

Dungog Shire Council

SRV Research

Prepared by: Micromex Research

Date: November 2018



micromex
research

Background and Objectives

Background

Dungog Shire Council currently spends approximately \$19.8 million on the maintenance and renewal of local assets and infrastructure each year; however, Council should be investing an additional \$6.1 million per year to keep assets safe and functioning.

In preparing its submission on how to achieve long term financial sustainability, Council identified that despite its best efforts, the funding available is not enough to keep community assets in an acceptable condition.

As such they are consulting with the community about the potential to address the shortfall with a Special Rate Variation (SRV).

Council is conducting a range of engagement and consultation regarding the SRV, presenting the community with 2 options to consider and provide feedback on. This research forms part of the engagement process.

Objectives of the Survey

To obtain a statistically robust and clear measure of the community's understanding and attitude towards a potential SRV.

Specifically:

- Measure awareness levels and sources of information about a Special Rate Variation
- Measure monadic levels of support for the different options
- Obtain a forced preference
- Identify community perception and satisfaction towards a number of key service areas
- Measure community satisfaction with the performance of Council
- Other community diagnostics



Methodology & Sample

Data collection

Micromex Research, together with Dungog Shire Council, developed the questionnaire.

Telephone interviewing (CATI) was conducted during period 12th – 15th November 2018.

Sample

N=302 interviews were conducted. A sample size of 302 provides a maximum sampling error of plus or minus 5.6% at 95% confidence. This means that if the survey was replicated with a new universe of N=302 residents, that 19 times out of 20 we would expect to see the same results, i.e. +/- 5.6%.

As the raw data has been weighted to reflect the real community profile of Dungog Shire Council, the outcomes reported here reflect an 'effective sample size'; that is, the weighted data provides outcomes with the same level of confidence as unweighted data of a different sample size. In some cases this effective sample size may be smaller than the true number of surveys conducted.

Interviewing

277 of the 302 of respondents were selected by means of a computer based random selection process using the electronic White Pages and SamplePages.

In addition 25 respondents were recruited face-to-face, this was conducted at a number of areas around Dungog Shire Council area, i.e. the Dungog Show, Clarence Town IGA, Paterson IGA and Dungog IGA/Bakery/Coffee Bean Café.

Data analysis

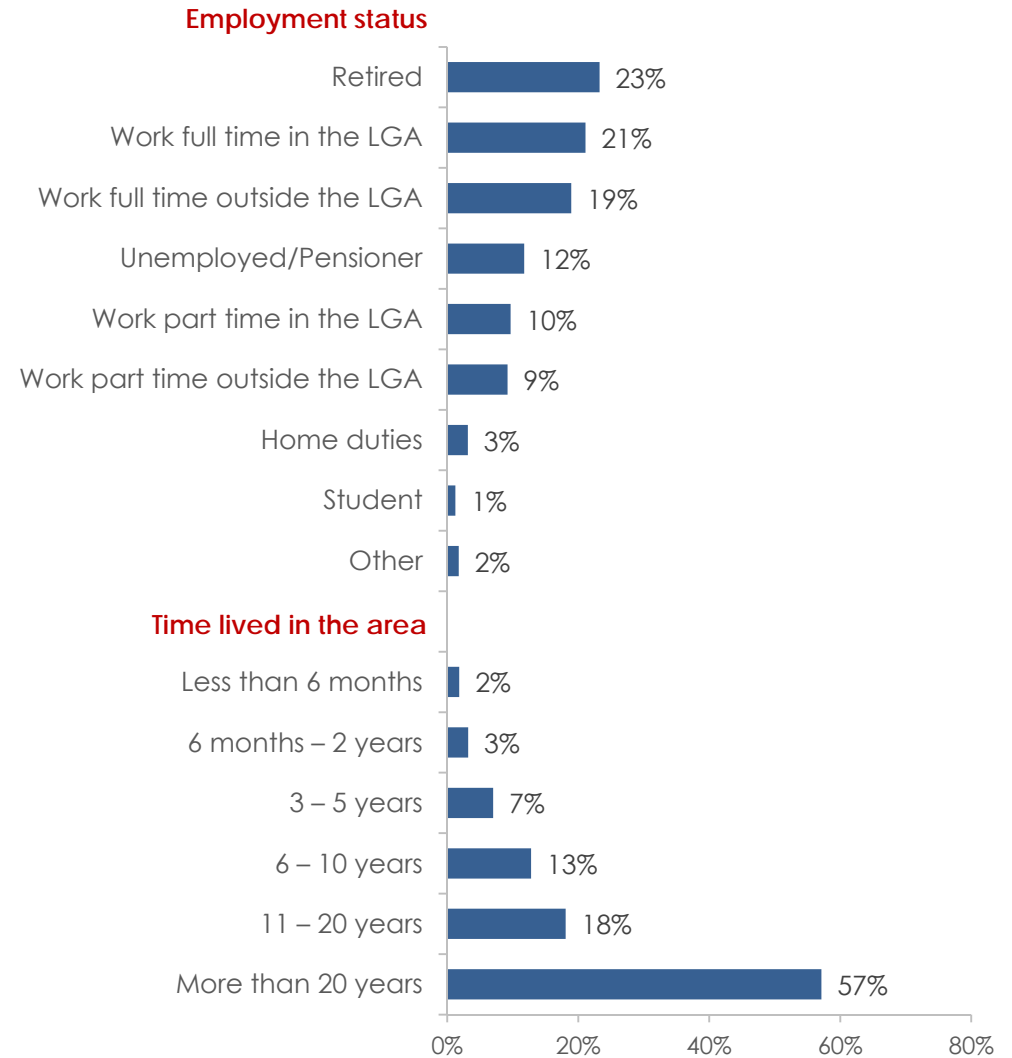
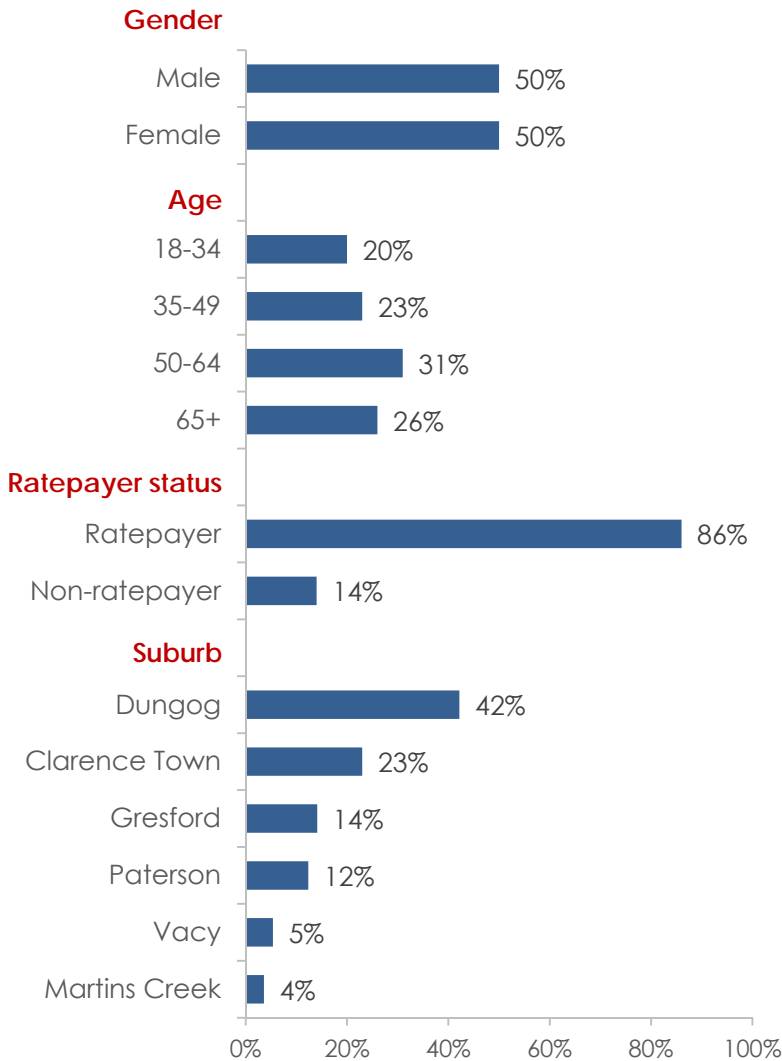
The data within this report was analysed using Q Professional.



Sample Profile



Sample Profile



Base: N = 302



The sample was weighted by age and gender to reflect the 2016 ABS community profile of Dungog Shire Council.

Summary of Key Findings



Summary of SRV Findings

Summary

Prior to contact 60% of residents were already aware of the proposed SRV.

- 53% of residents selected Option 2 (Improvement Plan) as their first preference
 - Primary reasons were: 'supportive of services and facilities being kept up to standard' (20%), 'will improve the area/make it a better place to live' (10%) and 'aware the Shire needs assistance in terms of funding' (9%)
- 47% of residents selected Option 1 (Rate peg only) as their first preference
 - Primary reasons were: 'the most affordable option' (15%), 'cannot afford a rate increase/I am a pensioner' (9%) and 'Council are ineffective/do not trust they will spend any extra money effectively' (8%)

Recommendations

If Council wishes to increase community support for an SRV it will need to:

- Communicate clearly the necessity and benefits of the proposed SRV and long term benefit to the community as a whole, especially in regards to road quality and maintenance
- Demonstrate they can effectively use the money in a way that best meets the community's expectations
- Address the hardship concerns of pensioners and those who feel they could not afford the proposed rate increases



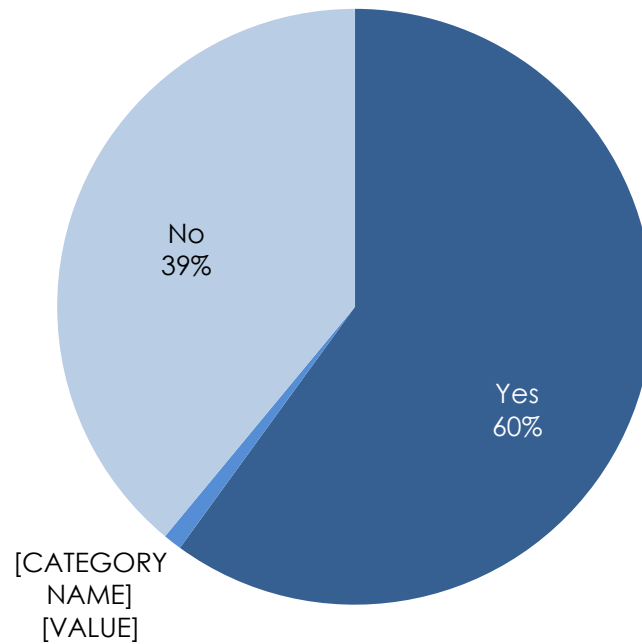
Awareness of a Special Rate Variation



Awareness of Special Rate Variation Exploration

Q4a. Prior to this call, were you aware that Council was exploring community sentiment towards a Special Rate Variation?

	Overall	Male	Female	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer
Yes	60%	62%	57%	31%▼	64%	70%▲	67%	65%▲	27%
No/not sure	40%	38%	43%	69%	36%	30%	33%	35%	73%



Base: N = 302

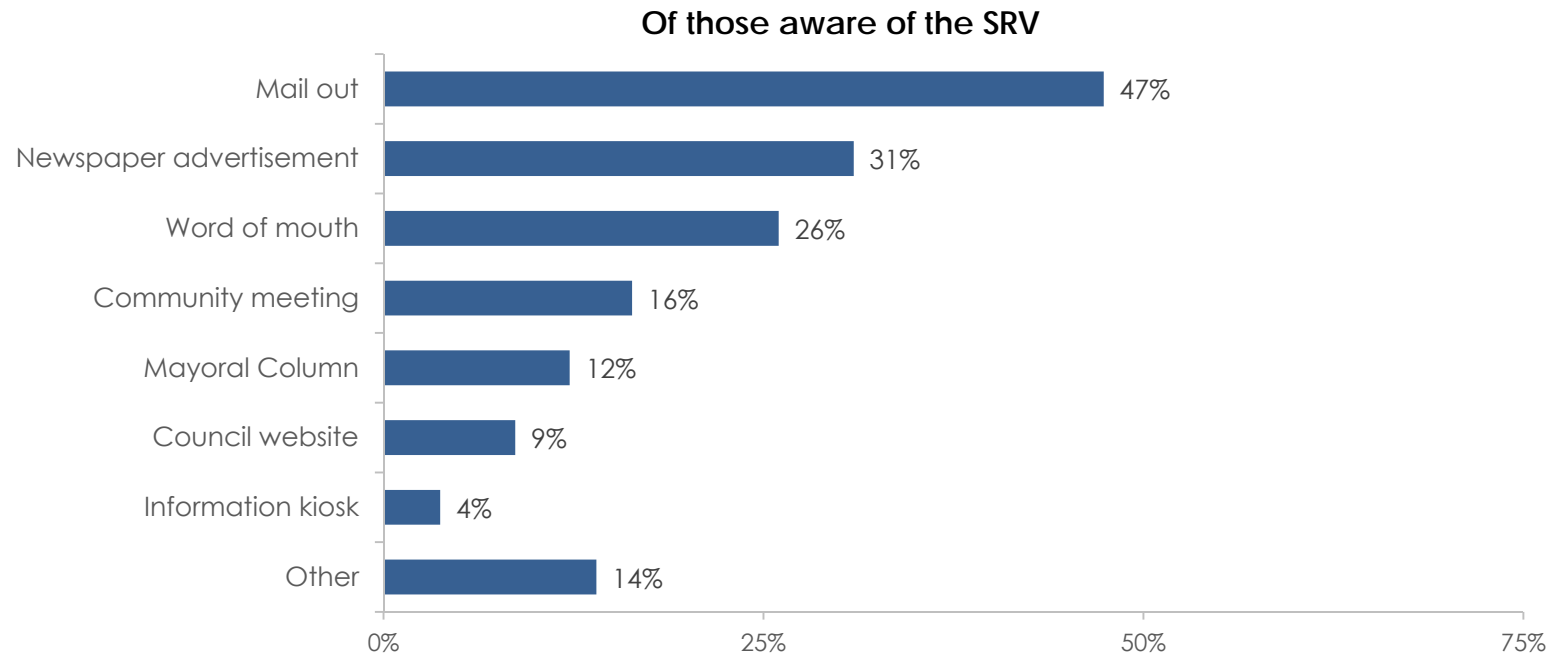
▲▼ = A significantly higher/lower level of awareness (by group)

60% of residents were aware that Council was exploring community sentiment towards a SRV. Residents aged 18-34 were significantly less likely to be aware, while those who were aged 50-64 and those that are ratepayers were significantly more likely to be aware.

Source of Information on a Special Rate Variation

Q4a. Prior to this call, were you aware that Council was exploring community sentiment towards a Special Rate Variation?

Q4b. [If yes in Q4a] How were you informed of the Special Rate Variation?



Other specified	Count	Other specified	Count
Social media	7	Survey	2
Newsletter	6	Media	1
Local Councillor	3	Progress Association	1
Website	3	Rates notice	1
Letter from Council	2		

Base: N = 180

See Appendix A for results by demographics

Nearly half (47%) of residents who were aware of the SRV were made aware by 'mail out' and 31% by 'newspaper advertisement'.

Support for a Special Rate Variation



Concept Statement

Dungog Shire residents have consistently told Council that assets such as roads, bridges, public spaces, parks and community facilities are important to them, and that Council needs to improve their condition. In addition to this, the State Government introduced its Fit for the Future Reform in 2014, which required all NSW councils to assess their current position and submit a proposal demonstrating how they will become Fit for the Future.

Council currently spends approximately \$19.8 million on the maintenance and renewal of local assets and infrastructure each year; however, Council should be investing an additional \$6.1 million per year to keep assets safe and functioning.

In preparing its submission on how to achieve long term financial sustainability, Council identified that despite its best efforts, the funding available is not enough to keep community assets in an acceptable condition.

There is no easy solution to addressing this funding gap. Put simply, if Council does not address this gap now, the community assets that Council manages will deteriorate and, in the future, become unusable. A proposed Special Rate Variation – which is an increase in rates above what is known as the rate peg increase the State Government sets each year – is necessary to maintain and manage current assets to ensure that Council delivers services in line with community expectations and remains financially sustainable into the future.

Council acknowledges that any rate increase may adversely impact some community members. Council has a Hardship Policy and alternative payment options to assist ratepayers should they have difficulty keeping up with their rate payments. Please contact Council for further information regarding this.

There are two options which I would like you to consider. Each option will have varying impacts on local assets and service quality. Let's look at the options in more detail:



**The concept statement was read to participants.
Option exposure was randomised to nullify order effect.**

Option 1 – Rate Peg Only

No Special Rate Variation. Rates would only increase by the annual projected rate peg amount of 2.5% per year. Over the seven-year period, this is a cumulative increase of 18.9%. Residential ratepayers who are currently paying around \$1,177 per year would pay a total increase of \$222.00 after seven years, which equates to an average annual increase of around \$31.71 each year. After 7 years this would amount to an annual rate charge of \$1,399 by 2025/2026.

Under this option the impact would be further deterioration of assets, including the worsening of:

- Roads and timber bridges
- Community buildings
- Town centres and public spaces
- Public toilets
- Footpaths
- Stormwater drainage; and
- Parks and open spaces, including playgrounds

Council would also have no capacity for new capital works, meaning it would have difficulty funding new assets such as roads infrastructure and community facilities. It would also be unable to undertake works like the replacement of timber bridges, or the progressive rehabilitation of the local sealed road network.

In order to meet the Fit for the Future financial benchmarks, Council would be required to reduce or close services.



Option 2 – Improvement Plan

A tapered Special Rate Variation of 15% for two years, 10% for three years and 6% for two years, which includes the rate peg amount of 2.5%, and then reverting to the rate peg amount of 2.5% in the eighth year. Over the seven-year period this is a cumulative increase of 97.8% which includes the 18.9% from rate peg.

At the end of the seven-year period the Special Rate Variation increase would be built into the rate base. Residential ratepayers who are currently paying around \$1,177 per year would pay a total increase of \$778.00 after seven years, which equates to an average annual increase of around \$111.14 more each year. After 7 years this would amount to an annual charge of \$1,955 by 2025/2026.

The Special Rate Variation would only be applied to the general rates component of residential rates, which is currently \$704 per annum. The \$473 of other fees and charges would be subject only to increases similar to CPI.

At the end of the seven-year period the Special Rate Variation increase would be built into the rate base.

This option would generate an additional \$4.5 million to Council's rates base by 2025/2026. With this and a borrowing program, Council would spend an additional:

- \$31 million on roads infrastructure
- \$12.8 million on timber bridge replacement using concrete or steel
- \$3 million on parks and community buildings

This option would stabilise the deterioration of our assets and gradually improve their condition over time. It would enable Council to fund a program of asset upgrades with a focus on roads, the renewal of timber bridges using either concrete or steel, the rehabilitation of sealed roads and improvements to parks and community buildings. Council would also be able to increase its preventative maintenance and renewal program to stabilise the condition of priority assets.

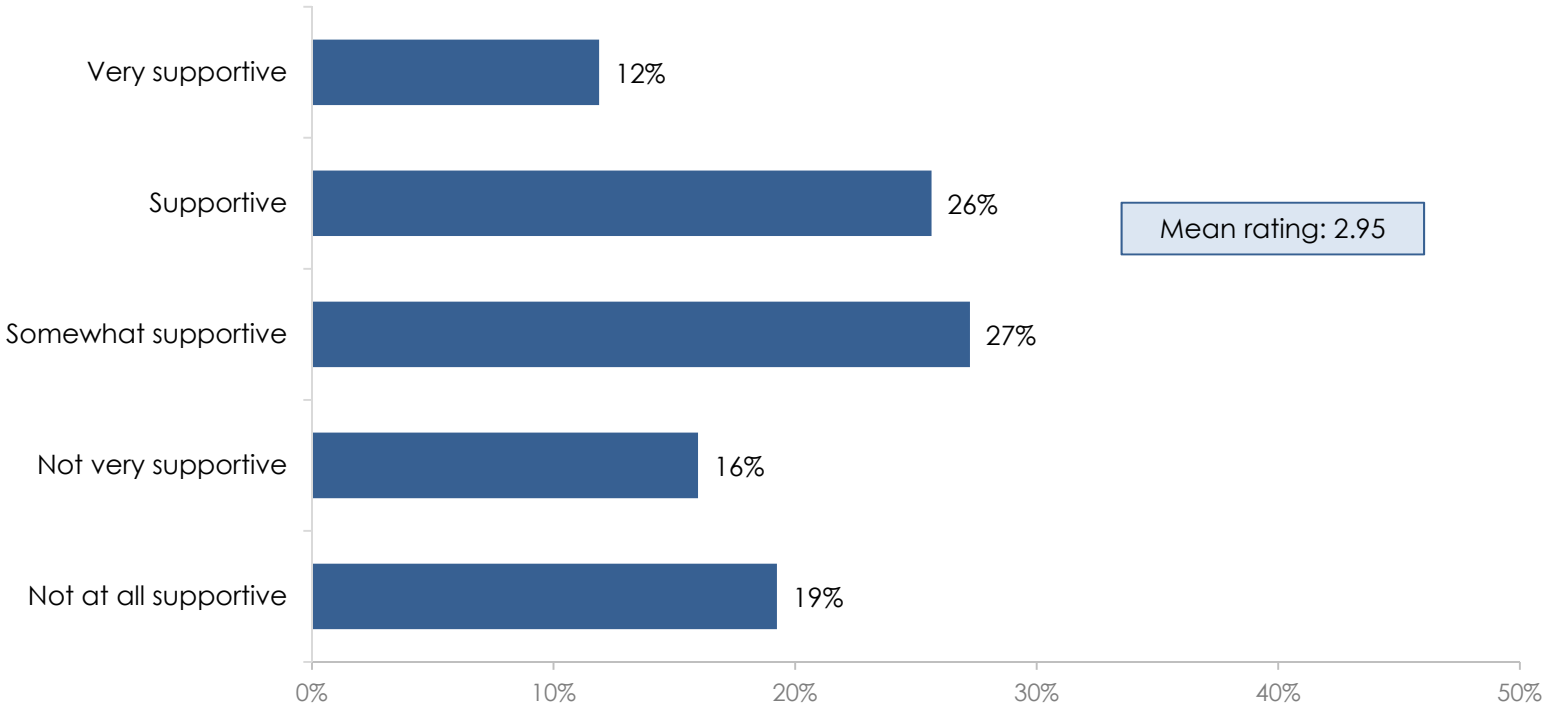
Council would also be able to meet the Fit for the Future financial benchmarks and maintain current service levels.



Option 1 – Rate Peg Only

Q3a. How supportive are you of Council proceeding with Option 1?

	Overall	Male	Female	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer
Mean rating	2.95	2.94	2.96	2.92	3.30	2.70▼	2.96	2.89	3.29



Base: N = 301

▲▼ = A significantly higher/lower level of support (by group)

Scale: 1 = not at all supportive, 5 = very supportive

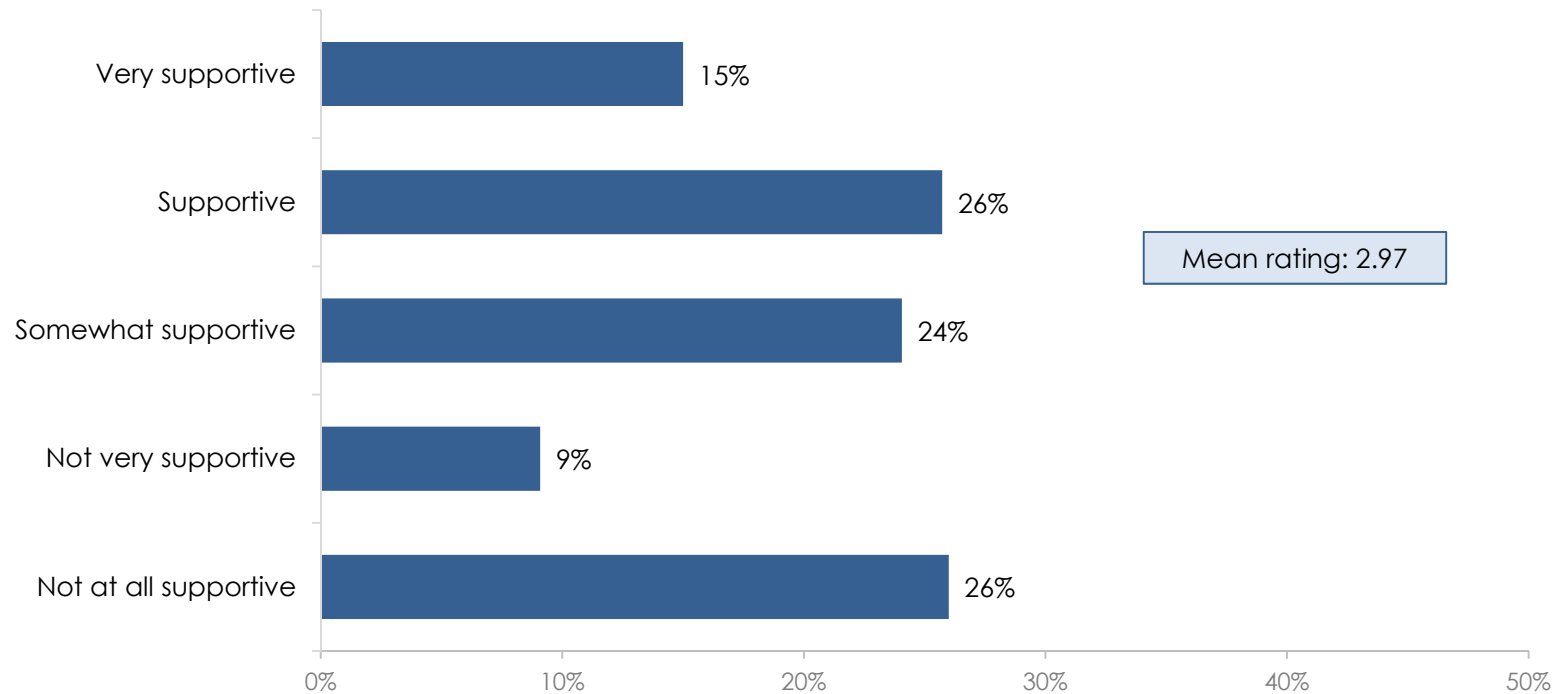


65% of respondents are at least 'somewhat supportive' of Option 1.

Option 2 – Improvement Plan

Q3b. How supportive are you of Council proceeding with Option 2?

	Overall	Male	Female	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer
Mean rating	2.97	2.82	3.12	2.96	3.06	2.76	3.15	2.91	3.33



Base: N = 301

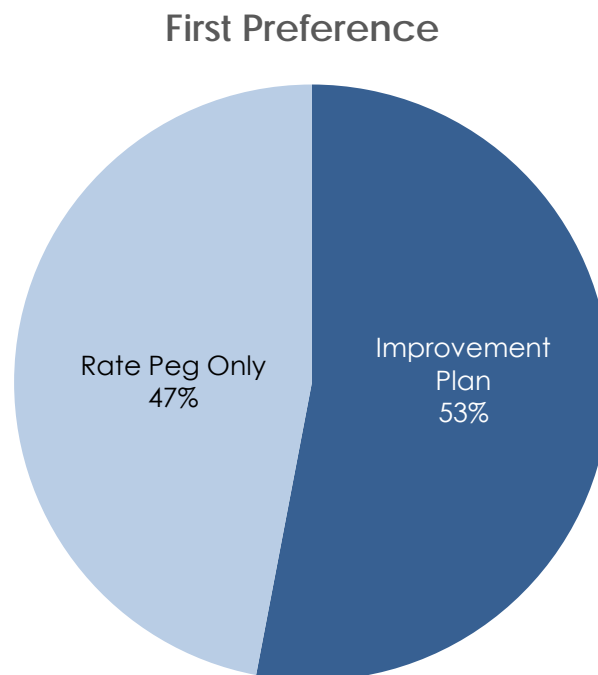
Scale: 1 = not at all supportive, 5 = very supportive

65% of residents are at least 'somewhat supportive' of Option 2.



Preferences for Special Rate Variation Options

Q3c. Please rank the 2 options in order of preference:



First Preference	Overall	Male	Female	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer
Rate peg only	47%	50%	43%	48%	45%	51%	41%	49%	33%
Improvement Plan	53%	50%	57%	52%	55%	49%	59%	51%	67%

Base: N = 300

Note: for data cross analysed by satisfaction, please see Appendix A



53% of residents prefer the proposed Improvement Plan over the Rate Peg Only option.

Reasons for Preferring Option 1 – Rate peg only (47%)

Q3c. Please rank the 2 options in order of preference:

Q3d. What is your reason for choosing that option as your highest preference?

'Already watching family and other residents struggling to pay current rate levels'

'Council does not spend its money wisely and wastes a lot of money'

'Wouldn't be able to afford to stay in the area if the rates doubled'

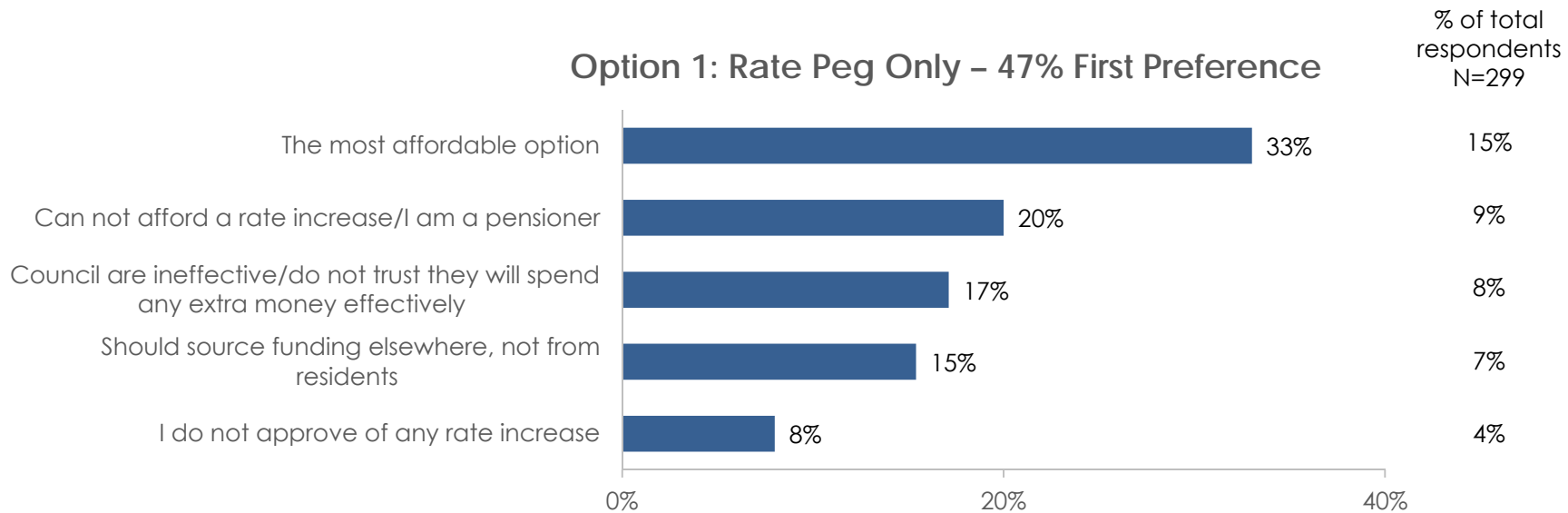
'Money should come from the Government not the ratepayers'

'Council can't handle their funds properly at the moment'

'Most affordable option available'

'I am retired and would find it difficult to pay the special rate variation'

Option 1: Rate Peg Only – 47% First Preference



Base: N = 139

Note: responses of less than 8% are listed in Appendix B

33% (15% of total sample) of those that selected Option 1 did so as it is 'the most affordable option', while 20% (9% of total sample) did so as they cannot afford it/they are a pensioner.

Reasons for Preferring Option 2 – Improvement Plan (53%)

Q3c. Please rank the 2 options in order of preference:

Q3d. What is your reason for choosing that option as your highest preference?

'Infrastructure will only deteriorate with option 1'

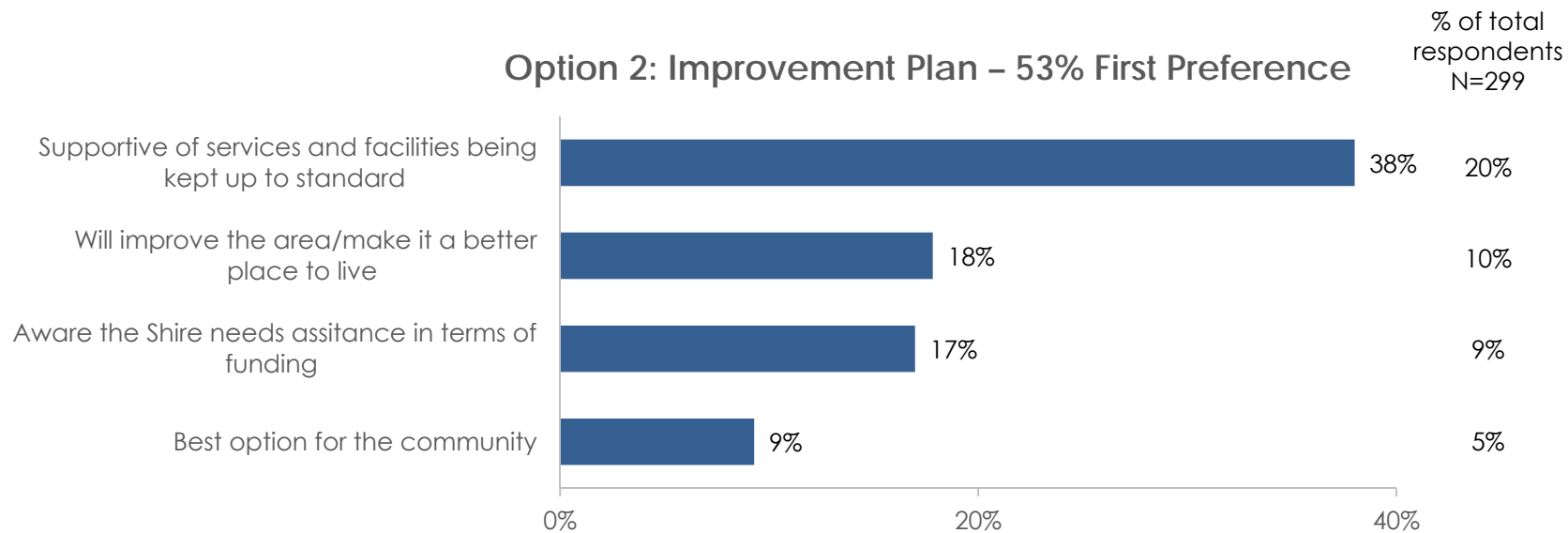
'It shows more improvement for the area in comparison to the 1st option'

'Community needs improvement e.g. roads, bridges and facilities etc.'

'Dungog needs to move forwards in all areas and this would be the start of helping our town achieve that'

'Agree that things need to be kept up to standard'

'Council has to afford to pay for things somehow so this is the best option'



Base: N = 163

Note: responses of less than 9% are listed in Appendix B



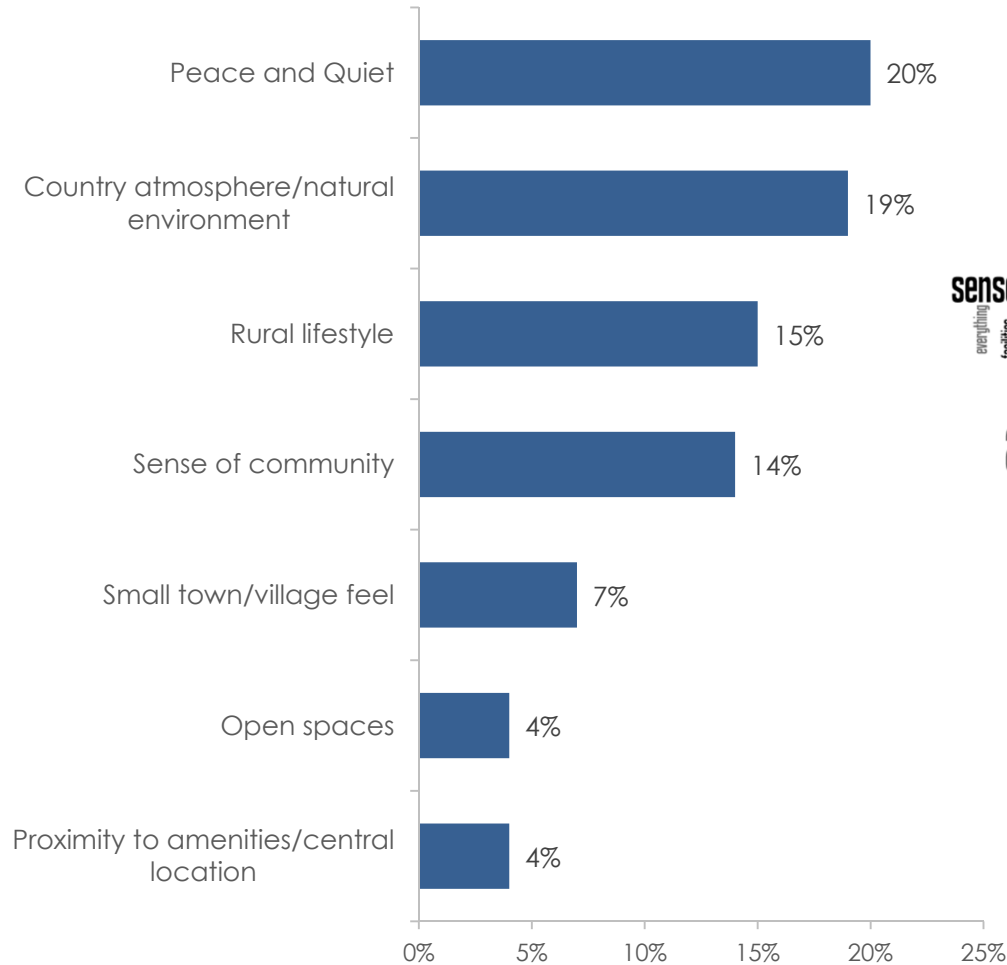
38% (20% of total sample) of those that selected Option 2 did so because they are 'supportive of services and facilities being kept up to standard'.

Community/Council Diagnostics



What is Valued Most About Living in the Dungog Shire

Q1b. What do you value most about living in the Dungog Shire?



Base: N = 302



Word Frequency Tagging

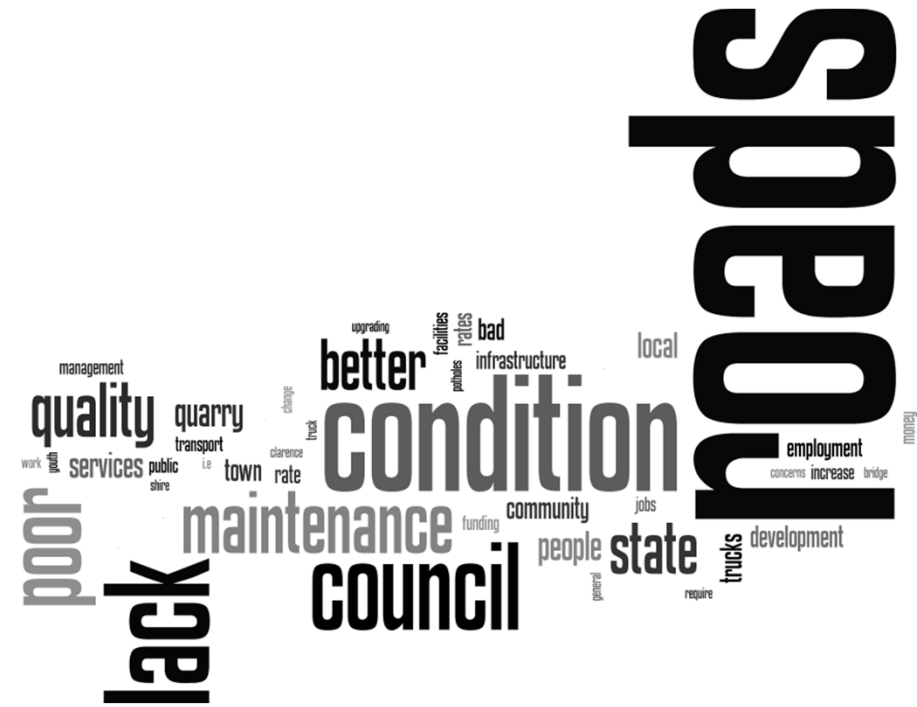
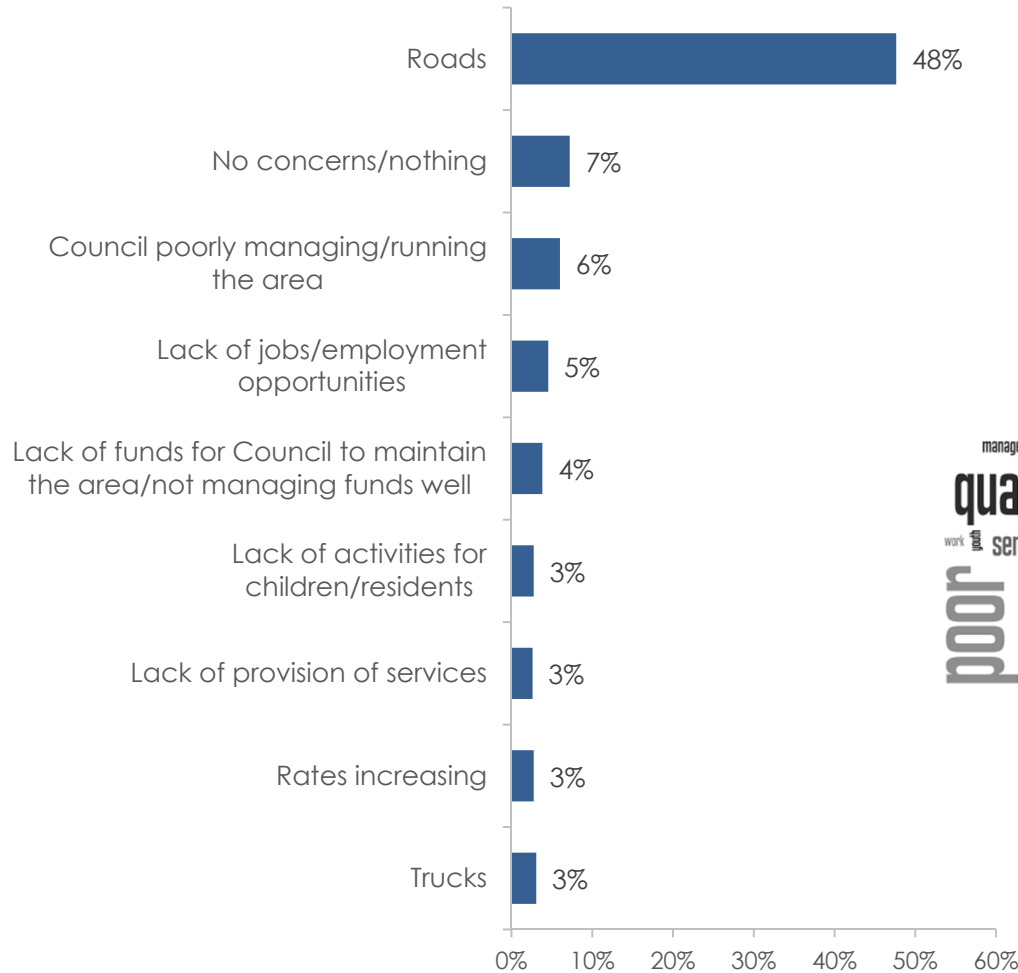
Verbatim responses for this question were collated and entered into analytical software. This analysis 'counts' the number of times a particular word or phrase appears and, based on the frequency of that word or phrase, a font size is generated. The larger the font, the more frequently the word or sentiment is mentioned.

See Appendix B for comments less than 4%

The most valued aspects of living in Dungog Shire were 'peace and quiet', 'country atmosphere/natural environment' and 'rural lifestyle'.

Biggest Concerns Living in the Dungog Shire

Q1c. What concerns you most with regards to living in the Dungog Shire?



Word Frequency Tagging

Verbatim responses for this question were collated and entered into analytical software. This analysis 'counts' the number of times a particular word or phrase appears and, based on the frequency of that word or phrase, a font size is generated. The larger the font, the more frequently the word or sentiment is mentioned.

Base: N = 302

See Appendix B for comments less than 3%

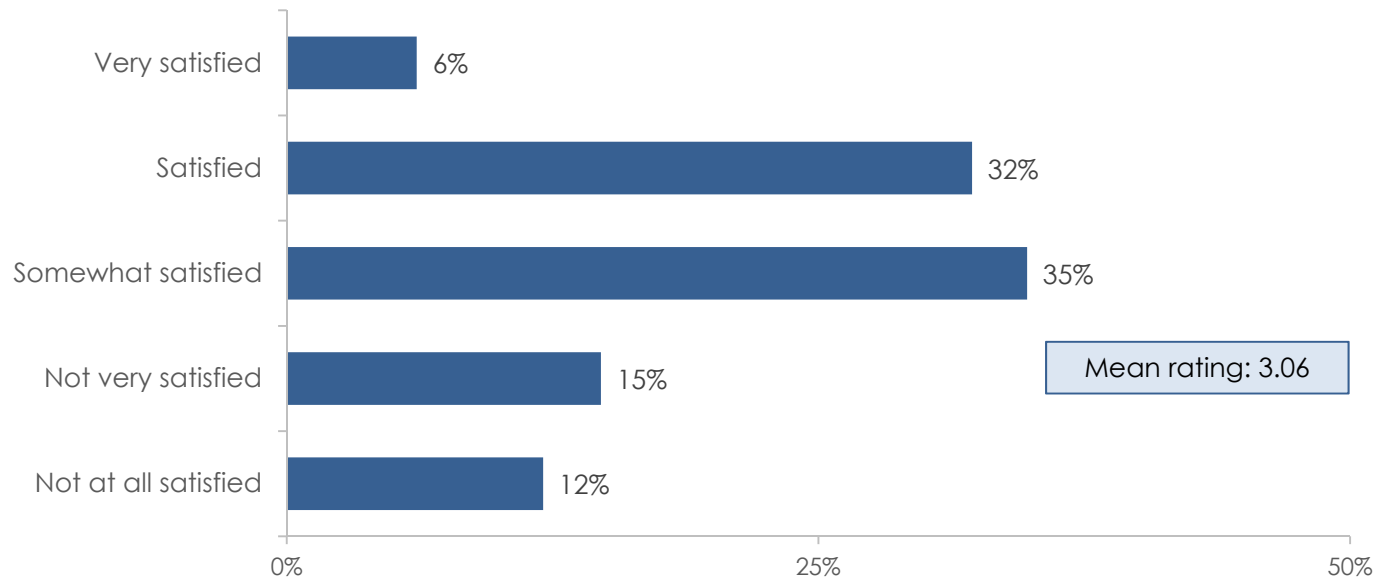
Almost half of residents stated 'Roads (quality/maintenance)' as what concerns them most with regards to living in Dungog Shire.

Performance of Council

Q2a. Overall, for the last 12 months, how satisfied are you with the performance of Council, not just on one or two issues but across all responsibility areas?

	Overall 2018	Male	Female	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer
Mean rating	3.06	2.94	3.17	2.94	3.18	3.02	3.07	3.05	3.07

Council Benchmarks	Dungog Shire Council	All of NSW	Regional
Mean rating	3.06 ▼	3.42	3.31



Base: N = 302

Scale: 1 = not at all satisfied, 5 = very satisfied
 ▲ ▼ = A significantly higher/lower level of satisfaction

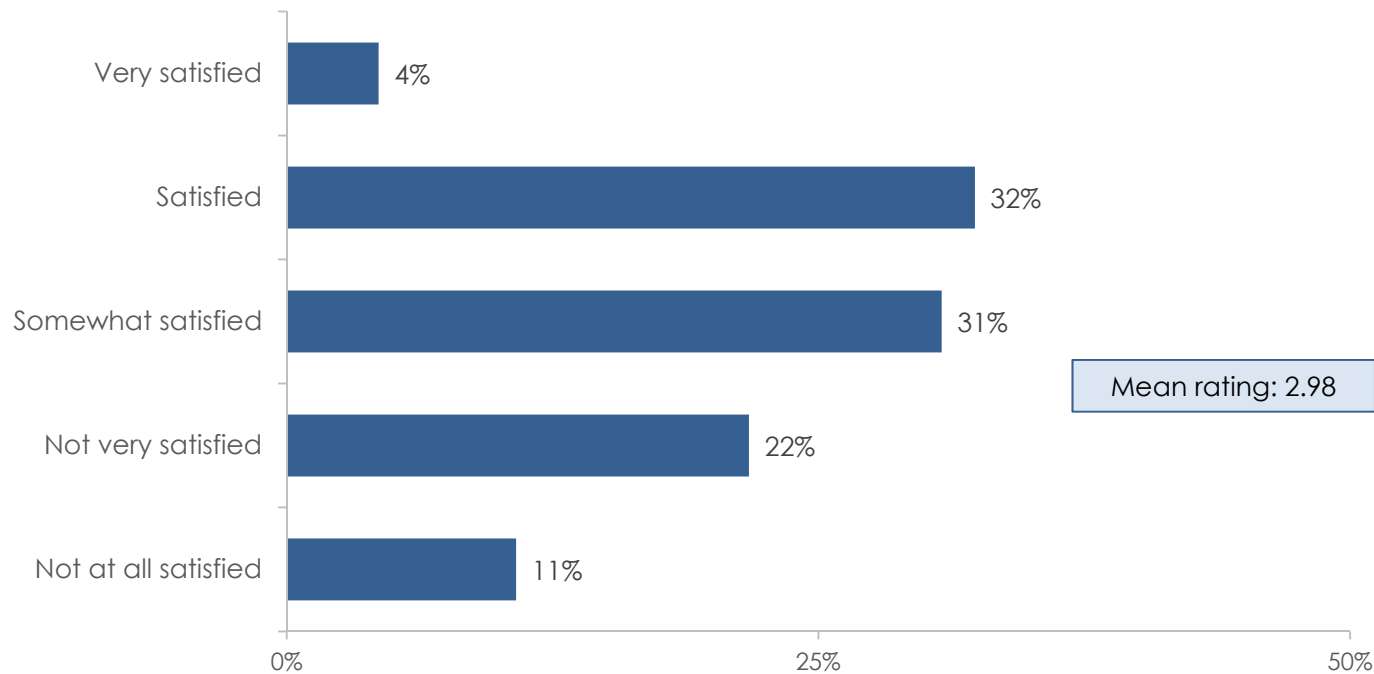
73% of residents are at least 'somewhat satisfied' with the performance of Council in the last 12 months.

Dungog Council's overall satisfaction score was significantly lower than the 'All of NSW' and 'Regional' benchmarks.

Satisfaction with Infrastructure and Facilities

Q2b. How satisfied are you with the quality of infrastructure and facilities provided by Council in the local area?

	Overall	Male	Female	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer
Mean rating	2.98	2.88	3.07	3.09	2.91	2.97	2.95	2.95	3.16



Base: N = 302

Scale: 1 = not at all satisfied, 5 = very satisfied



67% of residents are at least 'somewhat satisfied' with the quality of infrastructure and facilities provided by Council in the local area.

Service Priority/Satisfaction and Investment

In order to explore attitudes to services in terms of priority, satisfaction and level of investment, the following question was asked:

- Q5. Aside from the areas that Council knows need to be addressed, Council is also looking to understand what the community perceives to be the priority areas within the Shire. I will read out a list of different topic areas, please indicate which of these you think should be prioritised by Council, how satisfied you are with the performance of that service, and whether Council should invest more, the same, or less in that area. The satisfaction scale is from 1 to 5, where 1 = low satisfaction and 5 = high satisfaction**

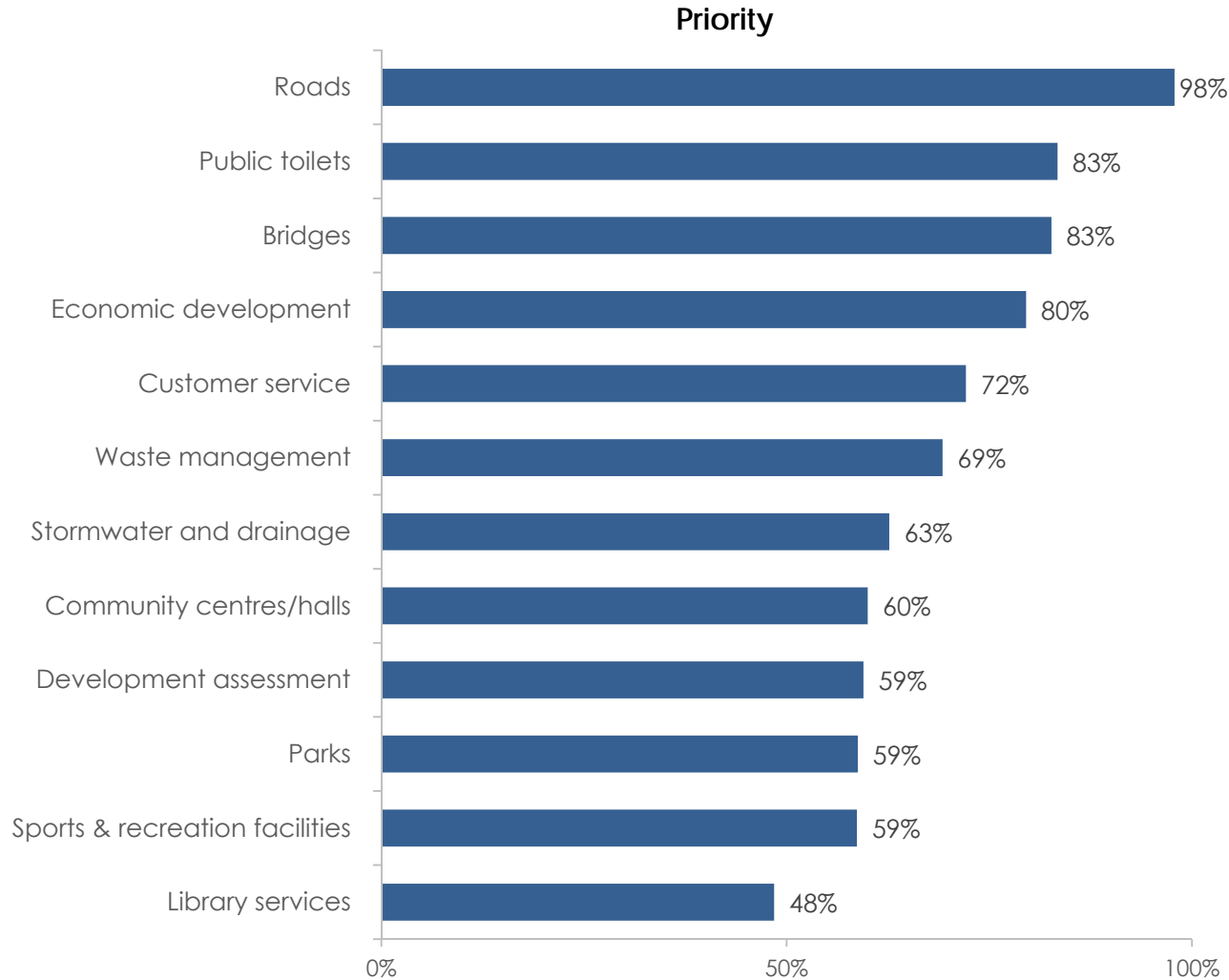
	Priority	Satisfaction					Investment		
	Yes/No	Low 1	2	3	4	High 5	M	S	L
Roads	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Bridges	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Parks	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Sports & Recreation Facilities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Community Centres/Halls	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Library Services	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Public Toilets	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Economic Development	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Waste management	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Development assessment	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Stormwater and drainage	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Customer Service	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>



See the following slides for results.

Summary of Priority

Q5. ...please indicate which of these you think should be prioritised by Council, how satisfied you are with the performance of that service, and whether Council should invest more, the same, or less in that area.

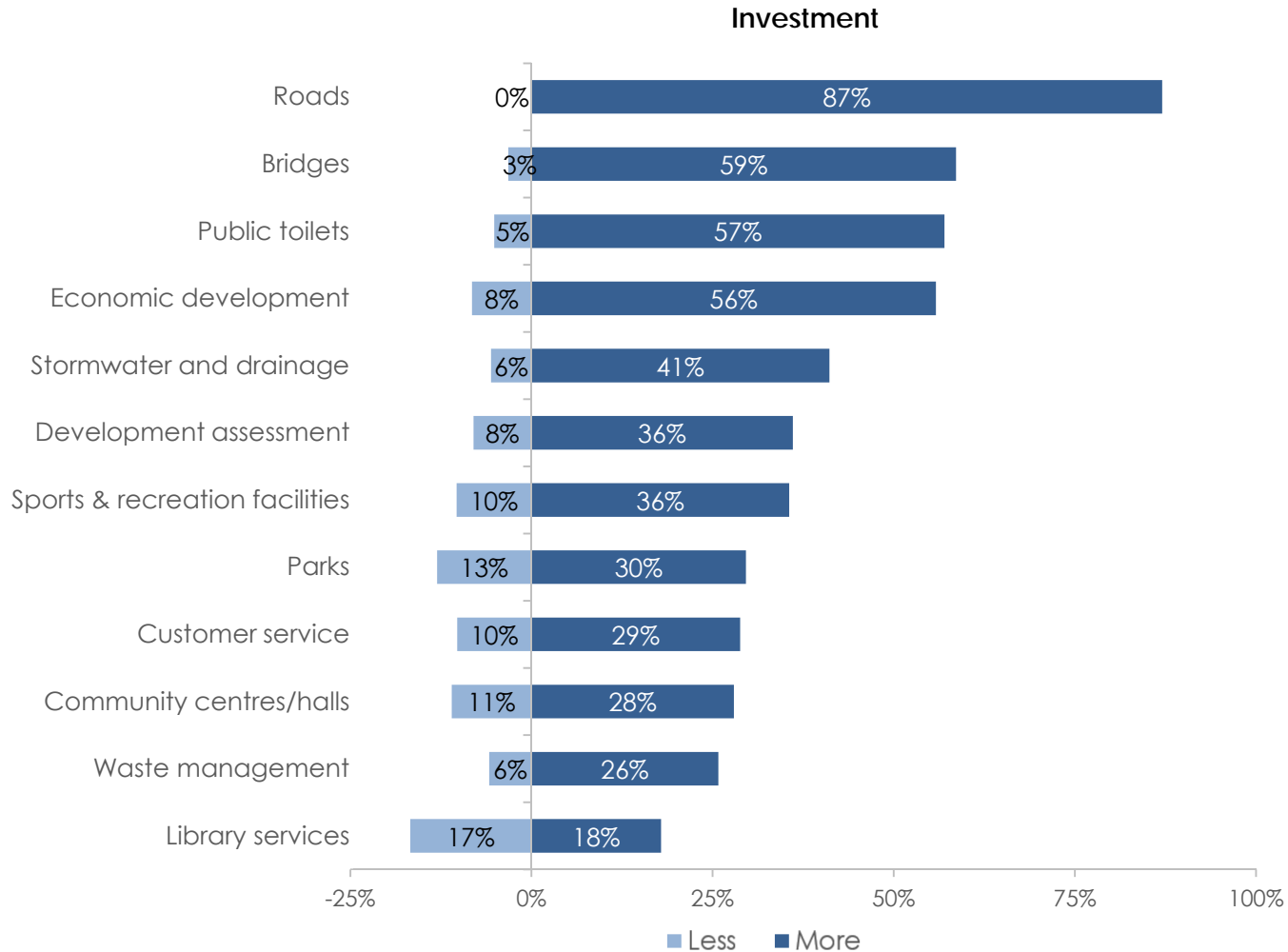


Base: N = 302

98% of residents stated 'roads' was a priority, with 80% or more stating 'public toilets', 'bridges' and 'economic development' were priorities.

Summary of Investment

Q5. ...please indicate which of these you think should be prioritised by Council, how satisfied you are with the performance of that service, and whether Council should invest more, the same, or less in that area.



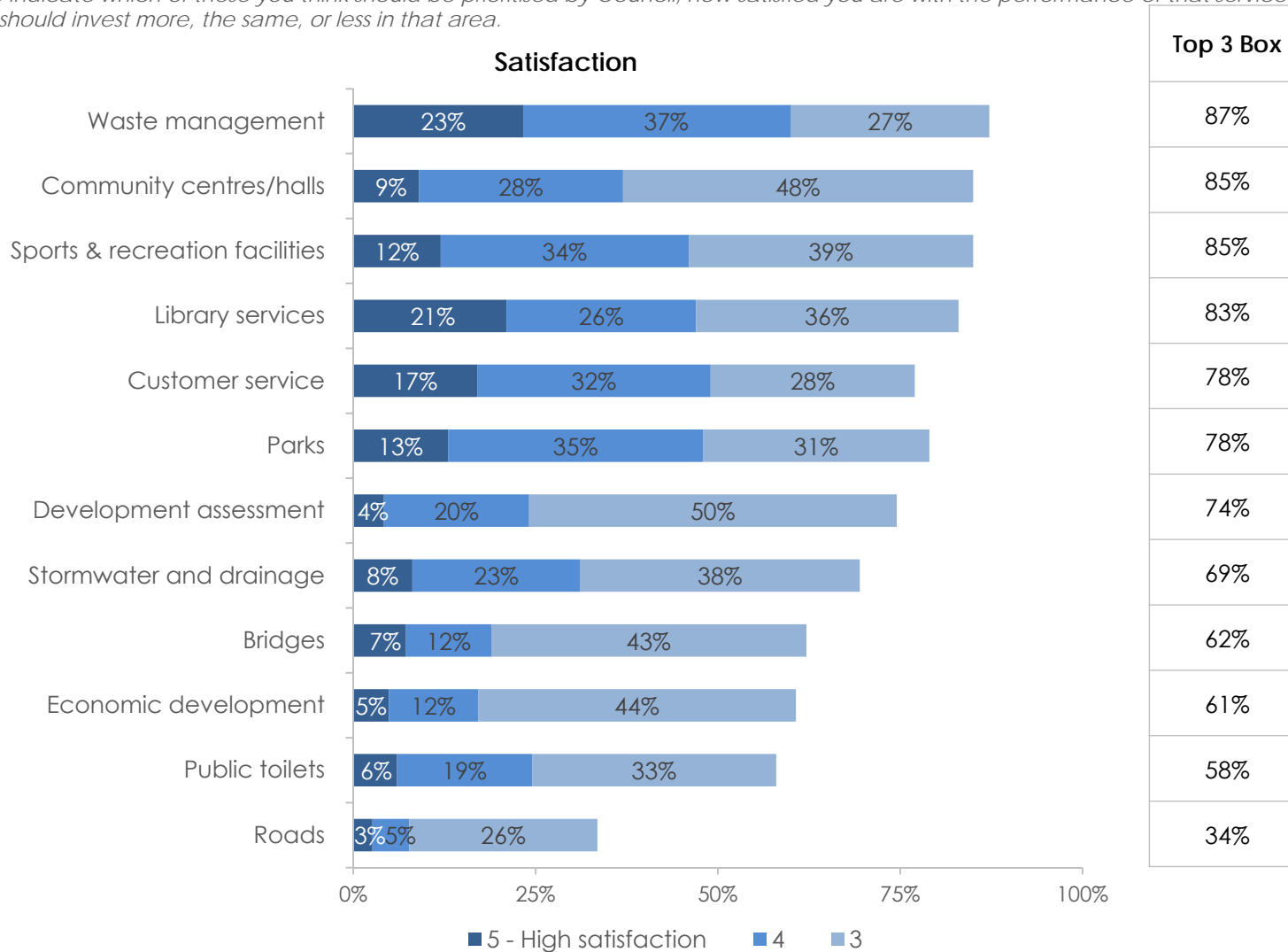
Base: N = 301-302



It is apparent that significant segments of the community want increased resourcing across many business areas. There is little appetite for service reductions.

Summary of Satisfaction

Q5. ...please indicate which of these you think should be prioritised by Council, how satisfied you are with the performance of that service, and whether Council should invest more, the same, or less in that area.



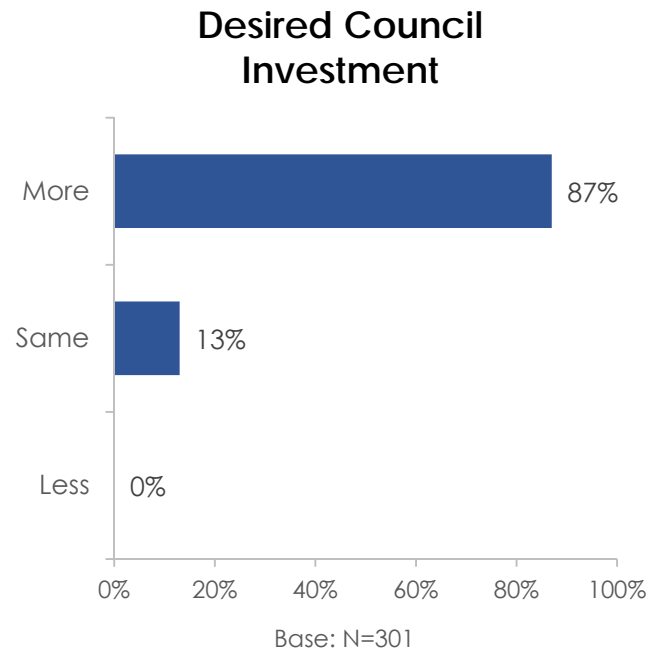
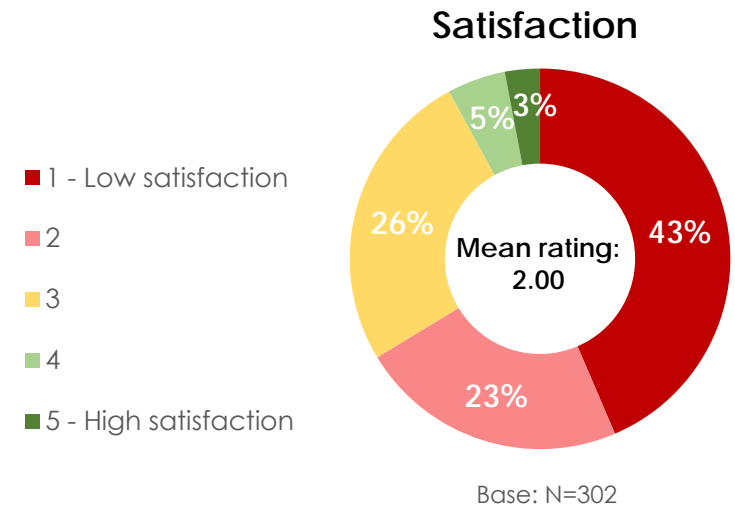
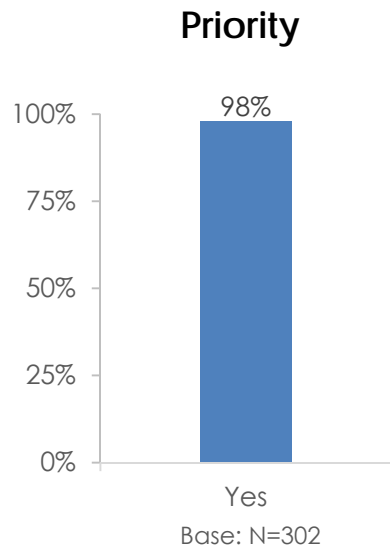
Base: N = 297-302

Satisfaction with Roads is significantly lower than other business areas.

Priority and Satisfaction with Services – Roads

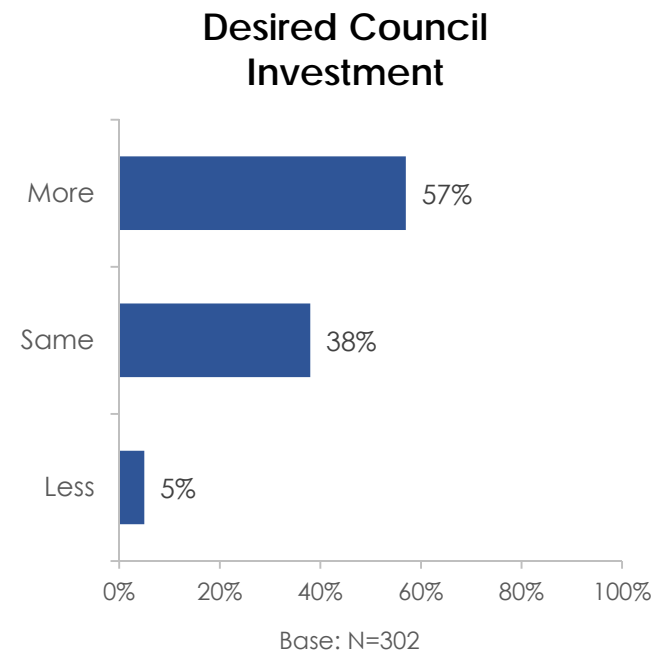
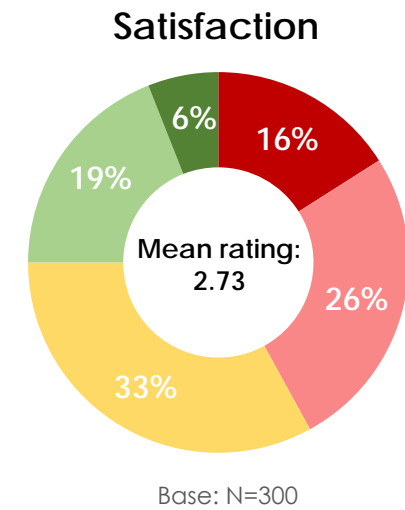
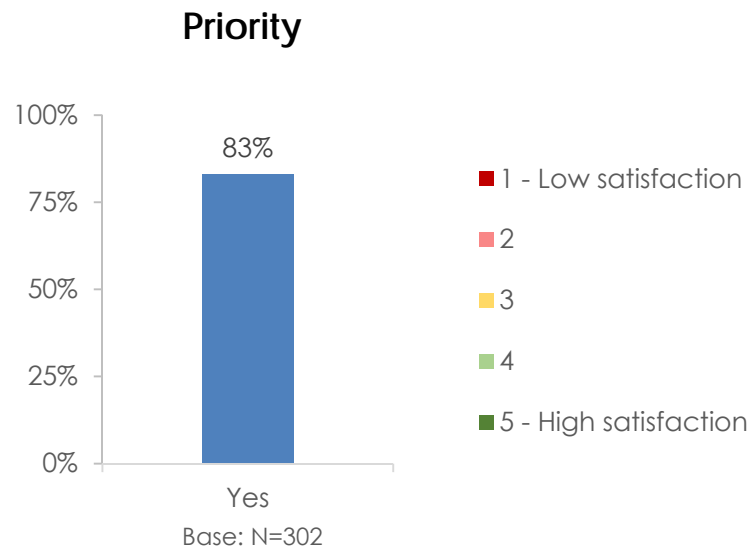
	Rank	
	Priority	Satisfaction
1 st	●	●
2 nd	●	●
3 rd	●	●
4 th	●	●
5 th	●	●
6 th	●	●
7 th	●	●
8 th	●	●
9 th	●	●
10 th	●	●
11 th	●	●
12 th	●	●

Note: satisfaction rank is based on mean rating



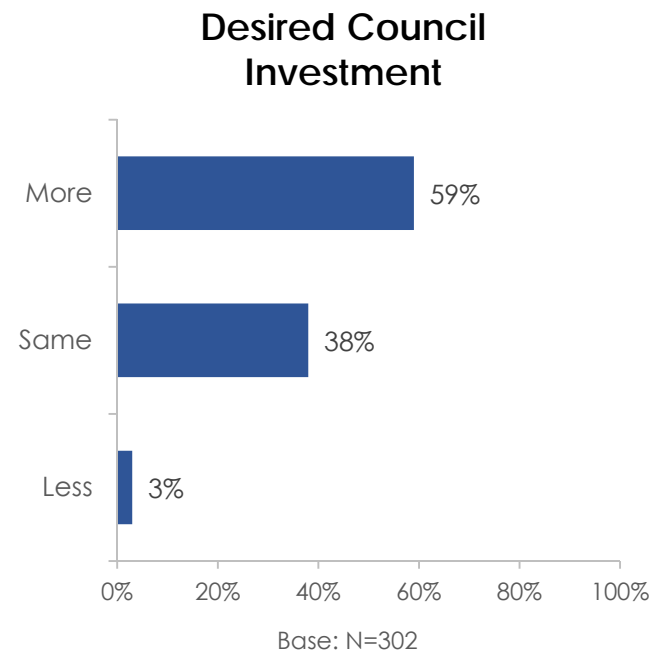
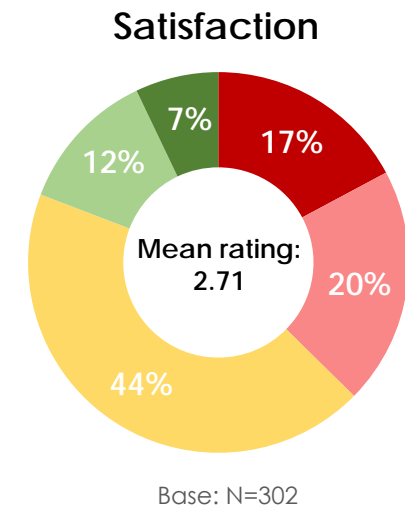
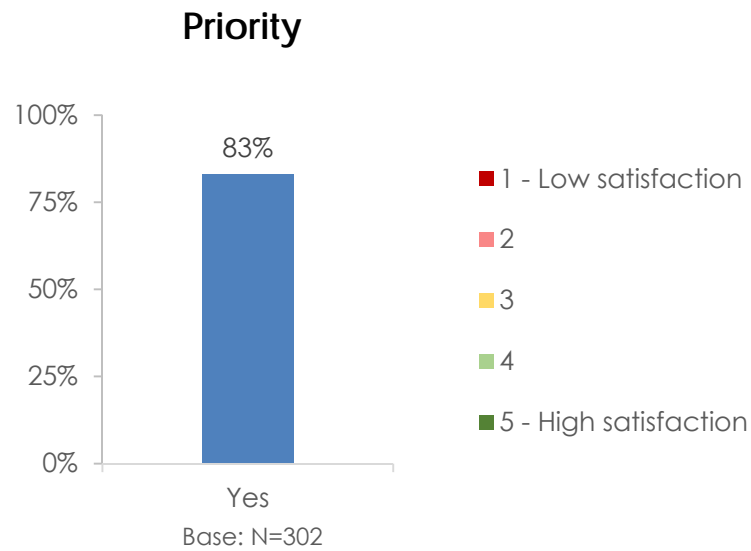
Priority and Satisfaction with Services – Public Toilets

	Rank	
	Priority	Satisfaction
1 st	●	●
2 nd	●	●
3 rd	●	●
4 th	●	●
5 th	●	●
6 th	●	●
7 th	●	●
8 th	●	●
9 th	●	●
10 th	●	●
11 th	●	●
12 th	●	●



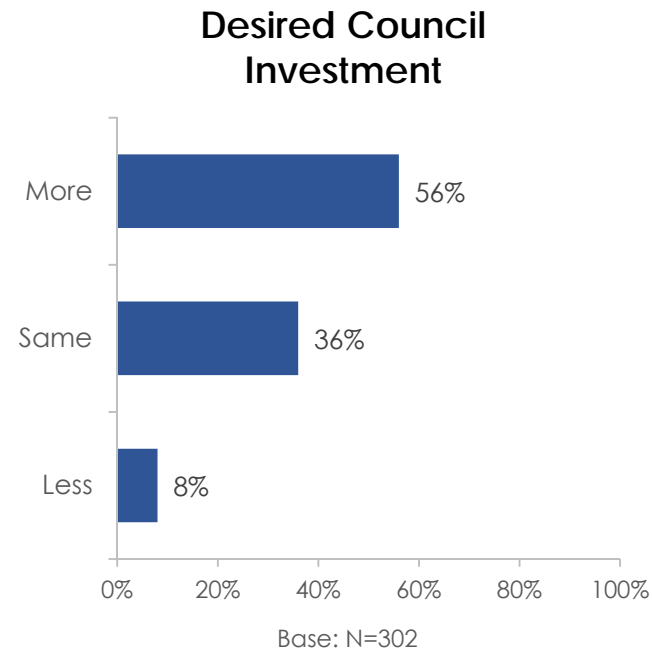
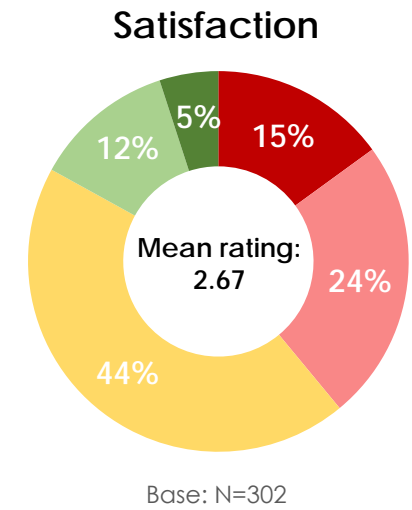
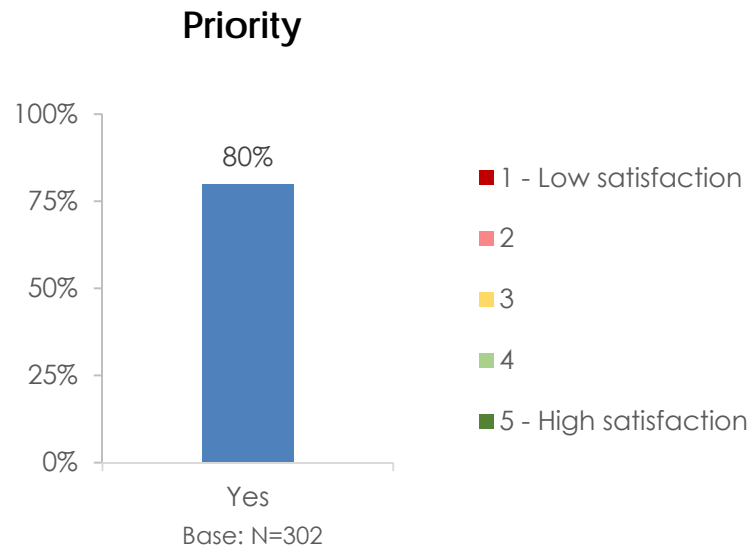
Priority and Satisfaction with Services - Bridges

	Rank	
	Priority	Satisfaction
1 st	●	●
2 nd	●	●
3 rd	●	●
4 th	●	●
5 th	●	●
6 th	●	●
7 th	●	●
8 th	●	●
9 th	●	●
10 th	●	●
11 th	●	●
12 th	●	●



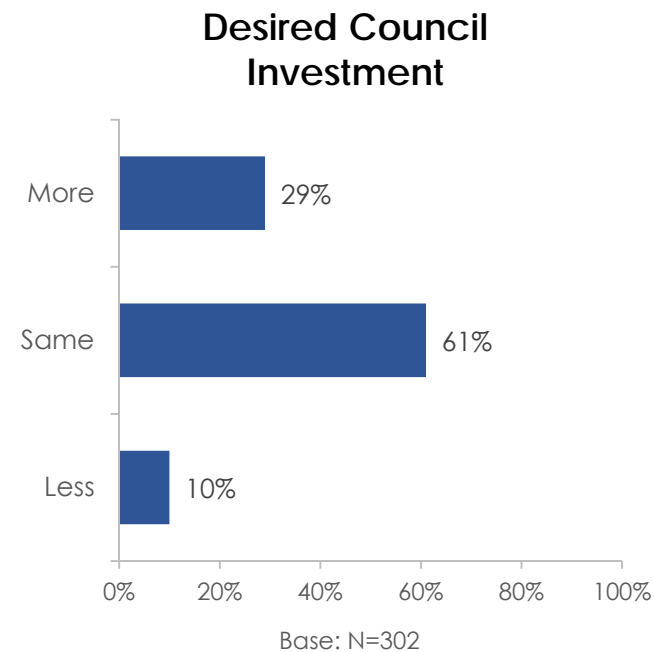
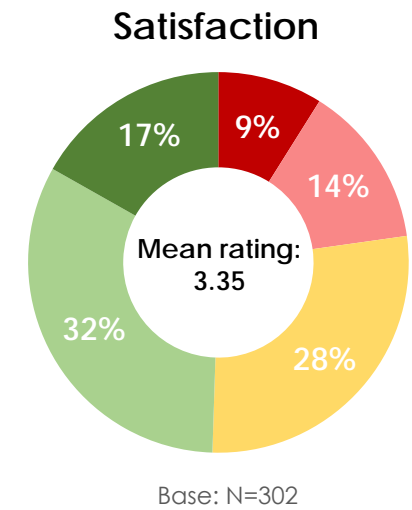
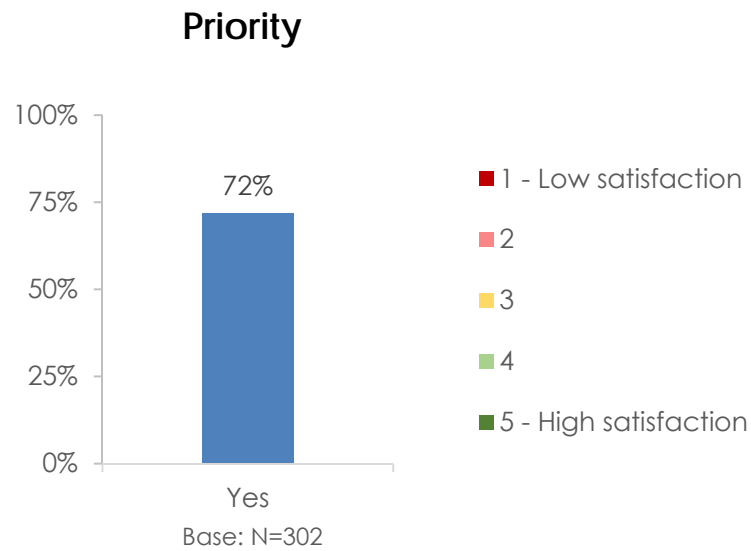
Priority and Satisfaction with Services – Economic Development

	Rank	
	Priority	Satisfaction
1 st	●	●
2 nd	●	●
3 rd	●	●
4 th	●	●
5 th	●	●
6 th	●	●
7 th	●	●
8 th	●	●
9 th	●	●
10 th	●	●
11 th	●	●
12 th	●	●



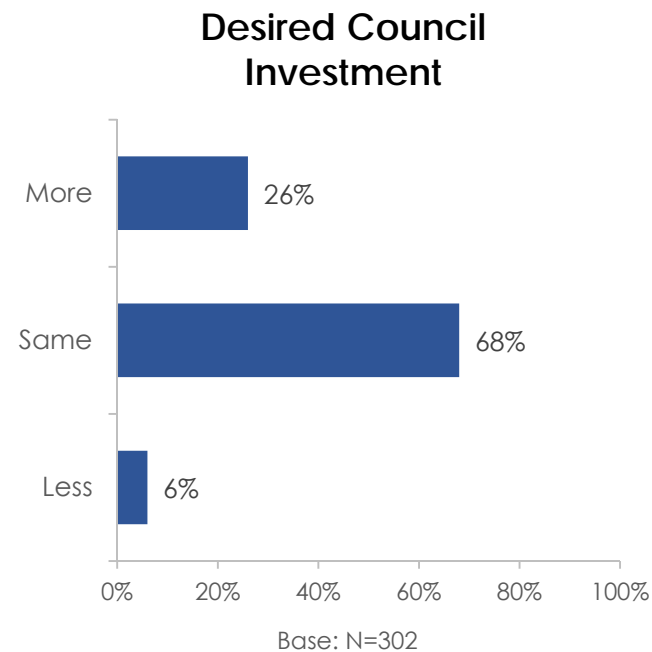
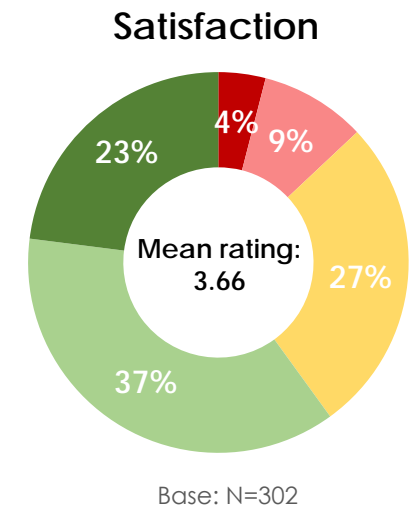
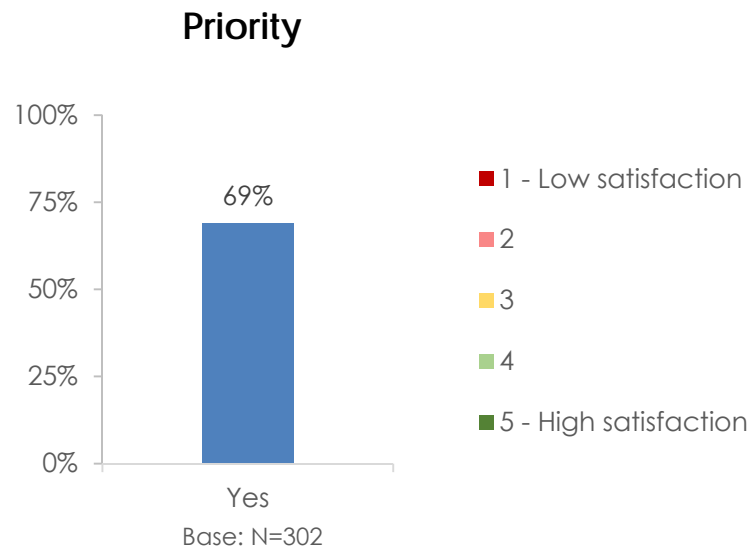
Priority and Satisfaction with Services – Customer Service

	Rank	
	Priority	Satisfaction
1 st	●	●
2 nd	●	●
3 rd	●	●
4 th	●	●
5 th	●	●
6 th	●	●
7 th	●	●
8 th	●	●
9 th	●	●
10 th	●	●
11 th	●	●
12 th	●	●



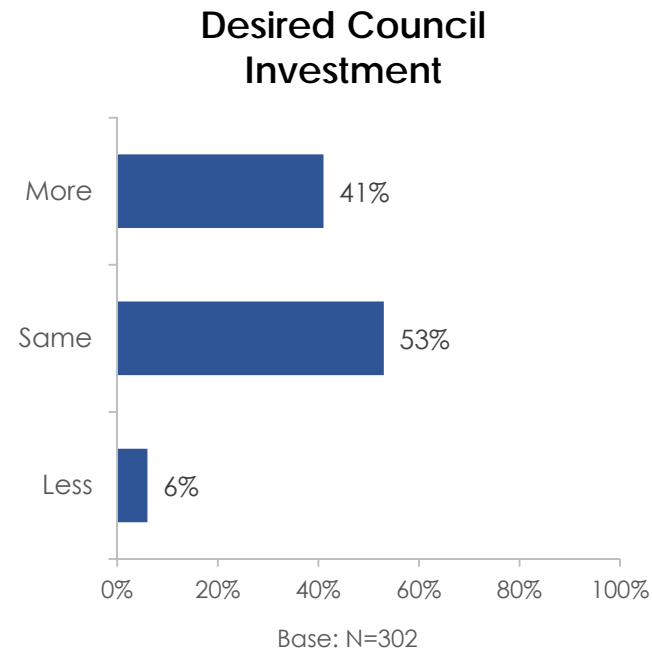
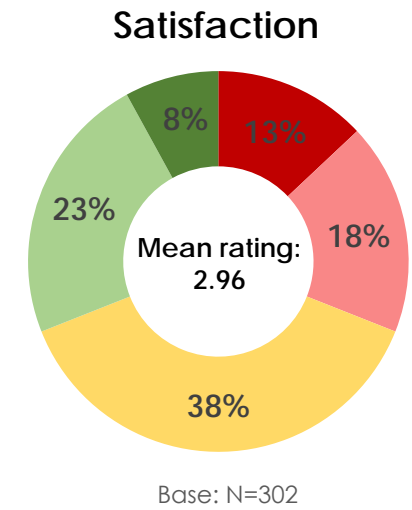
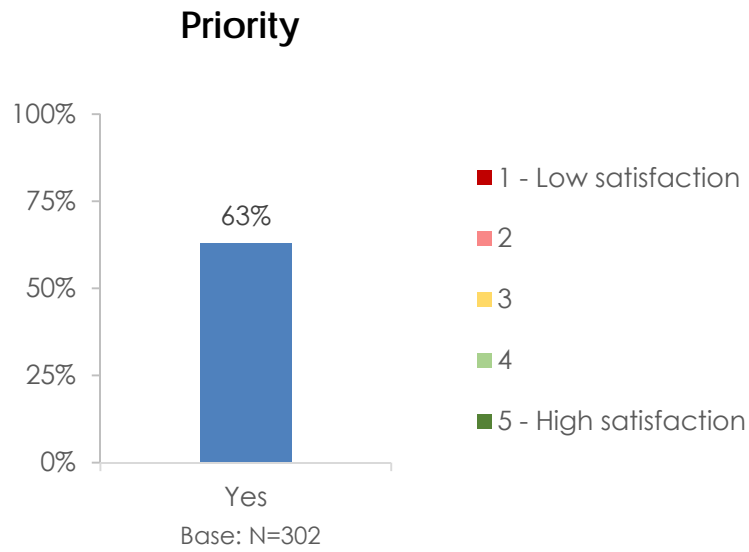
Priority and Satisfaction with Services – Waste Management

	Rank	
	Priority	Satisfaction
1 st	●	●
2 nd	●	●
3 rd	●	●
4 th	●	●
5 th	●	●
6 th	●	●
7 th	●	●
8 th	●	●
9 th	●	●
10 th	●	●
11 th	●	●
12 th	●	●



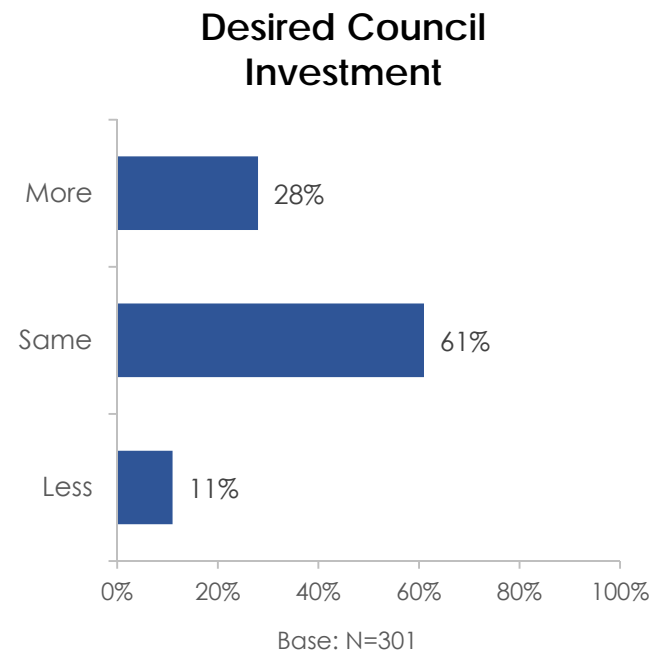
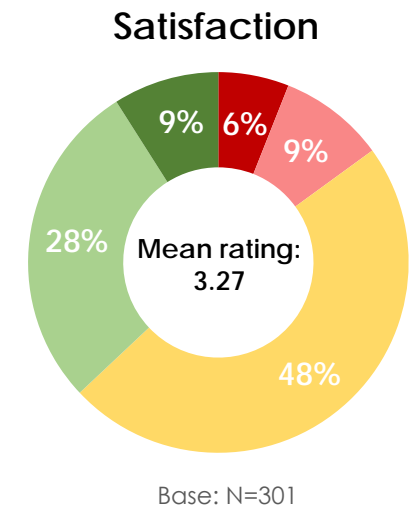
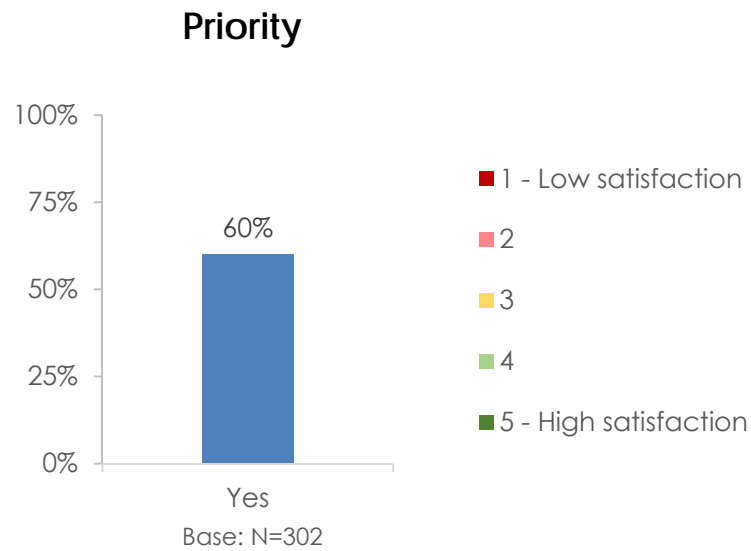
Priority and Satisfaction with Services – Stormwater and Drainage

	Rank	
	Priority	Satisfaction
1 st	●	●
2 nd	●	●
3 rd	●	●
4 th	●	●
5 th	●	●
6 th	●	●
7 th	●	●
8 th	●	●
9 th	●	●
10 th	●	●
11 th	●	●
12 th	●	●



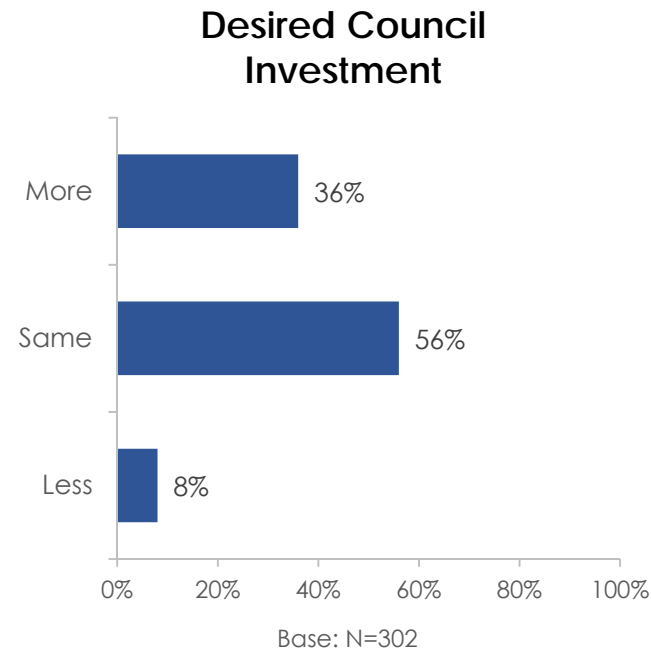
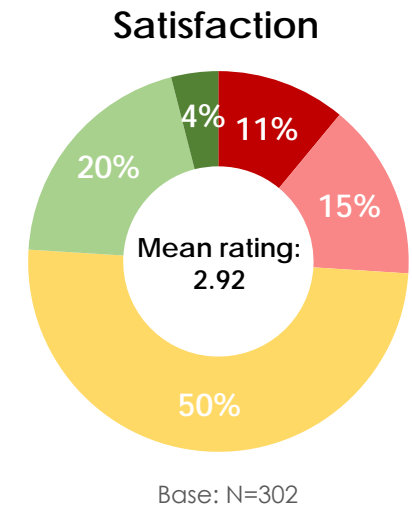
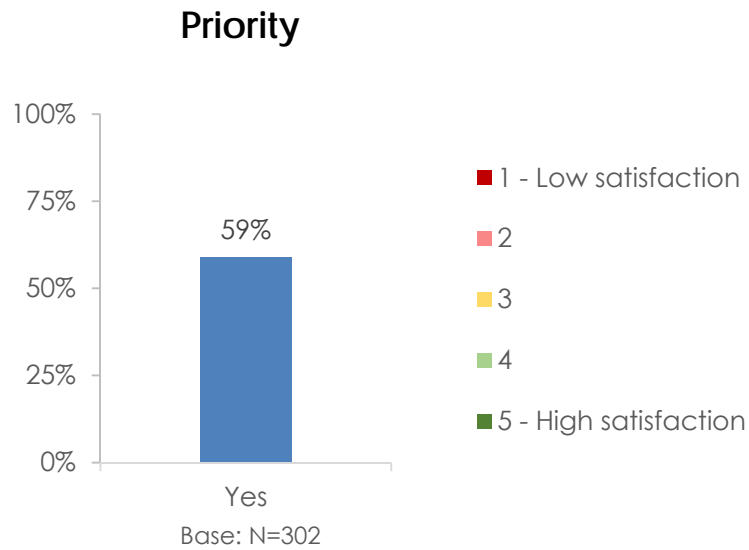
Priority and Satisfaction with Services – Community Centres/Halls

	Rank	
	Priority	Satisfaction
1 st	●	●
2 nd	●	●
3 rd	●	●
4 th	●	●
5 th	●	●
6 th	●	●
7 th	●	●
8 th	●	●
9 th	●	●
10 th	●	●
11 th	●	●
12 th	●	●



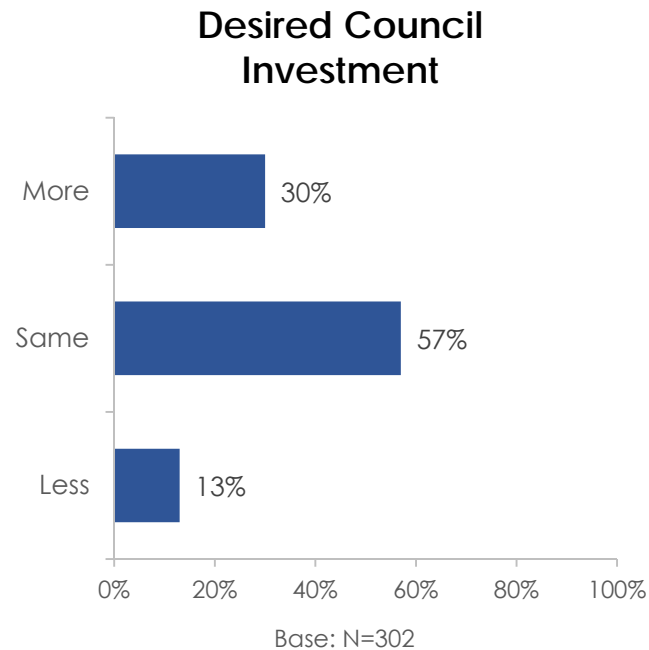
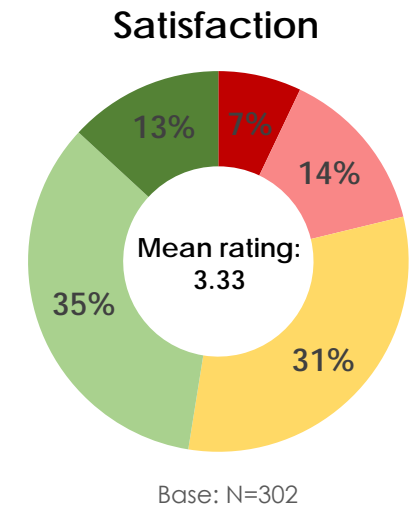
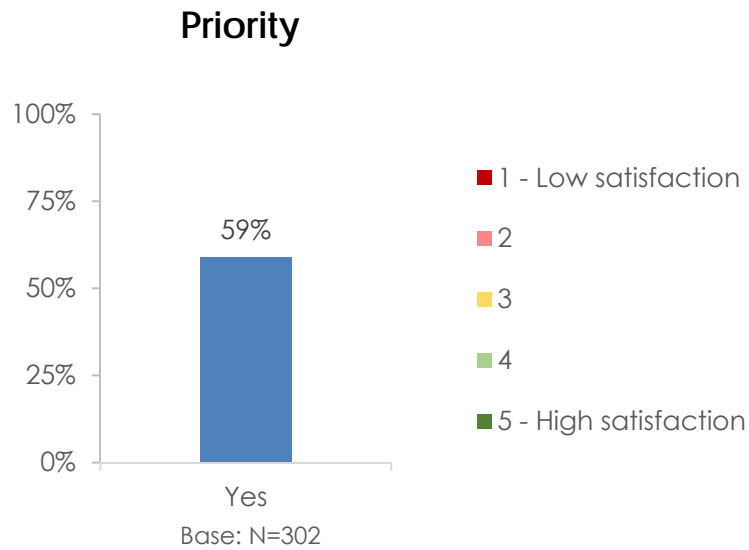
Priority and Satisfaction with Services – Development Assessment

	Rank	
	Priority	Satisfaction
1 st	●	●
2 nd	●	●
3 rd	●	●
4 th	●	●
5 th	●	●
6 th	●	●
7 th	●	●
8 th	●	●
9 th	●	●
10 th	●	●
11 th	●	●
12 th	●	●



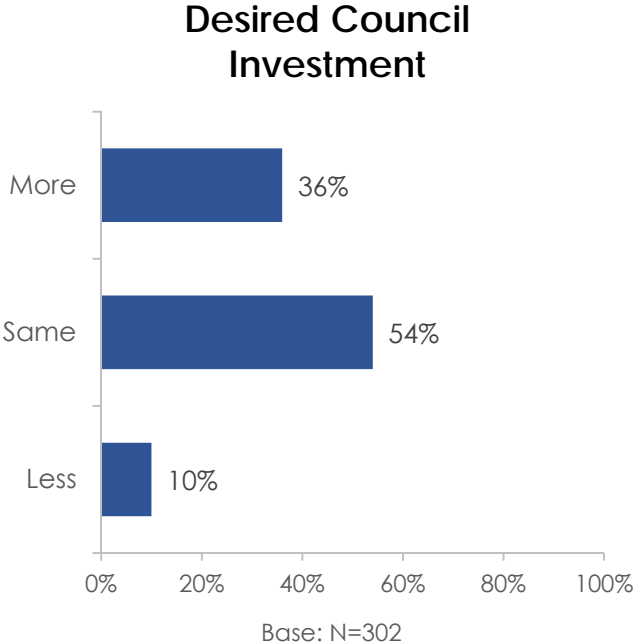
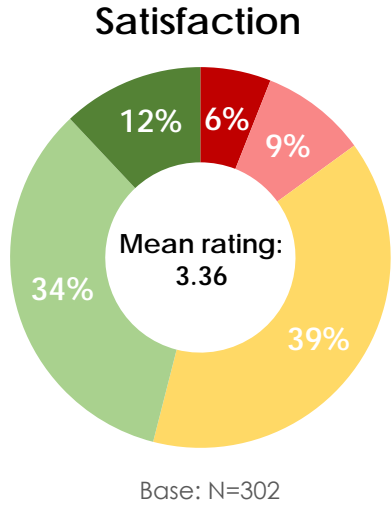
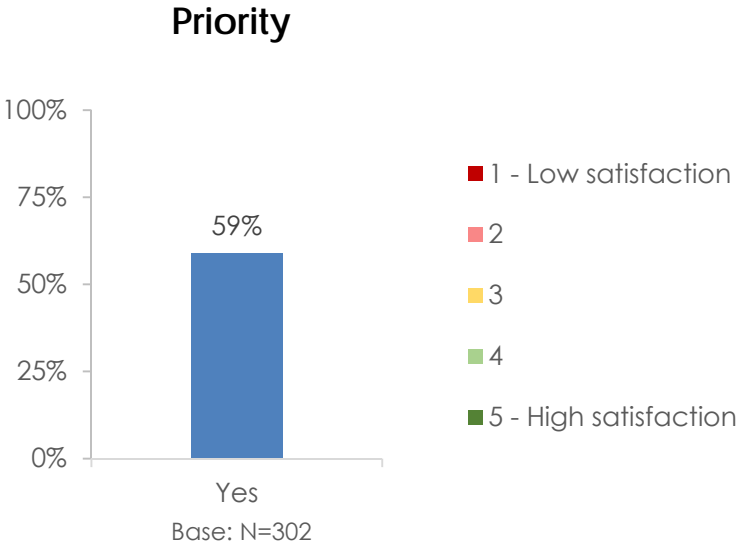
Priority and Satisfaction with Services – Parks

	Rank	
	Priority	Satisfaction
1 st	●	●
2 nd	●	●
3 rd	●	●
4 th	●	●
5 th	●	●
6 th	●	●
7 th	●	●
8 th	●	●
9 th	●	●
10 th	●	●
11 th	●	●
12 th	●	●



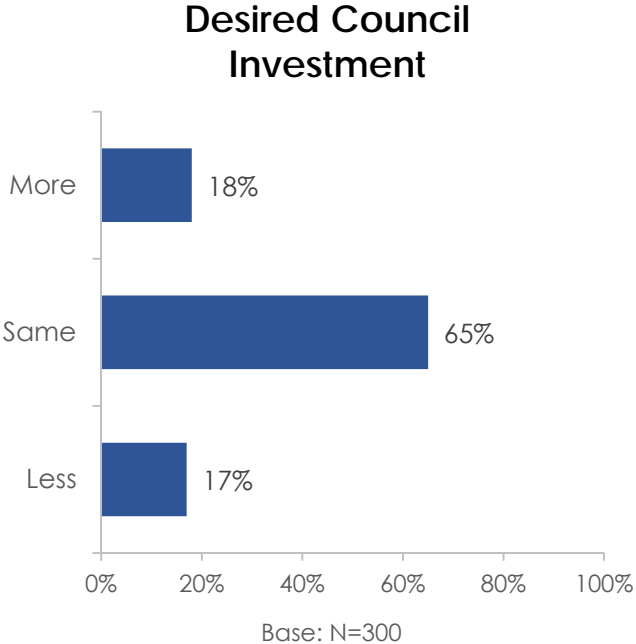
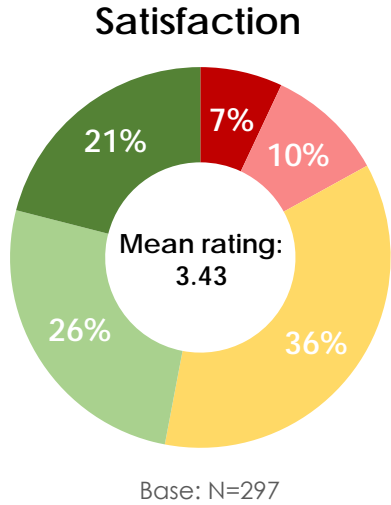
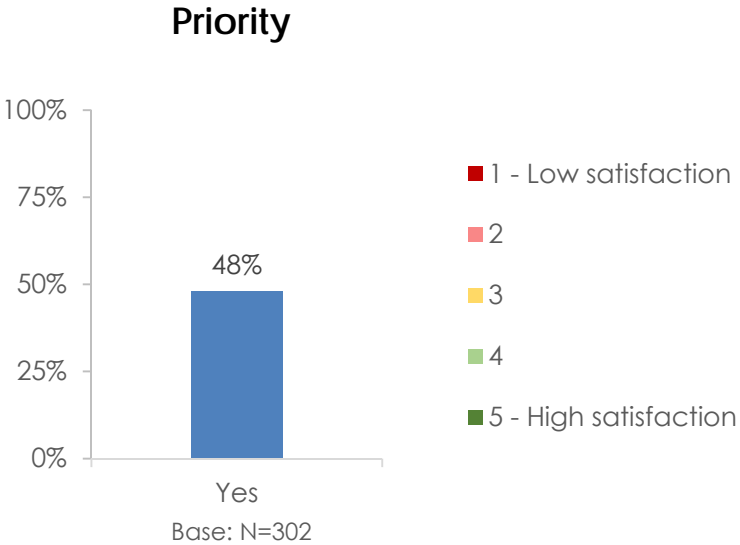
Priority and Satisfaction with Services – Sports & Recreation Facilities

	Rank	
	Priority	Satisfaction
1 st	●	●
2 nd	●	●
3 rd	●	●
4 th	●	●
5 th	●	●
6 th	●	●
7 th	●	●
8 th	●	●
9 th	●	●
10 th	●	●
11 th	●	●
12 th	●	●



Priority and Satisfaction with Services – Library Services

	Rank	
	Priority	Satisfaction
1 st	●	●
2 nd	●	●
3 rd	●	●
4 th	●	●
5 th	●	●
6 th	●	●
7 th	●	●
8 th	●	●
9 th	●	●
10 th	●	●
11 th	●	●
12 th	●	●



Summary - Community/Council Diagnostics

- 73% were at least somewhat satisfied with Council's performance
- 67% were at least somewhat satisfied with the current quality of local infrastructure and facilities
- The main focus of the proposed SRV addresses the most salient resident priorities, which are roads and bridges
- Across all the service areas there is very little indication that residents feel that servicing/resourcing should be reduced, for the most part the results indicate that service levels should be maintained or increased
- Top 3 Box satisfaction is over 80% for 4 out of the 12 service areas, these being waste management, community centres, libraries and sport & recreational facilities



Appendix A – Results by Demographics



Source of Information on a Special Rate Variation

Q4a. Prior to this call, were you aware that Council was exploring community sentiment towards a Special Rate Variation?

Q4b. [If yes in Q4a] How were you informed of the Special Rate Variation?

	Male	Female	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer
Mail out	51%	44%	54%	43%	46%	51%	50%▲	12%
Newspaper advertisement	35%	26%	20%	24%	37%	34%	32%	15%
Community meeting	19%	13%	0%	14%	18%	23%	17%	0%
Mayoral Column	15%	10%	7%	9%	12%	17%	12%	11%
Council website	11%	6%	0%	9%	11%	9%	9%	0%
Information kiosk	6%	1%	0%	5%	5%	2%	4%	0%
Other	41%	37%	53%	57%▲	35%	25%▼	37%▼	74%
Base	93	87	19	45	65	52	169	11

Satisfaction by Special Rate Variation Options

Q2a. Overall, for the last 12 months, how satisfied are you with the performance of Council, not just on one or two issues but across all responsibility areas?

Q3c. Please rank the 2 options in order of preference:

First Preference	Mean Rating	1 - Not at all satisfied	2 - Not very satisfied	3 - Somewhat satisfied	4 - Satisfied	5 - Very satisfied	Base
Rate Peg only	2.75	19%	15%	37%	28%	1%	140
SRV	3.33▲	6%▼	14%	33%	36%	11%▲	160
Overall	3.06	12%	15%	35%	32%	6%	300

Q2b. How satisfied are you with the quality of infrastructure and facilities provided by Council in the local area?

Q3c. Please rank the 2 options in order of preference:

First Preference	Mean rating	1 - Not at all satisfied	2 - Not very satisfied	3 - Somewhat satisfied	4 - Satisfied	5 - Very satisfied	Base
Rate Peg Only	2.76	16%	27%	26%	28%	3%	140
SRV	3.19▲	6%▼	16%▼	36%	36%	6%	160
Overall	2.99	11%	21%	31%	33%	4%	300

Scale: 1 = not at all satisfied, 5 = very satisfied

▲▼ = A significantly higher/lower level of satisfaction (by group) 44

Appendix B – Additional Tables



Reasons for Preferring Option 1 – Rate peg only (47%)

Q3c. Please rank the 2 options in order of preference:

Q3d. What is your reason for choosing that option as your highest preference?

Reason for selecting Option 1	% of those that selected option 1 N=139	% of total sample N=299
Do not agree with current spending behaviours of Council	7%	3%
Explore amalgamation	6%	3%
Best option for the community	5%	2%
Cost of living is already too high	5%	2%
Not getting value for money for the rates that are currently paid	4%	2%
I will not benefit from rate increase	3%	1%
Important to maintain current assets	3%	1%
Need to explore other options	3%	1%
Council don't listen	2%	1%
Growing population will generate more income/funding	2%	1%
Improvements are needed with Council's financial management	2%	1%
Need more information about SRV	2%	1%
Not enough transparency	2%	1%
Already pay additional fees through other services/administration fees	1%	1%
Council should focus on essential services rather than recreational needs	1%	<1%
I understand that Council needs the funds	1%	<1%
Low population, therefore not enough residents to generate the funding	1%	<1%
More subdivisions	1%	<1%
Need vacant lots to generate more development	1%	<1%
No win situation	1%	<1%
Council needs an engineer	<1%	<1%
Residents use services outside of the Shire	<1%	<1%
Don't know/nothing	3%	1%

Reasons for Preferring Option 2 – Improvement Plan (53%)

Q3c. Please rank the 2 options in order of preference:

Q3d. What is your reason for choosing that option as your highest preference?

Reason for selecting Option 2	% of those that selected option 2 N=160	% of total sample N=299
Am happy to pay more as long as it is evenly distributed/used effectively	7%	4%
Increase is affordable	6%	3%
Don't want to see services/facilities deteriorate	5%	3%
Need to pay if we want to see improvements	4%	2%
Will attract more people to the area/good for the economy	3%	1%
Additional funds/improvements are needed in my area	2%	1%
Cheaper to maintain current infrastructure now than to rebuild in the future	2%	1%
Do not agree with current spending behaviours of Council	2%	1%
Need/want more jobs in the community	2%	1%
Do not trust they will spend any extra money effectively	1%	1%
Nothing will be fixed without this option	1%	<1%
Only other option is amalgamation	1%	1%
Option 2 is an affordable increase for what is needed/preferred	1%	<1%
Option 2 is not affordable for pensioners/residents	1%	1%
Trust the funds will be spent wisely	<1%	<1%
Don't know/nothing	3%	1%

What is Valued Most About Living in the Dungog Shire

Q1b. What do you value most about living in the Dungog Shire?

Comment	N=302
Hometown/where I've always lived	2%
Proximity to work	2%
Safe area/safe place to raise a family	2%
Accessibility	1%
Family	1%
Fresh air	1%
Great services/facilities	1%
Local wildlife	1%
Nice area/good place to live	1%
Not busy	1%
Classed as garden of Eden	<1%
Everything	<1%
Great food	<1%
Isolation	<1%
Lack of traffic	<1%
Low rates	<1%
Rivers	<1%
Rustic town appearance	<1%
Don't know/nothing	2%

Biggest Concerns Living in Dungog Shire

Q1c. What concerns you most with regards to living in the Dungog Shire?

Comment	N=302
Maintaining the condition of infrastructure e.g. bridges	2%
Water/sewage	2%
Aging infrastructure	1%
Continuation of the provision of services	1%
Development	1%
Increasing costs of living	1%
Keeping the area the same	1%
Lack of education	1%
Lack of public transport	1%
Lack of quality health services	1%
Lack of speed limit signs	1%
Mobile/internet coverage	1%
Quarry expansion	1%
Safety near roads	1%
The people	1%
Dungog needs to be better	<1%
Controlling illegal dumping	<1%
Different rules for different people	<1%
Drought	<1%
E3 Zoning	<1%
Effect of climate change on the area	<1%
Fire risk	<1%
Isolated	<1%
Kangaroos on the roads	<1%
Keeping up with the improvements	<1%
Lack of community aspect	<1%
Lack of development	<1%
Over population	<1%
Remaining a self-sustaining community	<1%

Questionnaire



Dungog Shire Council
Community Survey – Special Rate Variation
November 2018

Good morning/afternoon/evening, my name is I'm calling from Micromex Research. We are conducting a survey on behalf of Dungog Shire Council on a range of local issues. The survey will take about 10 minutes, would you be able to assist us please?

QA. Before we start, I would like to check whether you or an immediate family member works for Council.

- Yes (If yes, terminate survey)
- No

QB. Which town/village do you live in/near?

- Dungog
- Clarence Town
- Paterson
- Vacy
- Gresford
- Martins Creek

Q1a. How long have you lived in the local area? Prompt

- Less than 6 months
- 6 months – 2 years
- 3 – 5 years
- 6 – 10 years
- 11 – 20 years
- More than 20 years

Q1b. What do you value most about living in the Dungog Shire?

.....

Q1c. What concerns you most with regards to living in the Dungog Shire?

.....

Q2a. Overall, for the last 12 months, how satisfied are you with the performance of Council, not just on one or two issues but across all responsibility areas? Prompt

- Very satisfied
- Satisfied
- Somewhat satisfied
- Not very satisfied
- Not at all satisfied

Q2b. How satisfied are you with the quality of infrastructure and facilities provided by Council in the local area? Prompt

- Very satisfied
- Satisfied
- Somewhat satisfied
- Not very satisfied
- Not at all satisfied

Concept statement:

Dungog Shire residents have consistently told Council that assets such as roads, bridges, public spaces, parks and community facilities are important to them, and that Council needs to improve their condition. In addition to this, the State Government introduced its Fit for the Future Reform in 2014, which required all NSW councils to assess their current position and submit a proposal demonstrating how they will become Fit for the Future.

Council currently spends approximately \$19.8 million on the maintenance and renewal of local assets and infrastructure each year; however, Council should be investing an additional \$6.1 million per year to keep assets safe and functioning.

In preparing its submission on how to achieve long term financial sustainability, Council identified that despite its best efforts, the funding available is not enough to keep community assets in an acceptable condition.

There is no easy solution to addressing this funding gap. Put simply, if Council does not address this gap now, the community assets that Council manages will deteriorate and, in the future, become unusable. A proposed Special Rate Variation – which is an increase in rates above what is known as the rate peg increase the State Government sets each year – is necessary to maintain and manage current assets to ensure that Council delivers services in line with community expectations and remains financially sustainable into the future.

Council acknowledges that any rate increase may adversely impact some community members. Council has a Hardship Policy and alternative payment options to assist ratepayers should they have difficulty keeping up with their rate payments. Please contact Council for further information regarding this.

There are two options which I would like you to consider. Each option will have varying impacts on local assets and service quality. Let's look at the options in more detail:

Option 1: Rate peg only

No Special Rate Variation. Rates would only increase by the annual projected rate peg amount of 2.5% per year. Over the seven-year period, this is a cumulative increase of 18.9%. Residential ratepayers who are currently paying around \$1,177 per year would pay a total increase of \$222.00 after seven years, which equates to an average annual increase of around \$31.71 each year. After 7 years this would amount to an annual rate charge of \$1,399 by 2025/2026.

Under this option the impact would be further deterioration of assets, including the worsening of:

- Roads and timber bridges
- Community buildings
- Town centres and public spaces
- Public toilets
- Footpaths
- Stormwater drainage; and
- Parks and open spaces, including playgrounds

Council would also have no capacity for new capital works, meaning it would have difficulty funding new assets such as roads infrastructure and community facilities. It would also be unable to undertake works like the replacement of timber bridges, or the progressive rehabilitation of the local sealed road network.

In order to meet the Fit for the Future financial benchmarks, Council would be required to reduce or close services.

Q3a. How supportive are you of Council proceeding with Option 1? *Prompt*

- Very supportive
- Supportive
- Somewhat supportive
- Not very supportive
- Not at all supportive

Option 2: Improvement Plan

A tapered Special Rate Variation of 15% for two years, 10% for three years and 6% for two years, which includes the rate peg amount of 2.5%, and then reverting to the rate peg amount of 2.5% in the eighth year. Over the seven-year period this is a cumulative increase of 97.8% which includes the 18.9% from rate peg.

At the end of the seven-year period the Special Rate Variation increase would be built into the rate base. Residential ratepayers who are currently paying around \$1,177 per year would pay a total increase of \$778.00 after seven years, which equates to an average annual increase of around \$111.14 more each year. After 7 years this would amount to an annual charge of \$1,955 by 2025/2026.

The Special Rate Variation would only be applied to the general rates component of residential rates, which is currently \$704 per annum. The \$473 of other fees and charges would be subject only to increases similar to CPI.

At the end of the seven-year period the Special Rate Variation increase would be built into the rate base.

This option would generate an additional \$4.5 million to Council's rates base by 2025/2026. With this and a borrowing program, Council would spend an additional:

- \$31 million on roads infrastructure
- \$12.8 million on timber bridge replacement using concrete or steel
- \$3 million on parks and community buildings

This option would stabilise the deterioration of our assets and gradually improve their condition over time. It would enable Council to fund a program of asset upgrades with a focus on roads, the renewal of timber bridges using either concrete or steel, the rehabilitation of sealed roads and improvements to parks and community buildings. Council would also be able to increase its preventative maintenance and renewal program to stabilise the condition of priority assets.

Council would also be able to meet the Fit for the Future financial benchmarks and maintain current service levels.

Q3b. How supportive are you of Council proceeding with Option 2? *Prompt*

- Very supportive
- Supportive
- Somewhat supportive
- Not very supportive
- Not at all supportive

Q3c. Please rank the 2 options in order of preference:

- Option 1 – Rate Peg Only.** Our assets would continue to decline with more assets in poor condition. The focus would be on managing risk, including the possible closure and removal of unsafe assets and reduction of services
- Option 2 – Improvement Plan.** Would provide funds for Council to undertake the required renewal and maintenance of our roads, bridges and community assets into the future, it will allow the implementation of a timber bridge replacement program and see council meet the Fit for the Future sustainability benchmarks

Q3d. What is your reason for choosing that option as your highest preference?

.....

Q4a. Prior to this call, were you aware that Council was exploring community sentiment towards a Special Rate Variation?

- Yes
- No (If no, go to Q5)
- Not sure (If not sure, go to Q5)

Q4b. How were you informed of the Special Rate Variation? Prompt

- Mail out
- Council website
- Community meeting
- Newspaper advertisement
- Mayoral Column
- Information kiosk
- Other (please specify).....

Q5. Aside from the areas that Council knows need to be addressed, Council is also looking to understand what the community perceives to be the priority areas within the Shire. I will read out a list of different topic areas, please indicate which of these you think should be prioritised by Council, how satisfied you are with the performance of that service, and whether Council should invest more, the same, or less in that area. The satisfaction scale is from 1 to 5, where 1 = low satisfaction and 5 = high satisfaction

	Priority Yes/No	Satisfaction					Investment		
		Low 1	2	3	4	High 5	M	S	L
Roads	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Bridges	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Parks	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Sports & Recreation Facilities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Community Centres/Halls	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Library Services	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Public Toilets	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Economic Development	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Waste management	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Development assessment	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Stormwater and drainage	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Customer Service	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Explanations

Library services – i.e. promote and support recreation, lifelong learning and literacy through access to a balanced collection of quality information, recreational and educational resources

Economic development – i.e. to work with industry and business to build up the economic capacity of the area to create a diversified and resilient regional economy

Natural resource management – i.e. protect and restore natural areas and assets in a sustainable way to provide the community with access to enjoy the natural environment

Waste management – i.e. best practice waste management and regulation compliance that is value for money and optimises opportunities for environmental sustainability

Development assessment – i.e. provide development and planning advice and undertake processing and inspections according to legislation

Compliance – i.e. ensure community safety by investigating and resolving unauthorised activities and legislative matters in the areas of food and public health premises, environmental pollution, onsite sewage management, building regulation, and companion animals

Strategic land use planning – i.e. develop and maintain planning guidelines for the use of land including new developments, new infrastructure and appropriate land use zonings relevant to a diverse economy

Stormwater and drainage – i.e. operate and maintain the stormwater drainage network to ensure efficient and safe collection of stormwater flows that reduce flooding, improve water quality and reduce the potential for damage to infrastructure

Place Making / Community Place – i.e. working with the community to create a series of well planned, connected and unique places throughout the area that the community is proud of

Customer service - i.e. this service is often the first and only point of contact between Council and the community and includes the customer service centre and Visitor Information Centre. This service provides information and processes applications, takes bookings, retrieves files and manages visitors

Demographics

The following information is used for demographic purposes only.

Q7. Please stop me when I read out your age bracket: Prompt

- 18-34
- 35-49
- 50-64
- 65+

Q8. Which of the following best describes the house where you are currently living?

- I/We own/are currently buying this property
- I/We currently rent this property

Q9. Which of the following best describes your current employment status? Prompt

- Work full time in the LGA
- Work full time outside the LGA
- Work part time in the LGA
- Work part time outside the LGA
- Home duties
- Student
- Retired
- Unemployed/Pensioner
- Other (please specify).....

At this stage we are developing a register of interest for future consultations.

Q10a. Would you be interested in registering your interest in being contacted by Dungog Shire Council to participate in future consultations?

- Yes
- No (If no, go to end)

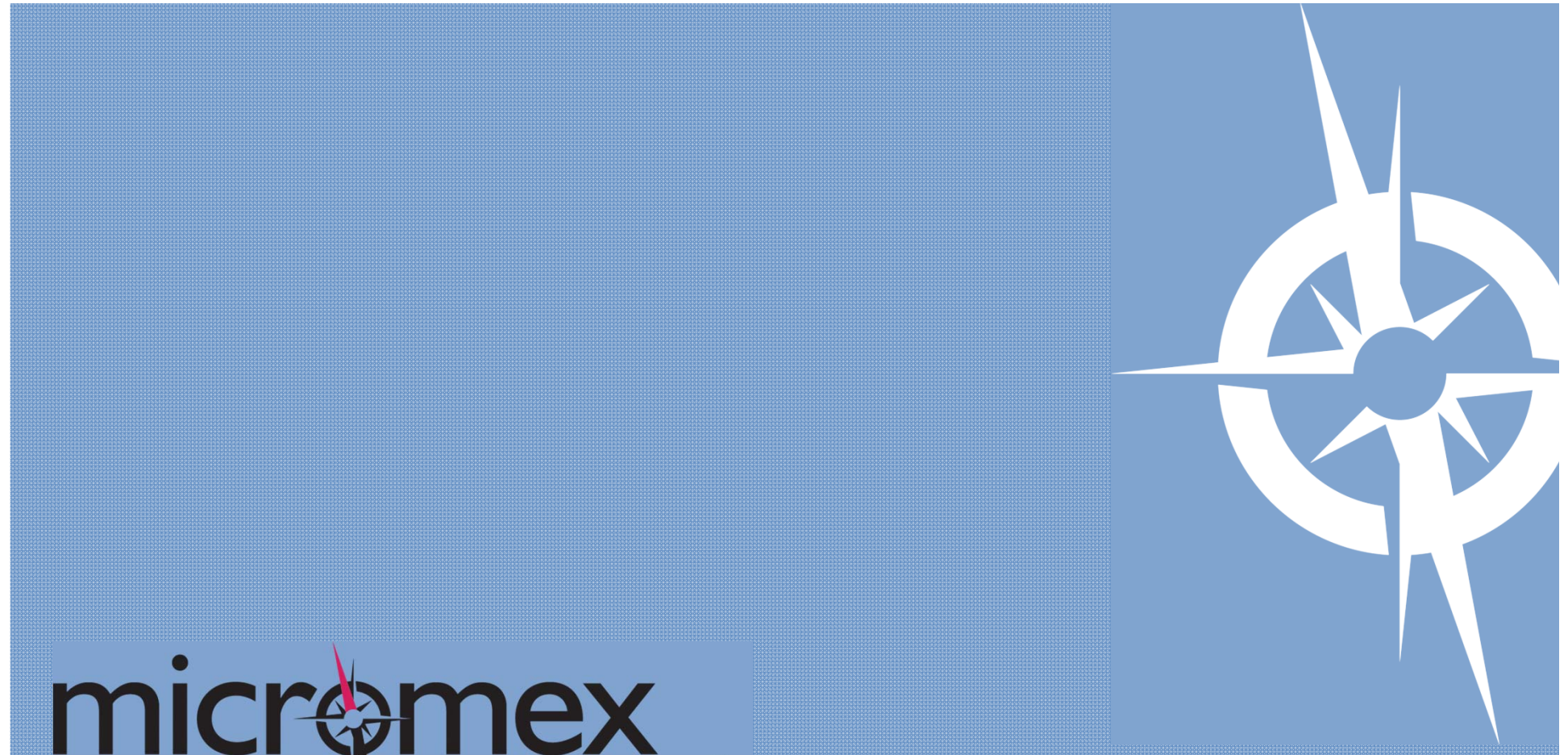
Q10b. May I please confirm your contact details?

First name.....
Surname.....
Email.....
Telephone.....

Q11. Gender by voice:

- Male
- Female

Thank you very much for your time, enjoy the rest of your evening. This market research is carried out in compliance with the Privacy Act, and the information you provided will be used only for research purposes. Just to remind you, I am calling from Micromex Research on behalf of Dungog Shire Council.



micromex
research

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