

# Special Variation Project - Communication & Engagement Plan 24-25

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## 1. Introduction – Federation Council Local Government Area and our Financial Sustainability journey

To support our community’s lifestyle, Federation Council provides a comprehensive range of community and library services, events, venues, public spaces and parks, as well as sport and recreation facilities. Our strong community spirit is forged from a comfortable and relaxed lifestyle and a willingness to nurture and support residents, local and regional businesses and visitors.

Council provides a range of services to local residents, business and industry, developers and investors as well as people visiting the region. We cater for a diverse range of community needs and encourage environmentally acceptable development in the region.

For many years now, Federation Council has been on a financial sustainability journey. Council, like many other NSW Councils is faced with the challenge of making sure we have enough money to continue to deliver the large range of services we provide and to look after our infrastructure into the future – things like roads, footpaths, bridges, stormwater drains, parks, libraries, community buildings and swimming pools – and other legislated and non-legislated services. We know that our community values the services we provide and places a high priority on maintenance and renewal of our Council’s infrastructure when it is needed, so the current trend of our service delivery and asset costs exceeding our income needs to change.

The funding of local government is complex. The work we do is largely funded by general rates and charges, user fees and charges and a Financial Assistance Grant from the Australian Government. We also receive grants from the state and Australian government for certain projects, programs and services. Our fixed income base is from general rates (the base rate and ad valorem) and this is set each year by the rate peg controlled by the Independent Pricing and Regulatory Tribunal (IPART). Over the years, the annual rate peg increases have not kept pace with the inflation and rising costs. Our delivery costs have increased significantly – fuelling our vehicles to repair roads, clean toilets, mow lawns, pay wages, etc – and the costs involved in purchasing materials, hiring contractors and paying suppliers has also increased. We have continued to deliver grant-funded assets to increase liveability and amenity in our community and this, combined with external influences such as rising costs, material shortages and unexpected expenditure associated with multiple disasters and the pandemic, has gradually led to the problem we seek to address.

If we don't improve our financial position over the longer term, services may need to be reduced and assets may not be renewed when needed. The real value of our cash and investments may also continue to decline. The gap between the increasing cost to support our assets and deliver services, and the fixed amount of income we collect is widening, so applying for a Special Variation is a financially responsible decision.

Every Council is required to develop a Long-Term Financial Plan (LTFP) that looks at the financial sustainability of Council over the next 10 years and forms part of Council's Resourcing Strategy. The LTFP is formulated using a number of estimates and assumptions to project the future revenue and expenditure required by Council to deliver those services, projects and programs expected by the community. In doing so, it considers the resources that impact Council's ability to fund its services and capital works whilst remaining financially sustainable. Council has developed and adopted multiple LTFP's, which in the last 2 years have all indicated the need for a substantial special variation to increase revenue to close the widening gap between income and expenditure.

In February 2023, Council lodged an application with IPART to increase general income above the rate cap. In May 2023, Council was granted a two-year temporary rate increase of 19% in year one (2023/24) and 17% in year two (2024/25). Council had requested a general rate increase of 19% for 2023/24, with 17%, 14% and 10% for the following three years and for the increases to remain in the rate base, (not be temporary), and reverting to the ordinary rate peg for 2027/28 onwards. Following Council's Independent Review into ***The Advantages and Disadvantages of Amalgamation and Federation Council's Financial Sustainability Journey Report***, as per recommendation 75: an appropriate expert has been engaged to work with Council from February 2024 onwards to progress through the substantial list of tasks that need to be done prior to applying for a permanent SV. This plan addresses tasks associated with communication and engagement component of a future SV application.

## 2. Aim of this plan

The aim of this communication and engagement plan is to provide an overarching plan for the way in which Council communicates and engages with its ratepayers and residents on a future Special Variation Application. Council is committed to informing and seeking feedback on a future SV application to increase its general income above the rate peg, under the provisions of the Local Government Act 1993 (NSW).

### 2.1 Special Variation Purpose:

1. Improve Council's Financial Sustainability;
2. Fund the ongoing operation, maintenance and renewal of Council assets;
3. Maintain service levels as close as possible to current levels to meet community expectations; and
4. Manage a range of financial impacts including additional costs for maintenance and renewal of assets, rising material costs and inflation.

## 2.2 Implementation of this plan:

Through implementation of this communication and engagement plan, there will be:

- Awareness of Council's current financial challenges and the difficult financial decisions that Council needs to make for the future of our Local Government Area;
- Awareness of Council's decision to engage three independent professors to lead and manage the implementation of a future Special Variation application process;
- Awareness of the SV options modelled in the Long-Term Financial Plan (LTFP) and proposed service level reductions for community consideration;
- An understanding of the process for submission and approval to IPART and that Council still needs to decide formally, prior to February 2025 to submit an application and then wait for the determination by IPART in May 2025;
- An understanding that even if Council chooses to lodge an application with IPART that there is a chance the SV may not be approved;
- Constructive feedback sought by Council to help inform the SV process;
- An understanding of the impact a future SV will have on Council's Operational Plan and longer-term financial sustainability of Council;
- A well-informed community who understands they can provide submissions directly to Council and also to the determining body - IPART;
- Clarity on where the additional money is going to be spent if the SV is approved and accountability measures to monitor the implementation of funds both SV related and current general rates income;
- Clarity on what the plan is if Council chooses not to proceed with an SV application, or if IPART do not approve an SV application; and
- An understanding of the challenging financial situation facing Federation Council and many other merged and non-merged Councils across the State of NSW.

## 3. Target Audiences

Through the implementation of this plan, several target audiences will be communicated and engaged with. A wide range of communication tools and methods will be used to ensure ongoing awareness, understanding and clarity in respect to Council's ongoing financial sustainability journey and future SV application/s.

Target audiences include:

- Ratepayers of the Federation Council Local Government Area, who are categorised into a rating structure that includes: residential, business and farmland categories;
- Non-ratepayers who are residents within the Federation Council Local Government Area;
- Community organisations e.g Business chambers, Local area committees/progress associations, 355 committees of Council and advocacy groups;
- Local and Federal Members; and
- Local media.

## 4. Key Messages

The need for a Special Variation and how this will impact the community can be a complex topic to communicate. A number of key messages have been developed to convey essential information about the proposed SV.

Key messages and project updates will be provided regularly throughout the course of this project. Please refer to Council's website and/or **Section 8** of this plan for further information.

## 5. Communication Materials and Engagement Channels

Council will adopt numerous methods of communications to engage meaningfully with ratepayers, residents and other stakeholders to allow every opportunity for feedback.

Rate rises at any time are an important decision and as a Council we don't take this lightly and understand the burden this will place upon our community. As a Council we must continue to weigh up the needs of our community now against the needs of following generations and ensure we remain in a sustainable financial position.

We know that we are a diverse community, and this requires us to communicate and engage in a variety of ways. By using a range of materials and channels, Council hopes to achieve a strong awareness and understanding of our current and future financial position. Materials and channels recommended are:

- Have your say - Special Variation Application section;
- Mailout and notice to all ratepayers, including a survey;
- Media Releases - identified milestones;
- Website – Homepage banner, dedicated Special Variation and Financial Sustainability project page and FAQ's;
- Future Federation – IP&R Engagement process.
- Newspaper and radio advertising announcing engagement periods;
- Direct emails to Community Conversations database list;
- GM email correspondence to key stakeholder groups;
- Social media - Facebook posts and events;
- Physical displays in the customer service area and libraries of all SV material;
- A dedicated SV brand;
- Individual SV engagement process, inclusive of Information Sessions/Public Meetings – Corowa, Urana, Howlong and Mulwala.
- Post meeting surveys;
- SV Online videos by Professor Drew - recording posted on Council's website and Facebook;
- Individual SV Pop-up sessions – Corowa, Urana, Howlong and Mulwala.
- Individual SV Drop-in session – Corowa, Urana, Howlong and Mulwala.
- Stakeholder meetings with community organisations – Corowa, Urana, Howlong, Mulwala, Oaklands and Morundah.
- Staff and Councillor workshops;
- GM led staff briefings;
- Joseph Drew led staff briefings;
- Media briefings; and
- Individual submissions open via email or post to Council notification.

## 6. Resources to support this project

- Professor Joseph Drew, Professor Diogo Ferreira and Professor Masato Miyazaki.
- Future Federation Working Group.
- Communication and Engagement and Corporate Planning/Governance teams.
- Executive and Leadership team as required to attend IP&R engagement and SV engagement.
- External mail house for flyers and e-notice distributions.

- Radio and print advertising to support awareness of IP&R engagement, SV information sessions and other engagement opportunities.
- A project budget of \$30,000 to \$40,000 in the 24-25 financial year to deliver the various elements of this plan.

## 7. SV Project and Communication and Engagement Plan Implementation Milestones

Date	SV Project, Communication and/or Engagement Activity
December 2023	Council resolve to engage three independent professors in Professor Joseph Drew, Professor Diogo Ferreira and Professor Masato Miyazaki to lead an SV project for Council. Professors begin project work.
February 2024	Councillor and Executive Workshop – SV project update.
March 2024	Report to Council at March meeting on SV project update and proposed Communication and Engagement plan.
April 2024	<p>Council is presented with Future Federation strategic documents (IP&amp;R) with a recommendation endorse for public exhibition and begin community consultation in May 2024.</p> <p>Councillor and Executive Workshop – SV project update.</p>
April 2024	<p>Council staff representatives to meet with IPART to discuss future SV application.</p> <p>Councillor and Executive Workshop – SV project update.</p>
May 2024	<p>IP&amp;R engagement period begins on Wednesday, May 1, 2024 through to Tuesday, May 28, 2024.</p> <p><b>Pop Up Sessions:</b></p> <ul style="list-style-type: none"> <li>• 6th of May - Corowa Pop Up Session. <b>Location:</b> Memorial Arcade, Corowa. <b>Time:</b> 10am - 1pm.</li> <li>• 7th of May - Howlong Pop Up Session. <b>Location:</b> Howlong Bakery, Howlong. <b>Time:</b> 10am - 1pm.</li> <li>• 8th of May - Mulwala Pop Up Session. <b>Location:</b> Mulwala Bakery, Mulwala. <b>Time:</b> 10am - 1pm.</li> </ul>

	<ul style="list-style-type: none"> <li>• 9th of May - Urana Pop Up Session. <b>Location:</b> Urana Take Away Store, Urana. <b>Time:</b> 10am - 1pm.</li> </ul> <p><b>Stakeholder Meetings with community organisations</b> : <b>Location:</b> Corowa Civic Centre, Mulwala Library, Howlong Library and Urana Council Office.</p> <ul style="list-style-type: none"> <li>• Monday, 13th of May: 10am - 11:30am: _____ and 2pm - 3:30pm _____.</li> <li>• Tuesday, 14th of May: 10am - 11.30am: _____ and 2pm - 3.30pm _____.</li> <li>• Wednesday, 15th of May: 10am - 11.30am: _____ and 2pm - 3.30pm _____.</li> </ul> <p><b>Public Meetings/ Information Sessions:</b></p> <ul style="list-style-type: none"> <li>• Monday, 13th of May: <b>Location:</b> Club Corowa. <b>Time:</b> 6pm - 8pm.</li> <li>• Wednesday, 15th of May: <b>Location:</b> Urana Bowling Club. <b>Time:</b> 6pm - 8pm.</li> <li>• Monday, 20th of May: <b>Location:</b> Club Mulwala. <b>Time:</b> 6pm - 8pm.</li> <li>• Wednesday, 22nd of May: <b>Location:</b> Howlong Golf Resort. <b>Time:</b> 6pm - 8pm.</li> </ul> <p><b>Drop-In-Sessions:</b></p> <ul style="list-style-type: none"> <li>• Monday, 27th of May: <b>Location:</b> Corowa Civic Centre. <b>Time:</b> 10am - 1pm.</li> <li>• Tuesday, 28th of May: <b>Location:</b> Howlong Library. <b>Time:</b> 10am - 1pm.</li> <li>• Wednesday, 29th of May: <b>Location:</b> Mulwala Library. <b>Time:</b> 10am - 1pm.</li> <li>• Thursday, 30th of May: <b>Location:</b> Urana Council Chamber. <b>Time:</b> 10am - 1pm.</li> </ul>
May 2024	<p>Special Variation stakeholder meetings with community organisations.</p> <p>GM led staff session for SV project update.</p> <p>Councillor and Executive Workshop – SV project update.</p>
June 2024	<p>IP&amp;R feedback considered and final documents recommended for adoption to Council.</p> <p>Councillor and Executive Workshop – SV project update.</p>
July 2024	<p>SV Engagement period begins 22 July 2024.</p>

	<p>Professors deliver their findings and recommendations in respect to a future SV application.</p> <p><b>Community Survey launched.</b></p> <p><b>Pop Up Sessions:</b></p> <ul style="list-style-type: none"> <li>• 22nd of July - Corowa Pop Up Session. <b>Location:</b> Memorial Arcade, Corowa. <b>Time:</b> 10am - 1pm.</li> <li>• 23rd of July - Howlong Pop Up Session. <b>Location:</b> Howlong Bakery, Howlong. <b>Time:</b> 10am - 1pm.</li> <li>• 24th of July - Mulwala Pop Up Session. <b>Location:</b> Mulwala Bakery, Mulwala. <b>Time:</b> 10am - 1pm.</li> <li>• 25th of July - Urana Pop Up Session. <b>Location:</b> Urana Take Away Store, Urana. <b>Time:</b> 10am - 1pm.</li> </ul> <p><b>Day Meetings:</b></p> <ul style="list-style-type: none"> <li>• Monday 29th July - Oaklands 9am - 11am. Morundah - 12.30pm - 2.30pm.</li> <li>• Tuesday 30th of July - Howlong 10am - 12 noon.</li> <li>• Wednesday, 31st of July - Mulwala - 10am - 12 noon.</li> </ul> <p><b>Night Meetings:</b></p> <ul style="list-style-type: none"> <li>• Monday 29th July - Urana 6pm - 8pm. Urana Bowling Club.</li> <li>• Tuesday 30th July - Corowa 6pm - 8pm. Club Corowa.</li> <li>• Thursday 1st August - Howlong (online) 6pm - 8pm.</li> <li>• Friday 2nd August - Mulwala (online) 6pm - 8pm.</li> </ul>
August 2024 – September 2024	Election Caretaker Period
October 2024	New Council sworn in to office from October 2024 to September 2028.
November 2024	Council report, communication and engagement findings, key recommendations and notice of intent to IPART to lodge SV application presented to Council for consideration.
December 2024 – January 2025	SV project updates communicated.
February 2025	Council submit SV application to IPART following resolution of Council.



	Pop Up Sessions in Corowa, Howlong, Urana and Mulwala to ensure awareness of the IPART submission process.
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## 8. Performance Measures

Council is recommended to set specific performance measures in respect to this project, as per the findings in Council’s Independent Review into *The Advantages and Disadvantages of Amalgamation and Federation Council’s Financial Sustainability Journey Report*. Key guidelines and a detailed assessment criteria that will also be followed as part of this project are set by the determining body – IPART.

Performance measures related to this communication and engagement plan are as below. Communication and engagement findings will be presented to Council and the community throughout the course of this project.

Communication and Engagement Performance Measures:

- Community is informed of the need and extent of the rate rise proposed;
- Number of responses and interactions received from ratepayers and residents across the LGA to engagement and information opportunities;
- Utilising feedback obtained to inform the IPART application;
- Media remain engaged for the duration of the project;
- Increased use of the rates calculator as residents assess the impact of a rate rise on their rates; and
- Community is aware of opportunities for further engagement with IPART if Council determines to lodge an SV application.

## 9. Conclusion

Council is recommended to adopt this plan for implementation.

## Schedule of Changes & Amendments

Version	Date	Changes / Amendments
1	15.3.24	Special Variation Communication & Engagement Plan developed

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