

# **Criterion 2 Community Engagement Annexures**

## **Attachment 2.b**

- **Community Engagement Report**



**maitland**  
city council

**FUNDING OUR FUTURE**

# **Community Engagement Report**

**24 APRIL 2013 - 24 JANUARY 2014**



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## 1. Introduction

Over the past four years, Council has been active in its efforts to inform the community of the very real financial challenge facing the organisation. Council's projections reveal a funding shortfall of more than \$122 million at the end of ten years, meaning the savings needed would see a significant reduction in Council services. Steps need to be taken to ensure Council remains in a position to deliver the services required for the future. This in itself is a challenge, balancing community expectations and future financial sustainability, a challenge that the community and Council needed to solve together.

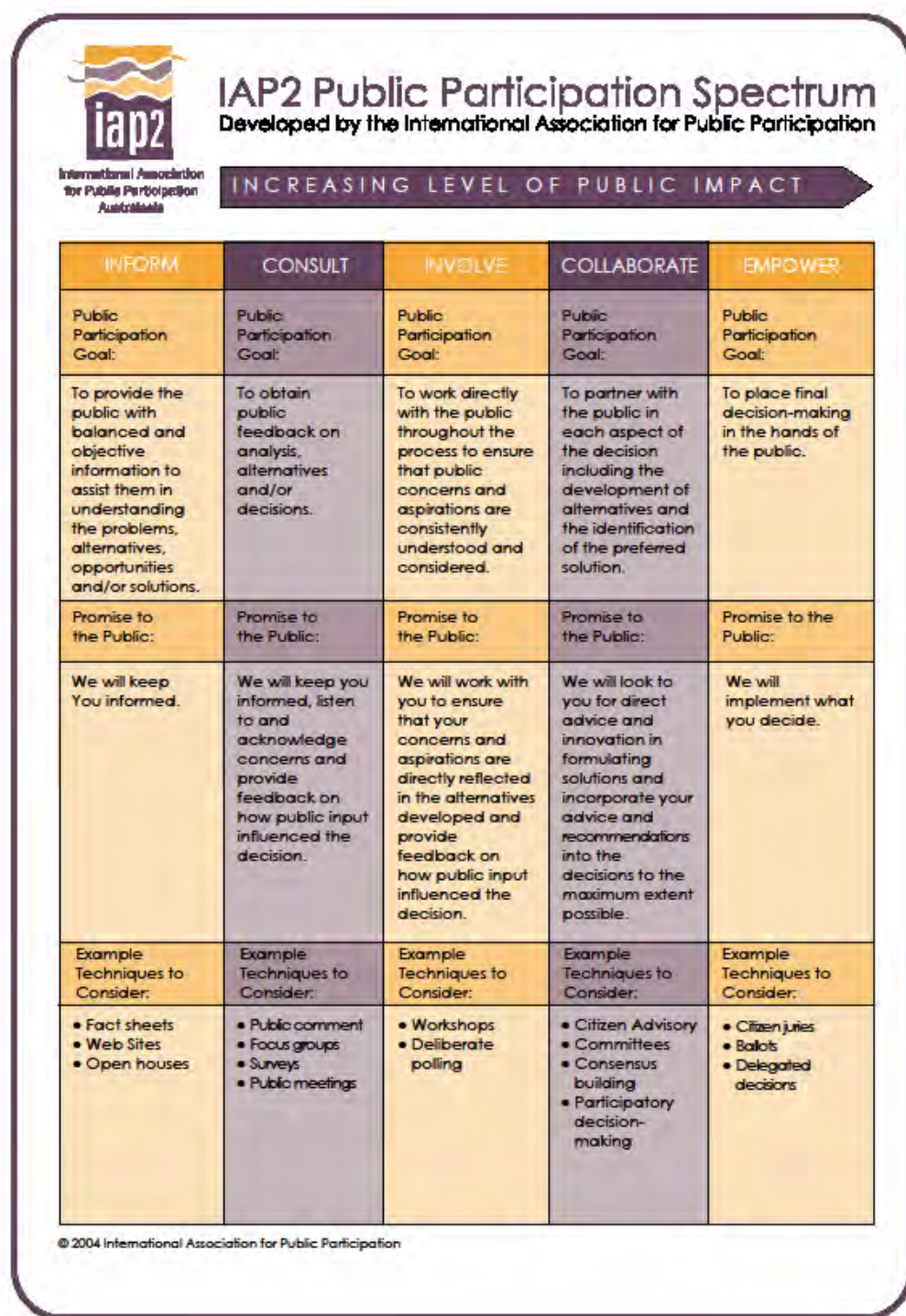
Extensive engagement had been undertaken with the community in recent years on asset management (which resulted in a two year special rate variation from 2010/11), as well as the range of issues associated with funding operational service delivery into the future. Active efforts have been made to share these challenges with the community in a range of corporate documents and engagement processes.

Council has been open in providing information to the community and emphasised that whilst the past variation have accelerated infrastructure works and maintenance programs, they have not elevated revenue to the point that the full range of Councils operational services can be sustainability delivered into the future.

Council embarked on the most difficult conversation with the community in decades on in early 2013, known as Funding our Future. Its purpose was to inform the community of the challenges faced, explore possible options to address these challenges and consult on the best approach for moving forward that enables Council to provide sustainable services into the future.

A Community Engagement Plan for Funding our Future was developed in line with the Council's overarching Community Engagement Strategy and the IAP2 public participation processes (see Attachment 2). The plan aligned with the *inform* and *consult* levels on the IAP2 Public Participation Spectrum (Figure 1). The IAP2 Public Participation Spectrum is designed to assist with the selection of the level of participation that defines the public's role in any community engagement program. The spectrum shows that differing levels of participation are legitimate depending on the goals, time frames, resources and levels of concern in the decision to be made. However, and most importantly, the spectrum sets out the promise being made to the public at each participation level.

Figure 1- IAP2 Public Participation Spectrum



The Independent Planning & Regulatory Tribunal (IPART) community awareness and engagement guideline was also taken into account in the development of the plan ensuring that the community is informed about the special rate variation application, not just a small section of it and that the appropriate variety of engagement methods are used to ensure opportunity for community awareness and input.



## 2. Engagement phases

As per the Community Engagement Plan, the Funding our Future engagement progressed through four key phases which are outlined below. This followed an initial review of the community strategic plan in late 2012, which reconfirmed the community's vision, values and aspirations for the future.

- Phase 1: Understanding issues - Sustainable Council for a Sustainable City  
24 April 2013 to 14 June 2013

This phase of the engagement sought feedback from the community on the objectives and four year actions in the Delivery Program 2013-17, which was placed on public exhibition. This exhibition period also initiated the community awareness campaign highlighting Council's financial challenge and introduced the three broad options available to Council and the community to address projected financial deficits. These options included:

- Cuts to levels of service and/or a change in service mix and increasing rates by the rate peg only
- Sustaining services and service levels as today for our growing population and increasing revenue
- Sustaining and enhancing services and levels of service for our growing population and further increasing revenue.

Consultation was also undertaken as part of our annual Community Survey on the importance of, and satisfaction with, Council services and what the community values most.

- Phase 2: Developing funding and service options - Funding Our Future  
16 August 2013 to 4 October 2013

Phase 2 sought feedback from the community on the options available to address the projected budget deficits and the levels of service residents would like to see into the future. This phase also developed a level of broad community understanding of the changes to service levels that would occur under each option, the sources of Council revenue, our services and costs.

- Phase 3: Funding the solution - Funding Our Future Seven Year Rating Proposal  
22 October 2013 to 29 November 2013

Using the feedback received in Phase 2, combined with Council's existing strategic documents and past consultations, the seven year rating proposal was developed. Detail around this proposal including the impacts on rating and service levels were communicated to residents and feedback sought.

- Phase 4: Programming services – Funding our Future  
11 December 2013 to 24 January 2014

The Delivery Program 2013-17 was revised to align with the community feedback from Phases 1, 2 and 3 and the seven year rating proposal. The draft Delivery Program 2013-17 (Revised) and Operational Plan 2014/15 was placed on public exhibition, seeking feedback on the package outlined in the program and also the proposed budget, rating and fees and charges for 2014/15.

- Phase 5: Confirming direction – Funding our Future

This phase focused on informing the community of the adjustments to the special rate variation proposal following the conclusion of consultation and adoption of the final rating proposal. The revised proposal included increased borrowings, increases to grants and productivity commitments allowing for the service package as planned to be delivered.



### 3. Phase 1: Understanding issues - Sustainable Council for a Sustainable City

Under the provisions of the NSW Local Government Act 1993, both the Delivery Program and Operational Plan must be exhibited for public comment for a period of no less than 28 days, and submissions considered prior to final adoption by Council. These key strategic planning documents were placed on public exhibition from 24 April to the 14 June 2013 and initiated the community awareness campaign that Council was facing a financial challenge. The documents introduced the three broad options available to Council and the community to address projected financial deficits.

These options included:

- Cuts to levels of service and/or a change in service mix and increasing rates by the rate peg only
- Sustaining services and service levels as today for our growing population and increasing revenue
- Sustaining and enhancing services and levels of service for our growing population and further increasing revenue.

#### 3.1. Method

Residents were able to participate in the public exhibition period by attending a community information session, participating in online forums, a quick poll, providing a submission via the Maitland Your Say website, direct email to the engagement team or via post or liking or commenting on the Maitland Your Say Facebook page. Residents were advised of their opportunity to participate in the public exhibition through the following avenues:

- Regular status updates/posts on Council's Maitland Your Say Facebook Page
- An article provided in Council's newsletter, Momentum that is delivered to all residents within the Maitland Local Government Area
- Three advertisements were placed in the Maitland Mercury, the Hunter Post and the Lower Hunter Star.
- Media releases were distributed and media attention received on Wednesday 24 April 2013 and Wednesday 8 May 2013.
- Information provided on Maitland City Councils' website
- Posters and displays were placed in the Council administration building and the Maitland library branches.

The promotional collateral for this phase is included in Attachment 2c.

The first direct engagement for the Funding Our Future was also undertaken as an extension of this phase as part of our annual Community Research Survey. Independent local government research experts Micromex Research were appointed

to conduct and analyse a statistically valid, randomly selected telephone survey of 600 people with a representative cross-section of Maitland residents. Each year the survey seeks residents' thoughts on the importance of, and satisfaction with, Council services and what the community values most. Part of the survey also focuses on seeking feedback on Council's priority areas. The special rate variation was a priority area for the survey in 2013. The results of the telephone survey are further explored through four (4) focus groups as part of phase two of the Funding our Future engagement and will be discussed in section 4.2.4.

### **3.2. Feedback analysis**

Approximately 295 people had direct involvement during the public exhibition period of the Delivery Program, whether it was attending the community information session, visiting Maitland Your Say to take a quick poll, participate in a forum or download documentation. If those who were actively engaged by clicking, liking or sharing a post on our Maitland Your Say Facebook page were also to be included as participants, direct involvement would increase to over 615 people.

### **3.3. Maitland Your Say website**

A 'hub' was set up in the Maitland Your Say website, a Sustainable Council for a Sustainable City. The hub had available six forum topics, a quick poll and a submission area for residents to participate. Relevant documents in addition to those on public exhibition were made available including Maitland +10, information sheets on Council's financial challenges and Council's services and the PowerPoint presentation undertaken at the community information session.

The hub received 374 visits from 284 visitors to the site. Although there was no participation in the six forum topics they were viewed by 22 people along with 14 views of the news article that duplicated those provided to the media. 299 documents were downloaded by 119 visitors with the majority including the Capital Works Program (76), Operational Plan (43), Fees and Charges 2013-14 (33) and the Delivery Program 2013-17 (32).

Three submissions were received through the site outlining the strong support for an equine facility and aligned with support for objective 2.1.1, action 'investigate opportunities for a future equestrian centre'. Comment also provided a number of suggestions for the recreation services area and outlined concerns for traffic management and roads. Only two people participated in the quick polls with both recognising that they did not know that rates revenue covered less than half the cost of delivering Council services and facilities.

It was positive to see that 13 people who visited the site registered as a member of Maitland Your Say which enabled direct engagement for future consultations including the future phases of the Funding Our Future conversation.

The information and results of Maitland Your Say website during this phase is included in Attachment 2.c.i.

### **3.4. Community information session**

A community information session was held on 8 May 2013 at 5.30pm at the Maitland Town Hall. Five representatives of the community attended. Although an improvement on numbers from previous years, all attendees were representative of the Maitland Historical Society. Attendees were given an overview of Maitland +10, the draft four year Delivery Program 2013-17, draft Operational Plan 2013/14, draft budget highlights and draft Capital Works Program highlights. A brief discussion was also had about the financial challenges Council is facing and the opportunities for the community to participate in the upcoming conversations.

Comments about the draft Delivery Program 2013-17 and Operational Plan 2013/14 documentation related specifically to the 2013/14 actions. More information was requested and discussed relating to the plans for the Aquatic Centre, relocation of the library and development of a new administration building and also the investigation into Council's position on museums.

The community information session presentation is included as Attachment 2.c.ii.

### **3.5. Maitland Your Say Facebook page**

A total of 10 status updates were posted on the Maitland Your Say Facebook page during the public exhibition period to remind the community there was an opportunity to participate. All posts drew key information from the draft Operational Plan 2013/14, Capital Works Plan and budget specifically as it is more relatable to residents. All posts directed participants to Council's Maitland Your Say website to provide input. One post also included the PowerPoint presentation from the Community Information Session embedded through SlideShare onto both Facebook and the Maitland Your Say website for those that were unable to attend the session.

Of the 10 status updates posted, 334 people were engaged users who clicked on the status updates/posts. Of the 10 posts, 13 people provided 13 comments specifically relating to the 2013/14 proposed actions. These included road upgrades, Central Maitland shopping and night markets, the need for better public transport, suggested cycleway and pathways, cemetery landscaping, car parking opportunities, dog off leash areas, community gardens, kerb side collections and green waste bins. The majority of all comments were responded to directly referring to objectives and actions within the

draft Delivery Program 2013-17 and Operational Plan 2013/14. No comment was received where we weren't addressing some form of the residents request through our proposed plans.

The page generated a significant increase in the number of 'likes' from 220 to 783 during the public exhibition of the draft four year Delivery Program 2013-17, however this was mostly unrelated. A Facebook advertisement was made visible to all residents with a Facebook page in the Maitland Local Government Area as part of the general promotion of the page to increase our 'likers' base prior to the next phase of the Funding Our Future engagement. Although unrelated, the increase proved fruitful to the public exhibition period resulting in a larger reach of our status updates/posts about the draft four year Delivery Program 2013-17.

The success of the Facebook status updates is evident from the 114 that navigated and visited the Maitland Your Say website directly from the Maitland Your Say Facebook page.

The Maitland Your Say Facebook page posts and comments during this phase are included in Attachment 2.c.iii.

### **3.5.1. Independent telephone survey**

The independently conducted telephone survey of 600 residents was conducted in June 2013. Those that participated in the survey were read a detailed explanation of the options available to Council to address the financial challenge faced. The options were presented in more detail and a summary has been included below. The detailed explanation statement and options read to the participant are included as Attachment 2.c.iv.

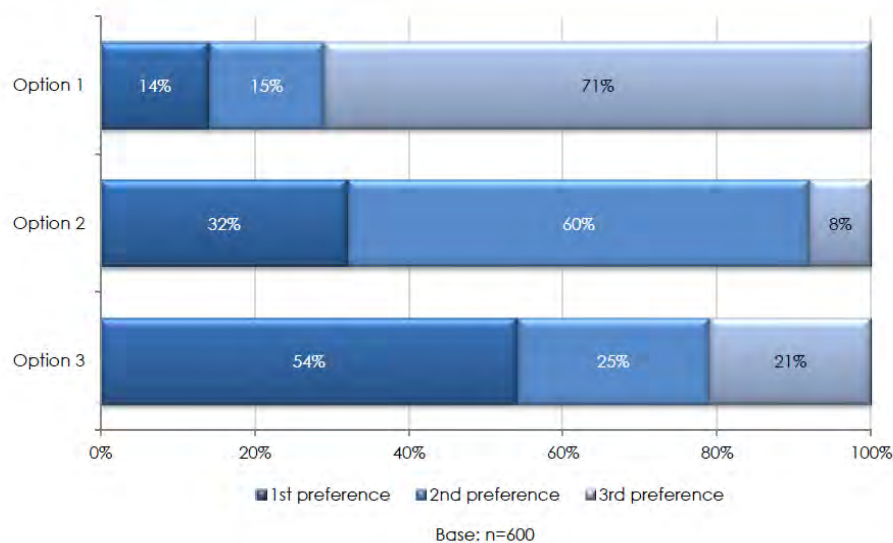
- OPTION 1 – Reduce services and maintain rates. This would mean a rate increase of around 3% as set each year by the State Government. It would not allow for new facilities and services to be introduced, and our asset backlog would not be addressed.
- OPTION 2 – Maintain services at current levels and increase rates sufficiently to cover provision of these services to our growing population. This would mean a rate increase above the 3% set by the State Government. It would not allow for new facilities and services, and our asset backlog would not be addressed.
- OPTION 3 – Enhance services and facilities, and increase rates sufficiently to cover increased provision of these to serve our growing population. This would mean a rate increase above the 3% set by the State Government, higher than that explored under Option 2. While the exact nature of changes would involve extensive community consultation, this option would enable extra services and facilities.

The participants were then asked how supportive they were of each option, and to rank the options in order of preference. There was a significantly higher level of support from both questions for option 3, which is to increase rates in order to enhance services and facilities. There was very little support for reducing services.

As outlined in Figure 2, 54% of residents nominated option 3 as their first preference when ranking the options in order of preference, with a further 25% nominating this option as their second preference. There was very little support for option 1, reducing services and maintaining rates, with less than a third of residents ranking it either their first or second preference.

Figure 2 – Results of participant ranking order of preference

Q. Please rank the 3 options in order of preference:



## 4. Phase 2: Developing funding and service options - Funding Our Future

A number of options were canvassed during Phase 1 consultation, as part of the Council's annual Community Research Survey. This saw examination of the option of reducing expenditure through reductions in services or increasing revenues to maintain or enhance services. The survey found the vast majority of residents would like to maintain and/or enhance services, understanding that rating would be increased as a result.

Taking into account the results of Phase 1, attention turned to the presentation of options for community consideration. A seven year period was presented for its alignment with the current and subsequent elected Council and the Delivery Program, as well as for the certainty it would give residents in regard to rating for the period. A rating increase spread over seven years is also considered to be a more gradual and affordable increase for ratepayers.

The following options were explored:

- OPTION 1: Delivering services as programmed - 7.25% rate increase per year for seven years (average rate increase \$89/ annum), retained permanently in the base
- OPTION 2: Delivering enhanced or improved services, building on what is programmed - 8.95% rate increase per year for seven years (average rate increase \$116/annum) retained permanently in the base
- OPTION 3: Delivering reduced services and/or deficit budgets - 3.2% rate increase (assumed rate peg) per year for seven years (average rate increase \$35.00 per annum).
- OPTION 4 – Delivering a combination of maintained and enhanced services with a rate increase between 7.25% and 8.95% per year for seven years retained permanently in the base. Please note this option was included in the quick and detailed surveys only.

Phase 2 commenced on 17 August 2013 with an aim to ensure the opportunity for all residents to be informed of the challenge, have input into the desired levels of service at a strategic level and consulted on their preferred option.

### 4.1. Method

Phase 2 engagement between Council and the residents and ratepayers of Maitland concluded on the 4 October 2013. During the almost eight week period, broad community input was received into desired strategic levels of service and options for funding over a period of seven years.

Residents were advised of their opportunity to participate through the following avenues:

- 16 page booklet 'Funding Our Future' distributed to 26,354 residential households across the Maitland Local Government Area (LGA) via Australia Post
- Eleven advertisements in the Maitland Mercury, Hunter Post and The Herald outlining options and workshop dates.
- Article provided in Council's newsletter, Momentum that is delivered to all residents within the Maitland LGA
- Four media releases were issued resulting with 12 stories in the press and 6 radio/television stories.
- Article in the Maitland City Centre newsletter distributed to all City Centre businesses
- Email distributed to approximately 295 registered Maitland Your Say members
- Direct mailout to 230 community organisations as outlined in our community directory
- 26 status updates/posts on Maitland Your Say Facebook Page
- Static displays and information placed in the Council administration building and the Maitland library branches.

The promotional collateral for phase 2 engagement is included in Attachment 2.d.

## **4.2. Feedback analysis**

Every practical effort was made to ensure broad community awareness and seek input into desired levels of service, as well as feedback on the three rating options available. Throughout Phase 2, more than 1,200 people actively participated in the consultation. If those who were actively engaged by clicking, liking or sharing a post on our Maitland Your Say Facebook page were also to be included as participants, direct involvement would increase to over 2,500 people. A detailed result from each consultation method is included below.

### **4.2.1. Maitland Your Say**

Another hub was set up in the Maitland Your Say website, Funding our Future – Phase 2. The hub had available three forum topics, a quick poll, an online copy of the detailed survey and a submission area for residents to participate. Relevant documentation was also provided including the Funding our Future 16 page booklet, information sheets detailing the options and rating implications and the PowerPoint presentation undertaken at the community information session.

The hub received 698 visits from 430 visitors to the site. Of those that visited the site 494 documents were downloaded by 169 visitors. The highest downloads included the information sheets outlining in detail the options available to Council, the Funding our



Future 16 page booklet and the information sheets provided for each rating category outlining a breakdown of the average rate increases each year over the seven year period.

Comments were received across all three forum topics provided. The forums received 16 comments from 12 visitors with 202 page views. The first forum sought visitors' feedback on areas Council could look at to decrease service levels, save money or generate more income. Comments referred to the direction of the modern library and the need for current facilities, reduction in council fleet and potential use of solar panels. Comments also referred to areas for increased revenue such as internet access at libraries, seeking further grant opportunities, increasing tourism for the area and embarking on a council owned holiday parks.

The second forum asked visitors' personal priorities in relation to the services Council will provide into the future. This forum received the least comment (1) with this comment suggesting a stronger focus on heritage and linking the centre of Maitland with Morpeth. They also suggested further investment into tourism based services such as new businesses, accommodation and revenue opportunities from tourism consumers.

The third forum referred to the three options available to Council and asked visitors to comment on which option best provided the services, projects and programs to meet the future community need. Comments were somewhat supportive of an increase in rating but wished to see value for money and seeing more services shared amongst all parts of the Maitland LGA. It was also flagged as the potential for Council to function as a developer rather than selling land to a developer themselves.

A facility was made available on the site for visitors to email the engagement team directly. Four (4) emails were received and are considered as submission included in Section 4.2.2.

A quick poll was also made available on the hub asking residents whether they were aware that Council's rate revenue makes up less than half of Councils total revenue. Of the 19 visitors who took the poll 57.9% (11) stated that they were not aware.

Of the 430 visitors to the hub during the Phase 2 engagement period, 69 became registered members to ensure they were able to stay updated with the Funding our Future engagement and other projects of Council.

The information and results of Maitland Your Say website during this phase is included in Attachment 2.d.i.

### 4.2.2. Submissions

Five submissions were received during this phase either online through Maitland Your Say website, direct email to the engagement team or via post. Those that provided submissions expressed concerns about the effective use of developer contributions, the impact of a rate rise when properties are revaluated and that the proposed rate rise would become the rate base for the future raising concerns for affordability.

Included was a submission from the Maitland Business Chamber expressing their support of the special rate variation and an understanding of Council's financial challenge. The Business Chamber did however express concerns in relation to the high business rating prior to a proposed rate increase when compared to surrounding and other Group 5 LGAs.

Submissions from this phase are included as Attachment 2.d.ii.

### 4.2.3. Surveys

Two surveys were undertaken as part of the phase 2 engagement. These included a detailed survey available online and in hard copy and quick survey letterbox dropped to every Maitland LGA household as part of the Funding Our Future 16 page booklet with a postage paid option for return. The quick postage paid survey asked residents their preferred options as outlined in Section 4. It also asked residents thoughts on the services they would like to see enhanced, if any, and what services they would like to see reduced, if any.

The detailed survey was available for completion online through Maitland Your Say, as well as in hard copy at also at the Aroma Festival where staff were surveying festival goers, at community information sessions, focus groups and engagement booths at shopping centres. The detailed survey asked residents to indicate whether they wanted each service area to be maintained, enhanced or reduced and asked their preference on the options. It also asked feedback on specific future projects and other potential revenue options.

A total of 419 detailed surveys and 208 quick postage paid surveys were received. The table below provides a summary of the results received from both the detailed survey and the postage paid survey from the 'Funding our Future' publication. The results from both surveys have been combined, 627 surveys. Both surveys and the results report have been included as Attachment 2.d.iii.

Table 1 – Combined survey results.

	PROGRAMMED	ENHANCED	RESULTS
<b>Roads, bridges, footpaths, bus shelters, kerbs and gutters, drains</b>	Maintenance and construction programs are delivered in line with current adopted capital works program, including bridge/guard rails, drainage, footpaths, road reconstruction, rehabilitation and reseals, as well as traffic facilities. Current annual budget approximately \$9 million.	As programmed, plus funding is increased by \$20 million over seven years. Additional funding allocated for footpaths, particularly in older suburbs where the network is disconnected, as well as road works, particularly road resurfacing and reconstruction. Additional funding is also available for bridge repairs, and funding available for improving and replacing our stormwater drainage network.	Of the surveys completed, 413 respondents outlined their thoughts on the service level for roads, bridges, footpaths, bus shelters, kerbs and gutter and drains. Respondents aspirations for enhancements in this area were clear with the results as follows  Programmed – 40%  Enhanced – 53%  Neither/reduce – 7%
<b>Central Maitland revitalisation</b>	The Levee is constructed, featuring new street furniture, lighting, parking and café facilities, as well as a building connecting High Street to the River Bank. An upgrade of the Maitland Railway Station precinct and Athel D'Ombra Drive is	As programmed, plus new programs for activating the CBD are introduced, as well as increased activities on the river walk and river bank. An additional \$1 million over seven years is directed to this area.	Of the surveys completed, 426 respondents expressed their thoughts on the service level for Central Maitland revitalisation. Respondents were more supportive of enhancements for this area with results as follows.  Programmed – 32%  Enhanced – 48%

	completed, supported by new residential housing.		Neither/reduce – 20%
<b>Environmental and Sustainability Programs</b>	A range of community and school education programs is delivered across the city. This includes seedling giveaways, weed removal, roadside vegetation management and native vegetation establishment, energy and water saving reduction programs.	As programmed, plus an additional \$500,000 is allocated over seven years, in particular to partnership programs relating to the health of the Hunter River and surrounds.	Of the surveys completed, 392 respondents shared their views on the service level for environmental and sustainability programs. Respondents were more inclined to support a programmed option with results as follows.  Programmed – 49%  Enhanced – 37%  Neither/reduce – 14%
<b>City pride (litter collection, street sweeping, dumping, graffiti and gardens)</b>	Litter collection, street sweeping and graffiti removal is maintained at current levels. Litter collection is focused on high visibility locations, and response times to reports of dumping and graffiti remain at current levels. Graffiti removal is also undertaken in partnership with local service clubs.	Additional funding of \$1.5 million over seven years allows for litter collection, street sweeping and graffiti removal programs to be more frequent and widely spread, including a focus on maintenance of median and verges of the New England Highway.	Of the surveys completed, 404 respondents provided their thoughts on the service level for city pride. Respondents were more supportive of the programmed option for this area with results as follows.  Programmed – 55%  Enhanced – 39%  Neither/reduce – 6%
<b>Recreational cycleways,</b>	Development of cycleways	Further expansion of the recreational	Of the surveys completed, 412 respondents provided

trails and shared pathways	continues as currently programmed, allowing for a gradual expansion of network.	cycleway network occurs through an additional \$2 million over seven years, focused on establishing connected off road networks.	<p>their views on the service level for city pride. Respondents were more supportive of an enhanced option for this area with results as follows.</p> <p>Programmed – 35%</p> <p>Enhanced – 47%</p> <p>Neither/reduce – 18%</p>
Sporting facilities, parks, playgrounds and picnic facilities	Maintenance of sporting facilities, parks and playgrounds occurs at current levels.	As programmed, plus an additional \$2.5 million over seven years allows for new park furniture, exercise stations, improved access and parking etc across the city. Maintenance is also increased at key sites.	<p>Of the surveys completed, 408 respondents outlined their thoughts on the service level for sporting facilities, parks, playgrounds and picnic facilities. The majority of respondents were looking for enhancements in this area with the results are as follows</p> <p>Programmed – 43%</p> <p>Enhanced – 52%</p> <p>Neither/reduce – 5%</p>
Youth spaces (skate parks) and programs	Maintenance of youth spaces remains at current levels, focused on key facilities.	As programmed, plus development of new youth facilities (including skate parks) through an additional \$2 million over seven years. Facilities developed at Green Hills, Thornton and Central Maitland.	<p>Of the surveys completed, 414 respondents expressed their thoughts on the service level for youth spaces. A minor difference in opinion was provided between the programmed and enhanced options with results as follows.</p> <p>Programmed – 43%</p>

			Enhanced – 41%  Neither/reduce – 16%
<b>Emergency management and response</b>	Contributions to NSW Fire Brigade, State Emergency Service and Rural Fire Service area maintained. Council maintains SES buildings, contributes to planning processes and is geared to assist in times of emergency.	As programmed, plus additional funding of \$400,000 over seven years can be directed to facilities, flood risk education and planning initiatives.	Of the surveys completed, 398 respondents shared their views on the service level for emergency management. Respondents were strongly supportive of a programmed option with results as follows.  Programmed – 58%  Enhanced – 35%  Neither/reduce – 7%
<b>Tourism, visitor services and economic development</b>	Maitland Visitor Information Centre operates seven days per week. Maitland Gaol operates seven days per week, offering a range of programs and experiences.	As programmed, plus an additional \$350,000 over seven years allows for new product development and related marketing.	Of the surveys completed, 400 respondents provided their thoughts on the service level for Tourism, visitor services and economic development. Respondents were more supportive of the programmed option for this area with results as follows.  Programmed – 54%  Enhanced – 34%  Neither/reduce – 12%
<b>Heritage</b>	Heritage programs including publications, restoration grants are maintained at current levels.	An additional \$750,000 over seven years allows for the introduction of façade improvement programs and other initiatives to enhance	Of the surveys completed, 403 respondents submitted their views on the service level for heritage. Respondents were more supportive of a programmed option for

		and promote local heritage.	<p>this area with results as follows.</p> <p>Programmed – 43%</p> <p>Enhanced – 39%</p> <p>Neither/reduce – 18%</p>
<b>Community buildings, public toilets and amenities</b>	Continuing final year of program from rate variation of 2010/11 works.	Additional maintenance, renovations, extensions and construction will be undertaken through an additional \$2.5 million over seven years.	<p>Of the surveys completed, 393 respondents expressed their thoughts on the service level for community buildings, toilets and amenities. A minor difference in opinion was provided between the programmed and enhanced options with results as follows.</p> <p>Programmed – 46%</p> <p>Enhanced – 49%</p> <p>Neither/reduce – 5%</p>
<b>Pools/aquatic services</b>	East Maitland Pool season extends from Sept- April. Additional indoor heated 25m pool constructed at Maitland Pool, allowing year round use.	As programmed, plus Indoor learn to swim and water play area constructed at Maitland Pool through additional \$2 million over ten years.	<p>Of the surveys completed, 423 respondents outlined their views on the service level for pool/aquatic services. Respondents' preference between the programmed and enhanced options was minimal with results as follows.</p> <p>Programmed – 44%</p> <p>Enhanced – 40%</p> <p>Neither/reduce – 16%</p>



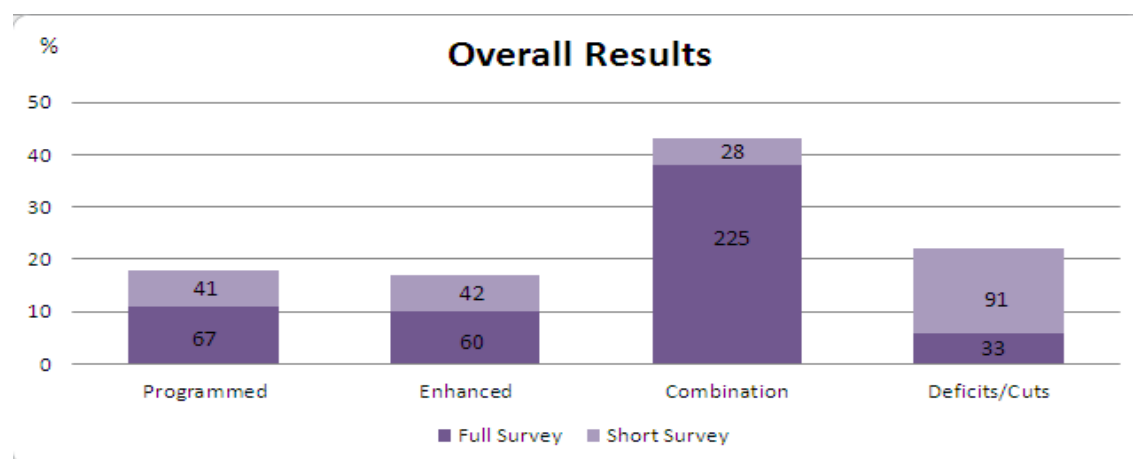
<b>Community events</b>	The following community events are delivered - Aroma, Australia Day, Bitter and Twisted, New Year's Eve. Steamfest, Taste, Riverlights.	As programmed, plus potential new events are introduced to the city's events calendar, and current events expanded through new entertainment and activities. An additional \$500,000 is spent over seven years.	Of the surveys completed, 405 respondents provided their views on the service level for community events. A minor difference in opinion was provided between the programmed and enhanced options with results as follows.  Programmed – 47%  Enhanced – 43%  Neither/reduce – 10%
<b>Library services</b>	Services and programs are maintained at East Maitland Library, Thornton Library, Rutherford Library and Maitland (Central) Library.	Services and programs are enhanced with funding increased by \$750,000 over seven years. Library opening hours are increased and digital collections expanded.	Of the surveys completed, 403 respondents outlined their thoughts on the service level for library services. The majority of respondents were looking for this area to remain as programmed with the results as follows  Programmed – 58%  Enhanced – 31%  Neither/reduce – 11%
<b>Art Gallery and Cultural Services</b>	Maitland Regional Art Gallery (MRAG) is open Tues-Sun 10.00am-5.00pm Exhibitions are regularly refreshed, with a range of programs for children and adults.	As programmed, plus new public art programs can be initiated, seeing sculptures and other elements introduced across the city. An additional \$750,000 is directed to this area over seven years.	Of the surveys completed, 409 respondents outlined their thoughts on the service level for art gallery and cultural services. Respondents clearly preferred the programmed option with the results as follows  Programmed – 51%

			Enhanced – 28%
			Neither/reduce – 21%
<b>Cemeteries</b>	Management of Council's cemeteries at East Maitland, Morpeth and Rutherford for burials, with maintenance of Glebe, Oakhampton, Hiland Crescent, Louth Park and Campbell's Hill cemeteries.	As programmed, plus an additional \$500,000 over seven years allows for implementation of key actions from Council's Cemetery Strategy, including identification of an increased range of interment options.	<p>Of the surveys completed, 393 respondents outlined their thoughts on the service level for cemeteries. More respondents were looking for this area to remain as programmed with the results as follows</p> <p>Programmed – 65%</p> <p>Enhanced – 22%</p> <p>Neither/reduce – 13%</p>
<b>Suburban Town Centres</b>	Maintenance and renewal programs of local suburban town centres occurs in line with current programs.	An additional \$500,000 over seven years allows for improved suburban town centre appearance.	<p>Of the surveys completed, 392 respondents outlined their views on the service level for suburban town centres. Respondents' preference between the programmed and enhanced options was minimal with results as follows.</p> <p>Programmed – 48%</p> <p>Enhanced – 44%</p> <p>Neither/reduce – 8%</p>
<b>Customer service delivery - transactions, requests, applications and permits and</b>	Processes for lodging customer service requests, development applications and permits and other advice from Council staff	New and improved processes for lodging customer service requests, development applications and permits and other advice from Council	Of the surveys completed, 391 respondents provided their thoughts on the service level for customer service. Respondents were more supportive of the programmed option for this area with results as

<b>Community Engagement</b>	remain at current levels. Community Engagement is focused on key projects.	staff are introduced, with a focus on online service delivery. Community Engagement and participation is expanded. An additional \$500,000 over seven years is allocated to this area.	follows.  Programmed – 49%  Enhanced – 41%  Neither/reduce – 10%
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All survey respondents were asked to share their thoughts on their overall preferred option for funding our future, choosing between delivering services as programmed, delivering enhanced services, delivering combined programmed and enhanced services or delivering reduced services and/or deficit budgets. Of the 587 people who provided a response to this question, 43% selected a combination of programmed and enhanced services while only 21% selected reduced services and deficits. 19% of respondents nominated programmed, while 17% selected enhancement of all services as their preference. Figure 3 below outlines the overall results received for each option within both the detailed (full survey) and postage paid (short) survey.

Figure 3 – Overall phase 2 survey results



#### 4.2.4. Focus groups

As part of Council's annual Community Research Survey a series of four (4) focus groups were undertaken to further explore the results of the telephone survey. Three adult and one youth focus group were independently facilitated by Micromex Research, with a total of 38 participants. There was general acceptance across the groups that there was a need to pay in order to receive improved services. Residents were willing to invest in the future of the community and expressed little negativity in

regards to the special rate variation proposal. Affordability was not generally considered an issue with the exception of concern for those on a fixed income. Of the options available, those attending the focus groups indicated the following preference:

- 2 residents indicated they wanted to maintain all services at a 'programmed' level
- 7 residents indicated they wanted to deliver all services at an 'enhanced' level
- 29 residents indicated a combination of 'programmed' and 'enhanced' services
- No residents indicated a preference to implement a deficit budget and service cuts.

The report from these focus groups is included as Attachment 2.d.iv.

#### **4.2.5. Community information sessions**

Five community information sessions were held across the city at East Maitland, Rutherford, and Thornton libraries at 6.00pm on the 9, 12 and 16 September respectively and in the Maitland Town Hall, Central Maitland at 10.00am and 6.00pm on 11 September 2013. Twelve residents attended across the five sessions with no attendees at the evening session at the Town Hall. Those that attended raised concerns around the level of increases, that residents' wages would not increase in line with the proposed rate increase, the belief that the level of service currently delivered was below standard and the need for works from the previous special rate variation to be completed prior to asking for a further increase. Some residents were in support of a rate variation at the Rutherford session.

The community information session presentation is included as Attachment 2.d.v.

#### **4.2.6. Business information sessions**

A further 90 Maitland Business Owners attended the Business Leaders luncheon on 4 September 2013. The luncheon included a lengthy presentation by the General Manager, Mr David Evans, outlining the financial challenges facing Council and the options being presented to the community under Phase 2. Time was allocated for questions at the end of the presentation with a number of business owners providing feedback relating to comparatively high business rates when compared to surrounding and other local government areas. All attendees were invited to attend the business owners drop in session held specifically for the business community at the Maitland Town Hall at 5.30pm 17 September 2013. Only two business owners attended this drop in session and were generally seeking more information as they resided out of Maitland LGA.

The presentation at the Business Leaders Luncheon is included as Attachment 2.d.vi.

#### **4.2.7. Shopping centre displays**

The engagement team staffed engagement booths across the city at Greenhills, Central Maitland and Rutherford shopping centre on the 10, 11 and 12 September respectively. Thornton Shopping Centre was considered but a reply was not received in time from the centre management. Only seven residents engaged in one on one discussions regarding the special rate variation with a number querying general customer service requests. Those that did engage completed the detailed survey and raised concerns about affordability of the proposed rate increase options.

A further engagement booth was set up at the Aroma festival on 16 August 2013 where staff were actively surveying festival goers with the detailed survey. Over 280 surveys were completed over the two day period. The opportunity was also available for residents to talk with Councillors attending the festival.

#### **4.2.8. Hotline**

A designated hotline was set up for the Funding our Future consultation that enabled residents to call directly through to the engagement team throughout the consultation period. Basic business cards were developed and distributed at the Aroma festival, throughout key Council facilities and when in face to face discussions at community information sessions, engagement booths and focus groups. During Phase 2, six calls came through to the hotline. The concerns raised through the calls primarily included affordability by those on a fixed income and the use of summed cumulative increases versus compounded cumulative increases. All possible information was updated post these discussions to include both summed cumulative increases and compounded cumulative increases to clarify the increases and avoid community confusion.

Two callers also raised concerns with the structuring of the information in the Funding our Future 16 page booklet and the questions asked in the detailed survey implying that both were leading and manipulative. The detailed survey developed as part of Phase 2 was developed by Maitland City Council staff but was reviewed with input by research professionals Micromex Research.

#### **4.2.9. Maitland Your Say Facebook page**

A total of 26 posts/status updates were provided onto the Maitland Your Say Facebook page during the Phase 2 engagement period. Posts related to Council's financial challenges, levels of service, rating implications under the options and our locations inviting residents to come and participate. A total of 1,321 'likers' were actively engaged in these posts either, liking, commenting, sharing or clicking on the post for further information. In almost all circumstances the posts referred people to the Funding our Future –Phase 2 hub on Maitland Your Say. Of those actively engaged, 41 comments were received by 21 participants on Facebook posts. Comments included

the need for Council to live within its means and one commenter raising a concern that the engagement process was deceptive and slanted. Comments were also received about increases in services for skate parks and cycleways with some suggestions to generate more revenue by charging a gold coin to use major park facilities and increase fees to sporting clubs using sport fields.

The Maitland Your Say Facebook page posts and comments during this phase are included in Attachment 2.d.vii.

## **5. Phase 3: Funding Our Future Seven Year Rating Proposal**

Phase 3 engagement opened on 22 October 2013. Building on past consultation efforts (including the results from Phases 1 and 2 and considering feedback from all ratepayers), a seven year rating proposal was developed. With the majority of residents looking for a combination of maintained and enhanced service levels, those services that received the most support for enhanced levels during phase two were included in the seven year rating package. In order to realise these service levels, as well as maintain the other core functions of Council, rating revenue of \$117 million was identified as being required over the next ten years. This resulted in an overall proposal to increase Council's rating income by 8.35% each year for seven years.

During Phase 2, a number of key stakeholders, including Maitland Business Chamber, suggested that business rating was high when compared to neighbouring and similar Local Government Areas. This has been recognised and acknowledged by Council along with the farmland rating category. Just as average residential rating is comparatively low (when compared to neighbouring Councils and other regional cities), average farmland and business rating is comparatively high.

Considering this feedback and the apparent disparity among rating categories the proportion of rates paid by each category was adjusted over the period of the proposed variation to better reflect the overall value of land held by these ratepayers.

### **5.1. Method**

Phase 3 engagement was open for a period of 6 weeks. During this period, Council sought community feedback on the proposed seven year rating proposal.

Residents were advised of their opportunity to share their thoughts on the proposal via the following avenues:

- DL brochure 'Funding Our Future' distributed to 27,858 residential households across the Maitland Local Government Area (LGA) via Australia Post
- Seven advertisements in the Maitland Mercury, Hunter Post and The Herald outlining the seven year rating proposal and ways to provide feedback .

- Information included on October 2013 rates notice information slip
- Article provided in Council's newsletter, Momentum that is delivered to all residents within the Maitland LGA
- Two media releases were issued with 8 stories in the press and 5 radio stories.
- Direct mailout to 222 community organisations as outlined in our community directory
- Email distributed to approximately 213 participants who completed the detailed survey in phase two.
- Email distributed to approximately 364 registered Maitland Your Say members
- 16 status updates/posts on Maitland Your Say Facebook Page
- Static displays and information placed in the Council facilities

Examples of the promotional collateral used in phase 3 are included in Attachment 2.e.

Similar to phase 2, residents were able to provide comments on the seven year rating proposal through an online survey, forums and quick poll, providing online and written submissions, commenting on the Maitland Your Say Facebook page, attending an information session or calling the hotline. A direct engagement approach was also undertaken with a further telephone survey conducted by independent consultant Micromex Research.

## **5.2. Feedback analysis**

Over 940 people participated in Phase 3 of the engagement with the phase closing on 29 November 2013. If those who were actively engaged by clicking, liking or sharing a post on our Maitland Your Say Facebook page were also to be included as participants, direct involvement would increase to over 1500 people. Of those that made direct comments to Council or the engagement team 176 did not support the proposal. A summary of each engagement opportunity is included below.

### **5.2.1. Maitland Your Say**

A further hub was set up in the Maitland Your Say website, Funding our Future – Seven Year Rating Proposal. The hub had available three forum topics, a quick poll, a submission area and an online survey. The online survey was the same survey used in the independent telephone survey undertaken by Micromex Research as part of this phase. Relevant documentation was also provided including the Funding our Future DL brochure and information sheets providing details on the adjustment to the rating distribution, rating implications per category and service package under the proposal. Council also commissioned the Western Research Institute during this phase to undertake an analysis on the affordability of the proposal. This report and the PowerPoint presentation from the community information sessions were also included part way through the consultation. Links to the Funding our Future – Phase 2 and



Sustainable Council Sustainable City hubs was also provided to ensure visitors were able to follow the journey so far, as well as the Council report outlining the consultation results from Phase 2.

The hub received 698 visits from 414 visitors to the site. Of those that visited the site 231 documents were downloaded by 102 visitors. Documents downloaded primarily included the DL Funding our Future brochure and information sheets on the seven year rating proposal and the package of services under the proposal.

The online survey sought resident feedback on the seven year rating proposal and the tested community support. A copy of this survey and results are included in Attachment 2.e.i.

167 visitors voluntarily completed the survey online. The majority of these visitors (139) were at least 'somewhat supportive' of the level of service Council currently provides and believe it is 'important' for Council to provide currently programmed and enhanced services to our growing population. 154 visitors (92%) also thought it was 'somewhat important', 'important' or 'very important' for Council to be financially sustainable (i.e. not in deficit) into the future.

However, 127 participants were less supportive of Council proceeding with an application for a special rate variation (76%) and 117 did not think it was important that Council was allowed to introduce a special rate variation (70%). These results contrast significantly to those of the randomly selected telephone survey outlined in section 6.2.3.

Comments were received across two of the three forums. The forum that received no comments asked residents how they thought Council could ensure the community was aware of the services to be provided into the future and the contribution of rating revenue. The two remaining forums received 22 comments from 12 visitors with 217 page views. The second forum received the most comments asking visitors what they thought of the seven year rating proposal. The 19 comments from 10 visitors stated that they believed the increase to be too high and that Council should live within its means. Visitors also believed that money should not be spent on new infrastructure such a cycleways and the aquatic centre and increased frugality and innovation was needed within Council. Comments also expressed concern for the engagement process, believing that 1200 residents that participated in surveys was not enough to form a decision to move forward to a preferred proposal. The final forum sought visitors feedback on the service package included in the proposal and whether it met their expectations. Of the two people that commented although one was relatively supportive of the package they felt that the services could be rationalised further to ensure a better distribution of funds. The other visitor did not wish to share their thoughts as they didn't believe their input would be considered.

A rating calculator webpage was set up that enabled residents to enter their current rateable land value under each of the options presented in Phase 2 and then again to reflect the seven year rating proposal. The calculations would provide the rating implications of the rate peg and special rate variation under the selected option for each year and as a total over the seven years. The page received a total of 195 visits by 122 unique visitors across the two phases.

A quick poll was also made available on the hub asking residents whether they supported the seven year rating proposal. Of the 414 visitors to the site 35 participated in the quick poll with 85.7% (30) not in support of the proposal.

Of the 414 visitors to the hub during the Phase 3 engagement period, 61 became registered members to ensure they were able to stay updated with the Funding our Future engagement and other projects of Council.

The information and results of Maitland Your Say website during this phase is included in Attachment 2.e.ii.

### **5.2.2. Submissions**

Submissions could be provided by residents online through Maitland Your Say, direct email to the engagement team or via post. A total of 38 submissions were received during phase 3. The submissions expressed similar concerns as other engagement opportunities throughout this phase including affordability with increasing household costs especially those on a fixed income and the need for Council to live within its means. It was also raised that the engagement fell short of a personally addressed letter to each household. Although investigated as an option, the engagement team resolved to pursue a letterbox drop with the aim of reaching all residents, not only rate payers and keeping in mind frugality (saving approximately \$10,000).

The submissions for this phase are included as Attachment 2.e.iii.

### **5.2.3. Telephone survey**

Council commissioned Micromex Research to conduct an independent telephone survey on the seven year rating proposal as part of Phase 3. This involved contact with 400 randomly selected residents, between 18th and 21st November 2013. A random community sample size of 400 (as analysed in the survey) provides a maximum sampling error of plus or minus 4.9% at 95% confidence. This means that if the survey was replicated with a new sample of Maitland residents, that 19 times out of 20 we would expect to see the same results.

As demonstrated in the following figures, a majority of respondents (74%) were 'somewhat supportive' through to 'very supportive' of Council proceeding with the application, with 26% being 'not very supportive' or not at all supportive.

In terms of the importance of the proposal, the vast majority (82%) of respondents thought it was 'somewhat important' through to 'very important', while 18% thought it was 'not very important' or 'not at all important'.

Figure 4 – Micromex survey – support for SRV

*How supportive are you of Council proceeding with this application?*

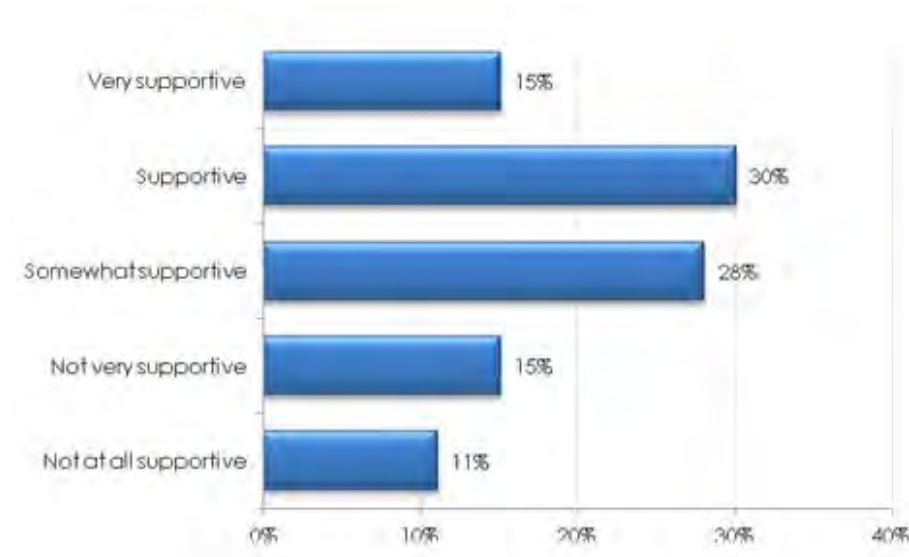
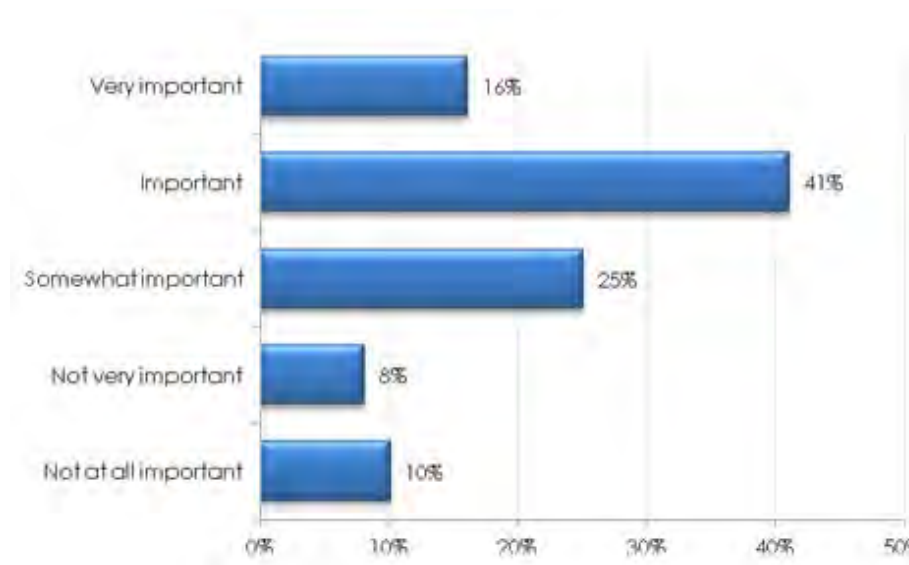


Figure 5 – Micromex survey – importance of SRV

*Based on what you have been told, how important do you believe it is that Maitland Council is allowed to introduce this special rate variation?*



A copy of the survey and full report of the survey results can be seen as Attachment 2.e.iv.

#### **5.2.4. Community information sessions**

Community information sessions were held on the Maitland Town Hall at 10.00am and 6.00pm on 13 November 2013. A total of 58 people attended the sessions, 23 in the morning and 35 in the evening. Those that attended were generally not supportive of the proposal. Although a number of attendees expressed an understanding for the need to increase funds, concerns raised by attendees included:

- Affordability particularly those on fixed incomes, within the farmland low intensity category and in more rural areas who had been rezoned under the revisions of the Local Environment Plan and revaluated accordingly.
- The need for Council to live within their means
- The need to look at efficiencies and ensure no money is being wasted
- The perception that the survey results aren't representative of the community
- The need for more community involvement before a decision is made
- The distribution of spending across the city

The presentation for the community information sessions is included as Attachment 2.e.v.

#### **5.2.5. Staff information sessions**

Staff briefings were held over the ten months of consultation to inform staff of the next steps, where to direct residents to participate and where they could also participate if a resident of Maitland. Briefings were provided verbally by Executive Managers followed by distribution of information sheets. One formalised staff information session was held on 11 November 2013 which duplicated the information provided in the community information sessions for this phase outlined in section 6.2.4. Twenty staff attended the session with only a few raising concerns primarily regarding affordability of the proposal for those on a fixed income and the impact that would be passed on to those occupying rental properties.

#### **5.2.6. Hotline**

During Phase 3, approximately 20 calls were made to the hotline number set up for the Funding our Future consultation. Similar to the calls received in Phase 2, concerns raised included affordability especially for those on a fixed income. Callers also raised concerns about consultation efforts including the perceived low number of community members who had provided feedback in earlier phases informing the seven year rating proposal. They also felt there were limited advertising methods to promote opportunities to participate. The community engagement plan for this engagement

was developed in line with best practice public participation and aligned to the IAP2 Spectrum.

### **5.2.7. Maitland Your Say Facebook page**

Sixteen posts/status updates were provided onto the Maitland Your Say Facebook page during the Phase 3 engagement period. Posts related to the seven year rating proposal and promoting the material and methods to comment such as the DL brochure letterbox dropped to all households, the rating calculator, community information sessions and how to contact the engagement team.

A total of 575 participants were actively engaged in these posts either, liking, commenting, sharing or clicking on the post for further information. In almost all circumstances the posts referred people to the Funding our Future –Seven Year Rating Proposal on Maitland Your Say with 31 visits received from the promotion on Facebook. Of those actively engaged, 36 comments were received by 20 participants.

Comments included the need to restrict growth and expressed concerns for the perceived overpayment of projects, services being lower than those received in other local government areas, not being happy with the current service to pay more, and that input being provided would not be considered. One person also raised that the information being produced by Council was dishonest. Some suggestions for savings were also provided including outsourcing services, privatising the Art Gallery, selling a pool and stopping all non-core services.

The Maitland Your Say Facebook page posts and comments during this phase are included in Attachment 2.e.vi.

## **6. Phase 4: Delivery Program 2013-17(Revised)**

The original Delivery Program 2013-17 was adopted by Council in June 2013, with its release in draft form in early 2013 as part of phase 1, initiating a significant conversation with the community on the financial challenge ahead.

Throughout all phases the community's preference has been to see services maintained as currently delivered to our growing population, whilst also allowing for the enhancement of service levels in areas of community priority, including roads, footpaths, cycleways, community and sporting facilities.

The draft Delivery Program 2013-17 (Revised) and Operational Plan 2014/15 were developed to align with this community feedback and the seven year rating proposal.

Council placed these documents on exhibition after confirming its intent to apply for a special rate variation for 2014/15 to the Independent Pricing and Regulatory Tribunal (IPART). It should be noted that exhibition of these documents has occurred some

months earlier than in the past. This is due to the timetable established by IPART, which requires an application and all supporting documents to be lodged in February, with a three month assessment period.

## **6.1. Method**

The public exhibition of the draft Delivery Program 2013-17 (Revised) commenced on 11 December 2013, concluding 24 January 2014. Residents were able to participate in the public exhibition period online through forums, a quick poll or providing a submission via the Maitland Your Say website, by attending Community Information Sessions, calling our hotline or liking or commenting on the Maitland Your Say Facebook page. Residents were advised of their opportunity to participate in the public exhibition through the following tactics:

- Nine advertisements across the Maitland Mercury, Hunter Post and The Herald promoting the public exhibition period and how to comment.
- Two media releases were issued with 9 print stories in the press, 12 radio stories and 1 television story.
- Email distributed to approximately 400 registered Maitland Your Say members
- Twelve status updates/posts on Maitland Your Say Facebook Page
- Article in Council's progress report On the Move distributed to over 150 residents as part of the new resident packs
- Information on Councils website
- Static displays and information placed in the Councils administration building

The promotional collateral used in phase 4 is included in Attachment 2.f.

## **6.2. Feedback analysis**

Approximately 420 people had direct involvement during the public exhibition period whether it was by attending the community information sessions, visiting Maitland Your Say to take the 'Quick Poll, contribute to the forums or download documentation. Council's Maitland Your Say Facebook page proved popular with residents providing many comments during this phase of engagement. If those who were actively engaged by clicking, liking or sharing a post on our Maitland Your Say Facebook page were also to be included as participants, direct involvement would increase to over 1,060 people. Of those that made direct comments to Council or the engagement team 61 did not support the proposal. Detail of the engagement outcomes is provided below.

### **6.2.1. Maitland Your Say**

A 'hub' was created on the 'Maitland Your Say' website, 'Delivery Program 2013-17 (Revised)'. The hub had available two forum topics, a quick poll and a submission area for residents/ratepayers to participate. Relevant documents in addition to the Delivery

Program were made available along with links to all previous Funding Our Future hubs to assist with navigation for visitors and links to other sites including IPART and the Division of Local Government.

The hub received 491 visits, from a total 371 visitors. There were 355 document downloads which included 126 downloads of the Delivery Program 2013-17 (Revised).

The forums on the hub sought feedback from participants on the package outlined in the Delivery Program and how Council would best inform residents when working on or completing projects the Program included. Six comments from five participants were received with all comments provided on the Delivery Program package topic. Comments referred specifically to the seven year rating package stating that Council should to live within its means, reduce wastage on key projects such as The Levee, there was a believed use of fear 'mongering' to outline the option available to Council and concerns for the engagement process, in particular the online survey. Six participants also took the Quick Poll which asked visitors to the site whether they had previously participated in the funding our future conversation. 50% (3) of participants advised they had completed the online survey, over 16% (1) has contributed in more than one way and over 33% (2) outlined that they hadn't known how to participate previously.

During the consultation period 21 visitors to 'Maitland Your Say' became new registered members.

The information and results of Maitland Your Say website during this phase is included in Attachment 2.f.i

### **6.2.2. Submissions**

Submissions were received through the online submission tool on Maitland Your Say, via direct email to the engagement team or by post. A total of 18 submissions were received. The submissions referred mostly to the rating proposal with concerns raised about general affordability of the proposal especially those on a fixed income, the need for Council to investigate further into efficiencies and cost containment strategies and the belief that the community does not generally support the proposal. A submission was received specifically relating to the Delivery Program Package referring to the perception that service was not equally distributed across the different areas of Maitland LGA and a need to have more actions undertaken in the Woodberry area. All the submissions have been included as Attachment 2.f.ii.

### **6.2.3. Community Information Sessions**

Two community information sessions were held on 21 January 2014 at 10:00am and 6:00pm respectively at Maitland Town Hall. The first session attracted 6 community



members whilst 13 community members came along to the evening session. The media was represented at both events including NBN Newcastle at the morning session.

General Manager Mr David Evans presented these sessions and talked about the Delivery Program including explanation of the themes within and why the program was revised; the proposed special rate variation and the previous ten months of consultation, explanation of the domestic waste charges; rates concession and hardship and what happens from the conclusion of this consultation. Attendees were given the opportunity to ask questions at its conclusion of the presentation.

The issues raised at the sessions followed on from previous engagement phases surrounding the impact and affordability of a rates increase especially for those on fixed incomes, i.e. aged pensioners, and self-funded retirees.

There was also a focus at both sessions around what council was doing to improve efficiencies; what cost cutting measures were being undertaken and what other opportunities council has explored to gain extra funding.

The presentation for the community information sessions is included in Attachment 2.f.iii.

#### **6.2.4. Maitland Your Say Facebook page**

A total of 12 status updates were posted on the Maitland Your Say Facebook page during the public exhibition period as a reminder to residents and ratepayers of the opportunity for them to have their say in relation the Delivery Program 2013-17 (Revised).

The total of 674 'likers' were actively engaged in these posts either, liking, commenting, sharing or clicking on the post for further information. Of this 674, only 14 participants provided comments. The post relating the information sessions on 20 January 2014 was boosted (increased promotion in peoples news feed) enabling it to be seen by 4386 people.

It was clear from the comments that the authors had not read the draft Delivery Program 2013-17 (Revised) documents or associated documents choosing instead to comment about the proposed seven year rating increase. However, it is worth noting that each post contained a link to the Delivery Program 2013-17 (Revised) 'hub' where these many issues were being addressed. Comments provided were based mainly on concerns of affordability, the need for Council to live within its means and the need for Council to provide more information on its efficiencies and the cost containment strategies it will undertake over the seven year period.

The Maitland Your Say Facebook page posts and comments during this phase are included in Attachment 2.z.i. Posts throughout the ten months that were provided on the Maitland City Facebook page can be seen as Attachment f.iv.

#### **6.2.5. Hotline**

The engagement hotline remained open for the public exhibition of the Delivery Program 2013-17 (revised). Only 5 calls were made to this line during the period with callers raising concerns for the seven year rating proposal. Concerns echoed those expressed through Facebook, Maitland Your Say forums and community information sessions.

#### **6.2.6. Public access**

The conclusion of each phase presented the opportunity for residents to speak for or against the proposed special rate variation in public access. Over the course of the ten months, four members of the public addressed Council, with all four speaking at the meeting on 11 February 2014. All speakers were against officer's recommendations, stating that Council should not approve the submission of an application to IPART when 61 of the 64 submissions had been received against the proposed rate increase; that business rating for those in Central Maitland was too high when coupled with CBD and Maitland City Centre promotional levies; and that Council should not proceed with such an aspirational Delivery Program in the current economic and environmental climate. One speaker also spoke on the issue of hardship and the need for additional alternative payment methods to be implemented.

## 7. Summary and issues raised

Although outlined in each section above a summary of each of the issues raised throughout the 10 months of consultation are included in Table 2. The table also includes the details of the issues and Councils response to each of those raised.

Table 2 – Summary of issues raised

Issue	Details and response
<b>Affordability</b>	The issue of affordability was a primary issue of concern for a number of residents. Whilst acknowledging that some individual ratepayers may find it challenging to adjust household budgets to accommodate rating increases, Council is of the view that a capacity to pay a higher level of rating exists within the broader community. This is evidenced by an examination of household incomes and sources of income; comparisons of rating with neighbouring and peer Councils; a review of Socio-Economic Indexes as published by the Australian Bureau of Statistics, and Council's own low levels of outstanding rates. The Western Research Institute was also commissioned to conduct an independent analysis of the proposal (as reported to Council on 11 December 2013).
<b>Amalgamations</b>	The prospect of amalgamations and future impacts on rating was raised. As Council would be aware, 2013 saw a range of reviews initiated that will impact on local government in NSW. In January 2014, the Independent Local Government Review Panel released its final report, with a suggestion that an amalgamation of Dungog and Maitland should be further examined, along with potential boundary changes in Beresfield and Wallalong. These are proposals only, and any changes to local government boundaries, services and rating would be subject to lengthy consultation and analysis. Thus, this issue has not been actively considered during the development of the special rate variation proposal.
<b>Asset Management</b>	One respondent suggested that Council should take a more thorough look at asset management practices and whole of life costs. As Council would be aware, a change to organisation structure has seen changes in asset management strategy, capital works planning, design and delivery. Council's asset management practices are also

	modelled on best practice.
<b>Ceasing projects that are programmed</b>	Comments were received suggesting that significant capital works such as The Levee and indoor pool at Maitland Aquatic Centre should not be pursued, as they contribute to the deficit position. As Council is aware, however, the construction of the pool has identified funding from Developer Contributions, whilst construction of 'The Levee' is using reserves, revenue from asset sales and loan borrowings. These sources are not suitable for funding ongoing operations.
<b>Community awareness of the proposal/community engagement</b>	Some respondents felt Council should have done more to inform and engage the community, for example a personally addressed letter to ratepayers. Council has, however, made all reasonable efforts to ensure community awareness of the proposal over the past ten months, as highlighted in this and previous reports. This has included two publications letter box drops to all households (one featuring a postage paid ballot), information on rates notice 'tear off' slips (which are direct mailed to ratepayers), press advertising, presentations to groups, shopping centre booths, attendance at events, community information sessions, press, television and radio coverage, use of social media and detailed information of the Maitland Your Say website.
<b>Cuts to services</b>	As previously reported to Council, a range of disparate service areas were put forward by individual participants to prevent or mitigate a rates increase. There was, however, no consistency in the areas suggested. The suggestions ranged from ceasing workforce growth, to stopping construction of cycleways, introducing fees for libraries and MRAG or not proceeding with an indoor pool.
<b>Developers paying more</b>	A number of submissions suggested that developers should pay more toward infrastructure, and then also ongoing service provision. This is not an option available to Council within current legislation.
<b>Efficiency of Council</b>	A number of respondents suggested that Council had not demonstrated its efficiency to the community. Council has undertaken a series of efficiency reviews, and all available data (such as employee numbers per capita, processing times

	for development applications) supports Council's position as a lean and efficient organisation. This information was made available during consultation processes. Any application to IPART will include more detailed information on organisational efficiency and productivity.
<b>Equity</b>	It was suggested that Council's services were not provided equitably, and that some areas of the City were not provided with the same level of service in areas such as road maintenance, footpath construction and the like. This is a localised perception.
<b>Exploration of alternative sources of revenue</b>	Council's long term financial model explores alternatives for revenue and savings and incorporates a range of non-rating revenue sources (including asset sales, return of assets to the State, public private partnerships, increased fees and charges and grants). These alternatives are not sufficient to address the increasing gap between revenue and expenditure alone, but will play a part in assisting achieve financial sustainability.
<b>Fairness</b>	A number of residents raised the issue of the 'fairness' of the proposal, while residents were also facing increases in other household expenses such as electricity, gas, food, insurances etc. Council acknowledges that these are cost imposts on households, however without cuts to services (which would also have a detrimental impact and may be seen as 'unfair'), there is no real alternative to the increase. It is worthwhile noting that the majority of household expense increases are undertaken without community consultation, unlike the process Council has undertaken to ensure services are aligned to community expectations and supported by a funding proposal to deliver on them.
<b>'Fear mongering'</b>	A participant suggested that presenting cuts to services was 'fear mongering'. Council has made every possible effort to provide information on factors contributing to the financial challenge, without identifying specific service areas for reduction (which could prompt such as response).
<b>Grants</b>	It was suggested that Council could be more active in seeking grants. Considering Council has received more than \$22 million in grants over the past 12 months alone, it is clear that

	all relevant opportunities for funding are actively pursued.
<b>Hardship</b>	Some respondents suggested that the increase was 'too burdensome' and may result in hardship. Council has reviewed a range of socio-economic indicators which suggest there is a capacity to pay across the community. A review of relevant policies has also been undertaken to ensure those that are experiencing genuine hardship can make appropriate arrangements with Council. Council has also revised its Debt Recovery, Pensioner and Hardship Policies to ensure appropriate and compassionate response to individual cases of hardship, tailoring individual arrangements as permissible under the Local Government Act to provide appropriate assistance to any ratepayers experiencing hardship.
<b>Leading and manipulative survey questions</b>	Both independently conducted surveys in Phase one and three were developed and conducted in partnership by research professionals Micromex Research who are considered highly reputable in their profession and complete similar work on behalf of many NSW local governments. The detailed survey developed as part of phase two was developed by Maitland City Council staff but was reviewed with input by Micromex Research.
<b>Live within your means</b>	Whilst some residents suggested Council should 'live within its means', there was no consistent view as to how this should be achieved through reduced expenditure – effectively being cuts to services.
<b>Past Special Rate Variation</b>	A number of respondents questioned the need for a variation, as one had been received in the past. As Council would be aware, a two year variation was received in 2011/12, generating an additional \$16 million allocated to a series of infrastructure projects. The purpose of this variation is to secure financial sustainability for Council's operational service delivery, rather than tackling infrastructure backlogs.
<b>Pensioner rebate</b>	A number of respondents suggested that Council should increase the pensioner rebate. As previously reported to Council, however, the increasing of the rebate is considered a welfare matter for the NSW State and/or Federal

	Governments.
<b>Percentage increases</b>	Council has made every effort to present the financial impacts of the proposal, enabling every ratepayer to calculate this via an online rates calculator and presenting average dollar impacts to all households via the DL brochure. Council has acknowledged debate on the presentation of percentage increases, and adjusted presentation materials to incorporate a summed and compounded percentage total.
<b>Reasonableness</b>	Some participants suggested Council's proposal is not reasonable, due to the percentage impact and the period of time.
<b>Role of revaluations</b>	Rating calculations are complex, with a range of factors contributing to individual rate calculations. There was concern expressed by some residents that should property revaluations occur during the course of the variation, rates would increase even more than proposed. Council's total rate revenue would only be increased by 8.35% per annum, and levied across all rated properties. The impact of the increase would vary according to the increase or decrease in property values in comparison to other properties within the LGA. This means that a resident could in fact pay less rates, if their property value did not increase as much as other properties within the LGA.
<b>Size of the increase</b>	A number of objections related the size of increase, suggesting a more moderate increase would be appropriate.
<b>Staff costs</b>	A number of respondents linked the rate increase to increases in staffing costs. There is, however, no direct link between a rate variation and increases in staffing costs. Wage and salary increases are subject to award conditions.
<b>Value for money</b>	A number of residents suggested they couldn't see value for money, in terms of the services provided or used by them as individuals. It should be noted that rating is not a 'fee for service', but rather contributes to the overall functioning and amenity of a City.

## 8. Phase 5: Confirming direction – Funding our Future

Taking into consideration all of the issues raised throughout the consultation, changes to the final rating proposal were suggested on the close of Phase 4. These changes have been made to address key issues of community concern, in particular issues of affordability and the reasonableness of the proposal, as well as the need to ensure innovation and efficiency.

Additionally, the recent release of the final report of the Independent Local Government Review Panel suggested that Councils make more use of debt, particularly for the provision of infrastructure that will be of benefit to multiple generations. It has also been suggested that Councils need to maximise all sources of revenue (including fees and charges) and strive for productivity gains.

As such, Council altered a number of assumptions in its long term financial plan.

The changes include:

- Increasing borrowings by \$3.8 million per annum, resulting in a debt service ratio of approximately 7.5% in 2023/24 (comfortably within the Division of Local Government's suggested threshold of 5-10%)
- Realising additional grants, modelled at \$13 million over the next ten years
- Maximising all non-rates sources of revenue
- Introducing a productivity factor equal to \$500,000 per annum, commencing in 2015/16.

Taking into account these changes, Council will be able to deliver the service package outlined in the Delivery Program, with an increase to total rates revenue of 7.25% each year for seven (7) years, retained permanently in the base.

### 8.1. Method

Phase 5 engagement aimed to provide information to the community about the revised rating proposal prior to and post the Council meeting, 11 February 2014. Residents were advised via:

- Correspondence distributed to 275 people who had provided their details during the 10 months of consultation whether via email, survey completion or submission advising them that the Council report would be available on 7 February and how to locate it. This email was also sent to the 409 Maitland Your Say members
- Information included on 30 January 2014 rates notice information slip



- One media release providing revised rates proposal being recommended to Council which received 1 press story.
- Post on Maitland Your Say Facebook page on 10 February with the link to the Council report.
- Inclusion of the media release on Councils website and the News section of Maitland Your Say website
- A further two media releases distributed post Council decision to submit an application to IPART resulting in 2 press, 9 radio and 1 television story.
- Email distributed to the 409 Maitland Your Say registered members updating them on the outcome of the Council meeting.
- Post on Maitland Your Say Facebook Page after the Council meeting updating 'liker's of the outcome
- Inclusion of the post Council media releases onto Councils website and the News section of Maitland Your Say website
- Newspaper advertisement in the Maitland Mercury advising the outcome of the Council meeting and directing people to Maitland Your Say for more information

The collateral distributed for information during this phase is included as Attachment 2.g.

It is important to note the receipt of a letter of support for the revised proposal from the Maitland Chamber of Business during this phase. This letter has been included in Attachment 2.g.i

## 9. Conclusion

The past ten months has seen Council undertake the most significant and difficult conversation with the community in many years. Every practical effort had been made to ensure broad community awareness and seek input into desired service levels and the options available to Council to become financially sustainable, as well as provide feedback on the seven year rating proposal and the revised Delivery Program 2013-17. Over 3,400 people actively participated in the consultation at some point during the past ten months. If those who were actively engaged by clicking, liking or sharing a post on our Maitland Your Say Facebook page were also to be included, direct involvement would increase to over 6,200 people.

The engagement plan and its implementation aligned with best practice IAP2 Public Participation and moved through five phases. A significant range of methods were used to inform residents of their opportunities to participate in the consultation and were repeated across the different phases of the engagement. These included newspaper advertisements, media articles, Council's quarterly newsletter and booklets or flyers letter box dropped to all households in the LGA, direct mailout to community organisations and the Maitland Business Chamber, emails to Maitland Your Say registered members or those that had participated in previous phases, social media and static displays.

Residents were able to share their thoughts across a diverse range of methods including online surveys, forums or quick polls, at engagement booths at events or shopping centres, providing online or written submissions, commenting on Maitland Your Say Facebook page attending community information sessions or focus group or calling the hotline set up for the project. Randomly selected telephone surveys and focus groups were also undertaken.

It should also be noted that a Facebook page 'Maitland Rate Rise Ruckus' was set up on 13 January 2014 against the proposal. Council enabled the promotion of this page on its Maitland Your Say Facebook page and in the online forums on Maitland Your Say website. At the close of the consultation, the Maitland Rate Rise Ruckus held 54 'likers'.

The breadth of promotion and opportunities provided for residents to participate in this consultation has revealed our community's acceptance of the proposal. Whilst much of the online and social media comment was negative, this was counterbalanced by an informed, but silent, majority. This was also independently verified by two randomly selected, statistically valid surveys.

Informed by engagement outcomes at each Phase, and supported by a number of strategic documents, Council resolved to submit an application to IPART to increase total rate revenue by 7.25% each year for seven years, held permanently in the base.

Once the outcome of the application from IPART is known, measures will be undertaken to inform Maitland residents of the steps moving forward. This will be part of Phase 6 of the engagement process.