-effective for a small council and the use of geographically spread workshops means more of the community have access to the process.

There is no evidence in this application that if the Council were to achieve more funding through a higher rate increase, that the community considers this money should be prioritised for gravel roads compared with other services.

The evidence on engagement activities outlined in this application appears to have reached those people who are interested in the maintenance and renewal of gravel roads in the Shire.

The broader issue of rate rises compared with service levels, and getting feedback on what the community believes is fair and acceptable, has not been discussed. As such, in our view this application does not meet the Key Engagement Principles as outlined in the Commission's guidance material for council's and community engagement reference material.