

9.5 SEYMOUR LEVEE CONSULTATION REPORT

Author: Mike McIntosh - Director Development and Infrastructure
Tim Partridge - Manager Engineering and Major Projects

File No: CT/04/146

Attachments: Nil

SUMMARY

This report outlines options, risks, opportunities and the estimated resourcing and financial commitment needed to undertake effective community consultation to understand community support for progressing the Seymour Levee project and community willingness to contribute funding.

RECOMMENDATION

THAT Council:

1. Note the information contained in this report.
2. Adopt the consultation process outlined within this report.
3. Note the financial and resourcing commitment likely to be needed to undertake well-planned and effective consultation.
4. Allocate up to \$90,000 funding for consultation resources.

BACKGROUND

Council determined in 2010 to progress development of a flood mitigation levee for Seymour. The recommendation in 2010 is as follows:

1. *Council adopt and proceed in accordance with the "Seymour Flood Mitigation Project, Preliminary Design Report, October 2009 prepared by John Webb Consulting".*
2. *Council proceed to the next stage of the project to make application through the "Natural Disaster Mitigation Program" for the funding of the construction of a levee bank in accordance with the recommendation of the "Seymour Flood Mitigation Project, Preliminary Design Report, October 2009".*
3. *Council commence statutory processes regarding planning scheme requirements.*
4. *Council write to all submitters and all property owners that would be affected by land acquisition providing an update on the project.*

With no other formal Council resolution having been made since, the official position of the Council remains to progress the development of a flood mitigation levee.

Since then, almost \$5.8m of State and Federal funding has been secured for construction of the Levee.

Further planning work has occurred since the 2010 decision including the completion of the functional design in 2018. With further details of the project now understood, more accurate project costs, project scope, likely planning scheme amendments and acquisition costs and construction costs can be better estimated. The expected cost to deliver the levee is now estimated to be closer to \$20m, leaving a significant funding shortfall.

Given the increased costs of the project and absence of any formal Council position on this project since 2010, a series of Council briefings were held throughout 2018 with a view to

SEYMOUR LEVEE CONSULTATION REPORT (CONT.)

formalising Council's position as to whether to progress this project or not. During these briefing sessions it was determined that to make an informed decision on whether to progress this project or not, given the time that has passed since the 2010 resolution, an understanding of community support for the levee is required.

The community engagement process will allow Council to make a clear distinction between the level of support to progress the project from the three key groups below;

- Landowners affected by property acquisition
- Landowners who will benefit from the construction of the levee and whether they will be willing to contribute to costs of construction
- The level of support within the wider community.

ISSUES AND DISCUSSION

The two questions Council should test – do people support the idea of the levee and would those in the flood affected area be willing to contribute towards its construction – are straightforward questions.

However, simply asking these questions, for example through an online survey and a letter to landowners, without providing relevant and accessible information and opportunities for discussion, is likely to trigger a range of risks to both the project and reputation of Council. Specifically:

- Communities may not understand the complexities involved in funding options for the levy and what Council is able to reasonably contribute.
- Community members are concerned with Council's process and the time taken in planning for the levee and seek to generate negative scrutiny of the Council rather than having the opportunity to raise concerns directly through face-to-face conversations.
- Council does not have the specialist resources needed to plan and deliver this consultation activity. Minimal consultation such as a survey and landowner letter could trigger a wave of enquiries and discussions which divert staff time from other priorities across the municipality.
- Landowners may feel they are being pressured into helping fund the levee, particularly if they're asked whether they support it without the context that they would have to help fund it.
- The community may not fully understand the benefits of the levee. This may lead some community members to be less likely to indicate their support for the project, or the case of landowners, may lead them to be less likely to indicate a willingness to help fund it.
- Mitchell communities outside of Seymour feel funding is being diverted to a high-cost project that has little benefit to them or the broader community and criticise the lack of justification for such significant expenditure.
- Low participation rates in the survey, due to lack of interest or awareness of the opportunity to comment, so Council is unable to achieve its objective of understanding the level of community support.

SEYMOUR LEVEE CONSULTATION REPORT (CONT.)

Council staff have considered these risks and identified that a poorly considered consultation approach could result in:

- A failure to deliver the project in line with Council's direction
- Significant and lasting negative scrutiny of Council and reduced trust across the Seymour community
- Unpredictable and unmanageable demand on existing Council resources
- Unreliable feedback which does not help Council decide on next steps.

Advice has been sought on the approach and resourcing needed to deliver an effective engagement process that will provide extensive community and stakeholder input with the outcome being the development of a robust and impartial report to Council to support its decision-making process.

This advice has been provided by an expert consultation firm which specialises in communications and engagement on infrastructure projects across Victoria. They apply the International Association of Public Participation (IAP2) best practice engagement framework and have planned and resourced multiple consultation programs involving infrastructure development and discussions with communities about funding. The Mitchell Shire Community Engagement Framework uses the principles outlined in the IAP2 engagement framework.

Their advice recommended that any methods for gathering feedback needs to be supported with a program of awareness raising, information sharing and opportunities for face-to-face discussions. This program would require:

- Preparation of easy-to-understand materials (fact sheets) on the following topics:
 - consultation purpose and process;
 - levee purpose, benefits, impacts and process to deliver;
 - levee funding options and specific pricing scenarios for each landowner type, and
 - criteria Council will use to make the decision.
- Awareness raising regarding the purpose and opportunities for consultation, through advertising, an information flyer drop and web information, to maximise participation and sentiment data that will help Council make a well-informed decision.
- Letters will be provided to the 369 affected landowners who could be directly affected by a levee and potential Special Charge Scheme, outlining the engagement process.
- Deliver well-planned and staffed community events for all interested residents, businesses and community members to understand the situation and implications for them and have their questions answered.
- Develop well-crafted consultation questions and feedback methods that gather consistent and useful data, rather than vague or variable information which is harder to quantify and inform understanding of what the community as a whole wants.
- Prepare key messages and Q&As as agreed to ensure Council is ready to respond to questions with consistent, constructive and approved information.

The advice also reinforced that infrastructure projects across Victoria, from small road upgrades to planning schools and delivery of new rail lines, are usually supported with a dedicated communications and engagement effort which is commensurate with the scale of the project and particularly the level of community debate or likely interest.

SEYMOUR LEVEE CONSULTATION REPORT (CONT.)

The challenge for this project, as it relates to seeking an understanding of community support, is that once the discussions are initiated, even via a modest survey or letter drop, further questions will likely be asked of the community. Particularly given that Council will likely have to contribute a sizeable amount to the construction of the project either via a Special Charge or other Council funded mechanism.

This is a vastly different scenario than what was presented to the community when the project was first supported by Council as a fully funded project. Consequently, it is reasonable to expect that the community will want to know how the project might impact on them prior to providing Council with an indication of their level of support.

A further challenge for this project is to undertake an open, transparent and authentic engagement process that avoids any perception of bias in both the process of engagement, interactions with the community, review of the data and presentation of the results.

To this end, it is recommended that any engagement requires a comprehensive approach to be both meaningful as well as to manage the risks identified above.

Proposed Consultation Process

Taking account of the above advice, Council has designed a recommended consultation process, including estimated requirements for resourcing by an external provider and Council officers. In summary, the recommended process involves:

Preparation for consultation

3 weeks

- Writing, approval, design and printing of recommended fact sheets, as well as Q&As, ads, web copy and information for Council and media.
- Design, booking and coordination of three community events.
- Agreeing the consultation questions and setting up the online consultation tool on Engaging Mitchell.
- Coordination with Council Communications to ensure messaging is approved.

Promotion of consultation

2 weeks

- Letters to 27 landowners and follow up calls to lock in face-to-face discussions, information on website and Engaging Mitchell, a flyer drop in Seymour, booking meetings with multiple stakeholders, and responding to community enquiries prompted by the consultation promotion.

Consultation with landowners, businesses, residents and broader community

4 weeks

- Seeking meetings with the 27 landowners that would be affected by land acquisition if the levee proceeded.
- Writing to and engaging with the 300+ landowners within the protected zone to gauge their support for the project and their willingness to help contribute to costs.
- Engaging with landowners located outside of the protected zone, whose property will remain susceptible to flooding.
- Meetings with the CMA, DELWP, SSPRG, Seymour Business and Tourism, Mitchell Environment Advisory Committee, and other community groups.
- Host community drop-in sessions open to all community members.

SEYMOUR LEVEE CONSULTATION REPORT (CONT.)

- Accurate recording of participant input and feedback across different consultation methods eg: survey, meetings, informal discussions at drop-in sessions.

Reporting, Council decision and communications

3 weeks

- Collation and analysis of potentially over a thousand pieces of unstructured data generated by discussion of the two key consultation questions.
- Preparation of a report to Council which can inform the decision about next steps on the levee and potentially is in a suitable form for public release.
- Preparation of a brief plan and materials to support positive communications about Council's decision and next steps.
- Any further support needed to manage scrutiny and community enquiries.

The overall process is estimated to take around 12 weeks. Given limited internal resources it is anticipated that the procurement of an external engagement consultant working 4-5 days a week over this period will be required. Council staff, particularly the designated Technical Lead, will also need to dedicate up to an estimated 200 hours to the consultation activities over the 12 weeks.

CONSULTATION

A range of external and internal stakeholders have been consulted to inform the detail of this report.

FINANCIAL, RESOURCE AND ASSET MANAGEMENT IMPLICATIONS

It is a general industry standard to allocate around 1% of the total capital budget of larger scale industry projects of this nature toward community engagement. Therefore, the resourcing required to deliver an engagement program of this significance for a 12-week period is estimated to cost between \$60,000 and \$90,000, taking into account current industry rates and an assessment of the resources required to plan, deliver, report on and close out the consultation process.

It is possible that other providers, particularly more local providers who can minimise travel costs, could deliver a comparable program at a lower cost.

The overall process is estimated to take between 12 – 14 weeks. This time period depends on the availability of resources whether they be internal or externally sources. Regardless of the manner in which the engagement process is resourced Council staff will be required to dedicate a minimum of 200 hours during this engagement period. That equates to around two (2) days per week for the 12-week period.

Two options have been explored to deliver the engagement program proposed. The costs, timeframes, project risks, and impact on current work programs are included in the table below.

Option A represents delivering the engagement project using a mix of internal and external resources. Whilst this option presents as the cheaper option, it will likely take longer to deliver on account of competing and available internal resources. This option also presents as a higher risk option regarding the potential for its perceived bias given it is a Council led engagement process.

Option B outsources the engagement project in totality save for the estimated 200 hours of technical advice and input from Council staff. This option is more likely to be delivered on time and more efficiently. This option also minimises any perceived bias on Council's part when considering the final engagement feedback and best ensures Council can make an informed and impartial decision as to how best to progress the project.

SEYMOUR LEVEE CONSULTATION REPORT (CONT.)

	Option A	Option B
Cost	\$40K - \$60K	\$60K - \$90K
Timeframe	16-20 Weeks	12-14 Weeks
Project Risks	<ul style="list-style-type: none"> Timeframe delays due to competing projects & resources Perceived bias of project led by Council 	<ul style="list-style-type: none"> Misunderstanding of local community issues
Impact on current work program	High Impact	Low Impact

To address the risks and meet challenges as outlined in the above report, Option B is the recommended option.

Given the significance of the project and its long and drawn out history for both the people of Seymour and the Mitchell Shire community more broadly, a concerted and well-considered engagement effort delivered by a specialist consultant is considered to be prudent. This option will ensure the development of a robust report to Council to support its decision-making process. Furthermore, this option also provides the community with the confidence that Council is undertaking an open, transparent and authentic engagement process that avoids any perception of bias in both the process of engagement, interactions with the community, review of the data and presentation of the results.

Irrespective of the end cost, engagement of suitable services will require a competitive procurement process to test pricing, maximise value for money and secure a suitable provider. This process will likely take at least six weeks before a provider is ready to start work.

Funding up to \$90,000 to cover these costs has been identified in savings in the 2018-2019 budget Carry Forward value.

POLICY AND LEGISLATIVE IMPLICATIONS

There are no policy or legislative implications that result from the recommendations provided within this report.

RISK IMPLICATIONS

Risk Ranking is determined using [ROHS201-G1- Corporate Risk Matrix](#). Risk is identified as Low, Medium, High or Very High.

Risk	Risk Ranking	Proposed Treatments	Within Existing Resources?
There is a risk that community members don't understand why Council can't or won't fund the levee as they see this sort of investment as part of Council's role	Medium	Adopt the recommendations as proposed	Not currently allocated
There is a risk that community members are critical of Council's process and the time taken in planning for the levee	High	Adopt the recommendations as proposed	Not currently allocated

SEYMOUR LEVEE CONSULTATION REPORT (CONT.)

Risk	Risk Ranking	Proposed Treatments	Within Existing Resources?
There is a risk that Council does not have the resources needed to plan and deliver consultation activities	High	Adopt the recommendations as proposed	Not currently allocated
There is a risk that land owners will not understand the details of the project, particularly if they're asked whether they support it without the context that they would have to help fund it	High	Adopt the recommendations as proposed	Not currently allocated
There is a risk that People don't understand the need for the levee so are less likely to indicate a willingness to help fund it	High	Adopt the recommendations as proposed	Not currently allocated
There is a risk that People don't participate in the online survey, due to lack of interest or awareness of the opportunity to comment, so Council is unable to achieve objective of understanding the level of community support	Medium	Adopt the recommendations as proposed	Not currently allocated
There is a risk that Council does not have the specialist resources needed to plan and deliver this consultation activity	High	Adopt the recommendations as proposed	Not currently allocated
There is a risk that strong opposing views within the community may impact the quality of data available to inform a decision	Medium	Adopt the recommendations as proposed	Not currently allocated

SUSTAINABILITY IMPLICATIONS (SOCIAL AND ENVIRONMENTAL)

The recommended community engagement approach and investment is the most effective and financially sustainable approach to assist Council to make an informed decision as to whether to proceed with this \$20M+ infrastructure project.

Whilst it may appear expensive, the hidden cost of not investing in an authentic and rigorous engagement program has been and is anticipated to continue to be far more than what is recommended in this report.

CHARTER OF HUMAN RIGHTS IMPLICATIONS

The rights protected in the *Charter of Human Rights and Responsibilities Act 2006* were considered in preparing this report and it's determined that the subject matter does not raise any human rights issues.

SEYMOUR LEVEE CONSULTATION REPORT (CONT.)

CHILDREN AND YOUNG PEOPLE IMPLICATIONS

The recommendations proposed in this report are not anticipated to have a negative impact on children or young people.

OFFICER DECLARATION OF CONFLICT OF INTEREST

No officers involved in the preparation of this report have any direct or indirect interest in this matter.

CONCLUSION

Adequate resources and time for planning a consultation process present a significant financial cost but will provide an independent assessment of community sentiment towards the levee project, avoiding ongoing hidden project management costs and to enhance Council's ability to make a well-founded decision about next steps on the levee.