

Hawkesbury City Council

SRV Research

Prepared by: Micromex Research

Date: July 2017



Background



Background and Context

Background

Hawkesbury Council Council currently spends approximately \$21.8 million on the maintenance and renewal of local assets and infrastructure each year, however, Council should be investing an additional \$5.1 million per year to keep assets safe and functioning.

In preparing a 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, Council is seeking to obtain a robust and representative measure of the broader community's sentiment towards a Special Rate Variation (SRV).

Council has prepared a number of funding options and contracted Micromex Research, an independent research agency, to administer a representative community telephone survey.

Objectives

- Measure community satisfaction with the performance of Council and the current quality of infrastructure and facilities
- Measure awareness levels and sources of information about a Special Rate Variation
- Measure levels of support for different SRV options
- Obtain a hierarchy of preferences for the different options



Methodology & Sample

Data collection

Micromex Research, together with Hawkesbury City Council, developed the questionnaire.

Data collection period

Telephone interviewing (CATI) was conducted during period 17th – 20th July 2017, in accordance with the AMSRS Code of Professional Behaviour.

Sample

N=401 interviews were conducted. A sample size of 401 provides a maximum sampling error of plus or minus 4.9% at 95% confidence. This means that if the survey was replicated with a new universe of N=401 residents, that 19 times out of 20 we would expect to see the same results, i.e. +/- 4.9%.

For the survey under discussion the greatest margin of error is 4.9%. This means for example, that an answer 'yes' (50%) to a question could vary from 45% to 55%. As the raw data has been weighted to reflect the real community profile of Hawkesbury City 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

367 of the 401 of respondents were selected by means of a computer based random selection process using the electronic White Pages.

In addition 34 respondents were recruited face-to-face, this was conducted at a number of areas around Hawkesbury City Council, i.e. Richmond Market Place, Riverview Shopping Centre, Windsor Train Station and Richmond Train Station.

Data analysis

The data within this report was analysed using Q Professional.

Percentages

All percentages are calculated to the nearest whole number and therefore the total may not exactly equal 100%.



Sample Profile

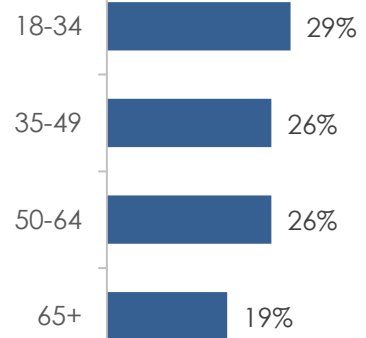


Sample Profile

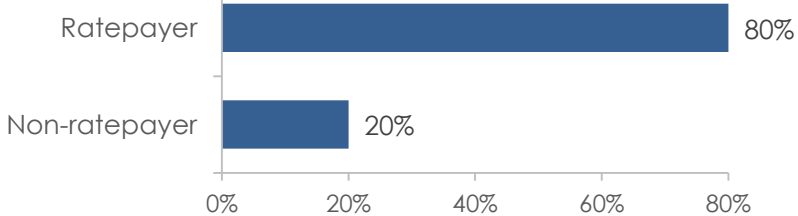
Gender



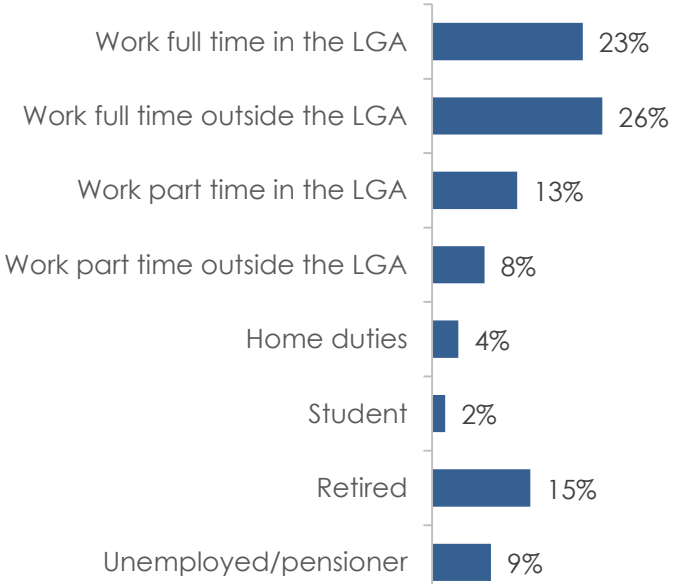
Age



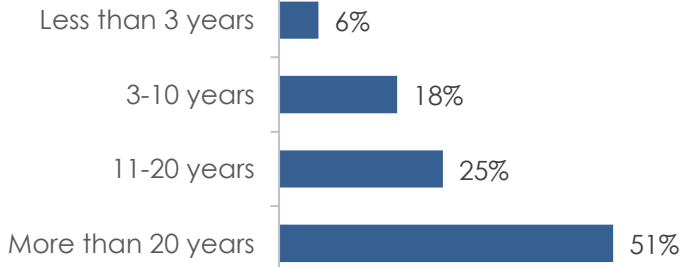
Ratepayer status*



Employment status



Time lived in the area



Base: N = 401 *one respondent refused to state their ratepayer status



The sample was weighted by age and gender to reflect the 2016 ABS community profile of Hawkesbury City Council

Key Findings



Summary of Key Results

- Nearly one thirds of the community (32%) were aware that Council was exploring community sentiment towards a potential special rate variation
- 61% of residents were at least somewhat supportive both Option 1 (Rate Peg Only) and Option 2 (Stabilise Assets).
- 51% of residents were at least somewhat supportive of Option 3 (Improve Assets)
- Community preference leaned toward an SRV, either to stabilize or improve the quality of local infrastructure:
 - ⇒ *57% of residents selected a rate variation increase above rate peg indicating either **Option 2/3** as a preferred option*
 - ⇒ *43% of residents nominated **Option 1** as a preferred outcome*

 The Hawkesbury community would prefer to see Council take some action to address the needs of local infrastructure

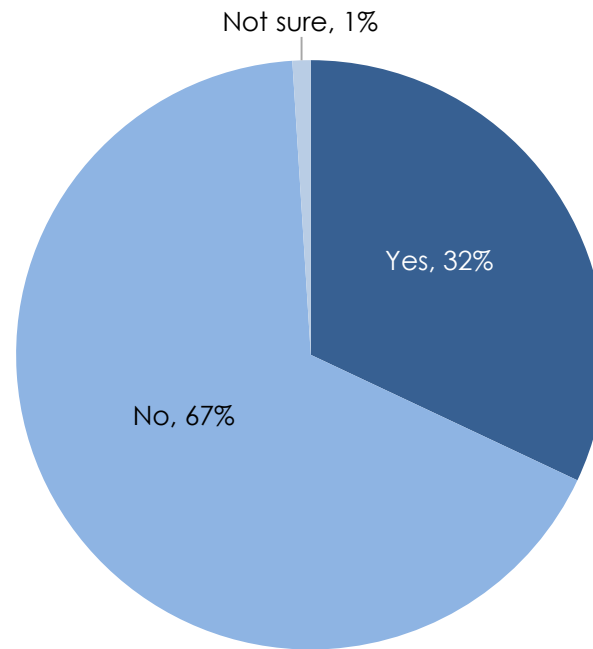
Awareness of a Special Rate Variation



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	32%	33%	30%	28%	23%	36%	44%▲	36%▲	15%
No/not sure	68%	67%	70%	72%	77%	64%	56%	64%	85%



Base: N = 401

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

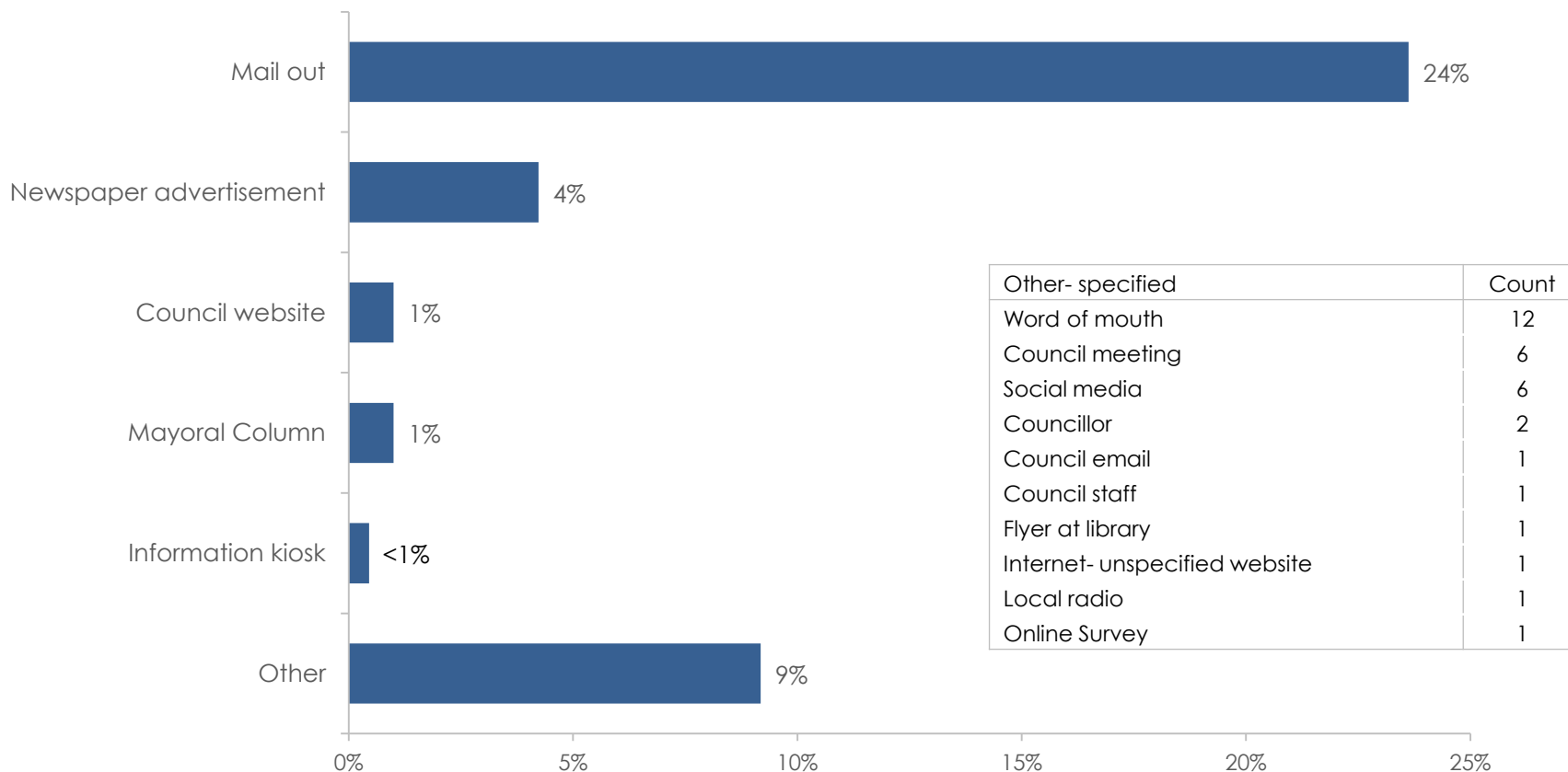
Two thirds of residents were unaware that Council were exploring community sentiment towards a Special Rate Variation prior to this survey.

Residents aged 65+ and 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?



Base: N = 126

Of the residents that were aware of the Special Rate Variation, 24% were informed via a 'mail out'

Support for a Special Rate Variation



Concept Statement

Residents were read the following concept statement prior to being asked to rate their support:

Hawkesbury residents have consistently told Council that assets such as roads, public spaces, parks and footpaths are important to them, but 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 \$21.8 million on the maintenance and renewal of local assets and infrastructure each year, however, Council should be investing an additional \$5.1 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 will be 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.

There are three 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

OPTION 1 – Rate peg only

No Special Rate Variation. Rates would increase by the annual projected rate peg amount of 2.5% per year. Over the three year period, this is a cumulative increase of 7.69%. Residential ratepayers who are paying around \$1,121.30 per year would pay, on average, around \$86.22 more each year. After 3 years this would amount to an annual charge of \$1,207.52 by 2020/2021.

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

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

Council would also have virtually no capacity for new capital works, meaning it would have difficulty funding new assets such as footpaths, shared pathways, and community facilities. It would also be unable to undertake works like the sealing of gravel roads, or the progressive rehabilitation of the local sealed road network.

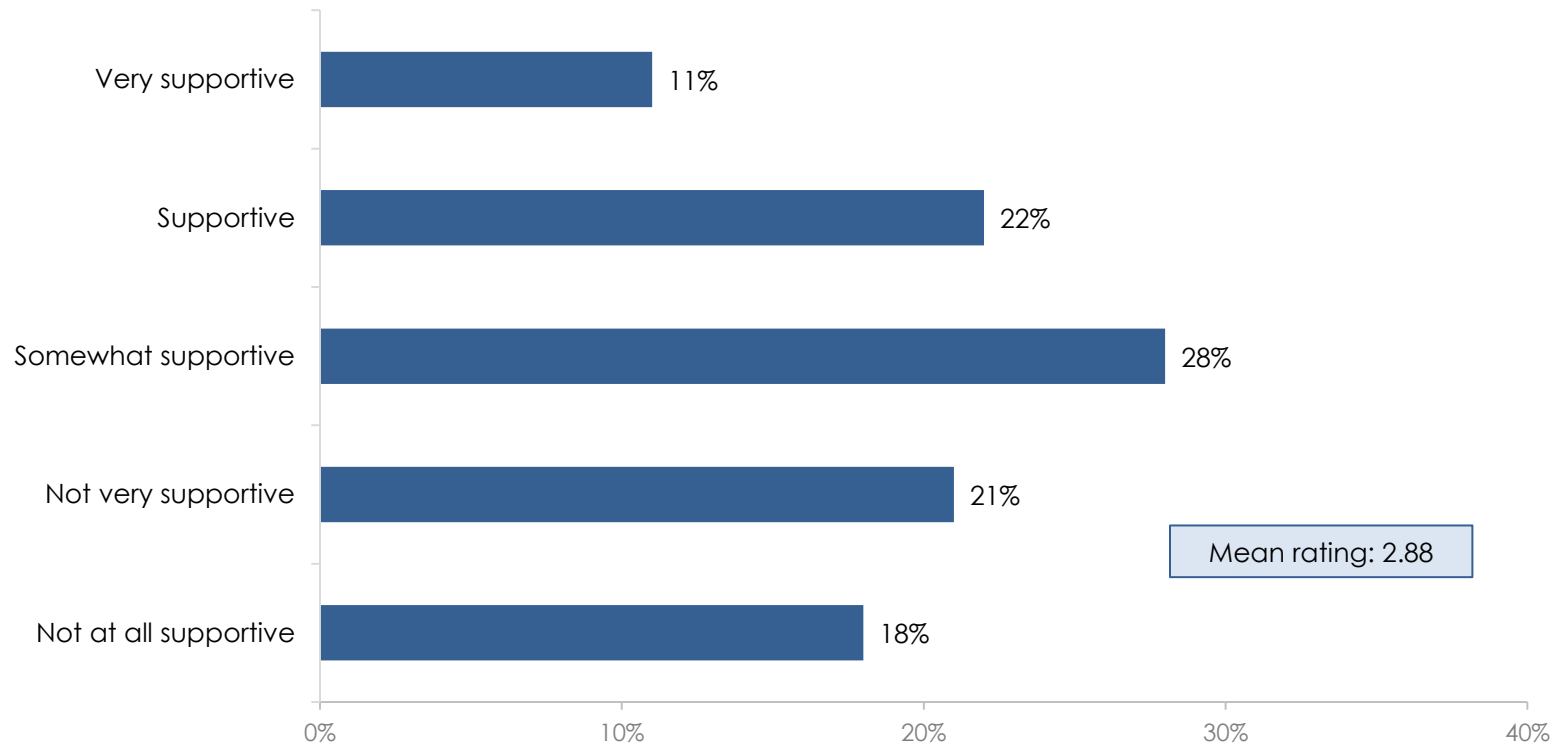
In order to meet the Fit for the Future financial benchmarks, Council would be required to reduce or close services.



Support for Option 1 – Rate Peg Only

Q2a. 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	2.88	2.92	2.84	3.02	2.77	2.71	3.02	2.93	2.66



Base: N = 401

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

Support for a rate peg only varied greatly, with relatively even proportions of respondents being ‘supportive’ or ‘very supportive’ (33%) as were ‘not very supportive’ or ‘not at all supportive’ (39%). Despite the variation in support, there were no significant differences across the demographics

Option 2 – Stabilise

OPTION 2 – Stabilise

A Special Rate Variation of 9.5% for two years including the rate peg amount of 2.5%, and then reverting to the rate peg amount of 2.5% in the third year. Over the three year period this is a cumulative increase of 22.9%. At the end of the three year period the Special Rate Variation increase would be built into the rate base. Residential ratepayers who are paying around \$1,121.30 per year would pay, on average, around \$256.78 more each year. After 3 years this would amount to an annual charge of \$1,378.08 by 2020/2021.

This option would generate \$42.5 million over 9 years, and with this and a borrowings program Council would spend, an additional:

- \$44.5 million on roads and shared pathways
- \$2.6 million on parks and town centres
- \$3.6 million on buildings

As part of this program, Council would be able to fund a limited program of asset upgrades with a focus on the sealing of gravel roads, the rehabilitation of sealed roads and improvements to town centres and public spaces. Council would also be able to increase its preventative maintenance and renewal program to stabilise the condition of priority assets.

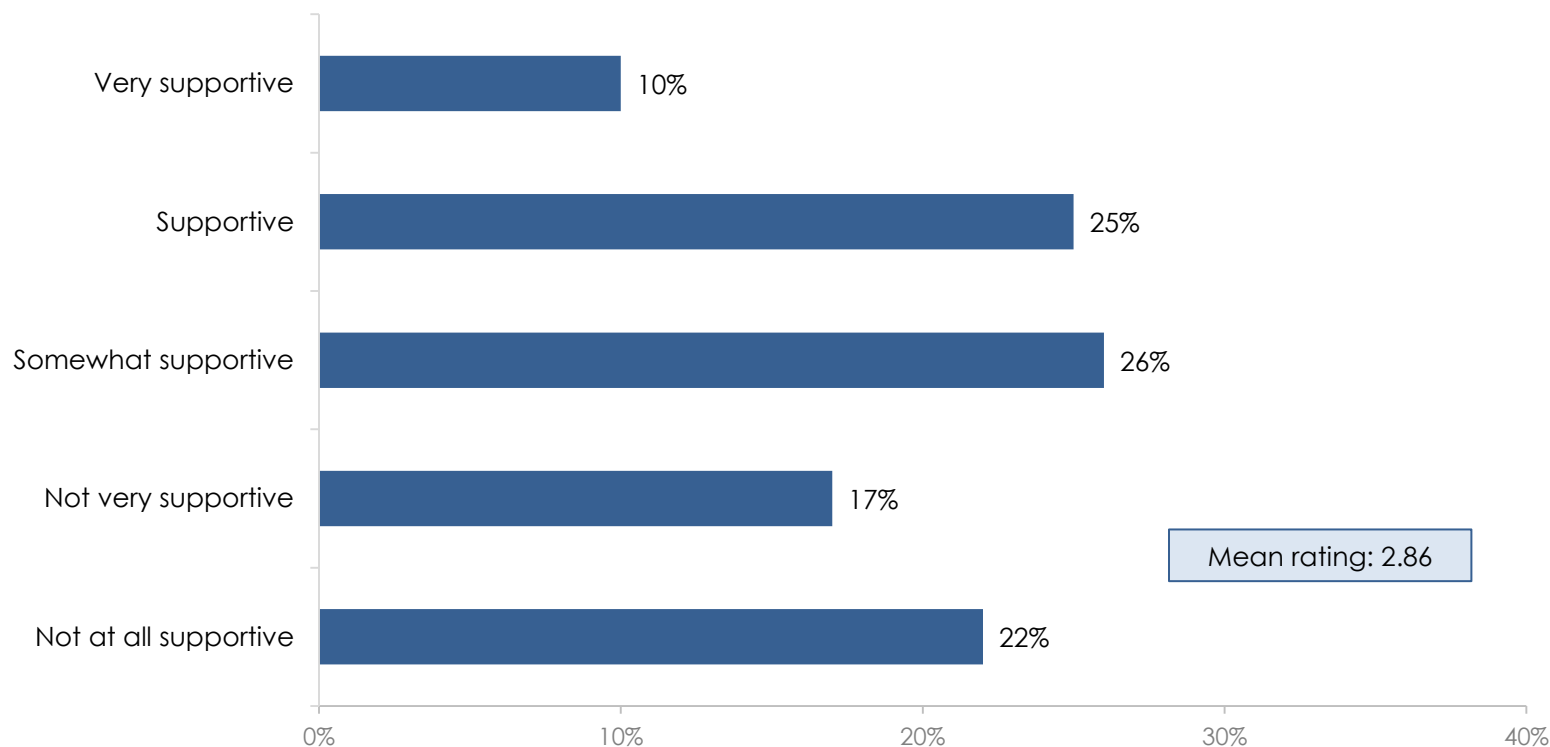
Council would also be able to meet the Fit for the Future financial benchmarks and maintain current services levels.



Support for Option 2 – Stabilise

Q2b. 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	2.86	2.80	2.91	3.14▲	2.72	2.68	2.86	2.68	3.58▲



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

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

Base: N = 401

Overall 61% of respondents were at least 'somewhat supportive' of the stabilise option, with females and non-ratepayers significantly more likely to be supportive

Option 3 – Improve

OPTION 3 – Improve

A Special Rate Variation of 9.5% for three years including the annual 2.5% rate peg. Over the three year period this is a cumulative increase of 31.3%. At the end of the three year period the Special Rate Variation increase would be built into the rate base. Residential ratepayers who are paying around \$1,121.30 per year would pay, on average, around \$350.89 more each year. After 3 years this would amount to an annual charge of \$1,472.19 by 2020/2021.

This option would generate \$62.1 million over 9 years, and with this and a borrowings program Council would spend an additional:

- \$53.8 million on roads and shared pathways
- \$16.6 million on parks and town centres
- \$7.2 million on 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 more extensive and ongoing program of gravel road sealing, sealed road rehabilitation, river foreshore upgrades and the revitalisation of town centres, villages and public spaces. It would be able to deliver these improvements sooner and bring forward much-needed maintenance.

Under this option Council could also fund new programs including increased support for volunteers and community organisations, water quality monitoring of waterways, a dynamic program of community events, an accessible heritage program and programs to revitalise our town centres and villages.

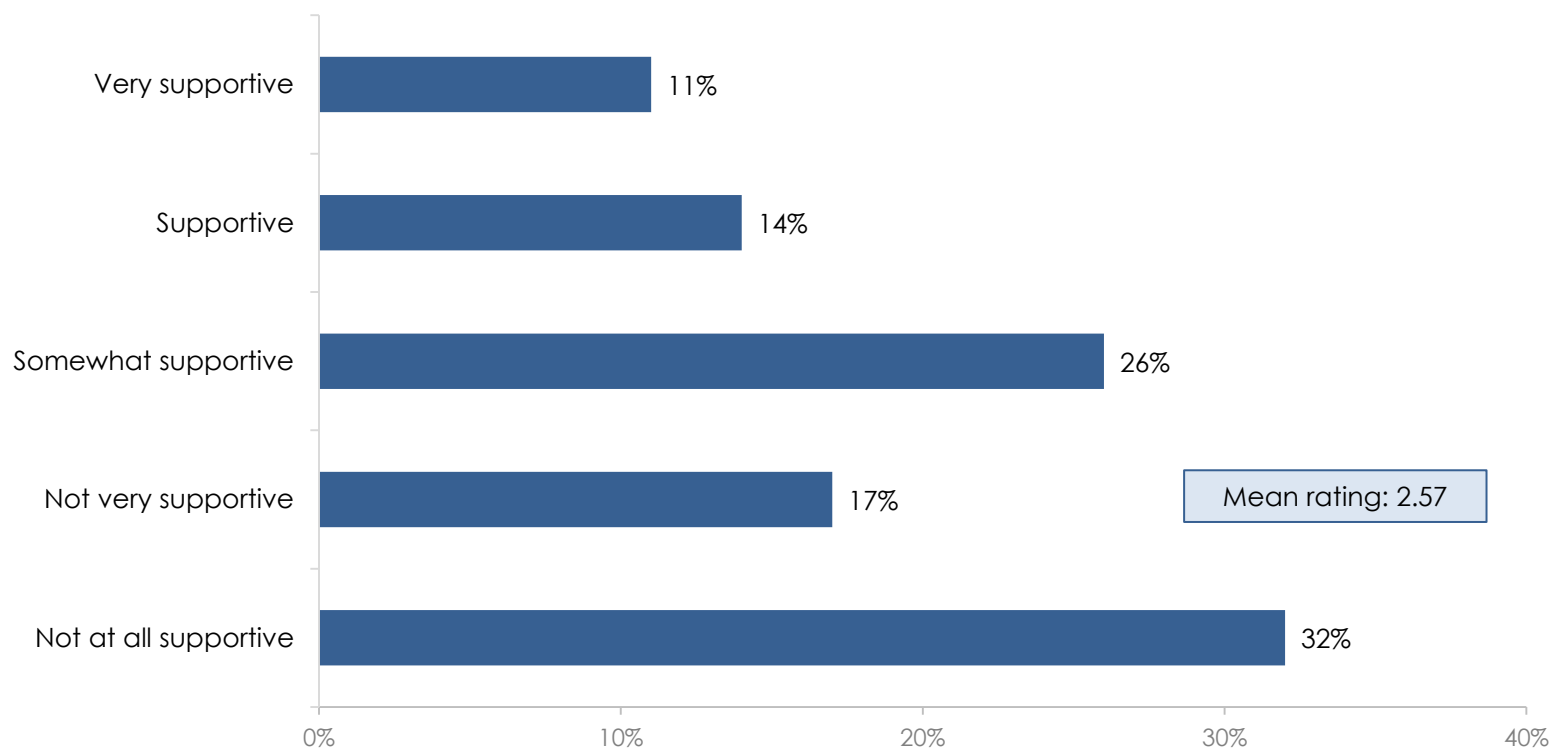
Council would also be able to meet the Fit for the Future financial benchmarks and maintain current service levels with some capacity to invest in new or expanded services.



Support for Option 3 – Improve

Q2c. How supportive are you of Council proceeding with Option 3?

	Overall	Male	Female	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer
Mean rating	2.57	2.53	2.60	3.09▲	2.41	2.16▼	2.51	2.34	3.50▲



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

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

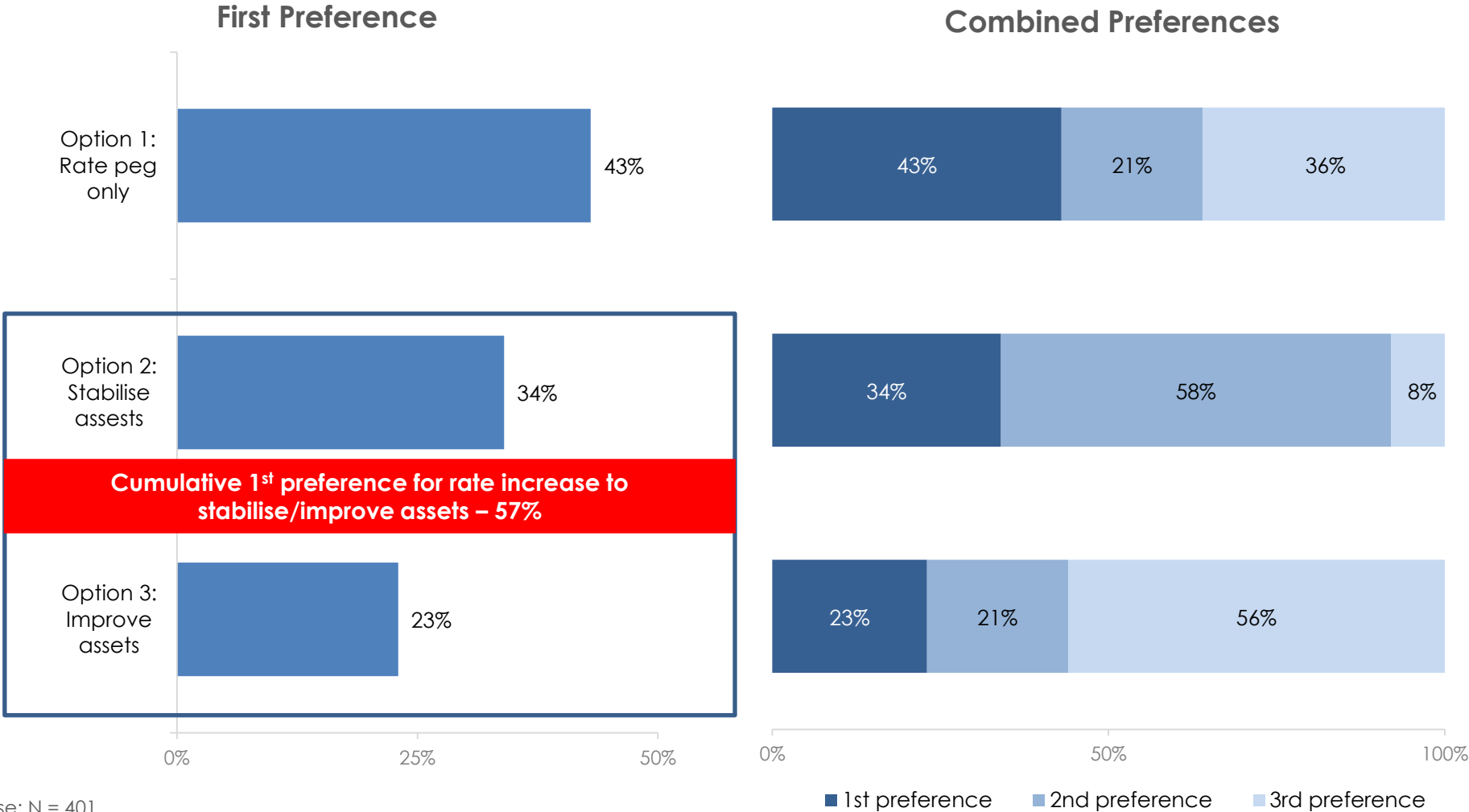
Base: N = 401

Supportive was lowest for option 3, with half of respondents (49%) stating that they are 'not very supportive' or 'not at all supportive'.

Residents aged 18-34 and non-ratepayers were significantly more likely to be supportive, whilst 50-64 year olds were significantly less likely

Preferences of Special Rate Variation Options

Q3a. Please rank the 3 options in order of preference:



Base: N = 401
 Note: for data cross analysed by demographics and satisfaction, please see Appendix 1

Option 1, a rate peg only, was overall the most popular choice by residents, with 43% selecting it was their first preference. This means however that the first preference for 57% of residents is some form of rate increase. Interestingly, residents who selected a rate peg only as their first preference were significantly less likely to be satisfied with the performance of Council over the past 12 months, and significantly less likely to be satisfied with the quality of infrastructure and facilities provided by Council. Conversely, residents that selected option 3, improve assets, were significantly more likely to be satisfied with the performance of Council and significantly more likely to be satisfied with the quality of infrastructure and facilities

Reasons for Preferring Option 1 (43%)

Q3a. Please rank the 3 options in order of preference:

Q3b. What is your reason for choosing that option as your highest preference?

'As a pensioner the rates are already too high'

'Council needs to be more efficient and practical in its budget'

'Council has the wrong strategy to increase revenue, they should be increasing development'

'Impacts me the least financially'

'Not seeing any return for current rates paid'

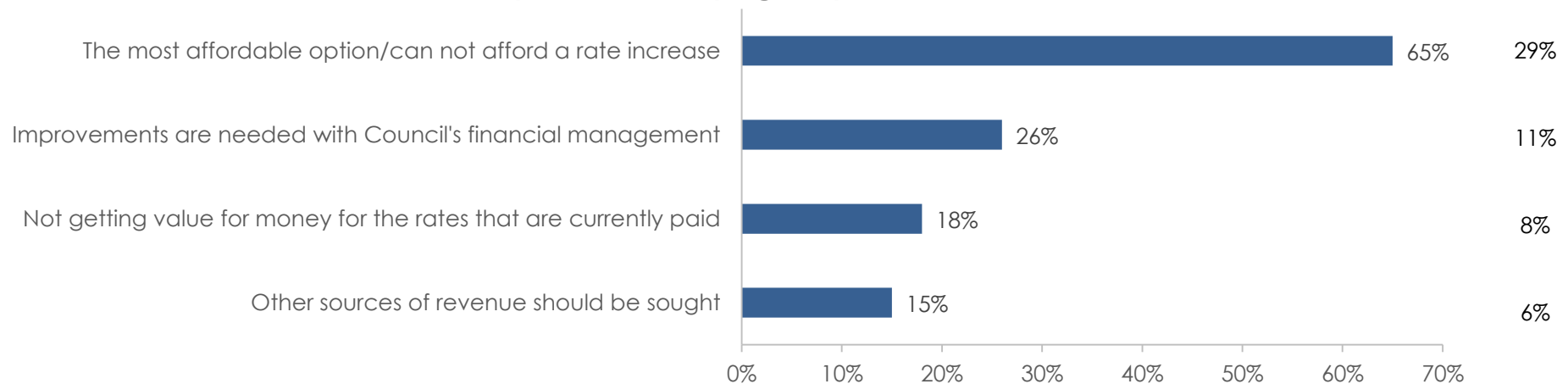
'Do not believe that council would spend the money where it is needed'

'Living in a rural area means that we wont get a lot of the benefits increased rates gives to towns'

'Rates need to be lowered, not increased'

Option 1: Rate peg only – 43% First Preference

% of total respondents
N=401



Base: N = 172

Note: responses of less than 15% are listed in Appendix A

Note: total exceeds 100% as respondents could state multiple reasons

Two thirds of respondents (65%) that selected option 1 as their first preference, did so because they feel that it is the most affordable option, with them unable to afford any kind of rate increase. A quarter of respondents (26%) that selected option 1 also stated that improvements are needed with the financial management of council before they would be willing to pay higher rates

Reasons for Preferring Option 2 (34%)

Q3a. Please rank the 3 options in order of preference:

Q3b. What is your reason for choosing that option as your highest preference?

'It is a reasonable and affordable amount of excess money for council to use appropriately'

'Good balance between less expensive rates and the ability to maintain facilities'

'A more sustainable way without spending too much money'

'Fixing roads is a good enough reason'

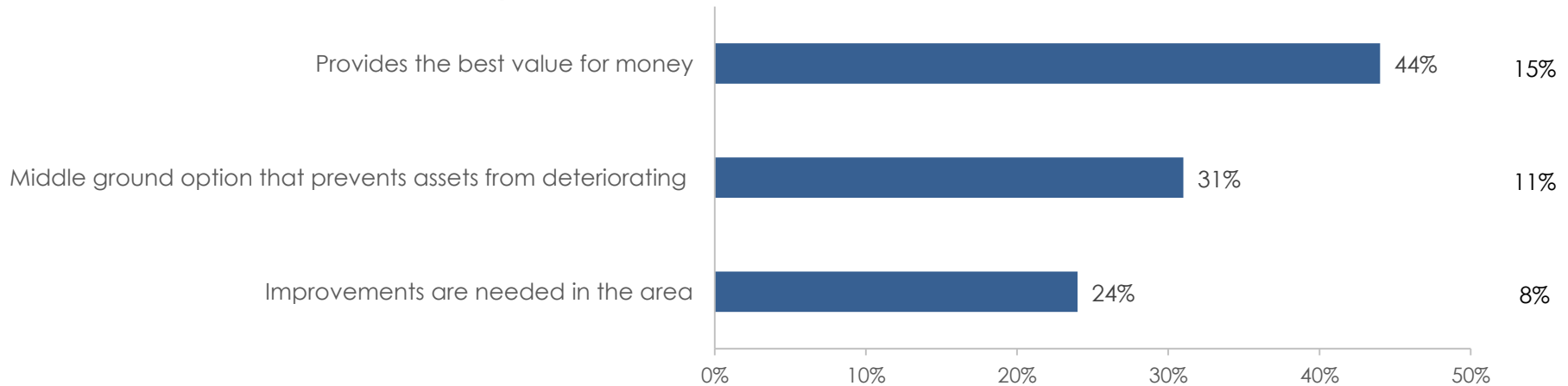
'Seems like a good middle ground'

'Does not cost as much as option 3'

'Improvements are needed but it has to be affordable'

'Best value'

Option 2: Stabilise assets – 34% First Preference



Base: N = 138

Note: responses of less than 24% are listed in Appendix A

Note: total exceeds 100% as respondents could state multiple reasons

44% of respondents that selected option 2 as their first preference stated that it provides the best value for money in terms of the outcomes that will be achieved, with 31% believing it to be a good middle ground to prevent assets from deteriorating

Reasons for Preferring Option 3 (23%)

Q3a. Please rank the 3 options in order of preference:

Q3b. What is your reason for choosing that option as your highest preference?

'More improvements are being made for families under this option'

'More has to be done, and it can not be done on the funds currently available'

'I think it is really important to preserve the environment and heritage of the area, including facilities and infrastructure'

'We have to be prepared to pay if we want the work done'

'Have lived here for 12 years and it is deteriorating'

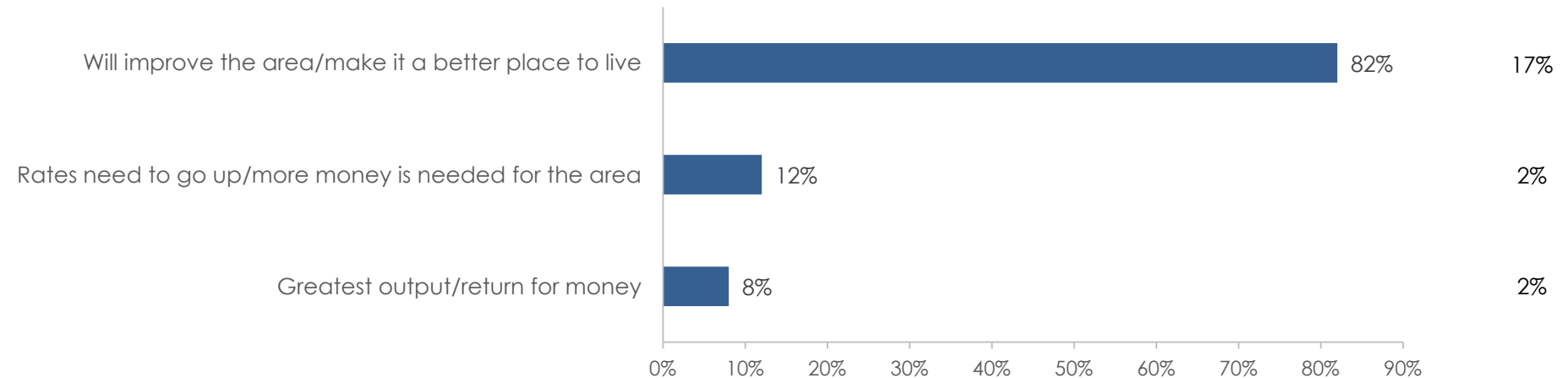
'Council could revitalise town centres, such as Bilpin Village'

'It would be the better option for the community'

'It would help improve the council district the most'

% of total respondents
N=401

Option 3: Improve assets – 23% First Preference



Base: N = 90

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

Note: total exceeds 100% as respondents could state multiple reasons

The majority of respondents (82%) that selected option 3, did so because they believe it will improve the area and make it a better place to live

Reasons for Preferring Option 3 (23%)

Q3a. Please rank the 3 options in order of preference:

Q3b. What is your reason for choosing that option as your highest preference?

'More improvements are being made for families under this option'

'More has to be done, and it can not be done on the funds currently available'

'I think it is really important to preserve the environment and heritage of the area, including facilities and infrastructure'

'We have to be prepared to pay if we want the work done'

'Have lived here for 12 years and it is deteriorating'

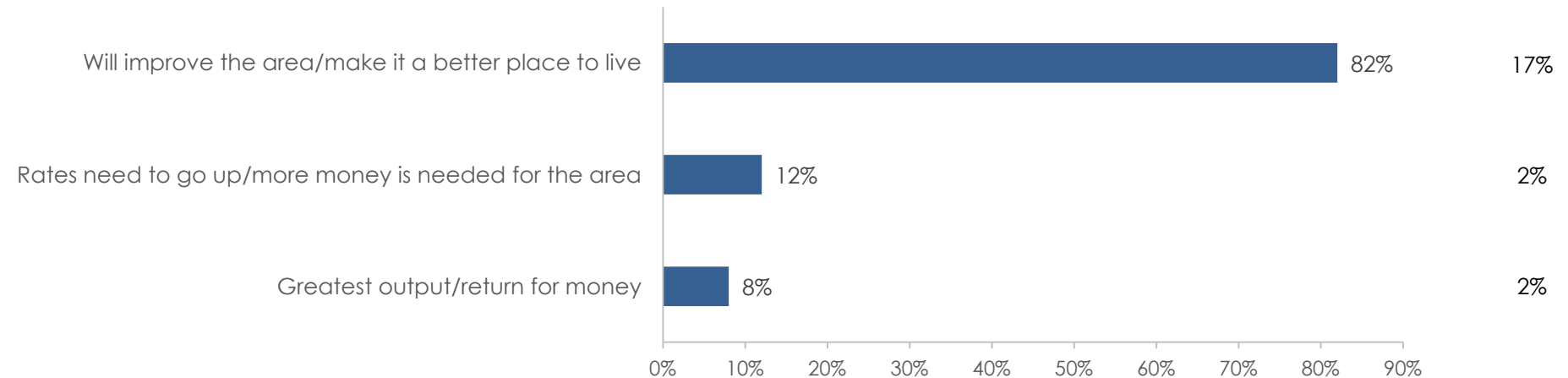
'Council could revitalise town centres, such as Bilpin Village'

'It would be the better option for the community'

'It would help improve the council district the most'

Option 3: Improve assets – 23% First Preference

% of total respondents
N=401



Base: N = 90

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

Note: total exceeds 100% as respondents could state multiple reasons

The Hawkesbury community would prefer to see Council take some action to address the needs of local infrastructure

Community Diagnostics

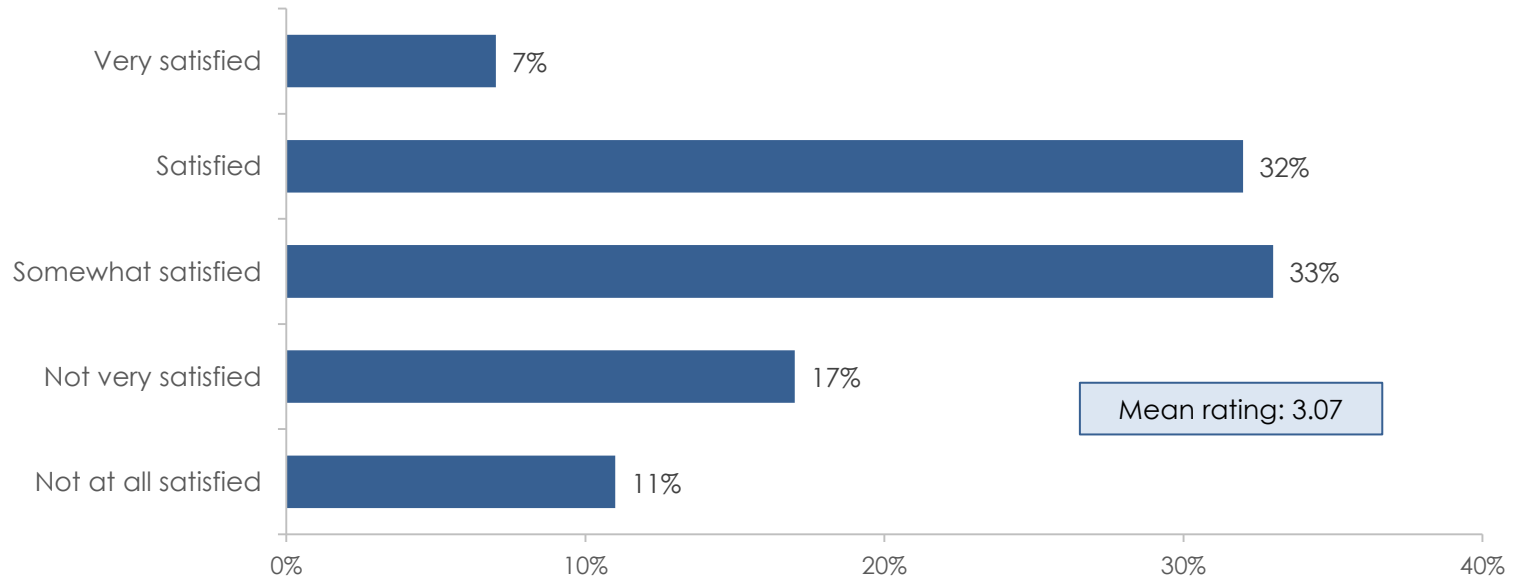


Performance of Council

Q1c. 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 2017	Overall 2015	Overall 2013	Male	Female	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer
Mean rating	3.07	3.11	3.09	3.14	3.00	3.37▲	2.87	2.95	3.05	2.97	3.47▲

NSW LGA BRAND SCORES	Hawkesbury City Council	All of NSW	Metro Benchmark	Regional
Mean ratings	3.07	3.31▲	3.45▲	3.22



Base: N = 401

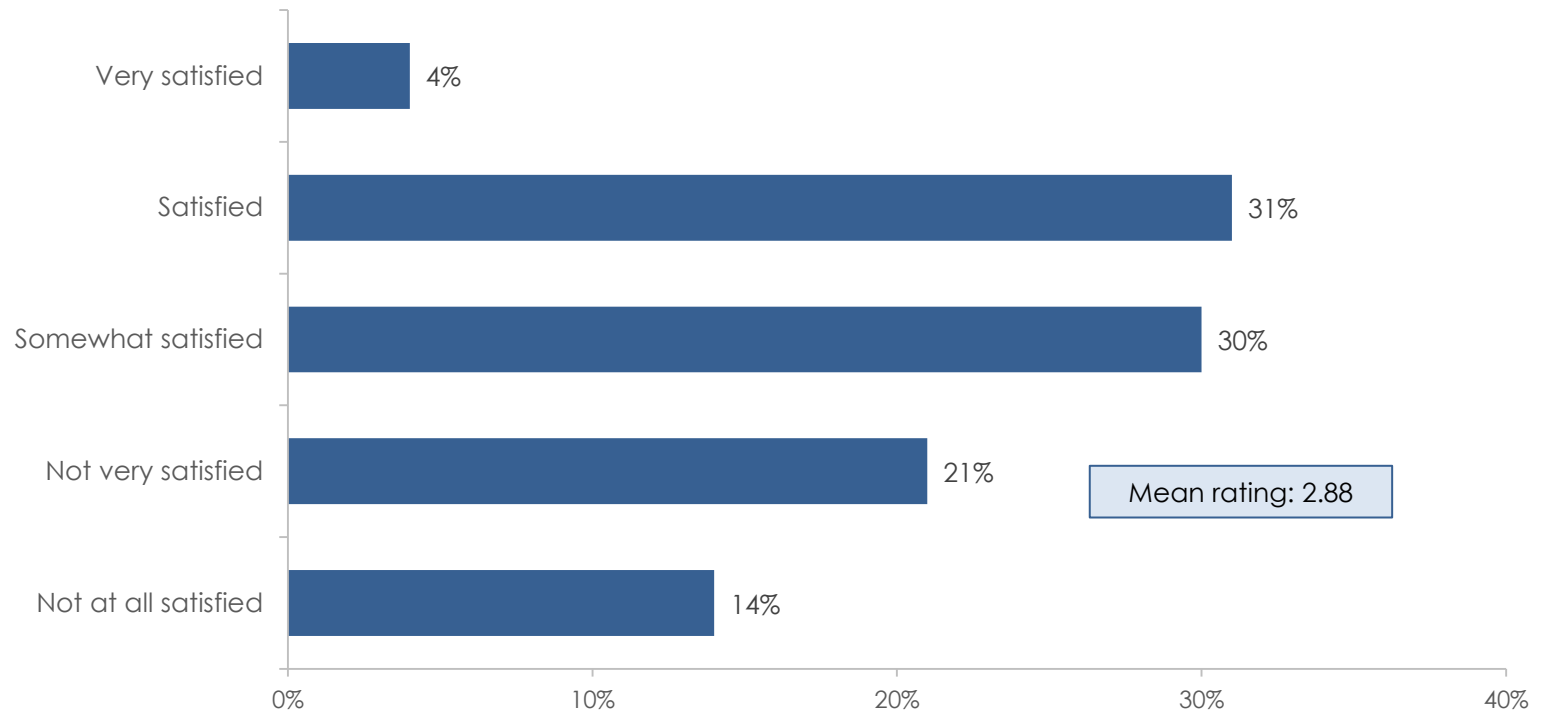
Scale: 1 = not at all satisfied, 5 = very satisfied
▲ ▼ = A significantly higher/lower level of satisfaction (by group)

Overall satisfaction with the performance of Council has remained consistent since 2013, with 72% of respondents stating they are at least 'somewhat satisfied'. However, satisfaction is lower than the 2012 LGA brand score for NSW

Satisfaction with Infrastructure and Facilities

Q1d. How satisfied are you with the quality of infrastructure and facilities provided by Council in the local area?

	Overall 2017	Overall 2015	Male	Female	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer
Mean rating	2.88▼	3.23	2.94	2.84	3.09	2.78	2.67▼	3.02	2.79	3.28▲



Base: N = 401

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

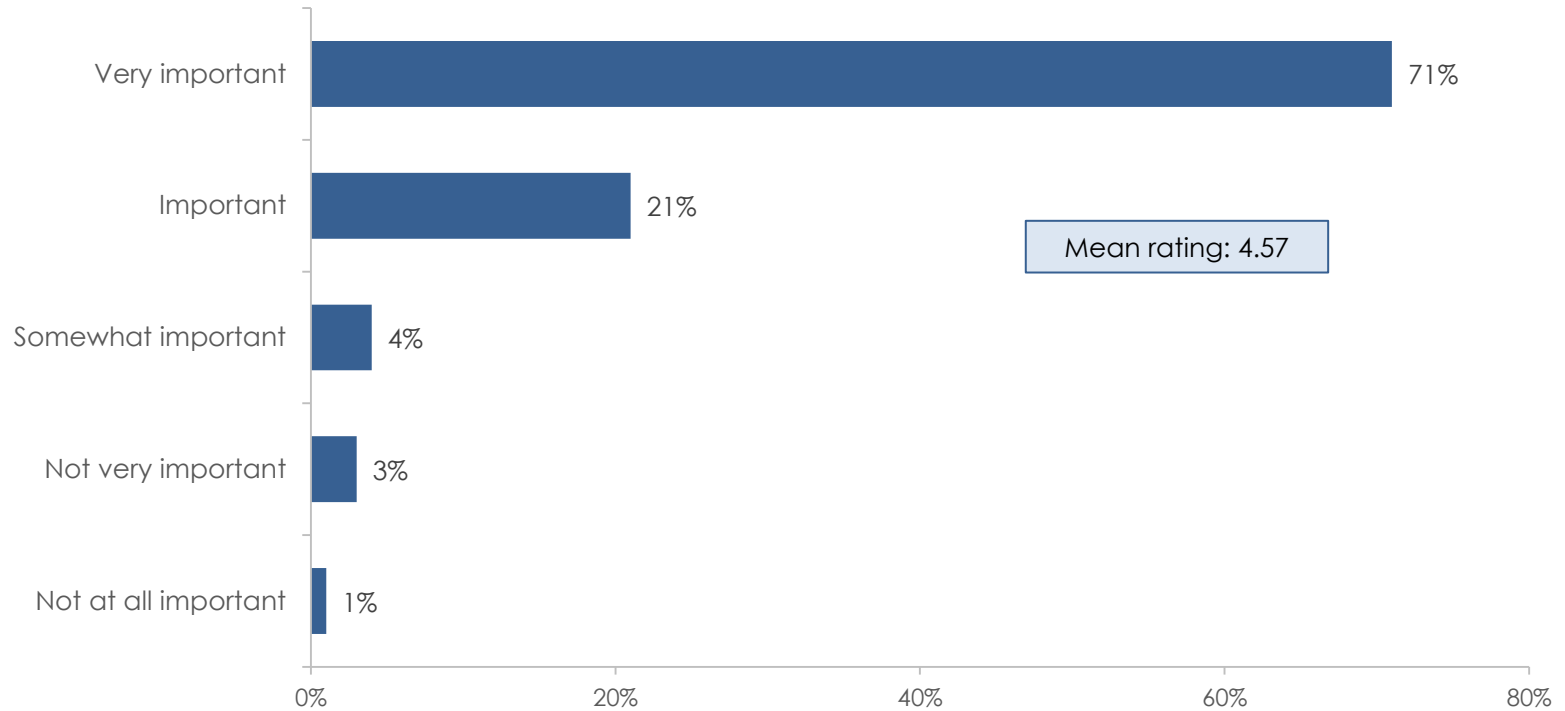
Satisfaction with the quality of infrastructure and facilities provided by Council is moderately low, with 35% of respondents stating they are 'not very satisfied' or 'not at all satisfied', and significantly decreasing compared to 2013.

Non-ratepayers were significantly more likely to be satisfied

Importance of Better Infrastructure and Facilities

Q1e. How important is it for Council to provide better infrastructure and facilities?

	Overall	Male	Female	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer
Mean rating	4.57	4.45	4.68▲	4.52	4.69	4.63	4.40▼	4.58	4.53



Base: N = 401

Scale: 1 = not at all important, 5 = very important
 ▲▼ = A significantly higher/lower level of importance (by group)

Belief that it is important for Council to provide better infrastructure and facilities was extremely high amongst respondents.

Females were significantly more likely to state that it is important, whilst residents aged 65+ were significantly less likely

Appendix A



Preferences of Special Rate Variation Options

Q3a. Please rank the 3 options in order of preference:

1st preference	Overall	Male	Female	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer
Option 1	43%	46%	40%	33%	48%	51%	41%	50%▲	13%
Option 2	34%	30%	39%	38%	27%	37%	36%	30%	52%▲
Option 3	23%	25%	21%	29%	25%	12%▼	23%	20%	35%▲

2nd preference	Overall	Male	Female	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer
Option 1	21%	16%	25%	22%	15%	22%	24%	19%	29%
Option 2	58%	64%	53%	54%	66%	56%	57%	62%▲	41%
Option 3	21%	21%	22%	24%	19%	22%	19%	19%	30%

3rd preference	Overall	Male	Female	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer
Option 1	36%	38%	34%	44%	38%	27%▼	35%	31%	58%▲
Option 2	8%	7%	8%	9%	7%	7%	8%	7%	7%
Option 3	56%	55%	58%	47%	56%	66%▲	58%	62%▲	35%

Base: N = 401

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



Preferences of Special Rate Variation Options

Q1c. 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?

Q3a. Please rank the 3 options in order of preference:

	Preference		
	1 st	2 nd	3 rd
Option 1	2.77▼	3.29	3.29▲
Option 2	3.26▲	2.92▼	3.33
Option 3	3.34▲	3.25	2.89▼

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

Q1d. How satisfied are you with the quality of infrastructure and facilities provided by Council in the local area?

Q3a. Please rank the 3 options in order of preference:

	Preference		
	1 st	2 nd	3 rd
Option 1	2.73▼	3.06	2.97
Option 2	2.91	2.88	2.77
Option 3	3.14▲	2.71	2.85

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

Base: N = 401

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



Reasons for Preferring Each Option

Q3a. Please rank the 3 options in order of preference:

Q3b. What is your reason for choosing that option as your highest preference?

Reason for selecting option 1	Count
Do not agree with current spending behaviours of council	22
Council are ineffective/do not trust they will spend any extra money effectively	16
They have enough money already to do everything that should be required	10
Resources are not equally distributed across the LGA	9
Infrastructure/facilities are fine as they are	6
Already pay additional fees through other services	3
Need more information about SRV	3
Increasing rates goes against election promises	2
Should not be the decision of the council to increase rates	1
Don't know/nothing	1

Reason for selecting option 2	Count
Additional funds are needed for the area	14
Can not afford option 3	11
Financial management needs to be improved	11
Other sources of revenue should be sought	9
Resources are not equally distributed across the LGA	8
Inefficient council/do not trust them to spend the additional money effectively	7
Focus should be on maintaining what we have, not building new things	5
Do not agree with current spending behaviours of council	2
More information is needed	2
Not getting value for money for the rates that we pay now	2
Sufficient amount of money for everything council could need	2
Infrastructure and facilities are fine	1
Don't know/nothing	4

Reason for selecting option 3	Count
Council will be able to run more efficiently	3
Improvements need to happen in the area right away	3
It is the communities responsibility to improve the area	2
Other sources of funding should be sought	2
Prevent the area from being amalgamated	1
Reasonable amount to pay for outcomes achieved	1

Appendix B - Questionnaire

Hawkesbury City Council
Community Survey – Special Rate Variation
July 2017

Good morning/afternoon/evening, my name is from Micromex Research. We are conducting a survey on behalf of Hawkesbury City Council on a range of local issues. The survey will take about 10-15 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

Q1a. In which town/village do you live in/near?

- | | | |
|---|---|---------------------------------------|
| <input type="radio"/> Agnes Banks | <input type="radio"/> Kurrajong Hills | <input type="radio"/> Upper Colo |
| <input type="radio"/> Berambing | <input type="radio"/> Leets Vale | <input type="radio"/> Upper Macdonald |
| <input type="radio"/> Bilpin | <input type="radio"/> Lower Macdonald | <input type="radio"/> Vineyard |
| <input type="radio"/> Blaxlands Ridge | <input type="radio"/> Lower Portland | <input type="radio"/> Webbs Creek |
| <input type="radio"/> Bligh Park | <input type="radio"/> Maraylya | <input type="radio"/> Wheeny Creek |
| <input type="radio"/> Bowen Mountain | <input type="radio"/> McGraths Hill | <input type="radio"/> Wilberforce |
| <input type="radio"/> Cattai | <input type="radio"/> Mellong | <input type="radio"/> Windsor |
| <input type="radio"/> Central Colo | <input type="radio"/> Mogo Creek | <input type="radio"/> Windsor Downs |
| <input type="radio"/> Central Macdonald | <input type="radio"/> Mountain Lagoon | <input type="radio"/> Wisemans Ferry |
| <input type="radio"/> Clarendon | <input type="radio"/> Mulgrave | <input type="radio"/> Womerah |
| <input type="radio"/> Colo | <input type="radio"/> North Richmond | <input type="radio"/> Wrights Creek |
| <input type="radio"/> Colo Heights | <input type="radio"/> Oakville | <input type="radio"/> Yarramundi |
| <input type="radio"/> Cornwallis | <input type="radio"/> Perrys Crossing | |
| <input type="radio"/> Cumberland Reach | <input type="radio"/> Pitt Town | |
| <input type="radio"/> East Kurrajong | <input type="radio"/> Pitt Town Bottoms | |
| <input type="radio"/> Ebenezer | <input type="radio"/> Putty | |
| <input type="radio"/> Fernances | <input type="radio"/> Richmond | |
| <input type="radio"/> Freemans Reach | <input type="radio"/> Richmond Lowlands | |
| <input type="radio"/> Glassodia | <input type="radio"/> Sackville | |
| <input type="radio"/> Grose Vale | <input type="radio"/> Scheyville | |
| <input type="radio"/> Grose World | <input type="radio"/> South Windsor | |
| <input type="radio"/> Higher Macdonald | <input type="radio"/> St Albans | |
| <input type="radio"/> Hobartville | <input type="radio"/> Ten Mile Hollow | |
| <input type="radio"/> Kurmond | <input type="radio"/> Tennyson | |
| <input type="radio"/> Kurrajong | <input type="radio"/> The Devils Wilderness | |
| <input type="radio"/> Kurrajong Heights | <input type="radio"/> The Slopes | |

Q1b. 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

Q1c. 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

Q1d. 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

Q1e. How important is it for Council to provide better infrastructure and facilities? Prompt

- Very important
 Important
 Somewhat important
 Not very important
 Not at all important

Read Concept statement:

Hawkesbury residents have consistently told Council that assets such as roads, public spaces, parks and footpaths are important to them, but 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 \$21.8 million on the maintenance and renewal of local assets and infrastructure each year, however, Council should be investing an additional \$5.1 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 will be 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.

There are three 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 increase by the annual projected rate peg amount of 2.5% per year. Over the three year period, this is a cumulative increase of 7.69%. Residential ratepayers who are paying around \$1,121.30 per year would pay, on average, around \$86.22 more each year. After 3 years this would amount to an annual charge of \$1,207.52 by 2020/2021.

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

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

Council would also have virtually no capacity for new capital works, meaning it would have difficulty funding new assets such as footpaths, shared pathways, and community facilities. It would also be unable to undertake works like the sealing of gravel roads, 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.

Q2a. 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: Stabilise

A Special Rate Variation of 9.5% for two years including the rate peg amount of 2.5%, and then reverting to the rate peg amount of 2.5% in the third year. Over the three year period this is a cumulative increase of 22.9%. At the end of the three year period the Special Rate Variation increase would be built into the rate base. Residential ratepayers who are paying around \$1,121.30 per year would pay, on average, around \$256.78 more each year. After 3 years this would amount to an annual charge of \$1,378.08 by 2020/2021.

This option would generate \$42.5 million over 9 years, and with this and a borrowings program Council would spend, an additional:

- \$44.5 million on roads and shared pathways
- \$2.6 million on parks and town centres
- \$3.6 million on buildings

As part of this program, Council would be able to fund a limited program of asset upgrades with a focus on the sealing of gravel roads, the rehabilitation of sealed roads and improvements to town centres and public spaces. 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 services levels.

Q2b. How supportive are you of Council proceeding with Option 2? Prompt

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

Option 3: Improve

A Special Rate Variation of 9.5% for three years including the annual 2.5% rate peg. Over the three year period this is a cumulative increase of 31.3%. At the end of the three year period the Special Rate Variation increase would be built into the rate base. Residential ratepayers who are paying around \$1,121.30 per year would pay, on average, around \$350.89 more each year. After 3 years this would amount to an annual charge of \$1,472.19 by 2020/2021.

This option would generate \$62.1 million over 9 years, and with this and a borrowings program Council would spend an additional:

- \$53.8 million on roads and shared pathways
- \$16.6 million on parks and town centres
- \$7.2 million on 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 more extensive and ongoing program of gravel road sealing, sealed road rehabilitation, river foreshore upgrades and the revitalisation of town centres, villages and public spaces. It would be able to deliver these improvements sooner and bring forward much-needed maintenance.

Under this option Council could also fund new programs including increased support for volunteers and community organisations, water quality monitoring of waterways, a dynamic program of community events, an accessible heritage program and programs to revitalise our town centres and villages.

Council would also be able to meet the Fit for the Future financial benchmarks and maintain current service levels with some capacity to invest in new or expanded services.

Q2c. How supportive are you of Council proceeding with Option 3? Prompt

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

Q3a. Please rank the 3 options in order of preference:

1st 2nd 3rd

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 - Stabilise Assets. We would stabilise the deterioration of our community assets and be able to fund the required renewal and maintenance of our assets into the future.

Option 3 - Improve Assets. Council would improve the quality of our community assets and have a greater capacity to fund assets upgrades and new works.

Q3b. 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
- Newspaper advertisement
- Mayoral Column
- Information kiosk
- Other (please specify).....

Demographics

The following information is used for demographic purposes only.

Q5. Please stop me when I read out your age bracket: Prompt

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

Q6. Which of the following best describes the house where you are currently living? Prompt

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

Q7. 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).....

Q8. Gender by voice:

- Male
- Female

To find out more information about Hawkesbury City Council's policies and Special Rate Variation proposal, please access www.yourhawkesbury-yoursay.com.au