

**CORPORATE & BUSINESS SYSTEMS**

**ATTACHMENT B**

**2 BIRIPI WAY, TAREE OFFICE RELOCATION  
INVESTIGATIONS UPDATE**

**ORDINARY MEETING**

**31 OCTOBER 2018**



**MIDCOAST**  
council



# **ENGAGEMENT STRATEGY**

Biripi Way Office Centralisation Project



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*Our mission:*

*We deliver benefits for our community in a way that adds value and builds trust*

## Introduction

### The project

To reduce operational costs and to improve organisational efficiencies, MidCoast Council has been considering opportunities to consolidate its administrative functions in Taree and Forster into a single centralised office location on Biripi Way, Taree.

The delivery of improved greater efficiencies and cost savings for our community supports the delivery of several of our key organisational goals – specifically being a well-run and managed council and providing value for money for our community.

Currently, Council operates from four main administration centres (two in Forster, one in Taree – noting the two Taree offices have already been centralised - and one in Gloucester), a legacy of the mergers that took place in May 2016 and July 2017.

It is proposed to relocate approximately 350 staff and their functions from the Forster and Taree administrative centres to a central administrative office.

Customer service centres in Gloucester, Stroud and Tea Gardens would continue to operate as they currently are and would not be impacted by the development of a central office. A new customer service centre for Forster is proposed as part of the Civic Precinct development in Lake Street.

The site under investigation for a central administrative office is the former Masters building on Biripi Way, Taree, which Council acquired in December 2017.

A business case, prepared by an independent consultant in January 2018 looked at three options for moving forward: doing nothing, operating a campus model and consolidating into a single location.

The initial business case determined that ‘do nothing’ was not an option for a number of reasons, including:

- the majority of the equipment is beyond its useful life, particularly the IT resources
- several of the offices require substantial refurbishment and renovation to continue to operate, including a new roof for the Forster Administration Centre
- the Forster Administration Centre is already at maximum capacity
- continued staff time invested in travelling between offices
- the opportunity for operational efficiencies would be minimal

The business case then went on to explore the cost benefit analysis of two options, the campus option and the single site option:

**The campus option** - to retain and refurbish the existing administration offices in Taree and Forster

**The single site option** – to consolidate all of Council’s administrative functions from Forster and Taree to a head office at the Biripi Way site

The single site option was assessed as the preferred option due to a range of factors including long term lower operating costs and greater efficiencies.

Following confirmation of the single site as the preferred option, more detailed test fit designs and cost planning were undertaken by external consultants to provide an estimated cost of \$18 million to develop the Biripi Way site as a central administrative office.

On 22 August 2018, Council considered the cost and outcomes of the investigations and resolved at that stage the project was feasible and a Financing Strategy be developed for consideration.

The Financing Strategy now been developed to outline how Council will pay for the project.

This strategy involves:

- a rationalisation of cash reserves, which in the main are the result of efficiencies in reserve fund holdings as a result of the Council merger - **\$7.2 million**
- the sale of property assets - **\$4.8 million**
- loan funds with loans to be repaid from rental income received from leasing out properties surplus to needs as a result of the office centralisation - **\$8 million**

The Financing Strategy is based on a total cost of \$20 million. While the project estimate in the cost plan is \$18 million, and this estimate includes significant contingency provision, the financing strategy is based on \$20 million to provide an additional buffer.

This financing strategy forms the basis of the engagement with the community on the project.

## The engagement process

Under the Office of Local Government, Division of Premier and Cabinet's *Capital Expenditure Guidelines* Councils must:

- *demonstrate that its decision to carry out the proposed capital expenditure is based on sound strategic and financial planning, supported by valid data and research; and that it reflects the view, priorities and objectives of the broader community.*

As part of that process, Council must prepare a report on the engagement process undertaken. The guidelines indicate the report should include:

- how Council conveyed the social, economic, employment, financial and environmental impacts of the project to the community
- confirmation that the project is included in the Council's community strategic plan, delivery program and operational plan
- details of the consultation processes Council has in place to allow participation by affected groups and consideration of their views
- a public interest evaluation showing a positive outcome for the broader community, which includes but is not limited to; effectiveness, accountability and transparency, equity, public access, consumer rights, security and privacy.
- details of the methods used by Council to inform the broader community of the proposed project, its key elements and decisions made in relation to the project. This may include community newsletters, community surveys, newspaper or radio advertisements, etc.
- Council's planning process to enable the community be provided with sufficient information to be adequately informed. To be considered sufficient the delivery program and operational plan should include:
  - purpose of project and benefits to the community
  - costs and funding sources, and
  - construction time frames
- details of the public reaction to the proposal including any statistics on the outcome of surveys, any correspondence received from the community, etc
- details on any public meetings held in regard to the proposal

## Flexibility

This Engagement Strategy outlines how Council intends to listen to our community. As new information is gained, or concerns are raised by the community, the Engagement Strategy may be revised. We need to remain agile enough to take advantage of the opportunities and changing circumstances that may arise.

## How the project fits into our strategic plans

The proposal to develop a centralised office space for MidCoast Council delivers on the value area identified in our **community strategic plan** *MidCoast 2030: Shared Vision, Shared Responsibility* of strong leadership and shared vision:

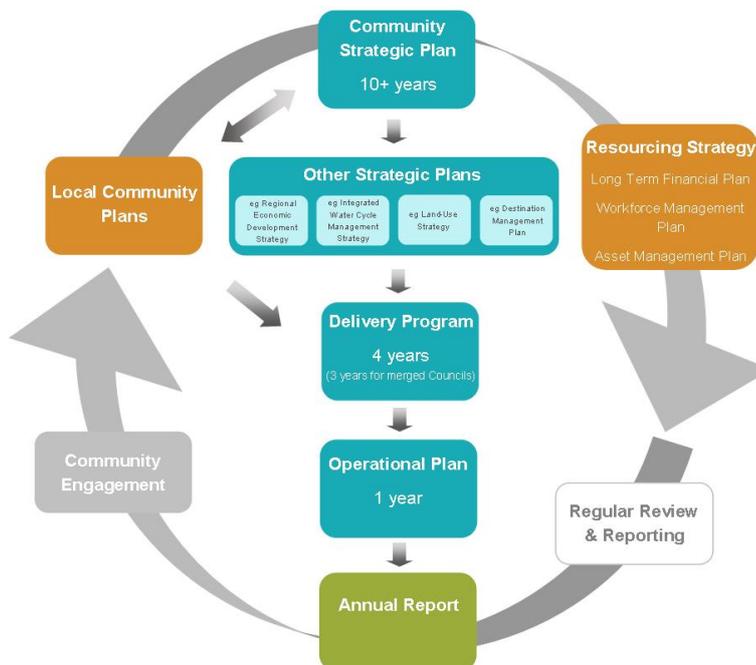
- *Providing the community with an efficient, convenient and professional experience when using council services.*

It also aims to deliver on the three year focus of the **delivery program** to meet the above strategy:

- *Focus 13.2.1 ensure the community has contact points to Council services in the main centres of the LGA, utilising Council owned sites in an efficient and effective way and ensuring teams are coming together as one Council*

The one year action which aligns to this focus in the 2018-19 **operational plan** states we will:

- *Continue to investigate options for accommodation in Forster and Taree through the adopted gateway process being undertaken for the former Masters site at Biripi Way, Taree or any alternative arising from the investigations*



## Engaging with our community

This strategy is designed to engage with our community on the key issues involved with the proposed office centralisation project.

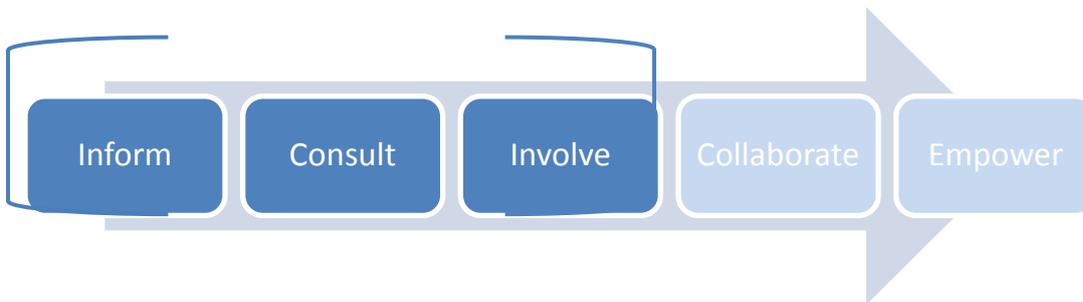
Ultimately, the purpose of the engagement is to determine the public reaction to the proposal and demonstrate any decision to carry out the capital expenditure required on the project reflects the views, priorities and objectives of the broader community (*Capital Expenditure Guidelines* page 8).

The engagement will need to provide the community with the following information to ensure they can provide informed feedback:

- the benefits, costs and impacts of a centralised administration centre
- how the project will be financed and any impacts this may have on our community
- how customer service will continue to be delivered to the community

### Level of engagement

As outlined in MidCoast Council's Community Engagement Policy, our engagement approach utilises the five- point framework developed by the International Association for Public Participation (IAP2).



*Figure 1: The IAP2 Public Participation Spectrum, where 'inform' is the lowest level of engagement, and 'empower' is the highest. More information on the spectrum can be found at [www.iap2.org.au](http://www.iap2.org.au).*

The proposed levels of engagement for this project are inform, consult and involve.

- **Inform** - to provide the public with balanced and objective information to assist them in understanding the problem, alternatives, benefits and/or solutions
- **Consult** - to obtain public feedback the project and/or alternatives
- **Involve** - to work directly with the public throughout the decision-making process to ensure that community concerns and aspirations are consistently understood and considered.

## Principles that shape our engagement approach

When engaging with our community our guiding principles are designed to deliver on our mission to build trust with our community and to show we value community participation.

<b>Timely</b>	Early in the project timeline prior to key decisions being made
<b>Accessible</b>	Open and available with strategies in place to reach across the community
<b>Broad</b>	Strategies for ensuring representation from across the entire community
<b>Accurate</b>	Feedback collected, interpreted correctly and reported clearly
<b>Meaningful</b>	It is clear how input has contributed to decision making
<b>Transparent</b>	Community understands the process and sees how their input is used
<b>Genuine</b>	The input sought has a purpose and is used to inform decisions
<b>Responsive</b>	Community dialogue continues throughout the process, to outcome

## Communication goals

The main goals of the communication activities to be undertaken are to support the engagement program by achieving the following:

- To provide accurate information to the community to allow them to make an informed contribution to the process
- To raise awareness in the community of the engagement activities
- To be timely, informative and accessible
- To be adaptive to the needs and context of the consultation process as it evolves

## Who will we engage with?

We will engage with a range of stakeholders during the consultation period including.

- Residents
- Ratepayers
- Users of the administration centres
- Businesses and business groups such as Chambers of Commerce
- Groups of individuals, organisations, community groups etc
- Federal and State members
- Councillors
- MidCoast Council staff

Engagement activities will enable all of these groups to provide feedback. Specific types of activities and messages will be designed to target the various stakeholders, as described further in this strategy.

We acknowledge there will be some parts of our community that will be harder to reach than others and some will be more engaged in the process than others.

## Key messages

The centralisation of administrative functions into a single site and the financing strategy to deliver this project is a complex topic to communicate.

As a result, a number of key messages have been developed to convey essential information about the project.

The key messages to be used through the engagement activities associated with this strategy include:

- Council's administrative functions will operate from a head office on Biripi Way, Taree
- Funding the move to a head office will not impact on rates or the region's road renewal and maintenance programs
- The project will be funded by a combination of cash reserves, asset sales and loan borrowings – to be repaid by funds gained by leasing out surplus office buildings
- Customer service centres will be retained at all locations, Taree, Forster, Gloucester, Stroud and Tea Gardens
- The Taree Customer Service Centre will be relocated to Biripi Way and the Forster Customer Service Centre will be relocated at the new Civic Precinct in Lake Street, Forster when built
- A number of operational efficiencies will be delivered to the community as a result of the development of a head office

## Engagement activities

Method	Description
Community information sessions	A number of community information sessions to be held in Forster, Taree and Gloucester. These sessions will provide an opportunity for information on the project to be presented and for the community to seek answers to questions they have on the project.
Community group meetings	Community groups will be invited to have a Council representative attend their meeting and address their group on the project, providing the opportunity for attendees to ask questions of Council on the project.
Website information hub	Central location for information on the project including: <ul style="list-style-type: none"> <li>• Project facts and details,</li> <li>• FAQs,</li> <li>• Key dates and project timeline,</li> <li>• Opportunity to take part in the 'have your say' survey.</li> </ul>
Interactive 'Frequently Asked Questions' website space	A dedicated section of our website to be updated as the engagement period progresses to reflect questions arising from the community. These questions could be raised via submissions, survey feedback, social media comments or questions or feedback at the community information sessions. A facility will be provided on the website for the community to submit a question for answering.
Direct mail	A newsletter specifically providing information on the project and feedback opportunities to be distributed to all residents in the region to ensure widespread information is provided to the community. This will include an opportunity for members of the community to respond to the have your say survey via a reply paid facility.
'Have your say' survey	This short survey will allow the community to provide feedback around the key issues, including impacts and benefits and check information on the financing of the project is understood. Opportunity will also be provided for comments.

Media releases	To be issued to all print, radio and television contacts in a timely manner to help inform the community of the project and feedback opportunities.
Advertisements	Utilisation of existing newspaper advertising to advise the community of the project and feedback opportunities.
Videos	Series of videos created to explain the project and promote the engagement program, for website and social media.
Radio interviews	Provide an update to the community through our regular weekly radio spot and other opportunities.
Direct contact via community databases	Utilisation of existing email databases to provide information to the community and call for participation in the engagement process.
Displays	<p>Visual displays in key locations to raise awareness of the project and engagement opportunities. Potential locations include:</p> <ul style="list-style-type: none"> <li>• Council offices</li> <li>• Libraries</li> </ul> <p>Opportunity will be provided as part of the displays for feedback both online and in hard copy.</p>
Social media	<p>We will use our social media space to inform members of the community how they can participate in the discussion in a way that will be counted – via attendance at community meetings, submissions and participation in our have your say survey - and point discussions to our website. We will also monitor, where possible, the discussions taking place on social media channels regarding the project. The intention of this will be to collect information on the potential areas of community concern to allow these to be addressed through our identified communication channels.</p>

In addition to the above activities, regular updates will be provided to Councillors and staff.

## Reporting and evaluation

### Reporting

It is a requirement under the Office of Local Government, Division of Premier and Cabinet's *Capital Expenditure Guidelines* that we prepare a report on the engagement process undertaken. This report will cover the items indicated in the guidelines, and outlined in the introduction of this strategy (page 4).

In addition we will ensure we report back to our community on the outcomes of the engagement process, to ensure transparency and to close the loop with those who participated in the process.

Only information gathered in the following ways will be recorded and stored in council's systems:

- feedback from information sessions
- have your say survey submissions
- formal submissions
- emails and letters received

Forms of contact other than those listed above, including phone calls and petitions will not be recorded as part of the reporting on the engagement process.

The information collected during the engagement process will be used to develop a report which will be provided to Councillors to inform their decision on the future of the project.

The engagement report will also be publicly available via our website. This document will not include personal details of those who have participated. Submissions will also be made public in accordance with privacy legislation.

### Evaluation

We will undertake an evaluation of the engagement activities to assist us in gauging whether the engagement program was successful.

This evaluation will also then be used when developing future engagement activities.

Evaluation will be based on:

- the number of 'have your say' surveys undertaken
- number of submissions received
- information session participation
- website engagement