

Communications and Engagement Plan Rate rise options



Continuing the conversation with our community about the preferred rate increase options to strike a balance between the needs of our community and Council's funded future.



PORT STEPHENS
COUNCIL

A commitment to long term financial sustainability

In June this year, Council adopted the Our Funded Future Communication and Engagement Plan to commence the conversation with the community about Council's financial position and explore a number of non-rate increase and rate increase options. The plan outlined a series of engagement phases:

- **Phase 0** – informed the community on Council's financial situation and the current and short term mitigation strategies that have been implemented to date.
- **Phase 1** – explored non rate income and rate income options with the community that creates a financially sustainable Council.
- **Phase 2** – publically exhibit the options within the Integrated Planning & Reporting documents and further discuss the community's views on the narrowed down preferred options.

Phase 0 and Phase 1 are completed and we are now ready to progress to Phase 2 and discuss further with our community the preferred rate increase options from Phase 1. As the conversations has now progressed we are renaming the engagement moving forward from 'Our Funded Future' to 'Rate rise Options', making sure the purpose of the engagement is clear to the community.

Council will continue efforts made to increase participation through the use of a refined short survey, attending community events, and as planned Council's messaging will now focus clearly on the rate rise options.

Engagement outcomes from Phase 0 and 1 can be viewed in the Our Funded Future Community Engagement Report



Objectives



Continue to increase community awareness of Council's financial situation and its journey to date



Inform the community about the preferred rate increase options for Council's financial sustainability



Seek community feedback on the preferred rate increase options for Council's financial sustainability




Identify the community's views on the preferred rate increase scenarios

Engagement approach

Engagement level

The engagement level for Phase 2: Rate rise options is an 'Involve' engagement level working directly with the community to ensure that their thoughts are understood and considered.

Engagement level	Phase 2
Level 1 – Inform Provide stakeholders with information to assist them in understanding the problems, alternatives and/or solutions.	
Level 2 – Consult Obtain stakeholder feedback on the project to aid decision making.	
Level 3 – Involve Work with stakeholders throughout the project, ensuring issues and concerns are understood and incorporated in decision making.	
Level 4 – Collaborate Partner with stakeholders throughout the project to develop alternatives and identify the preferred solution.	

Engagement methods

Phase	Engagement methods
Phase 2 Public exhibition	Communications <ul style="list-style-type: none"> • Media release • Social media including paid social • Newspaper advertisements – existing notices • Direct email • Council website page • On hold messaging • Councillor social media toolkit
	Engagement <ul style="list-style-type: none"> • Drop in / engagement booths • Online short survey • Recorded presentation webinar (three-part series) • Independent video – Professor Drew • Shopping Centre drop in stall • Interactive online rating calculator • Online and hardcopy submissions • Designated email • Officer call paths for direct calls to Customer Experience

Success criteria



Engagement methods target all Port Stephens demographics



Minimal negative feedback on engagement process



Minimal negative submissions received during Phase 2 of engagement



Community feedback reflected in direction taken by Council

Stakeholders

Key:

- **High interest, high influence** — immediate and direct, tailored approach
- **High interest, low influence** — immediate, tailored approach
- **Low interest, high influence** — tailored approach
- **Low interest, low influence** — general approach

Name and contact	Interest	Influence
External		
Rate payers and residents	High	High
General community	High	High
Special interest groups	High	Medium
Independent Planning & Reporting Tribunal (IPART)	High	High
Media	High	Low



Key risks

Risk	Mitigation strategy
Previous rate increase proposal not supported by parts of the community or IPART	<ul style="list-style-type: none"> Continued communication campaign providing story and context. FAQ on website.
Financial situation a surprise to the community	<ul style="list-style-type: none"> Continued education and communication of financial sustainability story and context. Continued communication campaign outlining strategies undertaken to reduce expenditure and create savings.
Community backlash	<ul style="list-style-type: none"> Continued information and education of Council's financial position and our independent assessment Base rates and reduced services options available.
Engagement perceived as not genuine and transparent	<ul style="list-style-type: none"> Clear messaging about how community feedback will be used. Many engagement methods to be used and promotion of each. Reporting back to the community on link between decisions and community feedback.
Phase 2 formal report not prepared within timeframes	<ul style="list-style-type: none"> Pre-planned days scheduled for council staff to analyse data and prepare report.

Key milestones

Milestone	Date
Engagement plan approval	13 September 2022
Phase 2 – engagement commences	14 September 2022
Phase 2 – engagement concludes	14 October 2022
Phase 2 – engagement report presented to Council	25 October 2022

Engagement approach

Key Messages

- Council's financial forecasting estimates a budget shortfall of \$80 million over the next 10 years.
- The last 2 years of COVID-19 impacts have taken their toll. Income from our holiday parks, childcare centres and the Newcastle Airport has been slashed, while at the same time the construction, transport and insurance costs have continued to increase. These impacts have also been further exacerbated by 2 major storm events.
- Council's current and forecast financial situation will make it very difficult to meet the community needs, priorities and aspirations they have shared with Council over the past 2 years to the same level unless we take a new approach.
- Council has been considering all options to improve our financial situation including reducing service delivery, increasing fees and charges, a rate variation or investigating new revenue streams or property sales.
- We've been talking to our community about a range of non-rate income and rate income options to ensure Council is financially sustainable for the future.
- Five rate increase options ranging from a 26% to 45% overall rate increase, either in a single year or over a number of years, were explored with the community.
- We have collated all community feedback and used this to revise our draft Integrated Planning & Reporting plans.
- The revised plans incorporate increasing fees and charges, continuing efforts made for external grant funding, working with the Councillors and community on the sale of underperforming land identified, an option of reducing service levels and two options for a special rate variation (rate increase).
- Within the two rate increase scenarios, there are some enhanced services as identified through the integrated engagement program over the past two years and prioritised by the community in Phase 1. Some enhancements are proposed for increased maintenance of roads, the environment and waterways, and public space.
- We are now seeking community feedback on the draft Integrated Planning & Reporting Plans including two rate increase options.
- You can share your thoughts via an online survey, at a drop in session or by providing a submission
- Find out more by visiting portstephens.nsw.gov.au.
- The community can share their thoughts until Wednesday 12 October 2022.



Action Plan

Action plan for Phase 2.

Activity	Date
Media release – Engagement opens	14 September
Designated webpage updated including rates calculator	14 September
On hold messaging	14 September
Draft Integrated Planning & Reporting plans published (website and hardcopy)	14 September
Online and hardcopy submissions	14 September – 14 October
Online short survey	14 September – 14 October
Special interest groups	14 September – 14 October
Social media (paid and organic) – including Councillor social media toolkit	14 September – 14 October
Direct email – inform/invite for the short survey	16 September
Shopping Centre drop-in stall	19 September – 23 September
Recorded presentation webinar	21 September
Newspaper public notices	22 September
Independent Video - Professor Drew	27 September
Face-to-face drop-in/short survey booth – Visitor Information Center	21 September
Face-to-face drop-in/short survey booth – Raymond Terrace – start 4:45 pm	27 September
Face-to-face drop-in/short survey booth – Medowie – start 4:45 pm	29 September
Face-to-face drop-in/short survey booth – Nelson Bay – start 4:45 pm	1 October



PORT STEPHENS
COUNCIL