AGENDA

QUALITY NATURE - QUALITY HERITAGE - QUALITY LIFESTYLE

BUSINESS PAPER

EXTRAORDINARY COUNCIL MEETING

MONDAY, 7 FEBRUARY 2022

Notice is hereby given in accordance with the provisions of the *Local Government Act 1993,* and pursuant to Clause 3.3 of Council's Code of Meeting Practice that a **Extraordinary Council Meeting** will be held in the Koreelah Room, Tenterfield Shire Council Chambers, on **Monday, 7 February 2022** commencing at **1.00pm**.

Daryl Buckingham
Chief Executive

COMMUNITY CONSULTATION – PUBLIC ACCESS

Community Consultation (Public Access) relating to items on this Agenda can be made between 9.30 am and 10.30 am on the day of the Meeting. Requests for public access should be made to the General Manager no later than COB on the Monday before the Meeting.

Section 8 of the Business Paper allows a period of up to 30 minutes of Open Council Meetings for members of the Public to address the Council Meeting on matters INCLUDED in the Business Paper for the Meeting.

Members of the public will be permitted a maximum of five (5) minutes to address the Council Meeting. An extension of time may be granted if deemed necessary.

Members of the public seeking to represent or speak on behalf of a third party must satisfy the Council Meeting that he or she has the authority to represent or speak on behalf of the third party.

Members of the public wishing to address Council Meetings are requested to contact Council either by telephone or in person prior to close of business on the Monday prior to the day of the Meeting. Persons not registered to speak will not be able to address Council at the Meeting.

Council will only permit two (2) speakers in support and two (2) speakers in opposition to a recommendation contained in the Business Paper. If there are more than two (2) speakers, Council's Governance division will contact all registered speakers to determine who will address Council. In relation to a Development Application, the applicant will be reserved a position to speak.

Members of the public will not be permitted to raise matters or provide information which involves:

- Personnel matters concerning particular individuals (other than Councillors);
- Personal hardship of any resident or ratepayer;
- Information that would, if disclosed confer a commercial advantage on a person with whom Council is conducting (or proposes to conduct) business;
- Commercial information of a confidential nature that would, if disclosed:
  - Prejudice the commercial position of the person who supplied it, or
  - Confer a commercial advantage on a competitor of the Council; or
  - Reveal a trade secret;
- Information that would, if disclosed prejudice the maintenance of law;
- Matters affecting the security of the Council, Councillors, Council staff or Council property;
- Advice concerning litigation or advice that would otherwise be privileged from production in legal proceedings on the ground of legal professional privilege;
- Information concerning the nature and location of a place or an item of Aboriginal significance on community land;
- Alleged contraventions of any Code of Conduct requirements applicable under Section 440; or
- On balance, be contrary to the public interest.

Members of the public will not be permitted to use Community Consultation to abuse, vilify, insult, threaten, intimidate or harass Councillors, Council staff or other members of the public. Conduct of this nature will be deemed to be an act of disorder and the person engaging in such behaviour will be ruled out of order and may be expelled.

CONFLICT OF INTERESTS

What is a "Conflict of Interests" - A conflict of interests can be of two types:
Pecuniary - an interest that a person has in a matter because of a reasonable likelihood or expectation of appreciable financial gain or loss to the person or another person with whom the person is associated.
Non-pecuniary – a private or personal interest that a Council official has that does not amount to a pecuniary interest as defined in the Local Government Act (eg. A friendship, membership of an association, society or trade union or involvement or interest in an activity and may include an interest of a financial nature).

Remoteness

A person does not have a pecuniary interest in a matter if the interest is so remote or insignificant that it could not reasonably be regarded as likely to influence any decision the person might make in relation to a matter or if the interest is of a kind specified in Section 448 of the Local Government Act.

Who has a Pecuniary Interest? - A person has a pecuniary interest in a matter if the pecuniary interest is the interest of:

- The person, or
- Another person with whom the person is associated (see below).

Relatives, Partners

A person is taken to have a pecuniary interest in a matter if:

- The person's spouse or de facto partner or a relative of the person has a pecuniary interest in the matter, or
- The person, or a nominee, partners or employer of the person, is a member of a company or other body that has a pecuniary interest in the matter.

N.B. "Relative", in relation to a person means any of the following:

(a) the parent, grandparent, brother, sister, uncle, aunt, nephew, niece, lineal descends or adopted child of the person or of the person's spouse;
(b) the spouse or de facto partners of the person or of a person referred to in paragraph (a)

No Interest in the Matter

However, a person is not taken to have a pecuniary interest in a matter:

- If the person is unaware of the relevant pecuniary interest of the spouse, de facto partner, relative or company or other body, or
- Just because the person is a member of, or is employed by, the Council.
- Just because the person is a member of, or a delegate of the Council to, a company or other body that has a pecuniary interest in the matter provided that the person has no beneficial interest in any shares of the company or body.

Disclosure and participation in meetings

- A Councillor or a member of a Council Committee who has a pecuniary interest in any matter with which the Council is concerned and who is present at a meeting of the Council or Committee at which the matter is being considered must disclose the nature of the interest to the meeting as soon as practicable.
- The Councillor or member must not be present at, or in sight of, the meeting of the Council or Committee:
  (a) at any time during which the matter is being considered or discussed by the Council or Committee, or
  (b) at any time during which the Council or Committee is voting on any question in relation to the matter.

No Knowledge - A person does not breach this Clause if the person did not know and could not reasonably be expected to have known that the matter under consideration at the meeting was a matter in which he or she had a pecuniary interest.

Participation in Meetings Despite Pecuniary Interest (S 452 Act)

A Councillor is not prevented from taking part in the consideration or discussion of, or from voting on, any of the matters/questions detailed in Section 452 of the Local Government Act.

Non-pecuniary Interests - Must be disclosed in meetings.

There are a broad range of options available for managing conflicts & the option chosen will depend on an assessment of the circumstances of the matter, the nature of the interest and the significance of the issue being dealt with. Non-pecuniary conflicts of interests must be dealt with in at least one of the following ways:

- It may be appropriate that no action be taken where the potential for conflict is minimal. However, Councillors should consider providing an explanation of why they consider a conflict does not exist.
- Limit involvement if practical (eg. Participate in discussion but not in decision making or vice-versa). Care needs to be taken when exercising this option.
- Remove the source of the conflict (eg. Relinquishing or divesting the personal interest that creates the conflict)
- Have no involvement by absenting yourself from and not taking part in any debate or voting on the issue as if the provisions in S451 of the Local Government Act apply (particularly if you have a significant non-pecuniary interest)

Disclosures to be Recorded (s 453 Act)

A disclosure (and the reason/s for the disclosure) made at a meeting of the Council or Council Committee or Sub-Committee must be recorded in the minutes of the meeting.

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ORDER OF BUSINESS

1. Opening & Welcome
2. Civic Prayer & Acknowledgement of Country
3. Apologies
4. Disclosure & Declarations of Interest
5. Community Consultation (Public Access)
6. Open Council Reports
    - Our Governance
7. Meeting Close

AGENDA

WEBCASTING OF MEETING
This meeting will be recorded for placement on Council's website for the purposes of broadening knowledge and participation in Council issues, and demonstrating Council's commitment to openness and accountability.

All speakers must ensure their comments are relevant to the issue at hand and to refrain from making personal comments or criticisms or mentioning any private information.

No other persons are permitted to record the meeting, unless specifically authorised by Council to do so.

1. OPENING & WELCOME

2. (A) OPENING PRAYER

"We give thanks for the contribution by our pioneers, early settlers and those who fought in the various wars for the fabric of the Tenterfield Community we have today.

May the words of our mouths and the meditation of our hearts be acceptable in thy sight, O Lord."

(B) ACKNOWLEDGEMENT OF COUNTRY

"I would like to acknowledge the traditional custodians of this land that we are meeting on today. I would also like to pay respect to the Elders past, present, and emerging of the Jukembal, Kamilaroi and Bundjalung nations and extend that respect to other Aboriginal people present."

3. APOLOGIES

4. DISCLOSURES & DECLARATIONS OF INTEREST

5. COMMUNITY CONSULTATION (PUBLIC ACCESS)

6. OPEN COUNCIL REPORTS

OUR GOVERNANCE

(ITEM GOV12/22) APPLICATION FOR SPECIAL RATE VARIATION 2022/23 AND 2023/24.....5

7. MEETING CLOSED

Department:	**Office of the Chief Corporate Officer**
Submitted by:	Management Accountant
Reference:	**ITEM GOV12/22**
Subject:	**Application for Special Rate Variation 2022/23 and 2023/24**

LINKAGE TO INTEGRATED PLANNING AND REPORTING FRAMEWORK	
CSP Goal:	**Leadership** - LEAD 14 - Resources and advocacy of Council are aligned support the delivery of the community vision outlined in the Community Strategic Plan.
CSP Strategy:	Council is a financially sustainable organisation, delivering value services to the Community.
CSP Delivery Program	Ensure that financial sustainability and the community's capacity to pay inform adopted community service levels.

SUMMARY
To recommend that Council proceed with an application for a section 508A (permanent) Special Rate Variation commencing in the 2022/23 financial year for the purpose of maintaining existing services, enhancing financial sustainability, and funding infrastructure maintenance and renewal.

Due to the timing of the Council elections, further community consultation will be undertaken during February with a report brought back to Council to address any changes because of the consultation.

The proposed Special Rate Variation comprises a permanent Special Rate Variation of 34% (including rate peg) in 2022/23 and 34% (including rate peg) in 2023/24, representing a cumulative increase of 79.56%.

OFFICER'S RECOMMENDATION:

That Council:

(1) Receive the report on Application for Special Rate Variation 2022/23 and 2023/24.

(2) Proceed with a permanent Special Rate Variation application for the purpose of maintaining existing services, enhancing financial sustainability, and funding infrastructure maintenance and renewal.

(3) Make an application to the Independent Pricing and Regulatory Tribunal (IPART) under section 508A of the Local Government Act 1993 for increases to the ordinary rate income of 34% in 2022/23 (including the rate peg) and 34% in 2023/24 (including the rate peg), representing a total cumulative increase of 79.56% over the two-year period, to be a permanent increase retained within the rate base.

(4) Note the additional community consultation to be undertaken in February 2022 outlined in the body of the report and request the Chief Executive respond to the submissions made.

Our Governance No. 12 Cont…

(5) The Chief Executive present a further report to Council prior to the 7th March 2022 that will include:

a. A report on the additional community consultation,

b. A copy of the final submission to IPART consisting of application form Part A Special Variation and application form Part B Special Variation,

c. Clearly demonstrate any changes from the initial submission

(6) Authorise the Chief Executive to undertake any necessary minor administrative or editorial changes to the submission to IPART, and

(7) Consider the implementation of the Special Rate Variation (if successful) during the deliberations of Council's Community Strategic Plan, Delivery Program, Operational Plan and budget commencing for the 2022/23 financial year.

BACKGROUND

Over the last several years, and as recently as November 2021 as part of the quarterly budget review process Council resolved:

> *"(e) That a plan be developed to increase operational income and further reduce operational expenditure as per previous discussions and comments in Council Reports, may include a Special Rates Variation request with a view to returning Council's operating position to surplus." (resolution 218/21).*

Following this Council staff advised the Independent Pricing and Review Tribunal (IPART) of its intent to apply under section 508A of the Local Government Act 1993 for an SRV. There was no formal Council resolution at this time, due to the close proximity of the local government elections. The new Council was elected in December 2021 and inducted in mid- January 2022.

To involve the new Council in the Community Strategic Plan consultation process, it was undertaken in late January 2022 with attendance at the events higher than at previous consultations.

With the potential for an SRV application to be lodged but acknowledging time would be short, it was requested to IPART that should Council determine to make an application, it be given an extension from the initial date of 7 February 2022 to 7 March 2022. IPART granted this request, however, to help with the assessment, requested a draft application be provided to IPART as per the original deadline (7 February) and that the final application identify the changes.

Discussions within Council regarding the potential for an SRV application were undertaken in the later stages of the previous Council and commenced with the new Council in mid-January, including Councillor Workshops on the 19th of January 2022 and 2nd of February 2022. The SRV is focused on Council being able to maintain existing services, ensure Council's financial sustainability, and fund infrastructure maintenance and renewal.

Our Governance No. 12 Cont…

The SRV would normally be undertaken over a larger period of time, however, the process is being advanced due to the extra pressures placed on the budget in recent years, the cash management difficulties of managing grant expenses compared to the timing of the income and Councils lack of reserves. The extra financial burdens include but are not limited to:

1. The 0.7% rate peg for the 2022/23 financial year (which does not even cover Councils award required wage increase of 2%),
2. The additional audit and internal costs,
3. The rising emergency services levy costs, and
4. Increasing inflationary pressures.

As Council still has additional consultation to undertake, the following report outlines the initial SRV Application options for consideration, determination of an application for an SRV and the intended community consultation to be completed.

REPORT:
The Local Government Act requires Council to sustainably manage its assets, resources, and finances.

With this in mind, and noting Council's current financial position, Council has little option but to increase its revenue or significantly reduce costs through service reductions to close the financial gap of continuing operational deficits. However, the community engagement undertaken through Councils CSP process has shown strong opposition to service reductions and a preference to see no increase in rates (i.e. no SRV). In combination, these views result in a financially unsustainable Council.

Councils last adopted long term financial plan (commencing 2016/17) forecast a 'Net Operating result before Grants and Contributions provided for Capital purposes' of small surpluses of between $200,000 and $500,000 for the years from 2022/23 to 2026/27. Significant work has been undertaken in preparation of the 2022/23 financial year and based on the current known information the updated forecasted results for the years from 2022/23 to 2026/27 is now between a $3.5m and a $4.1m deficit. These plans will be exhibited and discussed in detail as part of the 2022/23 IP&R process for Council's Community Strategic Plan, Delivery Program and Operational Plan.

This significant change is forecasted as a result of:

1. Upgraded core infrastructure assets for Council as a result of grant funded works (e.g. replacing timber bridges with concrete bridges, and widening and sealing of Mount Lindsay Road),
2. New and upgraded community assets (e.g. public toilets, playgrounds and community halls),
3. The increased cost of asset replacement,
4. Increasing cost of managing grants applications and acquittals, and
5. Increased costs due to meeting regulated requirements (e.g. audit costs, emergency services levy, and ongoing disaster recovery management).

For Council to address this type of operating result it has four options available to it. These are:

1. Reducing service levels,
2. Sell and/or dispose of assets that will reduce the associated on-going expenses,

Our Governance No. 12 Cont…

3. Increase income raised through rates, user fees and charges,
4. A combination of the above options.

Council's income base from rates is fixed. Any increase is limited to an annual 'rate peg' amount set by the State Government of between 1.5% and 2.5%. The rate peg for 2022/23 is 0.7% which is much lower than obligated expense increases (e.g. award wage increases). In real terms, the cost to deliver services and maintain community assets to current service levels increases above the rate peg amount each year, compounding the impact on Council's financial position over a number of years leading to the need for additional income.

Councils are under constant pressure to deliver the same services for less which is not a sustainable model. Tenterfield Shire Council has very limited opportunity to increase own source revenue and as a result an increase in rates, combined with further operational efficiencies, is the most viable solution for a financially sustainable Council.

How much does Council need:
Based on current service levels, known asset data and Council's current estimated forecast operating result the gap in the General Fund between what Council should be spending on assets compared to current budgets is currently approximately $3.8m per annum.

This deficit has the potential to be reduced by capital grant income that can be used to offset any operational works, but currently grant funds do not generally allow for undertaking operational works.

This value does not include any funds to address the backlog of works (approximately $15 million, with the largest areas being roads and buildings).

Council's current rates income is approximately $4.8 million per year. To cover the full gap through an SRV would require an SRV of approximately 80% based on current rates income.

Council applied for and received an SRV in 2013/14. This application made allowances for $47 million+ of service level reductions and deferrals of renewals. As a result of this, adjusting service levels will adjust the value of increased income required, however based on current known data there is not enough capacity to cover the full amount through efficiency gains alone.

Options:
Council has a number of options available to it that are outlined in the below table:

#	Option	Pros	Cons	Estimated long-term outcome/comments
1	Do nothing – retain status quo	• No additional financial burden on residents	• Unable to maintain assets • Safety issues • Would result in major cuts to services	• Council will not be able to maintain its assets • Major cuts to service levels • Possibility of intervention over the long term.

Our Governance No. 12 Cont…

#	Option	Pros	Cons	Estimated long-term outcome/comments
2	SRV Application for full asset gap	• Able to maintain assets to desired standard • Safety issues can be addressed timely • Potential to generate funds for matched funding • Increased confidence in ability to meet community needs and wants	• Additional financial burden on residents that the community may or may not have the capacity to pay	• Ideal outcome for Council • Would lead to a financially sustainable Council • Would require community to have capacity to pay
3	SRV Application for partial asset gap	• Able to maintain a proportion of assets to the desired standard • Safety issues can be addressed more timely • Potential to generate funds for matched funding •	• Additional financial burden on residents • Will result in reduced service levels • Likely to require another SRV application in the future if existing service levels are expected to be maintained	• Depending on the size of the approved application, it would increase Councils financial sustainability but full long-term impacts would have to be determined • Would require community to have capacity to pay
4	Apply for a temporary SRV	• Provide short term relief and ability to buy the time to improve asset and financial data	• Doesn't address long term gap • Will result in reduced service levels • Will require another SRV application in the future if existing service levels are expected to be maintained	Would buy some time to undertake a full review of the options to decrease current expenditure, and undertake additional community consultation to determine long term service levels and the community's capacity to pay Would incur additional costs to the community

Three options are outlined for consideration.

The first option is to make application for an amount that will fully address the asset renewal gap of 80%. This option would allow existing services to continue and assets to be renewed based on current service levels.

The second is to make application for an amount of 48% that will partially address the asset renewal gap. This option considers ongoing discussions with Council over assets it is seeking to hand back to the state government along with making approximately $300,000 in efficiency gains.

Through the CSP community consultation it was noted that many residents wanted to see more investment into the Tenterfield Regions tourism and economic development futures. The third scenario is to make application for an amount of 58% that will partially

Our Governance No. 12 Cont…

address the asset renewal gap, and also provides for the establishment of a fund that would allow Council to make investment opportunities and consider future community requests in the areas raised (this scenario also considers the ongoing discussions with Council over assets it is seeking to hand back to the state government along with making approximately $300,000 in efficiency gains).

The below table shows indicative values as they relate to the increases based on the three scenarios.

	22/23 increase	23/24 increase	Cumulative increase	2021/22 average rate	2022/23 increase	2023/24 increase	Total increase	2023/24 average rate	Additional revenue
Average ordinary rate – all categories	34%	34%	79.56%	$957.28	$325.48	$436.14	$761.61	$1,718.89	$3,846,139
Average ordinary rate – all categories	21.5	21.5	47.62%	$957.28	$205.82	$250.07	$455.88	$1,413.16	$2,302,196
Average ordinary rate – all categories	25.5	25.5	57.5%	$957.28	$244.11	$306.35	$550.46	$1,507.74	$2,779,821

It needs to be clearly noted that these are average and indicative values. Additional information and breakdown by residential, business, farmland and mining categories will be provided through the additional consultation processes.

Also supporting undertaking this process is the comparison of Councils rates compared to similar councils. The following table shows the rates comparisons for Tenterfield to other Councils classified in the same group as Tenterfield. APPENDIX 1 also shows this table with examples from three similar Councils. These values are from the 2019/20 financial year. This information was sourced from the NSW government 'yourcouncil' website.

The table also shows the Water and Sewer charges to allow comparison for the total cost of services provided by Council. The SRV would apply only to the Ordinary Residential, Business, Farmland, and Mining rating categories (an SRV would not apply to Water and Sewer charges).

Category	**Tenterfield**	**Group Average**	**TSC / Group $ Difference**	**TSC /Group % Difference**
Average Ordinary Residential Rate	$624.50	$781.80	-$157.30	-25.19%

Our Governance No. 12 Cont…

Category	Tenterfield	Group Average	TSC / Group $ Difference	TSC /Group % Difference
Average Ordinary Business Rate	$1,280	$1,575.70	-$295.70	-23.10%
Average Ordinary Farmland Rate	$1,569.20	$2,992.10	-$1,422.90	-90.68%
Average Ordinary Mining Rate	$900	$389,816.20	-$388,916.20	-43,212.91%
Typical Residential Water	$847.90	$811.10	$36.80	4.34%
Typical Residential Sewer	$1,138	$651	$487.00	42.79%
Avg Domestic Waste Charge	$293.20	$340.60	-$47.40	-16.17%

Should Council not proceed with the SRV application, proceed with a reduced SRV application and/or implementation, or should Council be unsuccessful in its application, the LTFP predicts ongoing operating deficits for the General Fund if current operations continue. This would exhaust Councils unrestricted cash position for the general fund in a relatively short period of time. Without an SRV, Council will be in a position where it is required to reduce service levels and potentially make decisions that result in short-term asset rationalisation.

When preparing an SRV application, IPART requires councils to actively engage residents in discussions about any proposed increase above the rate peg and will consider how effective each council's community consultation has been before determining an application to increase rates above the set peg. As part of the application, Councils need to demonstrate to IPART that there is:

- community awareness of their plans
- a demonstrated need for higher increases to charges
- a reasonable impact on ratepayers
- a sustainable financing strategy, and
- a history of well-documented council productivity improvements

Following the submission of an application to IPART, IPART will also assess other relevant information, including communication from ratepayers received during a public exhibition process. IPART can wholly or partially approve or reject a council's application.

Our Governance No. 12 Cont…

Because of the short time frames involved, Council has not yet met all of these requirements and will be undertaking consultation during February to address these issues. Council will be achieving this by:

- undertaking dedicated SRV community consultation sessions,
- providing an online portal for the SRV process,
- making a question line available for queries to be raised an addressed, and
- undertaking a letter drop to ensure Councils reaches all residents.

Council has an adopted Community Engagement Strategy that operates within the social principal guidelines and all consultation will be undertaken within the parameters of this strategy.

The report requested to be presented prior to the 7th of March will demonstrate how Council has met all of the IPART requirements.

Continuous improvements
As part of the engagement Council will need to show the productivity improvements it has made to improve Councils efficiencies prior to making an application for an SRV. Whilst Council will do this, Council will also continue to review its operations with a view to continuous improvement. Some of the areas that have been identified for review through this process so far include:

- Councillors not taking superannuation during this term of Council,
- Review possibility of combining services to maximise facilities and staff (e.g., VIC and Arts centre),
- Undertaking expressions of interest for the leasing of facilities that may be open to commercial possibilities (e.g. Saleyards, Aerodrome),
- Council's treatment of Rural Fire Service assets in its financial statements.

Alternate recommendations
The recommendation made to Council is to submit application for the full amount required to address the asset renewal gap. Should Council choose to go with scenarios two or three, point three of the recommendation would need to alter by amendment to reflect the proposed option.

Should Council choose not to proceed with an application and seek to undertake further work prior to a potential application next year, Council may choose to consider the following alternative recommendation.

THAT COUNCIL:

1. *Receive the report on Application for Special Rate Variation 2022/23 and 2023/24.*

2. *Determine not to proceed with a permanent Special Rate Variation application for the 2022/23 financial year for the purpose of maintaining existing services,*

Our Governance No. 12 Cont…

enhancing financial sustainability, and funding infrastructure maintenance and renewal.

3. *Request the Chief Executive Officer advise IPART of Councils decision not to proceed with a permanent Special Rate Variation application for the 2022/23 financial year,*

4. *Request the Chief Executive Officer bring back a report outlining the process to consider an SRV application for the 2023/24 financial year detailing further options and an operational efficiency review, and*

5. *Acknowledge that without an SRV in the 2022/23 financial year, service levels to the community will be impacted until the budget deficits are resolved.*

COUNCIL IMPLICATIONS:

1. **Community Engagement / Communication (per engagement strategy)**
   Extensive consultation will be undertaken as outlined in the body of the report and in line with Councils Community engagement strategy.Nil

2. **Policy and Regulation**
   - Local Government Act 1993
   - Local Government (General) Regulation 2005
   - An SRV requires compliance with S508(a) of the Local Government Act 1993 and associated guidelines and regulations.
   - Independent Pricing and Regulatory Tribunal (IPART) processes

3. **Financial (Annual Budget & LTFP)**
   Nil at the time of the writing of the report, however significant work would be required subject to the outcome of the proposed application.

4. **Asset Management (AMS)**
   Nil at the time of the writing of the report, however significant work would be required subject to the outcome of the proposed application.

5. **Workforce (WMS)**
   Nil at the time of the writing of the report, however significant work would be required subject to the outcome of the proposed application.

6. **Legal and Risk Management**
   Councils' operations and rating structure are quite complicated and detailed. There is a risk that SRV information is not well understood by the community. Councils' communications and engagement methods will require for information and engagement to be undertaken in a manner that makes the situation able to be understood by the majority of people, however, it is extremely difficult to eliminate the intended understanding of the options compared to the perception of the options. Impacts of reputational risk and financial sustainability.

7. **Performance Measures**
   Nil

8. **Project Management**
   Nil

Our Governance No. 12 Cont…

Kylie Smith
Chief Corporate Officer

Prepared by staff member:	Jessica Wild		
Approved/Reviewed by Manager:	Kylie Smith,Chief Corporate Officer		
Department:	Office of the Chief Corporate Officer		
Attachments:	**1**	APPENDIX 1- TSC - SRV Council Report Rates Comparison	1 Page
	2	Community Engagement Strategy	20 Pages

Table 3 – Rates Comparisons to Other Similar Councils for the 2019/20 Financial Year

Category	Tenterfield	Group Average	TSC / Group $ Difference	TSC /Group % Difference	Uralla	Glenn Innes	Gwydir
Average Ordinary Residential Rate	$624.50	$781.80	-$157.30	-25.19%	$740.30	$824	$722.30
Average Ordinary Business Rate	$1,280	$1,575.70	-$295.70	-23.10%	$704	$1,800	$1,346.90
Average Ordinary Farmland Rate	$1,569.20	$2,992.10	-$1,422.90	-90.68%	$3,561.60	$3,001	$5,565.20
Average Ordinary Mining Rate	$900	$389,816.20	-$388,916.20	-43,212.91%	$0	$0	$0
Typical Residential Water	$847.90	$811.10	$36.80	4.34%	$721.80	$628.70	$862.70
Typical Residential Sewer	$1,138	$651	$487.00	42.79%	$632	562	$500
Avg Domestic Waste Charge	$293.20	$340.60	-$47.40	-16.17%	$276.00	$317	$327.20

COMMUNITY ENGAGEMENT STRATEGY

16 December 2020 (Res No. 283/20)

TRANSPORT COMMUNITY ECONOMY LEADERSHIP ENVIRONMENT

INTRODUCTION

This Community Engagement Strategy outlines the process for involving the Tenterfield Shire community in Council's strategic planning and decision-making processes, ranging from the development of Council's Ten (10) Year Community Strategic Plan and policy positions to the annual Operational Plan.

Council supports the right of individuals to participate in decision making that affects their future.

The strategy:

1) Defines community engagement and identifies the methods of engagement Council uses for the key stages of engagement – inform, consult, and involve/collaborate;
2) Identifies the broad categories of Council matters which require engagement; and
3) Provides an Engagement Matrix to align the methods of engagement with the category of Council matters.

Tenterfield Shire has a population of over 7,000 people spread across a diverse area of 7,333 square kilometres that encompasses the main township of Tenterfield and the villages of Drake, Jennings, Legume, Liston, Mingoola, Torrington and Urbenville, as well as a number of smaller rural communities.

Part of Council's core responsibility is to consistently engage with the community through a variety of different forms. From Shire wide high impact projects to locality-based low impact projects, this strategy will outline Council's commitment to keeping the community informed, consulted and involved.

The strategy will result in representation from a broad cross section of the Tenterfield Local Government Area including its citizens, ratepayers, businesses, employees, visitors, community groups, and interest groups - a hallmark of a healthy community.

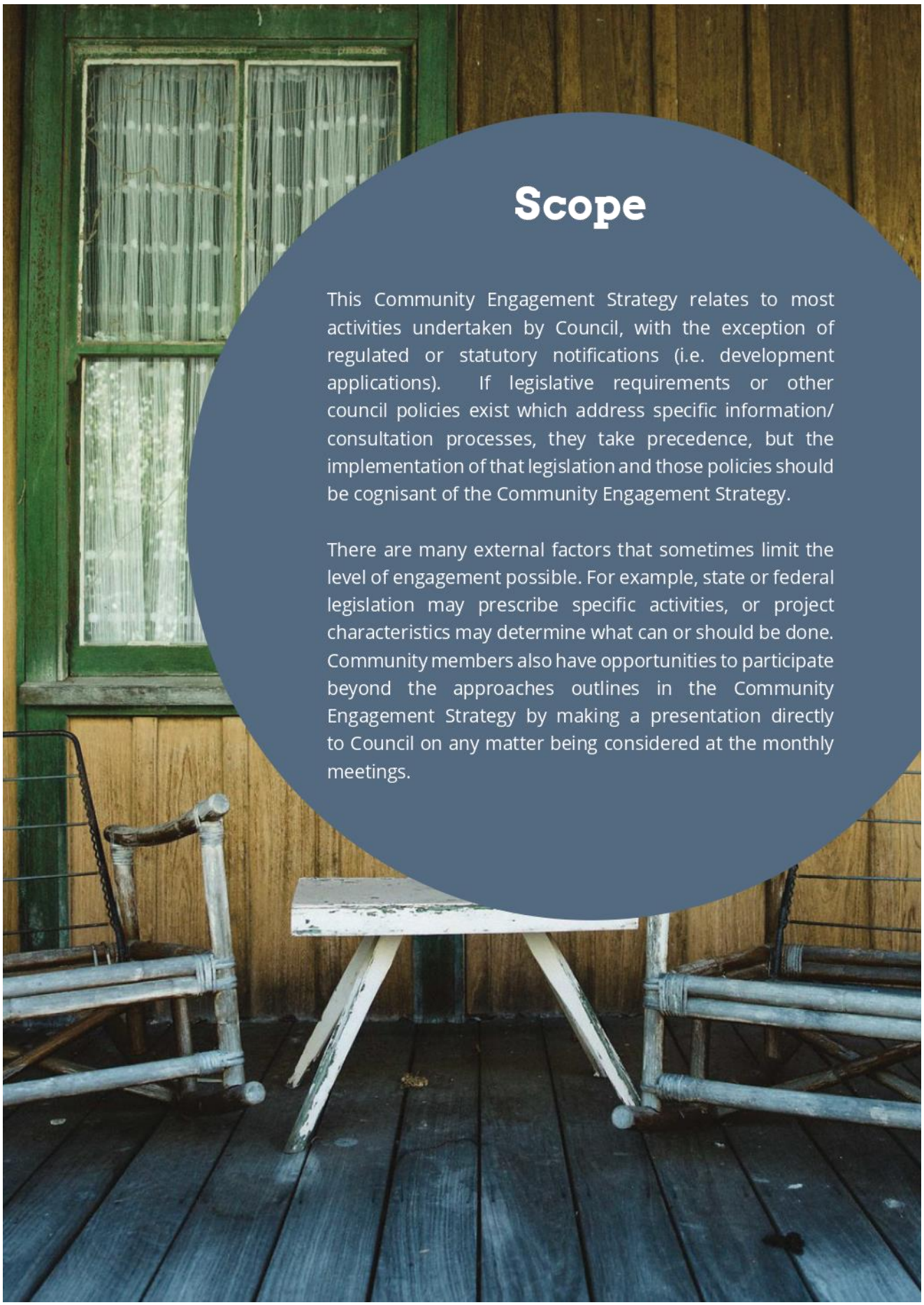
The strategy aims to give all stakeholders opportunities to participate, so no sector of the community is disadvantaged. It includes measures to involve groups that are at risk of absence from public debate, such as older people, youth, indigenous people, people with a disability, low socio-economic groups and people from culturally and linguistically diverse backgrounds.

What is Community Engagement?

For the purposes of this strategy, community engagement is defined as the processes and structures in which Council:

1. Communicates information to the community; and
2. Seeks information, involvement and collaboration from the community with the primary aim of informing Council's decision making.

Best practice community engagement as prescribed by the International Association for the Public Participation (IAP2) defines community engagement as:
"Any process that involves the public in problem solving or decision making and uses public input to make decisions".
In general terms it is an inclusive process to ensure the community has the opportunity to participate in decisions that impact them.
The process of community engagement can extend from a phone call or letter, to a program of major community workshops. The initiative for community engagement may come from within Tenterfield Shire Council or from outside.



Scope

This Community Engagement Strategy relates to most activities undertaken by Council, with the exception of regulated or statutory notifications (i.e. development applications). If legislative requirements or other council policies exist which address specific information/ consultation processes, they take precedence, but the implementation of that legislation and those policies should be cognisant of the Community Engagement Strategy.

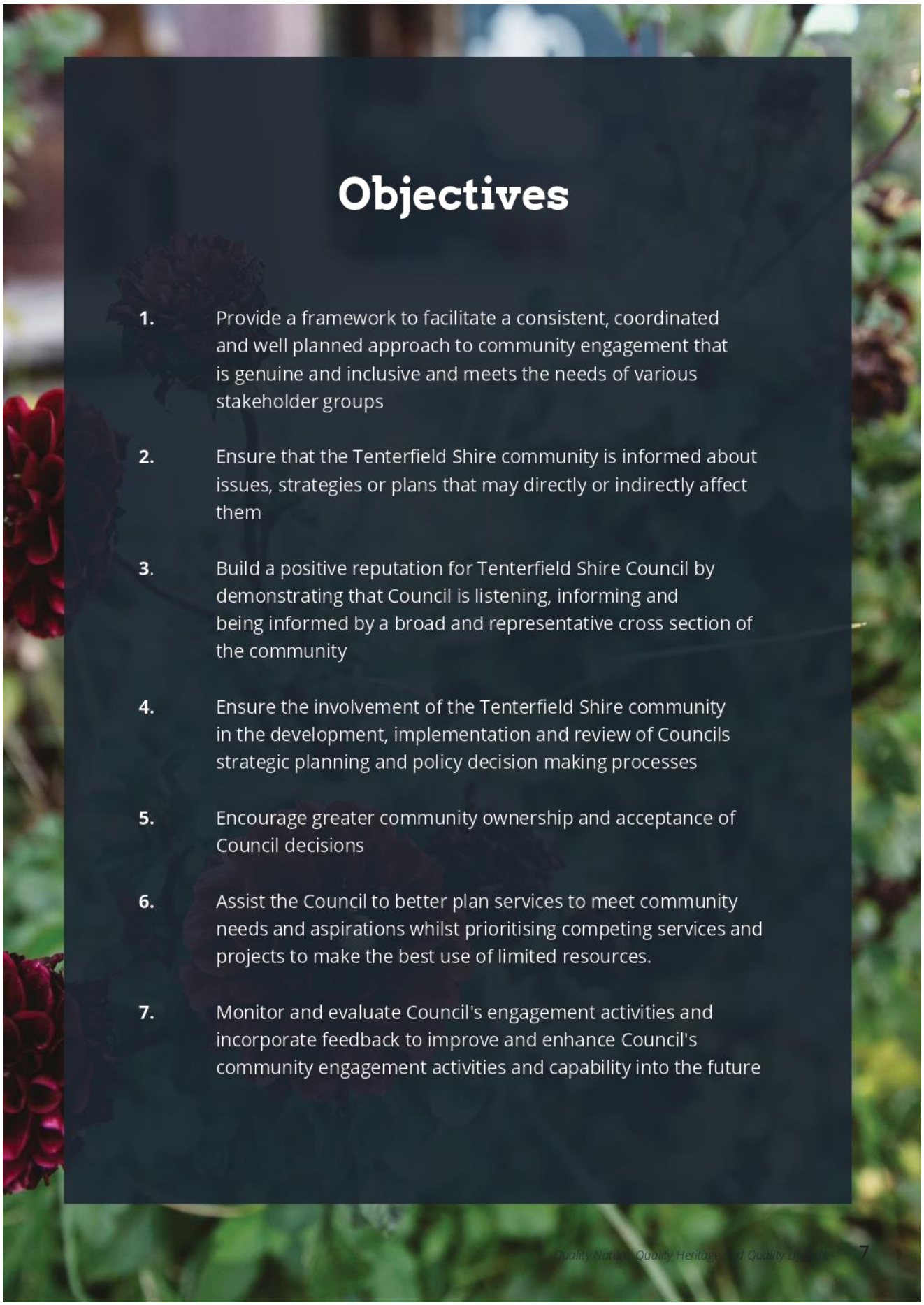
There are many external factors that sometimes limit the level of engagement possible. For example, state or federal legislation may prescribe specific activities, or project characteristics may determine what can or should be done. Community members also have opportunities to participate beyond the approaches outlines in the Community Engagement Strategy by making a presentation directly to Council on any matter being considered at the monthly meetings.

Benefits

Effective engagement makes communities feel more connected with their councils, strengthens trust, goodwill and respect.

There are a number of benefits resulting from a Community Engagement Strategy which:

- Helps Council plan services better to meet community needs and aspirations
- Helps Council prioritise services and make the best use of resources
- Allows a broader range of views to be expressed, more information to be assembled, and more possible solutions to be considered before making decisions
- Enables Council and the community to work together to achieve balanced decisions
- Offers opportunities for residents to contribute to and influence outcomes which directly affect their lives
- Encourages greater community ownership and acceptance of Council decisions
- Reinforces Council's commitment to be open and accountable



Objectives

1. Provide a framework to facilitate a consistent, coordinated and well planned approach to community engagement that is genuine and inclusive and meets the needs of various stakeholder groups

2. Ensure that the Tenterfield Shire community is informed about issues, strategies or plans that may directly or indirectly affect them

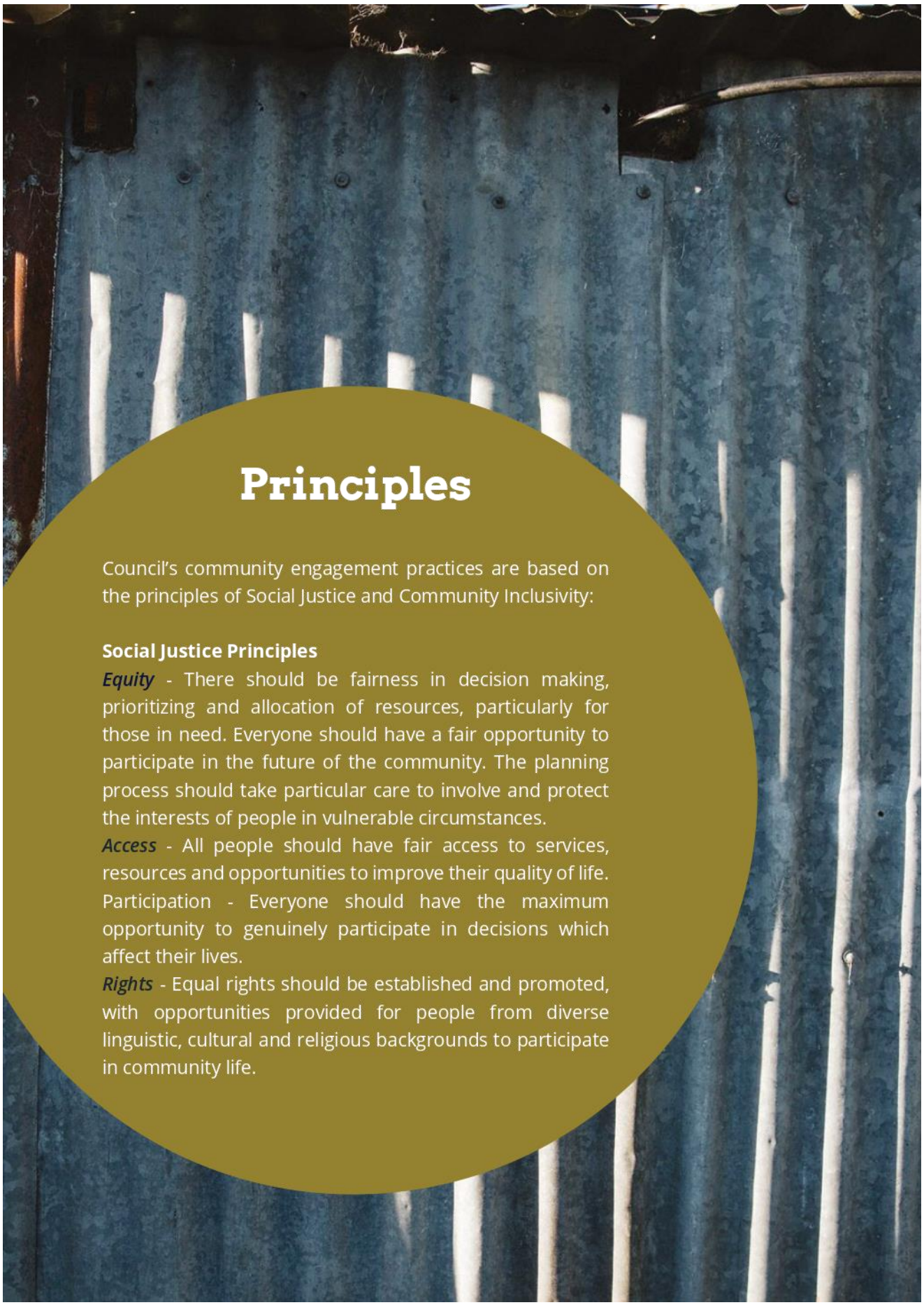
3. Build a positive reputation for Tenterfield Shire Council by demonstrating that Council is listening, informing and being informed by a broad and representative cross section of the community

4. Ensure the involvement of the Tenterfield Shire community in the development, implementation and review of Councils strategic planning and policy decision making processes

5. Encourage greater community ownership and acceptance of Council decisions

6. Assist the Council to better plan services to meet community needs and aspirations whilst prioritising competing services and projects to make the best use of limited resources.

7. Monitor and evaluate Council's engagement activities and incorporate feedback to improve and enhance Council's community engagement activities and capability into the future



Principles

Council's community engagement practices are based on the principles of Social Justice and Community Inclusivity:

Social Justice Principles

Equity - There should be fairness in decision making, prioritizing and allocation of resources, particularly for those in need. Everyone should have a fair opportunity to participate in the future of the community. The planning process should take particular care to involve and protect the interests of people in vulnerable circumstances.

Access - All people should have fair access to services, resources and opportunities to improve their quality of life.

Participation - Everyone should have the maximum opportunity to genuinely participate in decisions which affect their lives.

Rights - Equal rights should be established and promoted, with opportunities provided for people from diverse linguistic, cultural and religious backgrounds to participate in community life.

Community Inclusivity

Council, in its engagement activities, will make every effort to ensure that all perspectives are considered, by:

a) Engaging a cross section of the community and using a wide range of information and engagement methods;

b) Involving targeted groups as identified in particular projects;

c) Accommodating participants' cultural, linguistic, religious and other special needs in engagement activities;

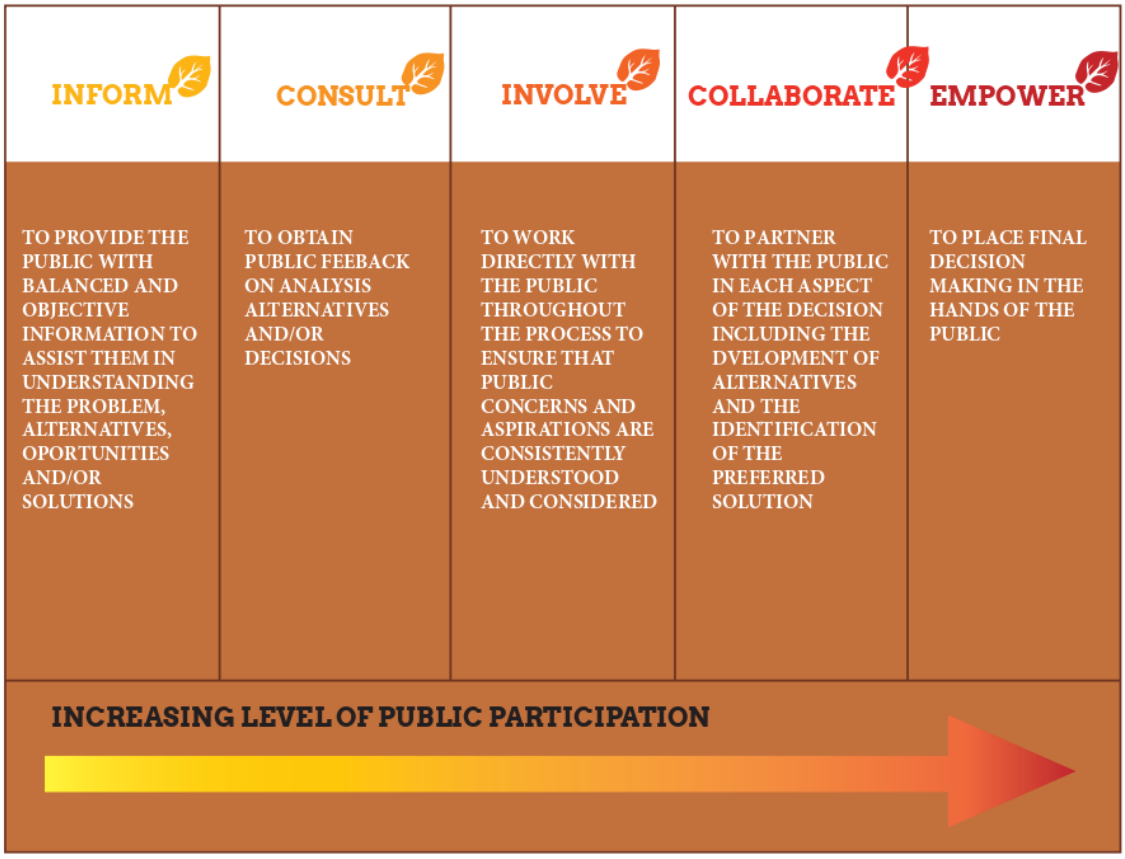
d) Endeavouring to involve community groups and individuals who are sometimes hard to reach such as; young people, people with disabilities, the socially disadvantaged, people from culturally and linguistically diverse backgrounds and people from Aboriginal and Torres Strait Islander backgrounds.

Tenterfield Shire is committed to being an inclusive and accessible place for everyone, now and in the future. The Council seeks to meet legislative obligations under the Disability Inclusion Act 2014 and provide equitable opportunities for participation for everyone in the Shire.

HOW WE WILL ENGAGE

LEVELS OF PARTICIPATION

The Public Participation Spectrum developed by IPA2 identifies five different stages of consultation relative to the level of impact the community should have on decision making. The stages are:



*Reference: International Association for Public Participation www.iap2.org

**Council functions under the Local Government Act NSW 1993; and accordingly only the elected body of Council is 'empowered' to make decisions and implement actions.*
Hence, engagement activities conducted at the Empower level will be limited to Council.

For Tenterfield Shire Council the key stages can be categorised as:
Inform
Consult
Involve/Collaborate

INFORM

Commitment to the Community - We will keep you informed.
Council's Role - Give stakeholders balanced, accurate and relevant information on decisions, policies, plans and strategies. The Community's Role – Listen.

The inform stage is for day-to-day use, often when Council has already made a decision, to communicate the outcome or status of projects, or when there is only one way that Council believes it can progress a project.

Customer Service Centre: Council's administration office in Tenterfield provides a 'one-stop-shop' for Council services using customer service, visual displays, and printed materials for Council related business.
Tenterfield Shire Council websites: One of Council's primary communication tools, the website should be a comprehensive source of information for all Council services and programs.
Advertising & Features: Council will consider the use of advertising/features with any local media servicing the area e.g. the Tenterfield Star.
Media Releases: Regular media releases ensure Council provides reliable, timely and accurate information to all media servicing the Tenterfield Local Government Area, including print and broadcast.
Publications/information material: Tenterfield Shire Council publications about Council specific programs, services and initiatives are a valuable source of information.
Council facilitated community events: Council-hosted events which provide opportunities for councillors and staff to provide information to the community. Council also strongly supports and participates in other community events.
Your Local News: The newsletter is distributed forntnightly to households throughout the Shire to provide general Council information to residents.
Targeted Direct Mail: Addressed letters sent directly to the customer. This is usually specific to a project, geographic location or members of a particular group or demographic.
Presentation/Public Speaking: Councillors and staff speak at relevant meetings or events such as community events.
Community Notice Boards: At Council facilities, libraries, and areas relevant to the audience.
Site Specific Signage: Erected temporarily or permanently to inform the public of the project and relevant project details.

CONSULT

Commitment to the Community - We will listen to you, consider your ideas and concerns and keep you informed.

Council's Role - Facilitate two-way communication between Council and the community. At this level, Council seeks feedback to identify important community issues and perspectives that can influence and assist decision making. Informing is a prerequisite for consultation.

Community's Role – Contribute

Community Forums: These provide an opportunity for members of the community to attend a structured two-way information session hosted by Council, usually about specific projects and topics.

Public exhibitions and submissions: Required by legislation for certain types of issues, items on exhibition and development applications are open to submissions from the public. The information is made available for the public to comment on within a certain time frame, while informing citizens how they can make their submissions/comments to Council.

Community displays/stalls: Councillors and Council officers are available at a nominated venue and for a specific period of time, encouraging citizens to attend and discuss the topic/s.

Surveys: Target audience surveys should be integrated with broader consultation for larger projects, using independent market research companies or survey specialists where possible.

Site Meeting/Tour: Interaction at specific locations, usually facilitated by Council for invited participants.

Briefings: Inform relevant community groups that they may request a briefing with a Councillor/s or Council staff to discuss a particular issue.

INVOLVE / COLLABORATE

Commitment to the Community - We will work with you on an ongoing basis to ensure your ideas, concerns and aspirations are considered. We will provide feedback on Council's decisions.

Council's Role - Create a collaborative relationship/partnership between Council and the community, facilitating involvement in shaping decisions that affect community life. Informing and consulting are components of involving/collaborating.

Community's Role – Participate

Meetings by invitation: Community leaders, stakeholders and representatives meet with Councillors and Council staff for discussion, debate and exchange of views on a specific issue.

Consultation with Specific Purpose Committees: Formal consultation between Councillors and Council staff with members of the Specific Purpose Committees or other groups with expertise in particular areas. Engagement will be governed by the groups' terms of reference.

Large Group/Stakeholder Collaboration: As forums to address a strategic issue or plan, these collaborations bring together Councillors, Council staff, stakeholder groups and individuals with relevant expertise and knowledge to formulate a response.

EMPOWER

Commitment to the community- We will give the community the opportunity to participate in a transparent flow of information and feedback to Councillors, who have been empowered as the community representatives to make decisions in accordance with the Local Government Act 1993.

Council's Role –Decide

Community's Role – Vote for Councillors that you believe will make decisions in the best interests of the broad community.

Items for Engagement

Consultation methods vary according to the type of project/issue. This Strategy sets guidelines for engagement on matters which are classified into one of four categories:

1. **Shire-wide / High Impact:** Strategic plans, major projects and resource issues. For example, Community Strategic Plan, Local Environment Plans, Shire-wide Development Control Plans.

2. **Shire-wide / Low Impact:** Operational Plans and Policy Development, minor projects and major projects with limited impact. For example major festivals and events.

3. **Locality Based / High Impact:** Locality improvement and site specific matters and events. For example, development applications in accordance with statutory requirements, construction of Council facilities, and works in central business districts.

4. **Locality Based / Low Impact:** Council service / program planning and delivery. For example, local road works, operational services such as traffic management and general maintenance of public areas or upgrade of parks and recreational areas (minor works level).

This strategy relates to many activities undertaken by Council. However, legislative requirements and other council policies regulate the procedures and outcomes of some Council activities, limiting the opportunities for public input and the scope for community engagement.

WHAT TO DO?	WHEN YOU'RE DEALING WITH			
1 = EVERY TIME 2 = IN MOST CIRCUMSTANCES 3 = ON SPECIFIC OCCASIONS 4 = ON RARE OCCASIONS	Shire wide/ high impact	Shire wide/ low impact	locality based/ high impact	locality based/ low impact
Customer Service Centre	1	1	1	1
Tenterfield Shire Council Website/s	1	1	1	3
Newspaper/advertising/features	1	1	2	3
Media Release	1	1	2	3
Publications/Information Material	1	2	2	4
Council Facilitated Events	4	4	4	4
Targeted Direct Mail	2	2	2	3
Your Local News	2	2	2	2
Presentation/Public Speaking	2	3	3	4
Community Notice Boards	3	3	3	3
Site Specific Signage	3	3	3	3
Community Forum	3	3	2	2
Public Exhibitions Submissions	1	1	3	4
Community displays/Information Sessions	2	2	3	4
Surveys	3	4	4	4
Site Meeting/Tour	2	3	2	4
Briefing	1	2	2	2
Meeting By Invitation	1	2	3	4
Council Committees/advisory groups	1	2	3	4
Large Group/Stakeholder Collaboration	1	2	3	4

Engagement Tools in the involve/collaborate stage will vary depending on the nature of the project

TENTERFIELD

Evaluation & Feedback

Following the implementation of an involve/consult engagement project, Council will evaluate the effectiveness of the program in reaching the desired audience and achieving the required outcomes.

Council will then provide feedback for the people who participated in the program, in order to increase their understanding of how the input gathered during the program was considered/utilized in the decision making process, and what direction was ultimately taken.

By providing open and timely feedback to participants, Council will enhance the transparency of its decision making and further strengthen its relationship with the broad community. Feedback will also improve future engagement programs through a greater understanding of the engagement process.