



Hunter's Hill Special Rates Variation Survey 2018

Prepared for
Hunter's Hill Council

Prepared by
IRIS Research

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Summary of Findings

There is relatively strong ratepayer support for the introduction of a Special Rate Variation (SRV) levy to help maintain community infrastructure at an acceptable level.

The survey results indicated that **seven in ten (71%) supported an additional levy** to cover the funding shortfall needed for renewal and maintenance of infrastructure, against the alternative of a reduction in community facilities' standards.

This figure was replicated when ratepayers were asked for their preferred rate option with **71% opting for one of the two special levy options:**

- ▶ Option 2 - Improved asset maintenance; or
- ▶ Option 3 - Improved asset maintenance and services.

Ratepayers are fairly evenly split over which of the two special rate options they prefer:

- ▶ **38% prefer Option 2** - Improved asset maintenance; and
- ▶ **33% prefer Option 3** - Improved asset maintenance and services.

Ratepayers are relatively satisfied with the standard [quality] of community facilities in Hunter's Hill. **Two out of three ratepayers (65%) are either 'Satisfied' or 'Very Satisfied'**. Just over one in ten [11%] indicated that they are less than satisfied with community facilities.

The importance of maintaining community infrastructure is recognised by ratepayers with nearly **four out of five (78%) rating it 'Important' or 'Very Important' to maintain existing - and build new - infrastructure**. Less than one in ten [8%] respondents felt that this was not important

Half (50%) of the ratepayers felt that the previous 10-year Community Facilities Special Rate Levy was 'Good' or 'Very Good' value. This contrasted with the 21% who felt that it wasn't good value.

Two out of five (40%) respondents indicated that they have an 'Excellent' or 'Good' understanding of Council's proposal for a special rate variation. **Sixteen per cent indicated that they had a poor understanding of the proposal**. This would indicate that the Council still has some work to do in educating the community about the proposal but **75 per cent of respondents feel they have an 'Average' to 'Excellent' understanding of Council's proposal**.

Introduction

IRIS Research was commissioned by Hunter's Hill Council to conduct this study with the intention of understanding residents need to see infrastructure and community facilities maintained at a satisfactory level and their willingness to pay additional rates to ensure it happens.

The specific objectives of Community Strategic Plan Survey were:

1. To measure the level of satisfaction with the current standard of community facilities in Hunter's Hill
2. To measure the importance residents place on the maintenance of these community facilities
3. To understand whether ratepayers would prefer to pay a levy to see facilities maintained and renewed; or whether they would prefer to see a reduction in the standards to which infrastructure is currently maintained
4. To gain an insight into whether ratepayers feel the Maintenance Levy that has been in place for the past 10 years has been good value
5. To gauge the level of understanding of the Special Rates Variation proposal the Council is considering
6. To understand ratepayer preference when it comes to a choice between the different levy proposals Council is considering.

Community education

Council undertook a community education program prior to the survey to inform the community about the various rates options being considered (from statutory increase to Special Rate Variation) and the need to raise additional revenue to fund the ongoing maintenance of community facilities.

This program consisted of the preparation of an Information Pack which was delivered to households in Hunter's Hill, combined with promotion on Council's website and a general media awareness program.

When surveying began on 28th November 2018 there was a disappointing level of resident awareness of the details of the proposal, which resulted in a very low response rate to the survey. The proposed options are well outlined in the body of the survey that is presented to respondents as an introduction to the survey, so it was agreed that the stipulation for respondents to have read the information pack was unnecessarily onerous. Once this stipulation was relaxed the response

rate to the survey improved markedly. **It is not felt that this decision has adversely impacted the validity of the research.**

Research Outcome

A total of 405 completed telephone interviews were collected from a random sample of residents of Hunter's Hill Council Area [LGA], over the age of 18 years. A geographically representative sample was collected from across the Hunter's Hill LGA. The reported results will have a **maximum error rate of +/- 4.9% at a 95% confidence interval.**

Research Method

Computer-Aided Telephone Interviews (CATI)

A telephone-based survey was used, that aimed to secure a response from 400 ratepayers from throughout the Hunter's Hill Local Government Area. The survey unit was permanent resident ratepayers of the area, with respondents needing to be aged 18-years or older to qualify for an interview.

Sample Selection

The sample base for the phone calls was the electronic White Pages. This sample is known to be sub optimal, as the churn of telephone numbers due to people moving and new numbers being added as dwellings are occupied affects about 12% to 15% of possible numbers. Furthermore, from previous research we know that the proportion of silent numbers is increasing and can be as high as 25-30% in some areas. To deal with these issues, IRIS uses a technique that starts with the population of numbers listed in the telephone book and adds new and unlisted numbers using the 'half open' method. In this method, all numbers were incremented by five to create new numbers in the 'gaps' between the listed numbers. The resultant universe of numbers was then de-duplicated to remove any numbers that may be repeated. This process was replicated five times to create a new theoretical universe of telephone numbers. This provided the opportunity for all potential numbers to be selected in the sample. This equal and known opportunity for selection is the first criterion of good random sampling.

Once the potential universe of numbers had been generated, a computer program was used to randomise the database. Following this, a sequential sample [e.g. every 110th number] was extracted from the database. The sample was geographically stratified and evenly distributed within strata. This process gave a very even distribution of potential numbers across the whole

survey area. Every household therefore had an equal and known chance of selection and every part of the survey area received a fair proportional representation in the final sample drawn.

Research has also shown that around 30% of households now have no fixed line connection to their place of residence. To help address this, mobile telephone numbers listed in the White Pages are included and these are supplemented with the purchase of additional mobile numbers to bring their representation in the sample back close to the desired 30%.

Data Collection

Interviews were conducted between Thursday 28 November and Wednesday 5 December 2018. Calls were made between 4.30 and 8.30 pm. In total 18 interviewers conducted interviews over the course of the data collection period.

Unanswered Calls

If the selected person was unavailable at that time to do the survey, call backs were scheduled for a later time or day. Unanswered interviews were retried three times throughout the period of the survey. These procedures ensure a good sampling process from the sample frame used so that statistical inferences could be made about the entire resident population. Disconnected numbers and faxes reached during the selection process were excluded from the sample.

Verification and Quality System

The survey was implemented under Interviewer Quality Control Australia (IQCA) quality guidelines. Interviews were conducted using our computer-aided telephone interviewing (CATI) system. Continuous interviewer monitoring was used and post interview validations were conducted within five days of the close of the survey where 10 per cent of respondents have had follow up calls confirming their responses.

1. Findings of the survey

1.1. Sample Profile

The primary aim of the survey was to understand ratepayers understanding of the need for and willingness to pay a rate increase to help fund the maintenance of infrastructure and community facilities in Hunter's Hill.

A geographically representative sample of households from across the LGA was drawn with the aim of talking to the key decision-makers in those households who are primarily responsible for the payment of Council rates. Additional demographic data – suburb of residence and length of residency – was collected to offer further insights into the makeup of the sample population.

Table 1.1: Sample Profile

Suburb		
Hunter's Hill	265	65.4%
Gladesville	52	12.8%
Woolwich	32	7.8%
Huntleys Cove	20	4.9%
Henley	15	3.7%
Other	21	5.4%
Length of residence in Hunter's Hill		
Less than 1 year	2	0.5%
1 to 5 years	45	11.1%
6 to 10 years	48	11.9%
More than 10 years	310	76.5%

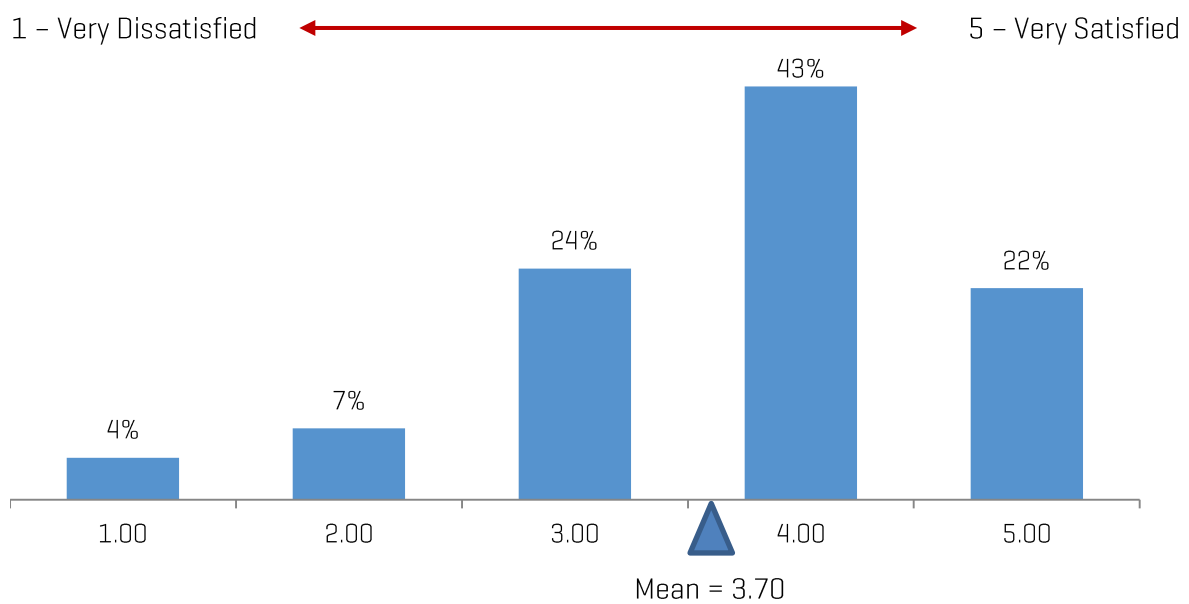
Base: All respondents [n =405]

1.2. Satisfaction with current quality of community facilities

Ratepayers were asked to indicate their level of satisfaction with the standard of facilities in Hunter's Hill. The results are displayed in figure 1.2 below.

'How satisfied are you with the standard or quality of community facilities including parks and reserves in the Hunter's Hill local government area?'

Figure 1.2: Quality of community facilities (n=405)



Two in three ratepayers [65%] are either satisfied or very satisfied with the standard or quality of community facilities in Hunter's Hill. Around one in ten [11%] indicated that they are less than satisfied with these facilities.

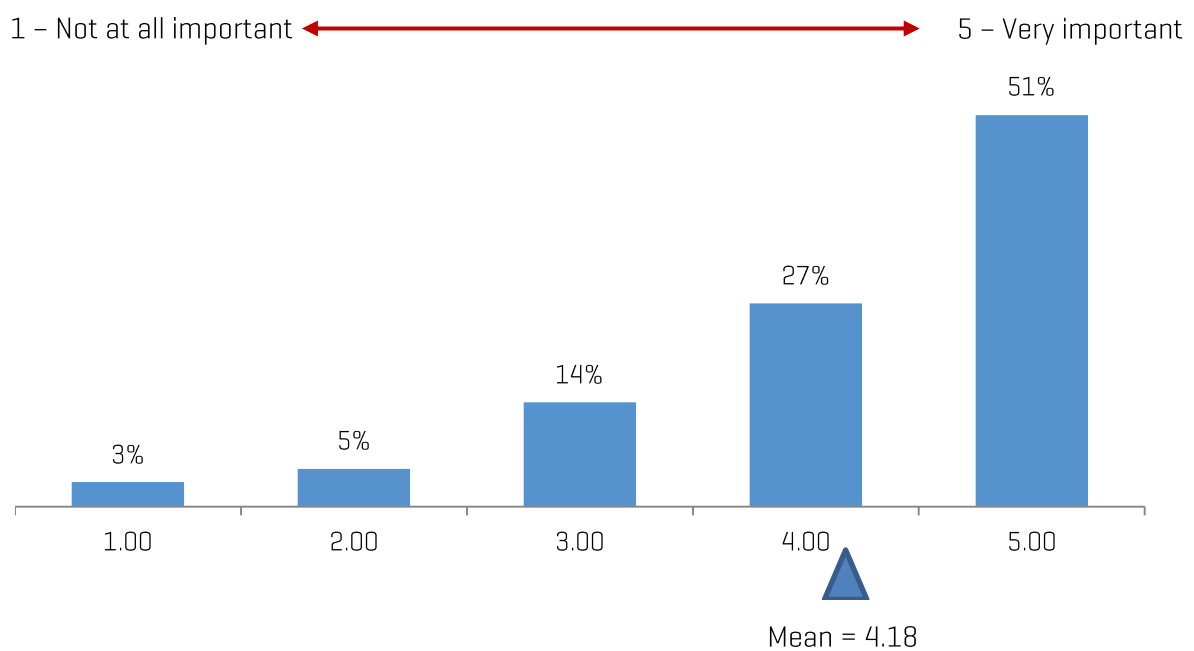
The mean score of 3.70 is a medium/high satisfaction score. **This is a positive result for Council.**

1.3. Importance of maintaining infrastructure

Ratepayers were asked how important it is to maintain existing and to build new infrastructure. The results are displayed in figure 1.3 below.

'Do you believe it is important to maintain community infrastructure and construct new amenities such as walking tracks, toilet blocks and community buildings?'

Figure 1.3: Importance of maintaining infrastructure (n=405)



The importance of maintaining community infrastructure is recognised by ratepayers with nearly four out of five [78%] rating it 'Important' or 'Very Important'. Less than one respondent in ten [8%] felt that it wasn't important to maintain existing and to build new infrastructure.

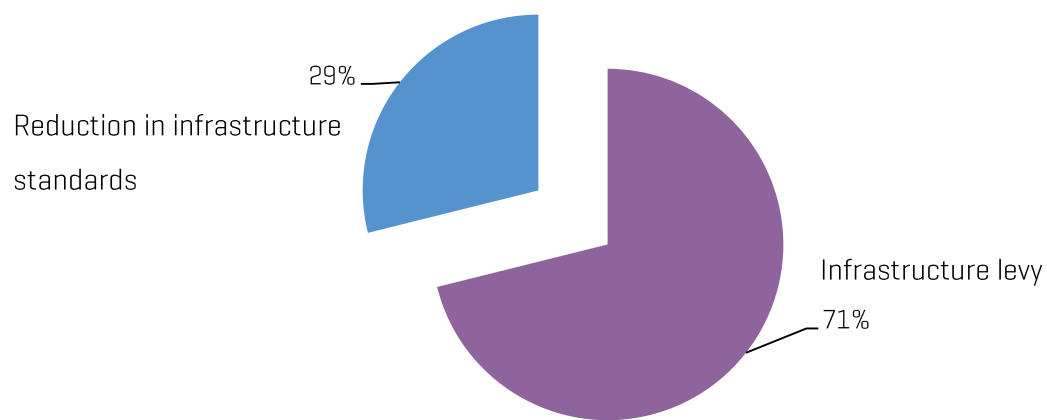
The mean importance score of 4.18 is **considered a high level importance score.**

1.4. Preference – Levy or reduction in standards

Ratepayer preferences for a levy or for the reduction of infrastructure standards, was sought. See figure 1.4 below.

'As a ratepayer of Hunter's Hill Council, would you prefer to see a community facilities levy to cover the gap in funding for renewal and maintenance of infrastructure or would you prefer a reduction in community facilities standards?'

Figure 1.4: Levy or a reduction in standards (n=405)



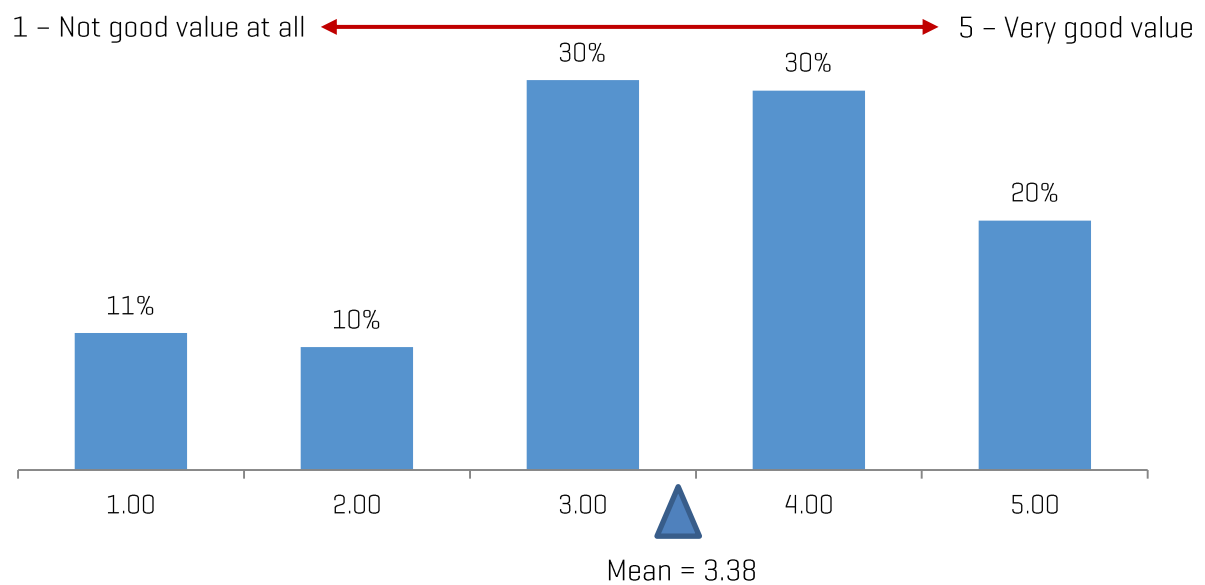
Seven in ten ratepayers [71%] support a levy to cover the funding shortfall needed for renewal and maintenance of infrastructure, over allowing a reduction in community facilities standards.

1.5. Value of the previous rate levy

A Facilities Maintenance rates levy has been in place for the past 10 years. Ratepayers were asked whether they thought that the levy had been good value for money.

'Do you think the previous 10 year Community Facilities special rate of 4.16% [76 cents per week] that expired in 2017 was good value for money?'

Figure 1.5: Value of the previous rate levy (n=405)



Half [50%] of the ratepayers felt that the previous 10-year Community Facilities Special Rate Levy was 'Good' or very 'Good Value'. This contrasted with the 21% who felt that it wasn't good value.

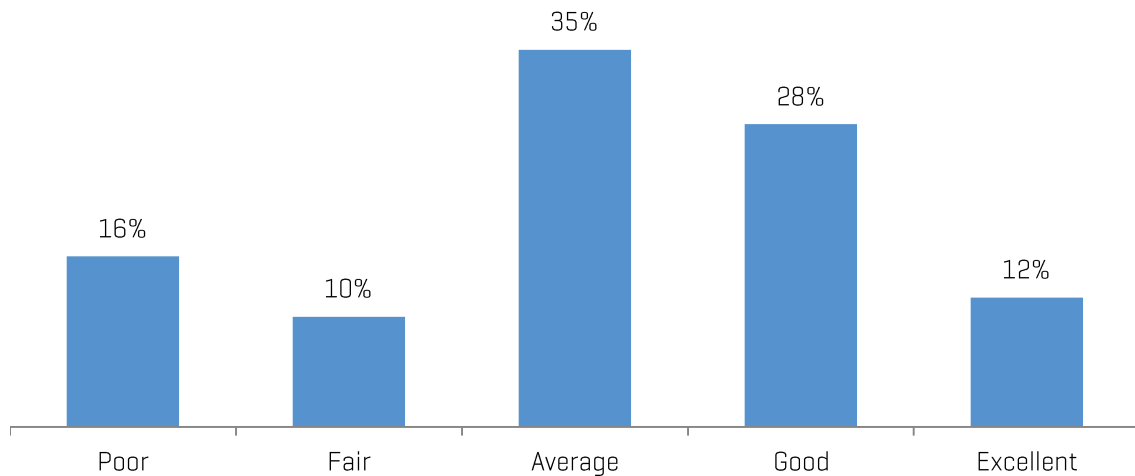
The mean score of 3.38 is a medium level score but still a positive endorsement of Council's use of these funds.

1.6. Understanding of Council’s proposal

Ratepayers were asked to rate their level of understanding of the ‘Special Rate Variation’ that Council is proposing. The results are displayed in figure 1.6 below.

‘How would you rate your level of understanding of Councils proposal for a special rate variation?’

Figure 1.6: Understanding of Council’s proposal (n=405)



Two out of five (40%) of respondents indicated that they have an ‘Excellent’ or ‘Good’ understanding of Council’s proposal for a special rate variation. Sixteen per cent indicated that they had a poor understanding of the proposal.

Whilst this indicates that the Council still has some work to do in educating the community about the proposal, overall **75 per cent of respondents had an ‘Average’ to ‘Excellent’ understanding of Council’s proposal** for a special rate variation.

1.7. Preferred rates option

In order to understand their preference, ratepayers were presented with the following potential options. The results are displayed in figure 1.7 below.

Option 1 - REDUCTION IN ASSET STANDARDS

- ▶ Rate changes: Rate peg increase of 2.7% or \$0.91 per week only [this is a statutory increase]

- ▶ Potential outcomes:
 - 1. Community assets will deteriorate
 - 2. Infrastructure condition ratings will reduce
 - 3. Other services are likely to be reduced to enable the transfer of funds into infrastructure
 - 4. There will be no upgrades to community buildings

Option 2 - IMPROVED ASSET MAINTENANCE

- ▶ Rate changes: Rate peg increase of 2.7% or \$0.91 per week and infrastructure special rate of 4.04% or \$1.35 per week for 10 years

- ▶ Potential outcomes:
 - 1. Buildings will meet industry standards
 - 2. Increased program of refurbishments and upgrades
 - 3. Replace and upgrade playground equipment
 - 4. Improve sports fields

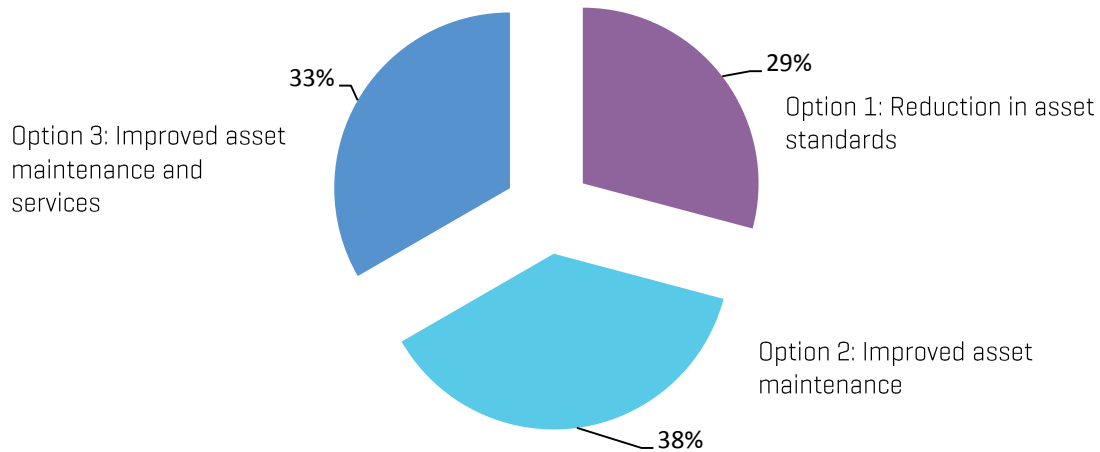
Option 3 - IMPROVED ASSET MAINTENANCE AND SERVICES

- ▶ Rate changes: Rate peg increase of 2.7% or \$0.91 per week and infrastructure special rate of 4.04% or \$1.35 per week for 10 years and a permanent operational special rate of 3% or \$1.00 per week

- ▶ Potential outcomes:
 - 1. Buildings will meet industry standards
 - 2. Increased program of refurbishments and upgrades
 - 3. Replace and upgrade playground equipment
 - 4. Improve sportsfields
 - 5. Current service levels and services maintained and improved

'Which option would you support?'

Figure 1.7: Preferred rates option (n=405)



There is relatively strong ratepayer support for the introduction of a levy to help maintain community infrastructure at an acceptable level.

More than seven out of ten ratepayers [71%] selected either Option 2 or 3 – the introduction of a special rate variation. These ratepayers are fairly evenly split with 38% preferring Option 2 [Improved asset maintenance] and 33% preferring Option 3 [Improved asset maintenance and services].

Further analysis showed that **those who had lived in the area for ten years or more and those who were aged 65 and over were less likely to be in favour of a special rate levy** than those who were newer to the area or were younger.

There was no significant difference in ratepayer support for the special rate levy based on the suburb in which they reside.

2. Appendices

Appendix A – Survey Response

The survey achieved a response rate of 47%, meaning that for every 100 ratepayers contacted by phone, 47 of them completed the survey. This is considered a good response rate for a survey of this type conducted in a major city. See table A1 below.

Table A2: Survey response rate

Contacts	Surveys Completed	Response Rate
863	405	47%

The survey was conducted by telephone, with two out of five (39.5%) respondents contacted on their mobile phones. This is close to the current estimate of the percentage of households that are mobile only (i.e. no fixed telephone line in the household), see table A2 below.

Table A2: Contact method

Phone Type	Surveys Collected	Percentage
Fixed Line	245	60.5%
Mobile	160	39.5%

Appendix B – Survey Syntax

What suburb do you live in?

- ▶ Boronia Park
- ▶ Gladesville
- ▶ Henley
- ▶ Huntleys Cove
- ▶ Huntleys Point
- ▶ Hunter's Hill
- ▶ Woolwich
- ▶ Other

How long have you lived in the Hunter's Hill area?

- ▶ Less than one year
- ▶ One to five years
- ▶ Six to 10 years
- ▶ More than 10 years

Please stop me when I read out the age group you are in

- ▶ 18 to 34 years
- ▶ 35 to 49 years
- ▶ 50 to 64 years
- ▶ 65 plus years
- ▶ Prefer not to say

From your voice, I assume you are a...

- ▶ Male
- ▶ Female

Introduction

In meeting the needs of the community, Hunter's Hill Council provides a range of services and facilities.

However, like many NSW councils, Hunter's Hill Council is facing significant financial challenges in maintaining its community facilities and current levels of service.

From 2007 to 2017 Council received additional funding through a state government approved 4.16% (76 cents per week) special variation to rates. This variation was used to maintain and improve community and recreation facilities such as; repairing electrical work in the Henley Community Centre, constructing a pathway and toilet block in Riverglade Reserve, repairing the Huntleys Wharf waiting area and refurbishing the bathroom at the Gladesville Road Community Centre.

Council is now asking ratepayers their opinion on whether this special rate should be reintroduced for a further 10 years from 2019/20.

Council is also asking ratepayers whether they will consider an additional 3% (\$1 per week) operational special rate increase to assist with the impact of the State Government passing on the burden to councils of paying for: street lighting, emergency services, energy costs and additional superannuation contributions.

Both of these options are in addition to the State Government set rate peg of 2.7% (91 cents per week).

This survey seeks your views on this proposal.

How satisfied are you with the standard or quality of community facilities including parks and reserves in the Hunter's Hill local government area?

Please use a scale from 1 to 5 where 1 means 'Not at all satisfied' and 5 means 'Very satisfied'.

- ▶ Not at all satisfied
- ▶ 2.
- ▶ 3.
- ▶ 4.
- ▶ 5. Very satisfied
- ▶ Can't say

Do you believe it is important to maintain community infrastructure and construct new amenities such as walking tracks, toilet blocks and community buildings?

Please use a scale from 1 to 5 where 1 means 'Not at all important' and 5 means 'Very important'.

- ▶ Not at all important
- ▶ 2.
- ▶ 3.
- ▶ 4.
- ▶ 5. Very important
- ▶ Can't say

As a ratepayer of Hunter's Hill Council, would you prefer to see a community facilities levy to cover the gap in funding for renewal and maintenance of infrastructure or would you prefer a reduction in community facilities standards?

- ▶ Infrastructure Levy
- ▶ Reduction in infrastructure standards

Do you think the previous 10 year Community Facilities special rate of 4.16% [76 cents per week] that expired in 2017 was good value for money? Some examples of completed projects included painting Riverside Pre School, walking track upgrades at Kellys Bush, a new toilet block at Riverglade Reserve, toilet block upgrade at Weil block and new guttering at Gladesville Occasional Care.

Please use a scale from 1 to 5 where 1 means 'Not good value at all' and 5 means 'Very good value'.

- ▶ Not good value at all
- ▶ 2.
- ▶ 3.
- ▶ 4.
- ▶ 5. Very good value
- ▶ Can't say/Don't know

How would you rate your level of understanding of Councils proposal for a special rate variation? [Read out responses]

- ▶ Excellent
- ▶ Good
- ▶ Average
- ▶ Fair
- ▶ Poor
- ▶ Can't say

In a moment I'm going to read out some options Council is considering and I'd like you to tell me based on the background information distributed to the community which of the following rating options you would support.

Option 1 – REDUCTION IN ASSET STANDARDS

Rate changes: Rate peg increase of 2.7% or \$0.91 per week only [this is a statutory increase]

1. Community assets will deteriorate 2. Infrastructure condition ratings will reduce 3. Other services are likely to be reduced to enable the transfer of funds into infrastructure 4. There will be no upgrades to community buildings

Option 2 – IMPROVED ASSET MAINTENANCE

Rate changes: Rate peg increase of 2.7% or \$0.91 per week and infrastructure special rate of 4.04% or \$1.35 per week for 10 years

1. Buildings will meet industry standards 2. Increased program of refurbishments and upgrades 3. Replace and upgrade playground equipment 4. Improve sports fields

Option 3 – IMPROVED ASSET MAINTENANCE AND SERVICES

Rate changes: Rate peg increase of 2.7% or \$0.91 per week and infrastructure special rate of 4.04% or \$1.35 per week for 10 years and a permanent operational special rate of 3% or \$1.00 per week

1. Buildings will meet industry standards 2. Increased program of refurbishments and upgrades 3. Replace and upgrade playground equipment 4. Improve sports fields 5. Current service levels and services maintained and improved

Which option would you support?

- Option 1
- Option 2
- Option 3

and finally, may I ask for your first name, as my supervisor may call you back as she audits 1 in 10 of my calls as part of the quality control process? [ENTER FIRST NAME]

That completes our interview. As this is social research, you can be assured that it is carried out in full compliance with the Information Privacy Act and the information you provided is only used for research purposes.

Again my name isand my Supervisor's name is Judy. If you have any questions about this survey, or would like further information about IRIS Research, you can call us on 4285 4446 between 9am and 5pm week days.

Thank you for your time.