

Yass Valley Council

Fit for the Future

Prepared by: Micromex Research

Date: June 2015

Background



Methodology & Sample

Data collection

Micromex Research, together with Yass Valley Council, developed the questionnaire.

Data collection period

Telephone interviewing (CATI) was conducted during the period 26th – 28th May 2015.

Sample

N=409 interviews were conducted.

A sample size of 409 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=409 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 the answer "satisfied" (28%) to the overall satisfaction with Council question, could vary from 23% to 33%. As the raw data has been weighted to reflect the real community profile of Yass Valley 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

Interviewing was conducted in accordance with the AMSRS Code of Professional Conduct. Where applicable, the issues in each question were systematically rearranged for each respondent.

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%.

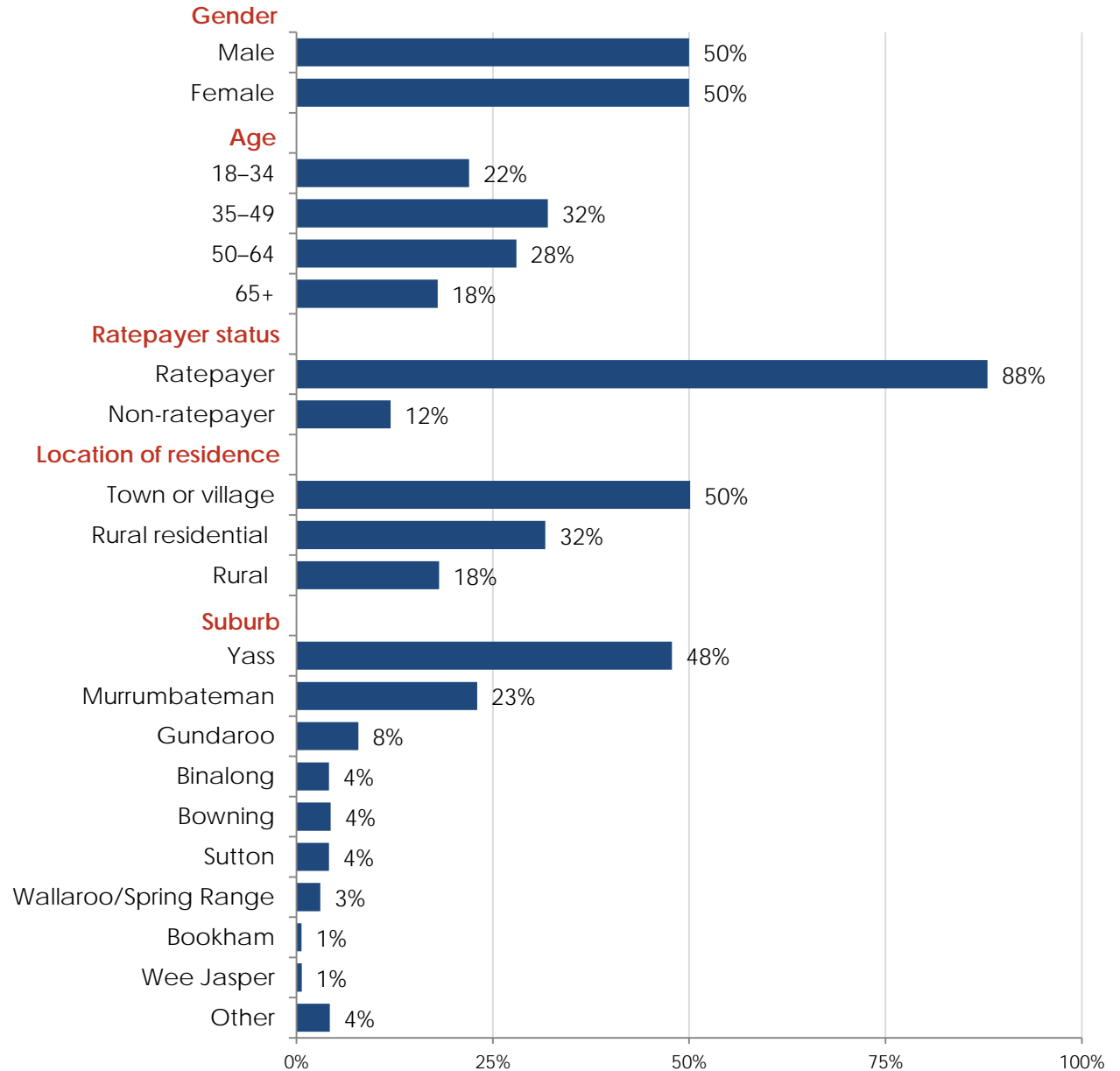


Sample Profile



Sample Profile

The sample was weighted by age and gender to reflect the 2011 ABS community profile of Yass Valley Council



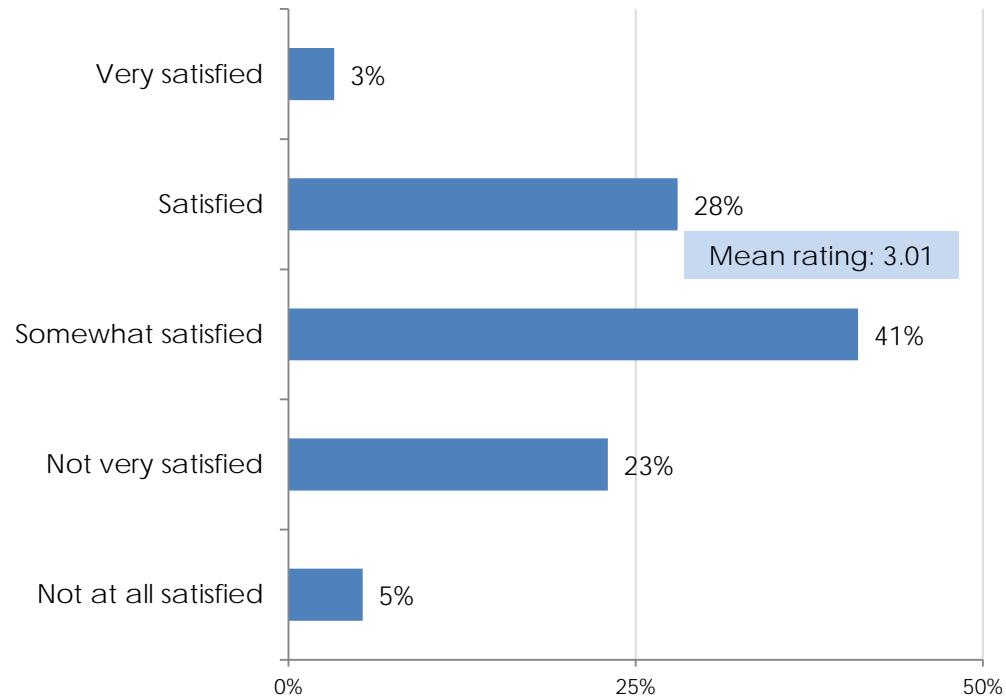
Results



Overall Satisfaction with Council

Q1e. In general, how satisfied are you with the performance of Council, and their services, not just on one or two issues but across all responsibility areas?

	Overall 2015	Overall 2013
Mean ratings	3.01 ▼	3.56



	2015	Male	Female	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer	Town or village	Rural residential	Rural
Mean ratings	3.01	3.08	2.94	3.07	3.09	2.85	3.04	3.00	3.05	3.01	3.07	2.91

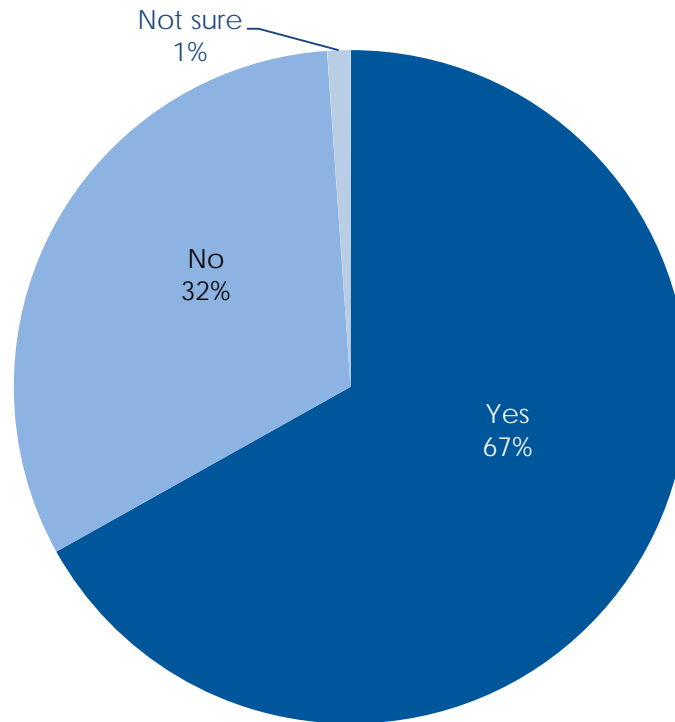
Base: Overall n = 409

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

72% of residents were at least 'somewhat satisfied' with the performance of Yass Valley Council, however, overall satisfaction with Council has declined since 2013, possibly related to the proposed SRV earlier in the year

Awareness of Potential Amalgamation

Q2. Are you aware that the State Government is reviewing the financial sustainability of councils in NSW and considering the merger of some councils?



	Yass Valley	Micromex's Awareness Benchmark
Awareness	67%	59%

	Overall	Male	Female	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer	Town or village	Rural Residential	Rural
Yes	67%	69%	65%	31%▼	68%	81%▲	86%▲	71%▲	35%▼	65%	72%	64%
No	32%	30%	34%	69%	31%	16%	14%	28%	64%	34%	27%	35%
Not sure	1%	2%	0%	0%	1%	2%	1%	1%	2%	1%	1%	1%

Base: n = 409

▲▼ = significantly higher/lower (by group)

While 67% of residents were aware of the State Government's amalgamation plan, this outcome is skewed towards older residents – those aged 50+ were significantly more likely to be aware, while those aged under 35 registered markedly lower awareness (31%).

Yass Valley's overall level of awareness is higher than Micromex's Fit for the Future Awareness Benchmark

Concept Statement

Residents were read this statement before being asked the relevant questions

Fit for the Future is the name given to the review of local government being carried out by the NSW State Government, in an effort to reduce the number of councils in NSW, and to make local government sustainable, efficient, and effective for future generations.

Under the review, councils need to demonstrate how they will become sustainable, provide effective and efficient services, and have the capacity to meet the needs of communities. Council must lodge a proposal with the NSW Government by 30 June on how it will be sustainable. Yass Valley is not considering merging with neighbouring councils and has made the decision to “stand alone”.

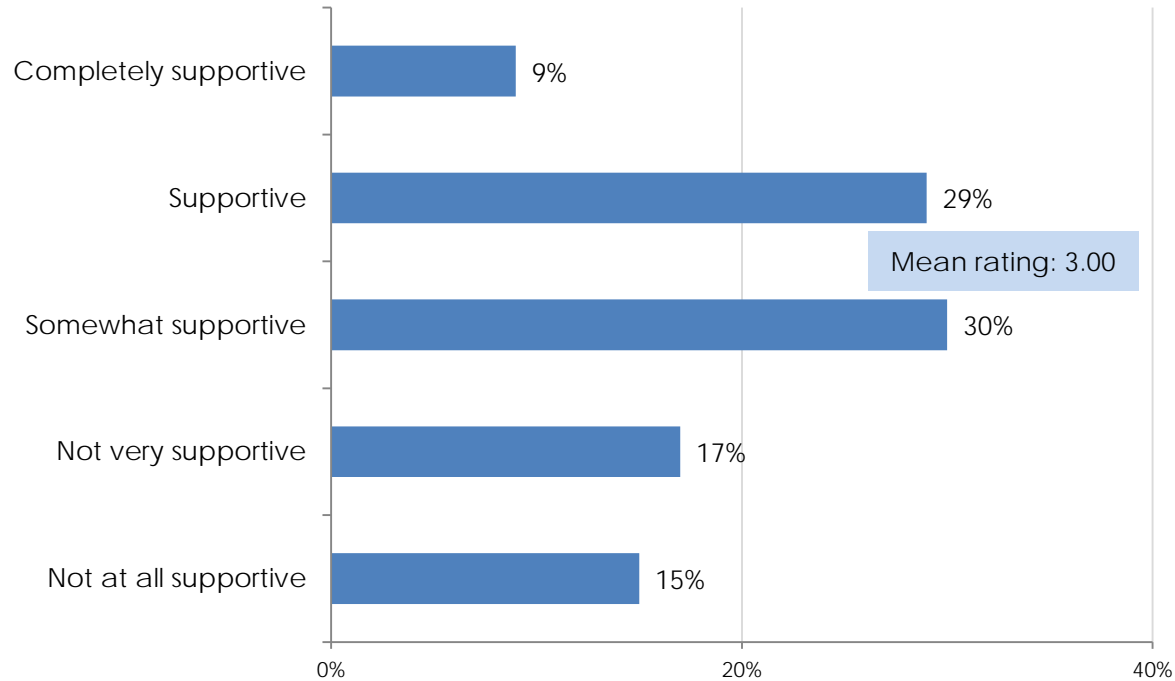
Yass Valley Council has issued an Options Paper outlining 3 potential scenarios. We are seeking our community's views to form our position.



Support for Scenario 1

Scenario 1 involves the state allowed CPI rate increase of around 2.4% each year, which addresses inflation. This level of rate increase is insufficient to sustain the current levels of service and will not meet the NSW Government's Fit for the Future criteria without a significant reduction in the delivery of services to the community*

Q3a. How supportive are you of Scenario 1?



	Overall	Male	Female	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer	Town or village	Rural residential	Rural
Mean ratings	3.00	3.11	2.89	3.25	3.00	2.88	2.89	3.03	2.82	2.98	3.02	3.04

Base: n = 409

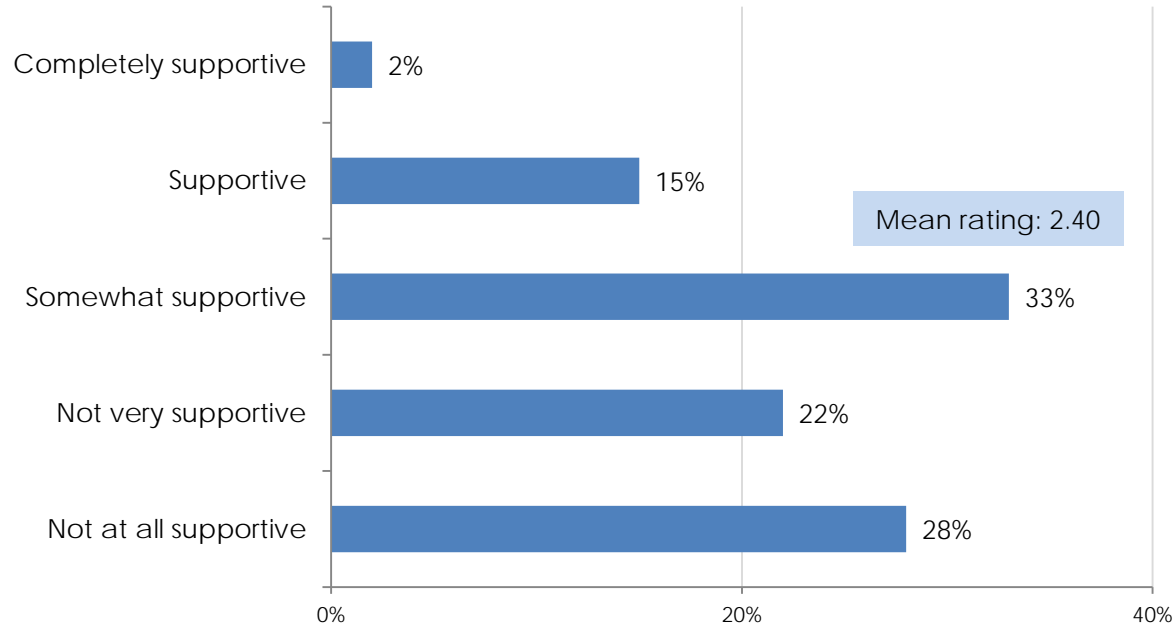
Scale: 1 = not at all supportive, 5 = completely supportive
*Complete concept statement for this Scenario in Appendix

68% of residents were at least 'somewhat supportive' of Scenario 1 – Gradual rate increase equal to CPI/inflation but significant reduction in services

Support for Scenario 2

Scenario 2 involves an annual increase of 8.4% for 4 years, which is 6% above the state allowed CPI rate increase and then returns to CPI after that, plus Council borrowing money, selling land assets, and finding efficiency savings. This would allow more maintenance of roads and bridges so they are an acceptable standard, but doesn't allow for the replacement of infrastructure that is in poor condition and does not ensure that Council is financially sustainable in the long term under the Fit for the Future criteria*

Q3b. How supportive are you of Scenario 2?



	Overall	Male	Female	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer	Town or village	Rural residential	Rural
Mean ratings	2.40	2.41	2.40	2.50	2.34	2.44	2.34	2.42	2.29	2.51	2.32	2.25

Scale: 1 = not at all supportive, 5 = completely supportive
 *Complete concept statement for this Scenario in Appendix

Base: n = 409

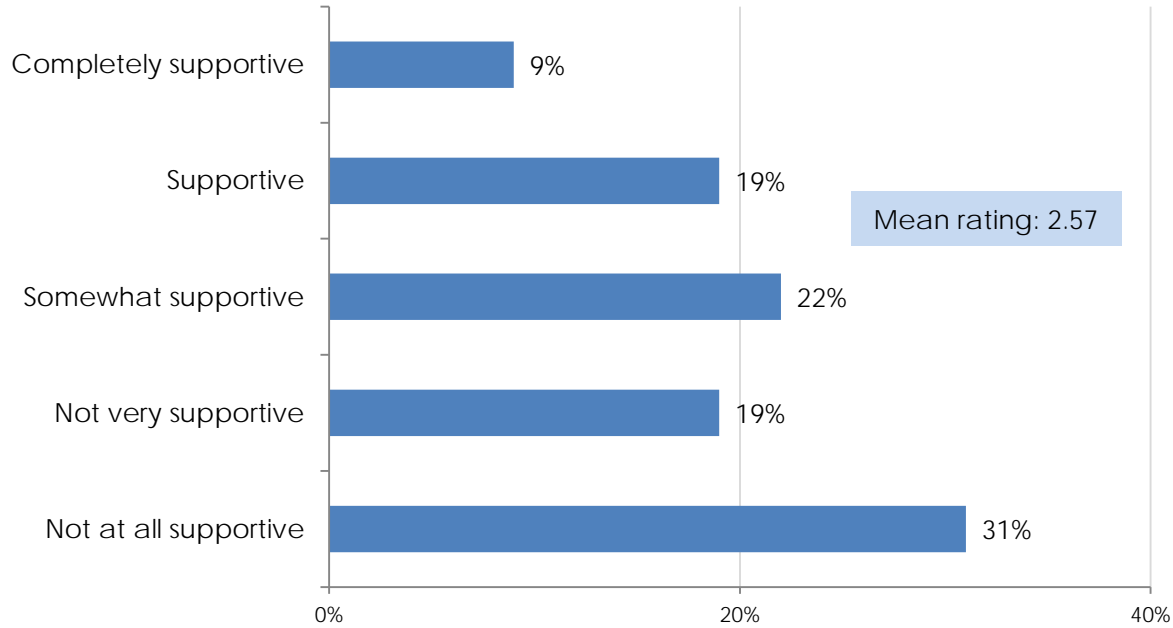
50% of residents were at least 'somewhat supportive' of 'Scenario 2 – Rate increase of 8.4% for 4 years, plus loans, sale of land assets and efficiencies, satisfactory level of infrastructure maintenance but no replacement or new facilities'.

This scenario received the lowest level of support of the three options

Support for Scenario 3

Scenario 3 involves an annual increase of 9.4% for 5 years, which is 7% above the state allowed CPI rate increase and then returns to CPI after that, plus Council borrowing additional money, selling more land assets, and finding efficiency savings. This would allow roads and other infrastructure to be properly maintained and replaced as needed and allow for new facilities requested by the community. This scenario meets the Fit for the Future criteria and ensures that Council is sustainable in the long term*

Q3c. How supportive are you of Scenario 3?



	Overall	Male	Female	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer	Town or village	Rural residential	Rural
Mean ratings	2.57	2.45	2.68	2.77	2.52	2.41	2.65	2.53	2.79	2.69	2.45	2.43

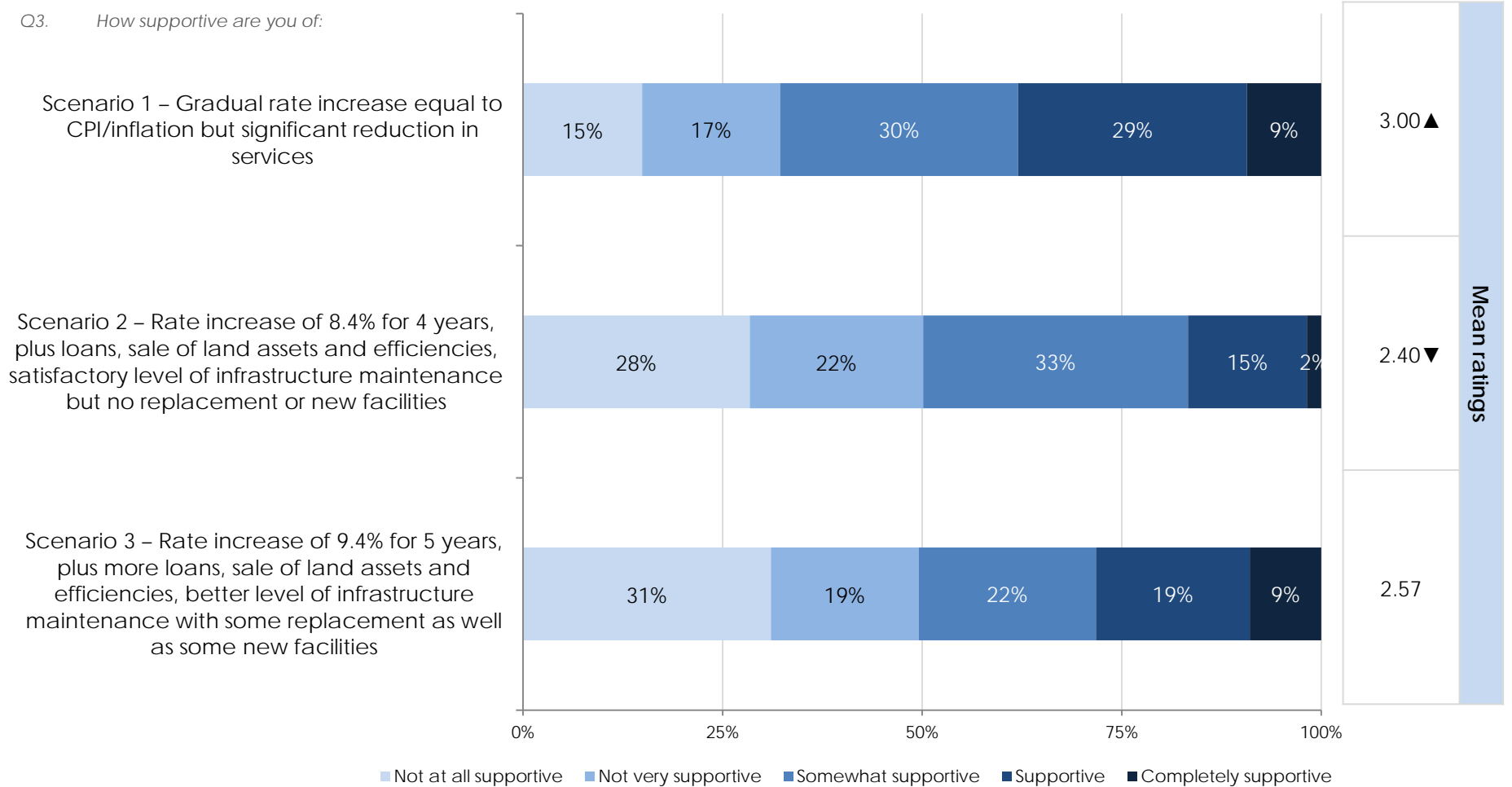
Base: n = 409

Scale: 1 = not at all supportive, 5 = completely supportive
*Complete concept statement for this Scenario in Appendix

50% of residents were at least 'somewhat supportive' of 'Scenario 3 – Rate increase of 9.4% for 5 years, plus more loans, sale of land assets and efficiencies, better level of infrastructure maintenance with some replacement as well as some new facilities'. Whilst this result is similar to Scenario 2, residents indicating they were supportive to completely supportive was significantly higher in Scenario 3 (28%) compared to Scenario 2 (17%)

Summary of Support for Prompted Options

Q3. How supportive are you of:

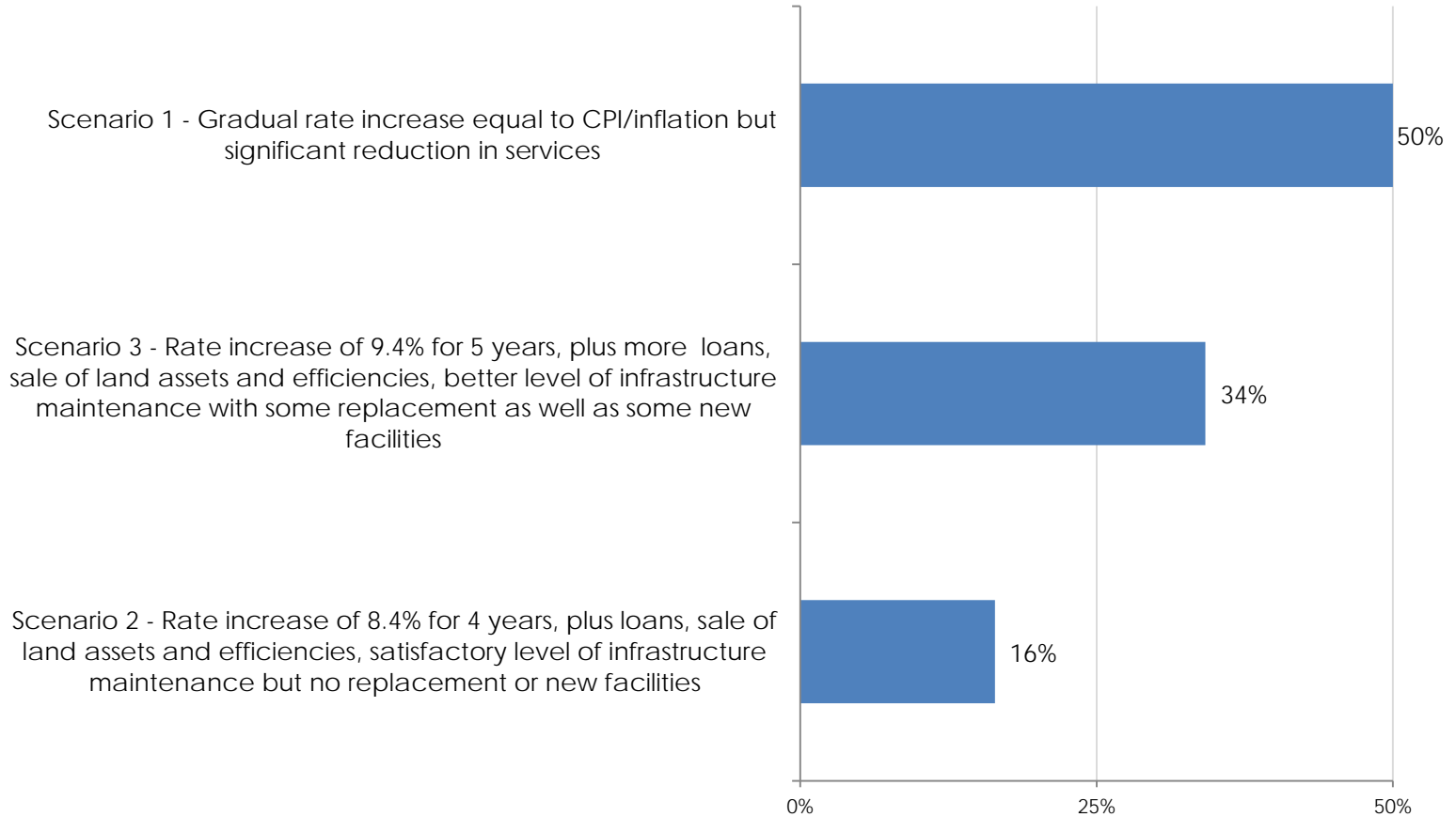


Base: n = 409

Scenario 1: Gradual rate increase equal to CPI/inflation but significant reduction in services received the highest level of support, whilst 'Scenario 2: Rate increase of 8.4% for 4 years, plus loans, sale of land assets and efficiencies, satisfactory level of infrastructure maintenance but no replacement or new facilities' received the lowest level of support

Preferred Option – FIRST Choice

Q4a. Thinking of the 3 options we have indicated what is your preferred option?



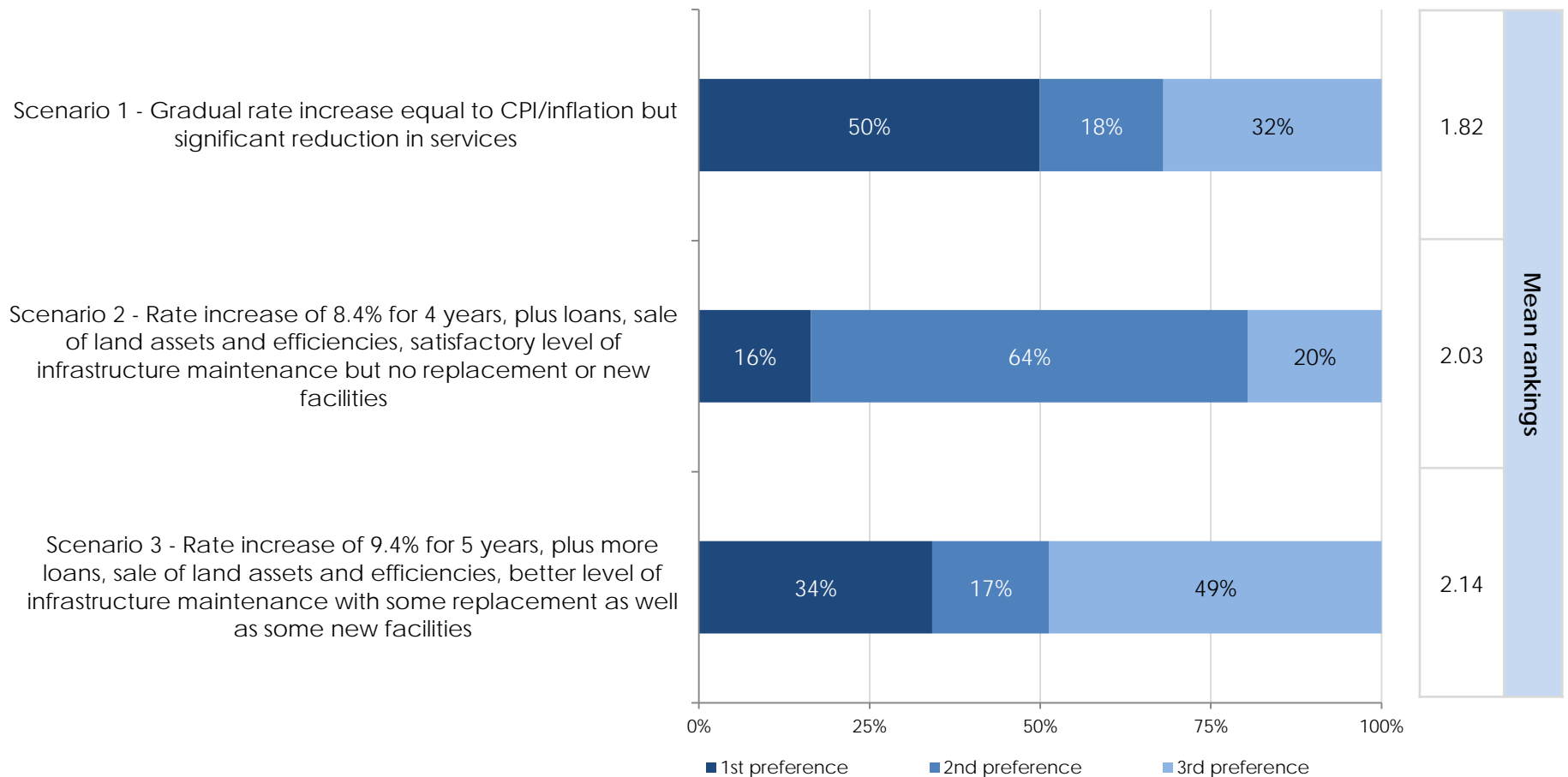
Base: n = 409



Half of Yass Valley residents selected Scenario 1 as their first preference – the remainder selected an option involving a rate increase above CPI in order to maintain or improve infrastructure

Preferred Option – All Rankings

Q4a. Thinking of the 3 options we have indicated what is your preferred option? And your second?



Base: n = 409

Scale: 1 = 1st preference, 3 = 3rd preference



The most common first preference was for Scenario 1, which also had the highest mean ranking. The remaining preferences were split amongst the two options favouring a rate increase with 34% preferring Scenario 3- a rate increase of 9.4% for five years.

Reasons for Preference Selection

Scenario 1 - Gradual rate increase equal to CPI/inflation but significant reduction in services

Q4a. Thinking of the 3 options we have indicated what is your preferred option? And your second?

Q4b. What is your reason for choosing that option as your first preference?

Verbatim responses
<i>"Already paying for services, e.g. garbage, that we do not receive in rural areas"</i>
<i>"Cannot afford any huge increase in rates"</i>
<i>"Council could be a lot more efficient than they currently are"</i>
<i>"Council doesn't provide us with a lot of services currently so would not like to see a rate increase"</i>
<i>"Do not receive any services from Yass Council and do not think it will change if rates are increased"</i>
<i>"Don't want rates to increase"</i>
<i>"Gradual increase will be more acceptable for more residents"</i>
<i>"Have no trust in how Council is managing the funds they do have"</i>
<i>"Live in a rural area and don't get anything for the rates we pay as it is"</i>
<i>"None of the services that would be improved would benefit us anyway"</i>
<i>"Not willing to pay more rates when services are not currently being provided"</i>
<i>"Rates are not as high and more affordable for residents"</i>
<i>"Rural areas get no services for the rates they pay already"</i>
<i>"Seems the most financially manageable"</i>
<i>"There are not many services and facilities anyway so rates are already too high and there is no point in raising the rates further than the minimum"</i>
<i>"Yass Valley Council need to prioritise efficiency over rate increases"</i>

The most frequently mentioned reason for residents selecting Scenario 1 as their 1st preference was related to the desire to avoid additional rate increases, as well as indicating that service upgrades or maintenance would not impact their area

Reasons for Preference Selection

Scenario 2 - Rate increase of 8.4% for 4 years, plus loans, sale of land assets and efficiencies, satisfactory level of infrastructure maintenance but no replacement or new facilities

Q4a. Thinking of the 3 options we have indicated what is your preferred option? And your second?

Q4b. What is your reason for choosing that option as your first preference?

The most frequently mentioned reason for residents selecting Scenario 2 as their 1st preference was the increase being seen as a fair balance between the other two options in order to maintain the current level of services in the area without increasing rates excessively

Verbatim responses
<i>"Affordable increase that will allow satisfactory infrastructure maintenance"</i>
<i>"All options seem like a large rate increase and this is a financially reasonable option that provides some maintenance of services"</i>
<i>"Better services but a lower rate increase than Scenario 3"</i>
<i>"Council needs some money but they do not need that much money"</i>
<i>"Council's services will not be reduced in this option and it will be more affordable"</i>
<i>"Economically suitable and sustainable for the future"</i>
<i>"Fairest on most of the ratepayers in the community without too much of an increase"</i>
<i>"Not the biggest rate increase but the roads need to be fixed"</i>
<i>"Option 2 is the most viable option for the community"</i>
<i>"People are being charged enough at the moment but we don't want to lose our services so this would be the best option"</i>
<i>"Scenario 2 allows Council more money whilst also still being somewhat affordable for the ratepayers"</i>
<i>"Seems a reasonable increase that will retain services in the area"</i>
<i>"Services would not be impacted and we would not suffer a massive rate increase"</i>
<i>"See the need for additional funds to look after the area"</i>
<i>"Still keeps some maintenance going"</i>
<i>"Will have to have a rate increase to satisfy requirements and this is the most affordable to maintain services"</i>

Reasons for Preference Selection

Scenario 3 - Rate increase of 9.4% for 5 years, plus more loans, sale of land assets and efficiencies, better level of infrastructure maintenance with some replacement as well as some new facilities

Q4a. Thinking of the 3 options we have indicated what is your preferred option? And your second?

Q4b. What is your reason for choosing that option as your first preference?

Verbatim responses

"A huge financial catch up is necessary, so option 3 is the most appropriate"

"According to the information, Council wouldn't be able to sustain themselves without this level of rate increase"

"Allows the Council to be financially sustainable in the long term"

"Benefits the community more in the end regarding services and long term sustainability"

"Council needs the money to be sustainable"

"Council needs to be able to maintain infrastructure, as well as provide brand new infrastructure, and this scenario is the only scenario that allows them to do that"

"Happy with current services being provided and would not want to lose them"

"It ensures Council has most bases covered and allows it to stand alone efficiently"

"Need new facilities and the roads need to be fixed in our area"

"Ongoing maintenance and sustainability of the area need to be the focus"

"Option 3 will provide the best services to the community"

"Provides sustainability for the area"

"Reasonable rate increase for improved services and to stand alone"

"Supportive of a rate increase to provide better services"

"There are things that need upgrading and fixing and money needs to be provided"

"Think it is the most practical thing to do to retain local services"

The most frequently mentioned reason for residents selecting Scenario 3 as their 1st preference was the desire to have maintained and improved facilities in the Yass Valley area

Conclusion



Conclusion

Overall Satisfaction with Council

72% of residents expressed that they were 'somewhat satisfied' to 'very satisfied' with the performance of Council over the last 12 months.

Awareness of NSW Local Government review

Residents indicated a high level of awareness (67%) of the State Government's review of the financial sustainability of councils in NSW and the consideration of the merger of some councils. These results were skewed towards residents aged 50+ (81%-86%), and ratepayers (71%) with both exhibiting significantly higher levels of awareness than those aged 18-34 (31%) and non-ratepayers (35%).

Support for and Preference of Proposed Scenarios

50% of residents indicated a preference for Scenario 1. The primary reason for choosing this option revolved around concerns about affordability of a rate increase as well as concerns that any maintenance or improvements would not positively impact their area which accounts for the directional skew to the preference selection. Residents living rurally or in rural residential areas are more likely to nominate Scenario 1 as their preferred outcome (56%). Residents living in a Town or Village are more likely to prefer either Scenario 2/3 (56%) and as a consequence 44% rated Scenario 1 as their preferred outcome.

The other 50% of residents indicated a preference for either Scenario 2 or 3 in which rates are increased above the rate peg. Just over a third of residents (34%) indicated that Scenario 3 was their preferred outcome. Reasons for choosing Scenario 2 or 3 reflected residents' belief that it was in the best interest of the community to maintain and/or enhance services and facilities in the Yass Valley area.



Appendix



Respondent Breakdown by Subcell

	Overall	Male	Female	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer
Base	409	205	205	90	131	115	74	359	50

	Town or village	Rural residential	Rural
Base	205	130	74

***Note:** rounding applied to weighted figures has led to an ostensible total of 409 for these subcells. Despite this discrepancy, these figures represent the most accurate weighted totals.



Concept Statements

Scenario 1

Scenario 1 involves the state allowed CPI rate increase of around 2.4% each year, which addresses inflation. This level of rate increase is insufficient to sustain the current levels of service and will not meet the NSW Government's Fit for the Future criteria without a significant reduction in the delivery of services to the community.

- For a typical town or village property this equates to an estimated rate increase of \$13 a year or about 25 cents a week
- For a typical rural residential property this equates to an estimated rate increase of about \$24 a year or 45 cents a week
- For a typical rural property this equates to an estimated rate increase of about \$50 a year or 95 cents a week

Council acknowledges that any rate increase may adversely impact some community members. Council has mechanisms in place to assist ratepayers should they incur difficulty in keeping up with their rates payments including a Rates and Debtors Hardship Policy.

Scenario 2

Scenario 2 involves an annual increase of 8.4% for 4 years, which is 6% above the state allowed CPI rate increase and then returns to CPI after that, plus Council borrowing money, selling land assets, and finding efficiency savings. This would allow more maintenance of roads and bridges so they are an acceptable standard, but doesn't allow for the replacement of infrastructure that is in poor condition and does not ensure that Council is financially sustainable in the long term under the Fit for the Future criteria.

- For a typical town or village property this equates to an estimated rate increase of about \$52 a year or \$1.00 a week for 4 years then inflation
- For a typical rural residential property this equates to an estimated rate increase of about \$90 a year or \$1.70 a week for 4 years then inflation
- For a typical rural property this equates to an estimated rate increase of about \$180 a year or \$3.50 a week for 4 years and then inflation



Concept Statements

Scenario 3

Scenario 3 involves an annual increase of 9.4% for 5 years, which is 7% above state allowed CPI rate increase and then returns to CPI after that, plus Council borrowing additional money, selling more land assets, and finding efficiency savings. This would allow roads and other infrastructure to be properly maintained and replaced as needed and allow for new facilities requested by the community. This scenario meets the Fit for the Future criteria and ensures that Council is sustainable in the long term.

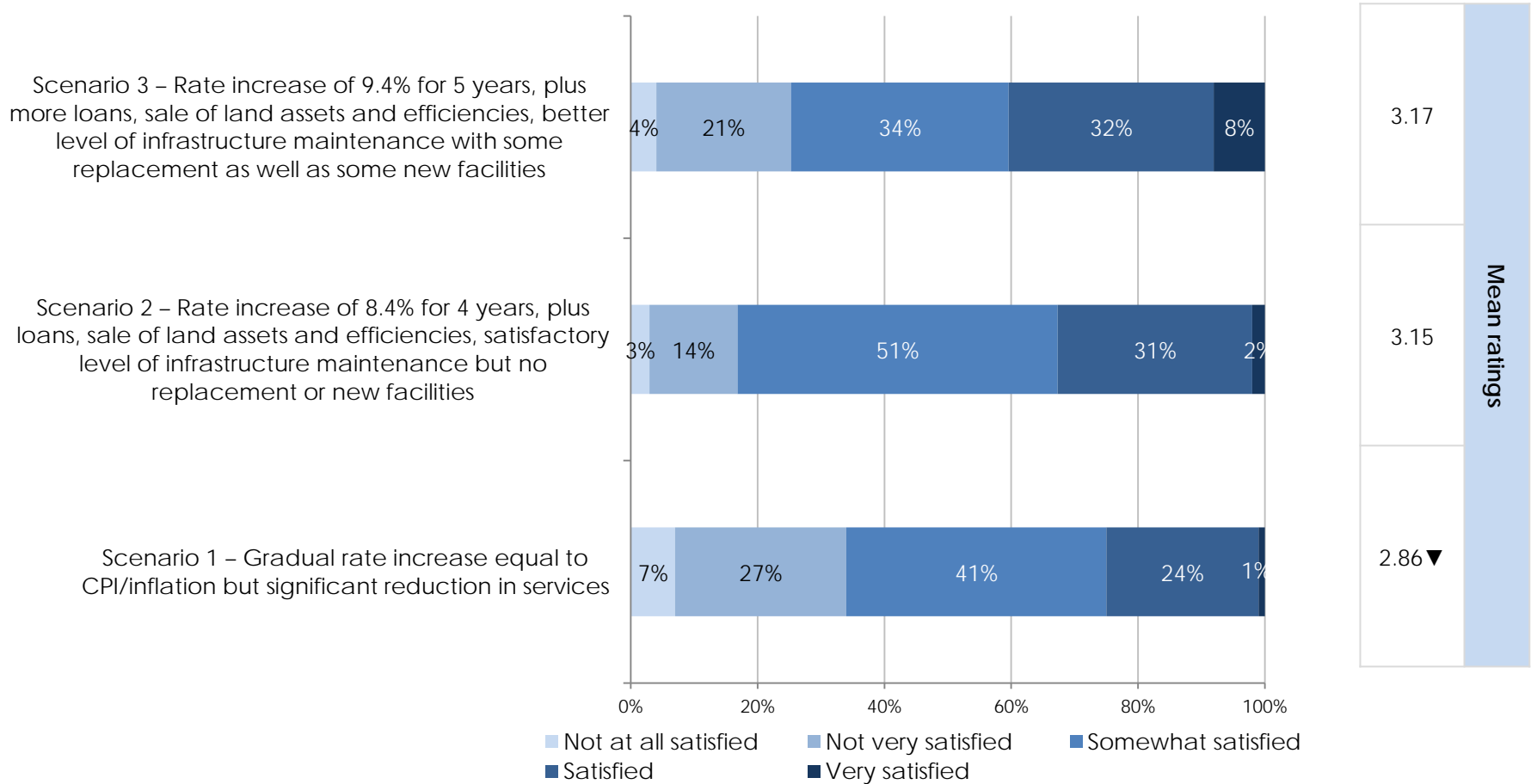
- For a typical town or village property this equates to an estimated rate increase of about \$58 a year or \$1.10 a week for 5 years, then inflation
- For a typical rural residential property this equates to an estimated rate increase of about \$100 a year or \$1.90 a week for 5 years, then inflation
- For a typical rural property this equates to an estimated rate increase of about \$215 a year or \$4.10 a week for 5 years, then inflation



1st Preference by Overall Satisfaction with Council

Q4a. Thinking of the 3 options we have indicated what is your preferred option?

Q1e. In general, how satisfied are you with the performance of Council, and their services, not just on one or two issues but across all responsibility areas?



Base: n = 409

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

Residents who chose Scenario 1 as their first preference were significantly less likely to be satisfied with Yass Valley Council.

Those who chose Scenario 3 as their first preference were significantly more likely to be 'very satisfied' with Council (8%) than were those who chose Scenario 1 (1%)

Preferred Option – All Rankings by Demographics

Q4a. Thinking of the 3 options we have indicated what is your preferred option? And your second?

	Overall	Male	Female	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer
Scenario 1 - Gradual rate increase equal to CPI/inflation but significant reduction in services	1.82	1.76	1.88	1.71	1.81	1.91	1.84	1.81	1.90
Scenario 2 - Rate increase of 8.4% for 4 years, plus loans, sale of land assets and efficiencies, satisfactory level of infrastructure maintenance but no replacement or new facilities	2.03	2.00	2.06	2.27	2.07	1.87▲	1.91	2.00	2.26
Scenario 3 - Rate increase of 9.4% for 5 years, plus more loans, sale of land assets and efficiencies, better level of infrastructure maintenance with some replacement as well as some new facilities	2.14	2.24	2.05	2.02	2.11	2.22	2.24	2.19	1.84

	Town or village	Rural residential	Rural
Scenario 1 - Gradual rate increase equal to CPI/inflation but significant reduction in services	1.92	1.70	1.76
Scenario 2 - Rate increase of 8.4% for 4 years, plus loans, sale of land assets and efficiencies, satisfactory level of infrastructure maintenance but no replacement or new facilities	2.04	2.05	1.97
Scenario 3 - Rate increase of 9.4% for 5 years, plus more loans, sale of land assets and efficiencies, better level of infrastructure maintenance with some replacement as well as some new facilities	2.03	2.25	2.27

Scale: 1 = 1st preference, 3 = 3rd preference
 ▲▼ = A significantly higher/lower level of mean ranking

Base: Overall n = 409





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