



Governance and Priorities Committee Report

Date: April 10, 2014 **From:** Katie Hamilton,
Director of Communications and Civic Engagement
Subject: Public Consultation on 2014-2018 Financial Plan

Executive Summary

The purpose of this report is to update Council on upcoming public consultation opportunities and seek direction on the public input required by Council prior to consideration of the 2014-2018 Financial Plan.

After Council's first reading of the financial plan, the plan will be available on the City's website at www.victoria.ca and a public budget presentation will be held on Wednesday, April 23, 2014 from 4 p.m. to 8 p.m. at City Hall. The public session will include display boards and print materials and presentations at 5 p.m. and 7 p.m. The public will be invited to ask questions about all aspects of the financial plan. These public opportunities will be promoted through media, advertising, membership groups, stakeholder emails, and social media tools. Feedback will be collected at the session and for approximately 10 days online.

When considering the City's Core Values for Public Participation, the low awareness of the specific details of the 2014-2018 financial plan and the limited opportunities to participate, staff feels within the time frame, there is narrow ability to gather broad input on specific elements of the plan. It is also difficult to develop specific survey questions prior to Council having given preliminary consideration to the plan itself.

In terms of a survey instrument, it is recommended that at this point in the process, and in the interest of time, the City invite general comment on the plan, rather than ask specific survey questions. All feedback will be provided in raw form for Council consideration.

It is also recommended that Council also review and consider input related to services and financing recently collected through other broad survey methods, in particular the 2013 Citizen and Business surveys and the input collected during consultation about specific budget reduction strategies in 2013. Each is attached as appendices to this report for Council's information and consideration.

Recommendation:

- 1) Council direct staff to provide opportunities for public to learn more and provide general comment on 2014-2018 Financial Plan and to compile all input received for Council's consideration prior to adoption of 2014-2018 Financial Plan in May.

Respectfully submitted,



Katie Hamilton
Director of Communications and Civic Engagement

Report accepted and recommended by the City Manager:



Date:

Apr. 7 4, 2014

Purpose

To update Council on upcoming public consultation opportunities and seek direction on the public input required by Council prior to consideration of the 2014-2018 Financial Plan.

Background

The Community Charter outlines that each year a municipality must undertake a process of public consultation regarding the proposed financial plan, before it is adopted.

Council will first consider the 2014-2018 Financial Plan on April 10, 2014 and tax bylaws must be adopted prior to May 15.

On March 27, Council received a report outlining the process for consideration of the 2014-2018 Financial Plan. The report outlined a limited timeframe for consideration of the financial plan and a proposed consultation process including an open house and online input opportunities. At that time, Council directed staff to pre-schedule a public session at City Hall for mid April, and sought staff's support in developing survey tools to support financial plan consultation.

The open house and budget workshop has been scheduled for Wednesday, April 23, 2014 from 4 p.m. to 8 p.m. at City Hall. The public session will include display boards and print materials and presentations at 5 p.m. and 7 p.m. The public will be encouraged to ask questions about all aspects of the financial plan. These public opportunities will be promoted through media, advertising, membership groups, stakeholder emails, and social media tools. Feedback will be collected at the session and for approximately 10 days online.

Issues & Analysis

The City of Victoria has a Civic Engagement Strategy to guide enhancing public participation and has endorsed the International Association of Public Participation's (IAP2) core values of public participation.

IAP2 Core Values for the Practice of Public Participation

1. Public participation is based on the belief that those who are affected by a decision have a right to be involved in the decision-making process.
2. Public participation includes the promise that the public's contribution will influence the decision.
3. Public participation promotes sustainable decisions by recognizing and communicating the needs and interests of all participants, including decision makers.
4. Public participation seeks out and facilitates the involvement of those potentially affected by or interested in a decision.
5. Public participation seeks input from participants in designing how they participate.
6. Public participation provides participants with the information they need to participate in a meaningful way.
7. Public participation communicates to participants how their input affected the decision

Based on the limited time available to provide information about the 2014-2018 Financial Plan and advertise opportunities for participation in the process, opportunities for meaningful public participation are limited in 2014.

When considering the City's Core Values for Public Participation and the low awareness of the 2014-2018 Financial Plan, staff feel within the time frame available there is limited ability to gather broad input on specific elements. In terms of a survey instrument, it is recommended that at this point in the process, and in the of interest time, the City invite general comment on the plan, rather than ask specific survey questions. All feedback will be provided in raw form for Council consideration.

As a result, it is recommended that the consultation objectives focus on providing information about the financial plan to increase awareness and understanding, and solicit general feedback.

It is also recommended that when considering the 2014-2018 Financial Plan, Council also consider other input recently collected regarding City finances and services.

The February 2013 summary report of the consultation on budget reduction strategies is attached as an appendix. 171 surveys were completed after several public sessions and broad public communications.

Also in 2013, Ipsos Reid conducted citizen and business surveys for the City of Victoria. A total of 600 telephone interviews with a randomly selected representative sample of Victoria citizens aged 18 years or older were completed between April 2 and May 6, 2013. In terms of business input, Ipsos Reid conducted a total of 300 telephone interviews with a randomly selected representative sample of Victoria businesses.

When asked specifically about City finances, a summary of findings is noted below. The complete citizen and business surveys are attached as Appendix A and B.

Citizen survey

The majority of citizens believe they receive good value for their municipal tax dollars; however, citizens are not as content as they were in 2010.

While the proportion of citizens who say that they receive good value for their tax dollars has declined slightly since 2010, a solid majority of eight-in-ten citizens believe that they receive good value at present.

Citizens prefer tax increases to service cuts.

When given a choice between increased taxes or service cuts, 60% choose increased taxes while 26% opt for cuts in services. Citizens would prefer the City to increase taxes to maintain services at current levels rather than increase taxes to enhance or expand services.

Business survey

The majority of businesses believe they receive good value for their municipal tax dollars. Yet, ground has been lost on this regard since 2010, when six-in-ten business operators said that they received good value for their taxes as compared to the current level of half of business operators.

Attitudes toward the trade-off between taxes and service levels have shifted since 2010: business operators now prefer service cuts over tax increases.

If given a choice between tax increases or service cuts, more businesses in Victoria would prefer cuts in service (44%) than would prefer increased taxes (36%). This is a change in attitudes since 2010, when 53% preferred increased taxes while 36% opted for cuts in services.

Businesses prefer to cut services in order to maintain the current tax level rather than to cut services in order to reduce taxes.

Citizens and businesses are generally aligned in terms of important municipal issues. Social and transportation-related issues are the top concerns for businesses and citizens alike.

Options & Impacts

- 1) Seek general public comment on 2014-2018 Financial Plan and also consider other broad input received on elements within the financial plan.

Impacts:

- Most consistent with the City's Core Values for Public Participation

- 2) Seek comment on specific elements or potential amendments to the 2014-2018 Financial Plan.

Impacts:

- Limited ability to notify those affected by potential changes to financial plan of opportunity to provide input.
- Additional time will be required to develop specific questions responsive to Council direction at first reading of financial plan. Window for consultation could be impacted as a result.
- Due to limited timeframe, Council may have limited ability to fully consider input received or implications of changes in time to adopt 2014-2018 Financial Plan.

Appendices:

A: 2013 Citizen Survey

B: 2013 Business Survey

C: Governance and Priorities Committee Report, February 21, 2013, Summary of Budget Consultation

D: GPC Minutes and Motion from March 27, 2014

Recommendations:

- 1) Council direct staff to provide opportunities for public to learn more and provide general comment on 2014-2018 Financial Plan and to compile all input received for Council's consideration prior to adoption of 2014-2018 Financial Plan in May.