



# Hunters Hill Council

## Special Rate Variation Research – 2021

Online Sample

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Date: October, 2021



micromex  
research

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# Background & Methodology



Online

## Why?

- Identify the community's overall level of satisfaction with Council performance and community assets
- Measure awareness levels and information received about the Special Variation (SV) of rates
- Measure levels of support and preference for SV options
- Compare results to those obtained over phone

## How?

- Online survey to N = 143 respondents (comparisons are also made to the results from previous telephone surveys with N = 400 residents)
- We use a 5 point scale (e.g. 1 = not at all supportive, 5 = very supportive)

## When?

- Fieldwork conducted 6<sup>th</sup> September – 30<sup>th</sup> September 2021

**Note: these results are representative of people who took part in the online survey, and cannot be extrapolated to represent the whole community.**

# Sample Profile - Online

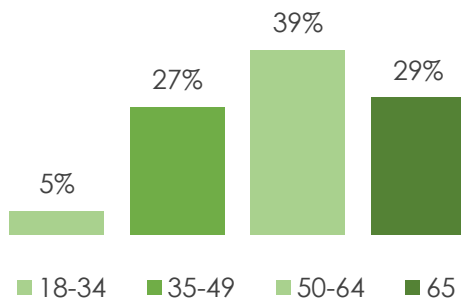


Online

## Gender



## Age



## Ratepayer status

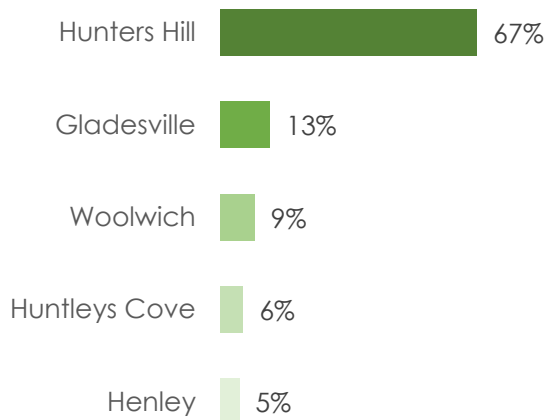


Ratepayer  
98%



Non-ratepayer  
2%

## Suburb



## Housing Type



Separate/  
stand-alone  
house 74%



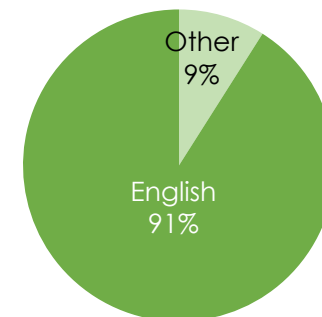
Townhouse/  
terrace/  
semi-  
detached/  
villa 13%



Flat/unit/  
apartment  
12%

Other 1%\*

## Language spoken at home



Base: N = 143

\*The other specified response housing type was 'business'



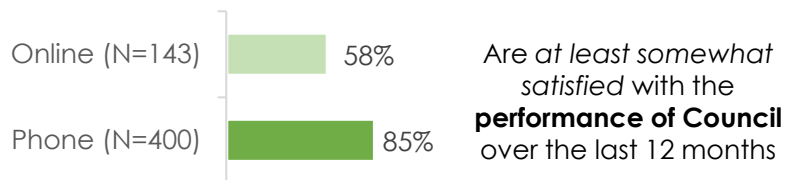
# Summary



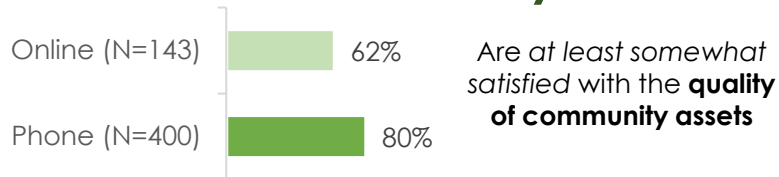
# Online Summary – Hunters Hill Council

Results in this report have been compared to those obtained by phone. We have identified some slight differences between the phone and online respondents, which is to be expected as online respondents tend to be more likely to be engaged.

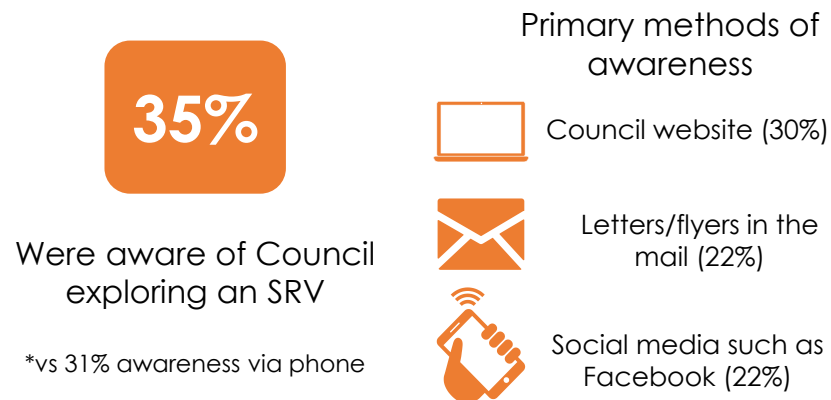
## Overall Satisfaction



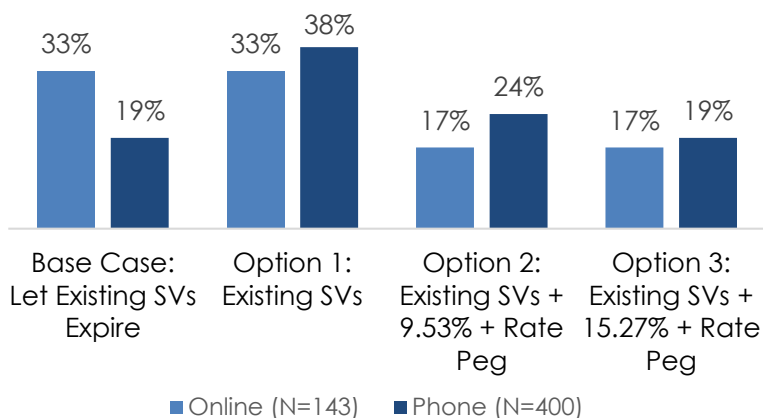
## Satisfaction with Quality of Assets



## Awareness of SRV



## SRV Preference



## Most Valued about Hunters Hill LGA



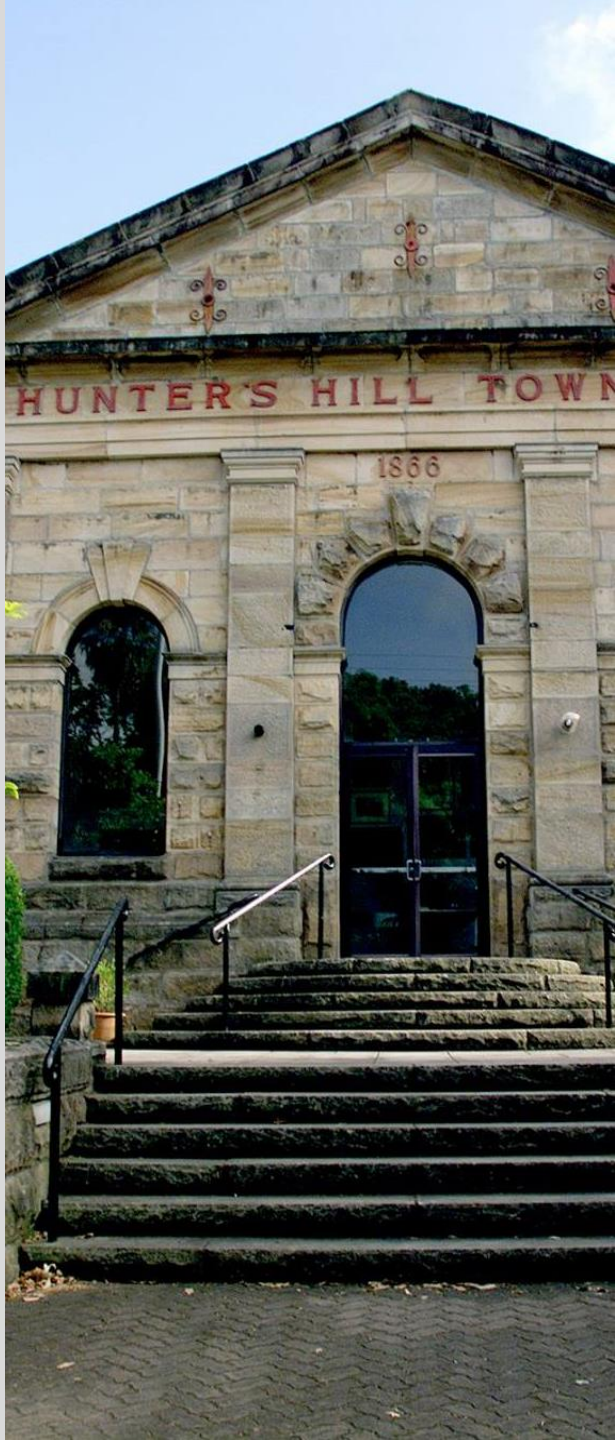
## Top Priorities



# Detailed Results



# 1. Overall Satisfaction with Council and the Local Area



## Detailed Results

1. Overall Satisfaction with Council and the Local Area
2. Awareness of Special Variation of Rates
3. Support for a Special Variation of Rates





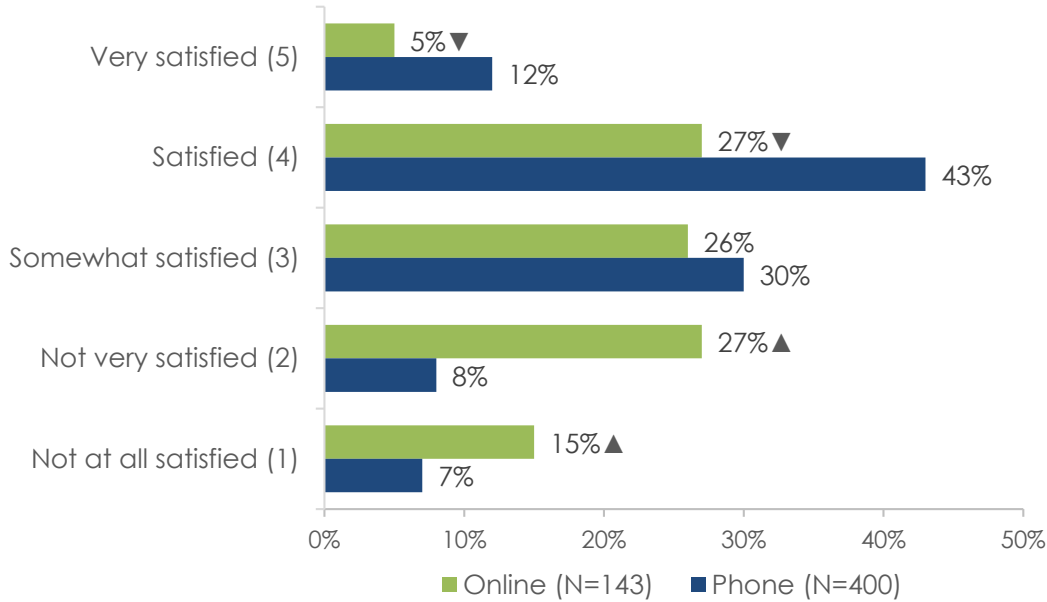
# Overall Satisfaction



Phone Online

Q3a. 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?

	Online	Phone	Online							
			Male	Female	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer
Mean rating	2.79▼	3.43	2.57	2.99▲	3.14	2.55	2.79	2.95	2.79	2.67
T3 Box	58%▼	85%	48%	67%▲	71%	50%	55%	67%	58%	67%
Base	143	400	67	76	7*	38	56	42	140	3*



Online	Aware of SRV	Not aware/ Not sure
Mean rating	2.84	2.76
T3 Box	60%	57%
Base	50	93

	Hunters Hill Council (online)	Micromex LGA Metro Benchmark
Mean rating	2.79↓	3.55
T3 Box	58%↓	89%
Base	143	37,950

\*Caution small base size

↑↓ = A significantly higher/lower level of satisfaction (compared to the Benchmark)

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

T3 box = somewhat satisfied/satisfied/very satisfied  
Scale: 1 = not at all satisfied, 5 = very satisfied

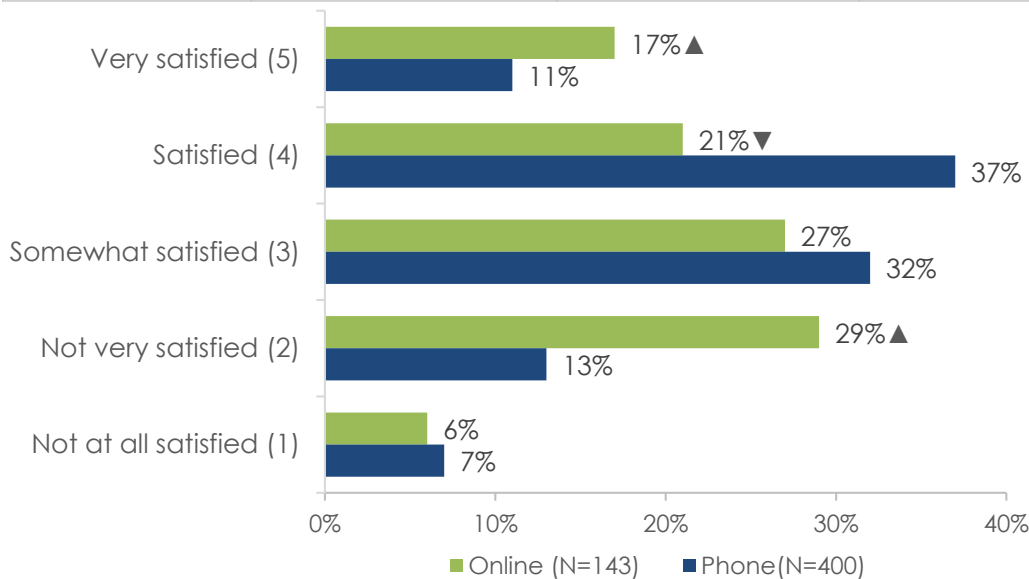
**58% of online respondents are at least somewhat satisfied with the overall performance of Council over the last 12 months. This is a significantly lower level of satisfaction compared to results obtained by phone.**

# Satisfaction with the Quality of Assets



Q3b. Thinking generally about community assets provided by Council, which include local roads, footpaths, cycle ways, parks and playgrounds, public buildings, public toilets, libraries, etc. Overall, how satisfied are you with the quality of community assets currently provided by Council?

	Online	Phone	Online							
			Male	Female	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer
Mean rating	2.85▼	3.32	2.67	3.00	3.43	2.61	2.68	3.19▲	2.84	3.00
T3 Box	62%▼	80%	54%	68%	86%	50%	57%	74%	61%	67%
Base	143	400	67	76	7*	38	56	42	140	3*



	Online	Aware of SRV	Not aware/ Not sure
Mean rating		2.94	2.80
T3 Box		62%	61%
Base		50	93

	Hunters Hill - Online	Micromex Benchmark**
Mean rating	2.85↓	3.35
T3 Box	62%↓	83%
Base	143	2,978

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

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

\*\*Note: this benchmark is an interim benchmark for a point of reference only. The benchmark is created using 7 LGAs (Byron Shire Council, Central Coast Council, Great Lakes Council, The Hills Shire Council, Lake Macquarie Council, Lithgow City Council and Wingecarribee Shire Council)

\*Caution small base size

↑↓ = A significantly higher/lower level of satisfaction (compared to the SRV Benchmark)

T3 box = somewhat satisfied/satisfied/very satisfied

**Satisfaction with the quality of community assets is also significantly lower among online respondents.**

# What Residents Value About Living in Hunters Hill LGA

Q2a. Thinking generally about living in the Hunters Hill local government area, what do you value the most about living here?

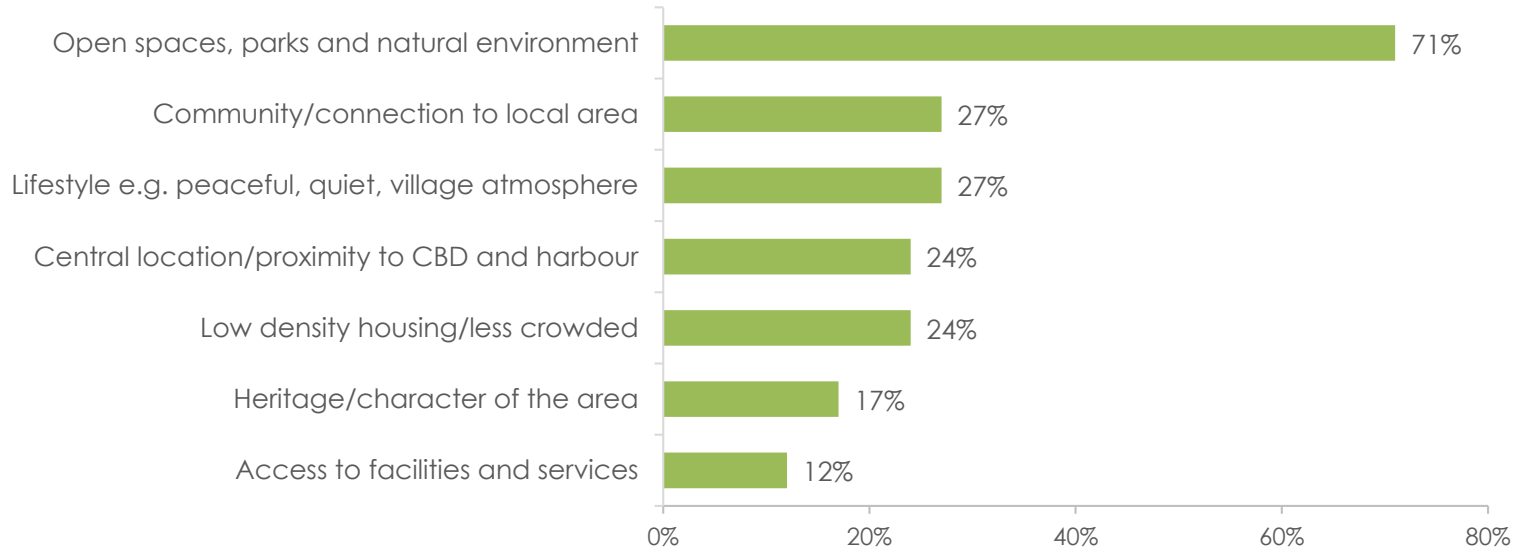
"Lots of beautiful parks and waterfront to explore"

"The community, the beautiful trees, parks and waterways, the lovely shops and low rise housing"

"The ambience, trees and water views, greenspace, relatively quiet"

"Community, Trees, Heritage, Village shops and facilities"

"Proximity to the city combined with living in a beautiful garden, bush and water environment"



Base: N = 143  
Please see Appendix A for full list of responses

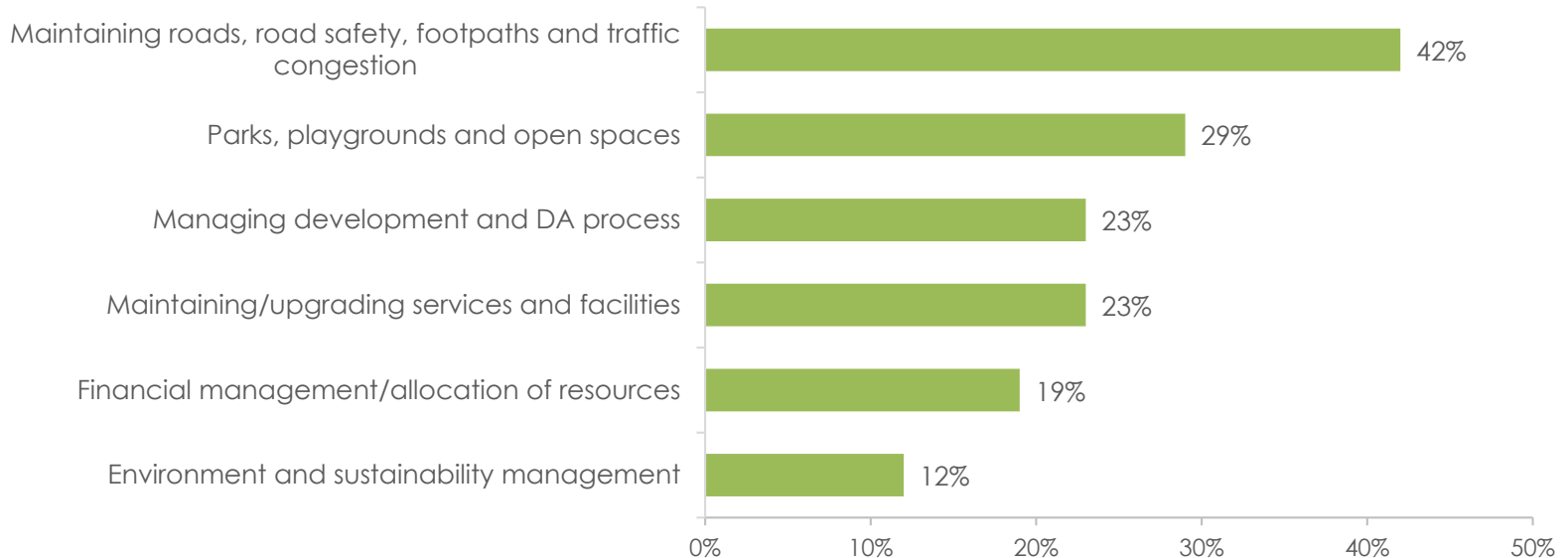
**When asked what they value most about living in the Hunters Hill area, 71% of online respondents mention open spaces, parks and the natural environment. Community and connection to the area, lifestyle, location and low density housing are also valued by residents.**

# Top Priorities Over the Next Four Years



Online

Q2b. Thinking about the next four years, what do you think are the top priorities for Council to focus on?



Base: N = 143

Please see Appendix A for full list of responses

**The top priorities over the next 4 years as identified by online respondents are maintaining roads/footpaths, parks/playgrounds and open spaces. Other priorities include managing development, maintaining/upgrading services and facilities, financial management and environment/sustainability management.**

## 2. Awareness of a Special Variation of Rates



### Detailed Results

1. Overall Satisfaction with Council and the Local Area
- 2. Awareness of Special Variation of Rates**
3. Support for a Special Variation of Rates



# Awareness of a Special Variation of Rates



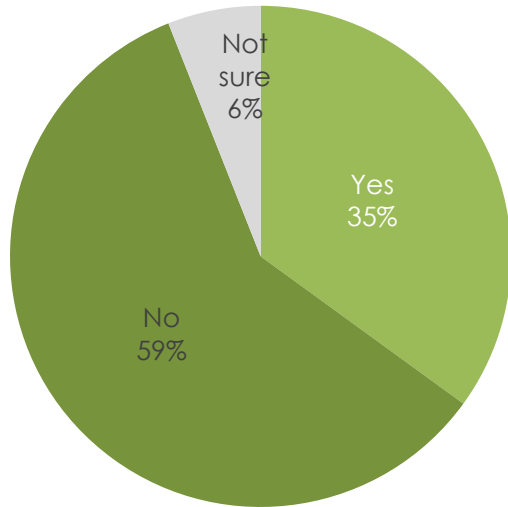
Phone Online

Q6a. Prior to this call, were you aware that Council was exploring community sentiment towards a Special Rate Variation?

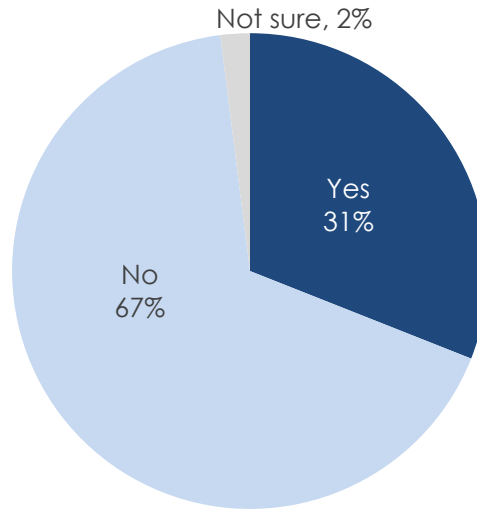
	Online	Phone	Online							Ratepayer	Non-ratepayer
			Male	Female	18-34	35-49	50-64	65+			
Yes '%'	35%	31%	40%	30%	43%	42%	30%	33%	36%	0%	
Base	143	400	67	76	7*	38	56	42	140	3*	

Online Results

Phone Results



Base: N = 143



Base: N = 400

	Hunters Hill Council	Micromex LGA Benchmark - Metro
Online		
Yes '%'	35%	30%
Base	143	2,431

\*Caution small base size

**35% of online respondents were previously aware of the SRV. This is slightly higher than the level of awareness among residents contacted by phone.**

# Source of Information on a Special Variation of Rates

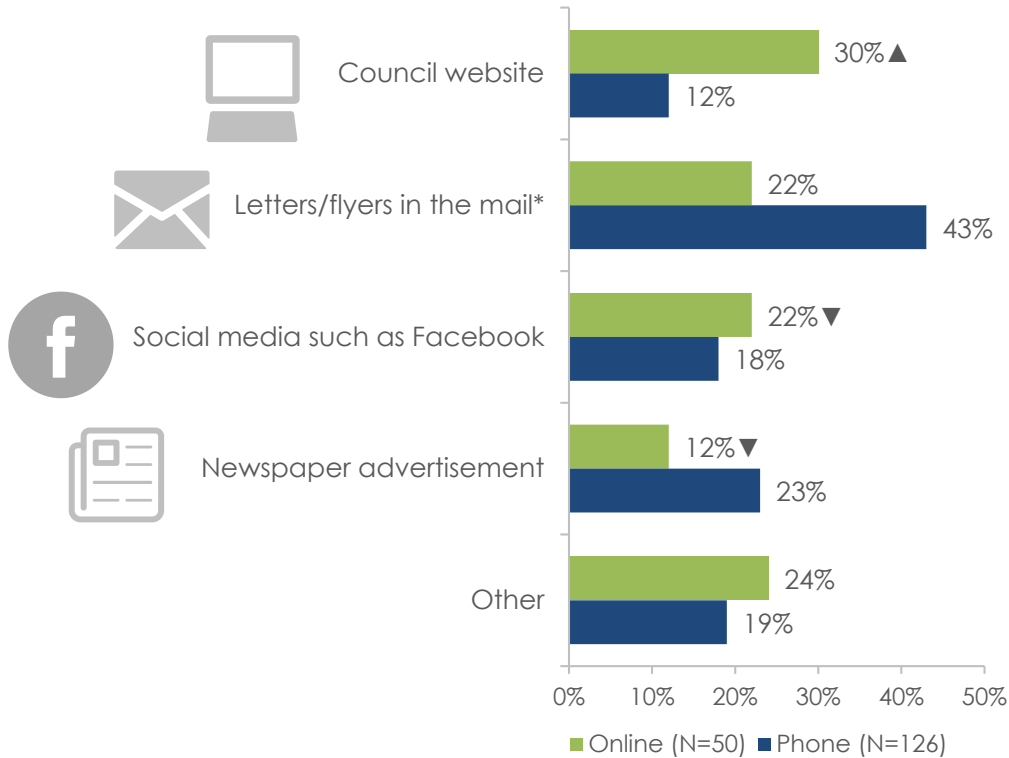


Phone Online

Q6a. Prior to this call, were you aware that Council was exploring community sentiment towards a Special Rate Variation?

Q6b. (If 'yes' on Q6a), How were you informed of the Special Rate Variation?

## Of those aware of the SRV



Other (specified) mentions - Online	Count
Word of mouth	2
Council newsletter	2
Phone survey	2
Community pages on social media	1
Email	1
Local newspaper article e.g. TWT	1
Radio	1
Other	2

\*Note: 'Letters/flyers in the mail' was not a prompted option

▲ ▼ = A significantly higher/lower percentage (by sample)

**Of those online respondents who were previously aware of the SRV, 30% were informed via Council's website, followed by letters/flyers in the mail and social media.**

# 3. Support for a Special Variation of Rates



## Detailed Results

1. Overall Satisfaction with Council and the Local Area
2. Awareness of Special Variation of Rates
3. Support for a Special Variation of Rates





# Concept Statement

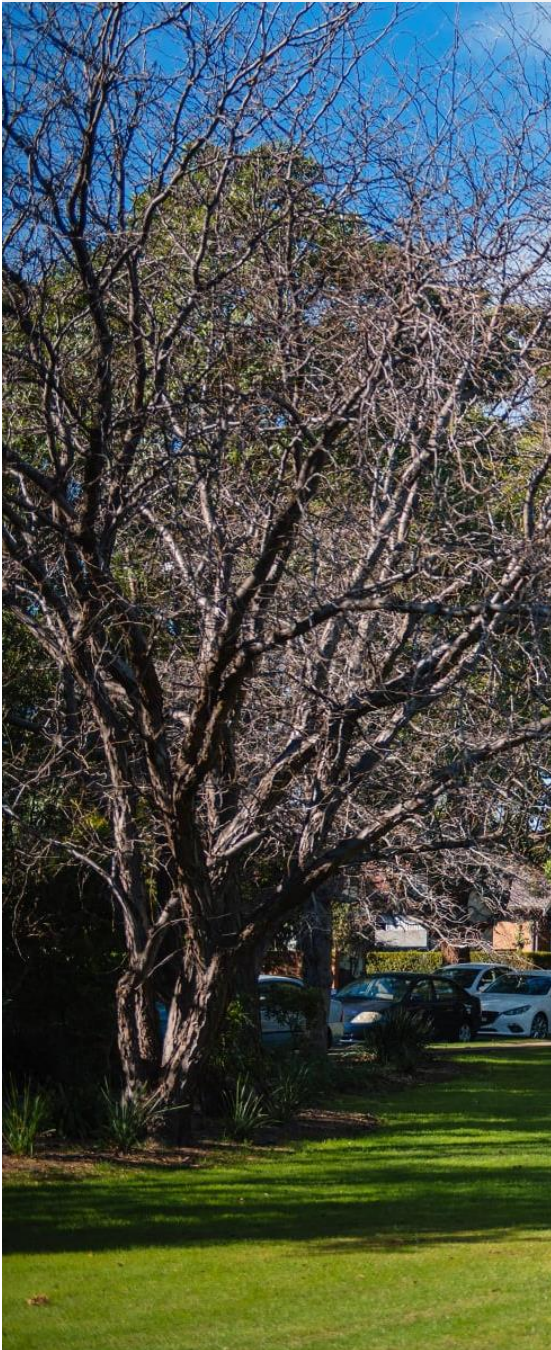
Residents were read the following concept statement prior to being asked to rate their support:

Currently Council delivers a broad range of services from roads and rubbish collection, parks and playgrounds, cultural facilities and events, environmental protection and much more. Council also manages \$209m worth of assets, which it has to maintain and renew.

At present, Council's revenue is regulated by the NSW Independent Pricing and Regulatory Tribunal (IPART). IPART limits the amount by which councils can increase rates from one year to the next. At the moment, that amount, known as the rate peg, is an annual increase of 2.5%.

Council is facing the challenge of balancing community expectations with future financial sustainability. There is a growing gap between the cost of providing services and facilities and the available funding to meet those costs. This is a result of a long term 'cap' on Council's ability to increase rates, and costs rising more than the 2.5% rate peg.

Council currently has three SRV's in place specifically for funding road building and maintenance, footpaths and environmental works, and community facilities. These existing SV's will expire over the next eight years.



# Concept Statement (Continued)

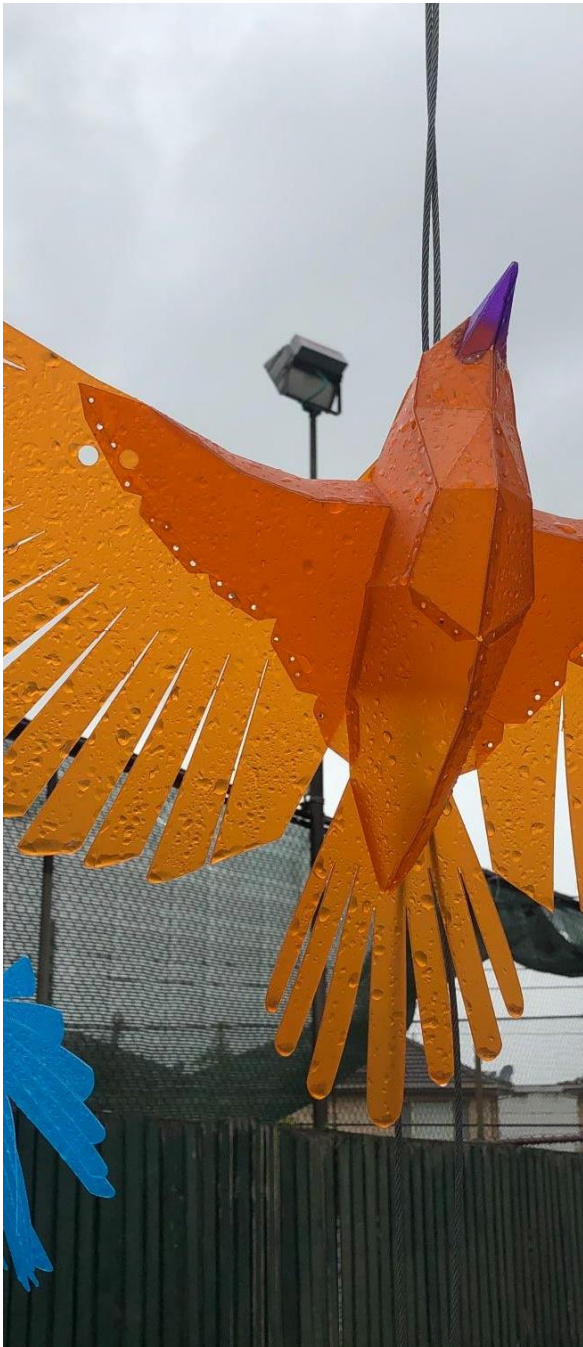
Over recent years, Council has implemented a range of productivity savings, reduced costs across our operations, but there are no easy solutions to addressing this increasing funding gap. If Council does not address this gap now, our community assets will deteriorate. To address this situation, councils are able to apply for rate increases above rate peg. This is called a Special Variation to Rates (SV).

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.

Council is considering a number of options, including applying for a permanent SRV, there are 4 options which ratepayers can consider. Each option will have varying impact on what Council can deliver.

Council wants to get community feedback on the following 4 options:

1. BASE CASE - LET EXISTING SV's EXPIRE
2. OPTION 1 - CONTINUE EXISTING SV's
3. OPTION 2 - CONTINUE SV's WITH AN ADDITIONAL INCREASE OF 9.53% + THE RATE PEG
4. OPTION 3 - CONTINUE SV's WITH AN ADDITIONAL INCREASE OF 15.27% + THE RATE PEG



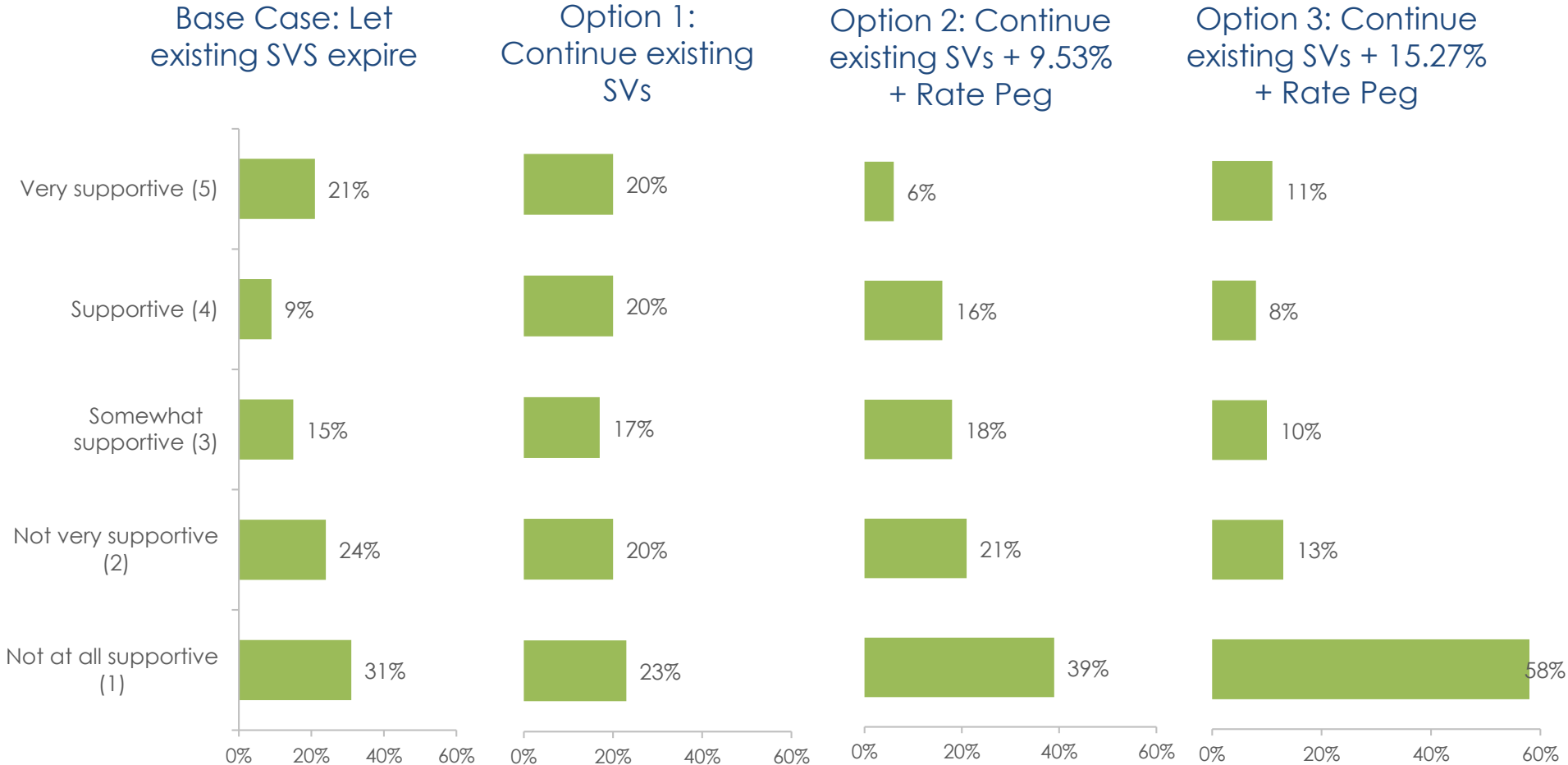
# Summary of Support Scores



Online

Q4a. How supportive are you of Council proceeding with this option?

## Support for Each Option



Base: N = 400

**In line with phone results, support is highest for option 1: Continue existing SVs, with 57% of residents being at least somewhat supportive of this option.**



## Base Case – No Special Variation – Rates Decrease

The average amount of general rates for 2021/2022 excluding waste and water is just under \$1,919 per annum.

- Under this option the existing special variation for roads will expire in 2022-23 and not be renewed. The total rate income for roads falls by nearly \$600,000 in that year.
- Then in 2023-24 the special variation for footpaths and environmental works, will expire in and the total rate income for assets would fall by nearly \$500,000.
- Finally in 2029-30 the existing special variation for community facilities due to expire will not be renewed. The total rate income would fall by nearly \$450,000.

Under this option, even with the statutory rate peg increase of 2.5% per annum, general rates will drop to \$1,839 in 2022/23, then to \$1,785 in 2023/2024, and by 2029/30 will be \$1,983 per annum.

This represents a 3% above 2022/23 annual charge.

Under this scenario our asset backlog will be \$18.9m by 2030-31. As such the condition of our assets, including buildings, kerbs, seawalls, open space, footpaths and roads will decline and we will not be able to maintain our existing assets at the current rate of repair.

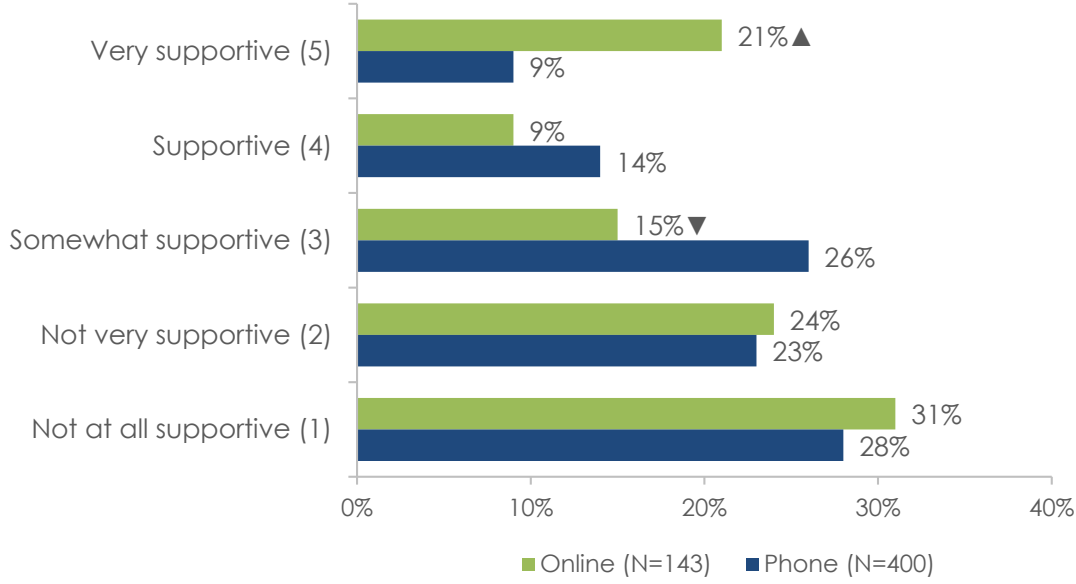
# Support for the Base Case



Phone Online

Q4a. How supportive are you of Council proceeding with this option?

	Online	Phone	Online									
			Male	Female	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer	Aware of SV prior to the call	Not aware/not sure
Mean rating	2.65	2.52	2.93	2.41 ▼	3.29	2.97	2.59	2.33	2.67	1.67	2.50	2.73
T3 Box	45%	49%	51%	39%	57%	55%	43%	36%	46%	0%	36%	49%
Base	143	400	67	76	7*	38	56	42	140	3*	50	93



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

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

\*Caution small base size

**Just under half of respondents are at least somewhat supportive of the base case (among online and phone). Amongst online respondents, support for the base case is slightly stronger among younger age groups 18-49 and those who did not have prior awareness of the SRV.**



## Option 1: Continue with Existing SVs – No Change\*

Under this option, the existing SVs of 12.07% for roads, environment, other infrastructure, and operations will be incorporated permanently into the rate base to fund asset renewal.

With the rate peg increase of 2.5% per annum general rates will rise from \$1,919 per annum in 2021/22 to \$1,953 in 2022/23, then to \$2,001 in 2023/2024, and by 2029/30 will be \$2,321 per annum.

This is a 21% increase above 2022/23 annual charge.

Under this option, the condition of our buildings, kerbs, open space, and footpaths will decline from where they are at present, and there will be an increase in the renewal backlog.

Under this scenario our asset backlog will be \$12m by 2030-31. As such the condition of our roads will remain stable over the period, and there will be some slight improvement in seawalls and stormwater pits.

The projects outlined under the existing SVs would be completed, but there would be no increase in further maintenance projects.

\*The order of presenting ' Option 1: Existing SVs', 'Option 2: Existing SVs with an additional increase of 9.53% + Rate Peg' and 'Option 3: Existing SVs with an additional increase of 15.27% + Rate Peg' options was randomised to reduce position bias.

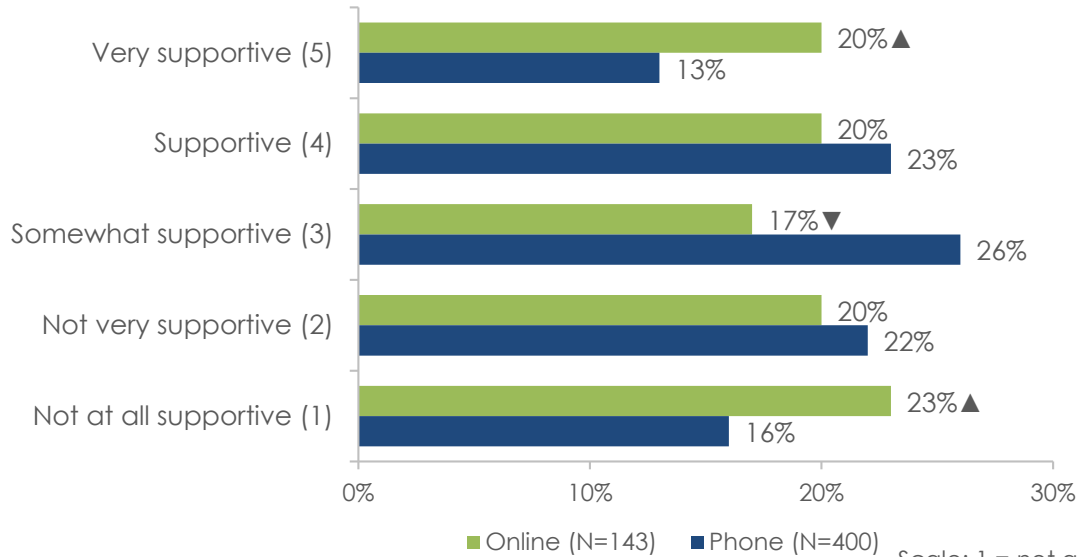
# Support for Option 1: Existing SVs



Phone Online

Q4b. How supportive are you of Council proceeding with this option?

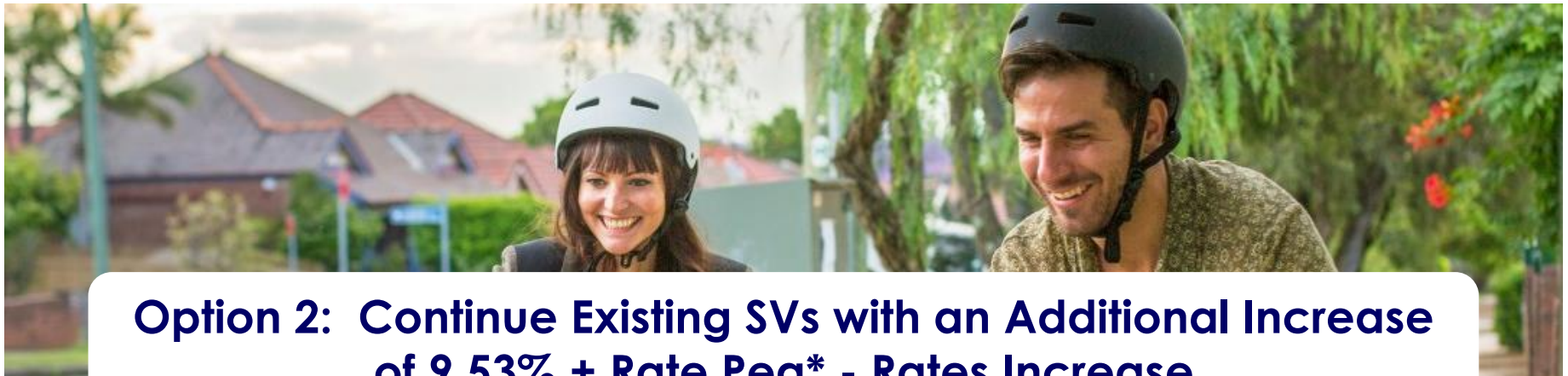
	Online	Phone	Online									
			Male	Female	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer	Aware of SV prior to the call	Not aware/not sure
Mean rating	2.92	2.95	2.69	3.13	2.71	2.92	2.93	2.95	2.93	2.67	2.86	2.96
T3 Box	57%	62%	46%	66%▲	57%	58%	54%	60%	56%	67%	54%	58%
Base	143	400	67	76	7*	38	56	42	140	3*	50	93



\*Caution small base size

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

**Level of support for Option 1: continuing the existing SVs is also similar among both online and phone respondents.**



## **Option 2: Continue Existing SVs with an Additional Increase of 9.53% + Rate Peg\* - Rates Increase**

The existing SVs of 12.07% for roads, environment, other infrastructure, and operations will be incorporated permanently into the rate base to fund asset renewal, with an additional 9.53% to improve roads, footpaths, environmental management, playgrounds, kerbs and gutters, seawalls, parks and reserves.

Under this option, including with the statutory rate peg increase of 2.5% per annum general rates will rise from \$1,919 per annum in 2021/22 to \$2,099 in 2022/23, then to \$2,112 in 2023/2024, and by 2029/30 will be \$2,449 per annum.

This is 28% increase above 2022/23 annual charge.

Under this scenario our asset backlog will be \$5.5m by 2030-31. As such the condition of our roads will remain stable over the period, and there will be some slight improvement in seawalls and stormwater pits.

There would be an increase in some maintenance projects to improve general facilities and infrastructure. However, the condition of our buildings, kerbs, open space and footpaths will decline.

\*The order of presenting 'Option 1: Existing SVs', 'Option 2: Existing SVs with an additional increase of 9.53% + Rate Peg' and 'Option 3: Existing SVs with an additional increase of 15.27% + Rate Peg' options was randomised to reduce position bias.



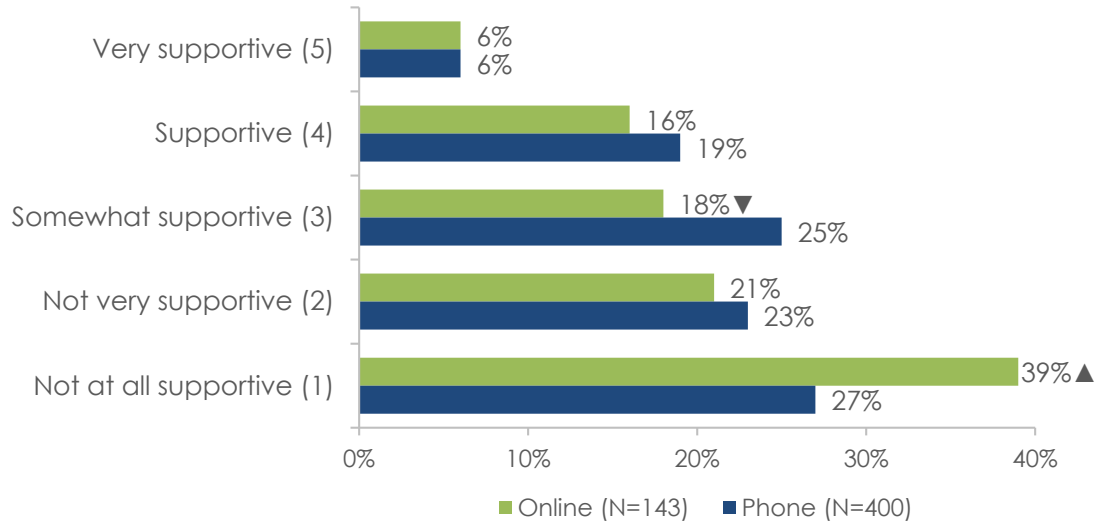
# Support for Option 2: Existing SVs + 9.53% + Rate Peg



PhoneOnline

Q4c. How supportive are you of Council proceeding with this option?

	Online	Phone	Online									
			Male	Female	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer	Aware of SV prior to the call	Not aware/not sure
Mean rating	2.29▼	2.53	2.19	2.38	2.29	2.16	2.46	2.19	2.29	2.33	2.56	2.15
T3 Box	40%▼	50%	37%	42%	43%	34%	50%▲	31%	40%	33%	46%	37%
Base	143	400	67	76	7*	38	56	42	140	3*	50	93



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

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

\*Caution small base size

**40% of online respondents are at least somewhat supportive of Option 2: continue existing SVs + 9.35% + the rate peg. The level of support is somewhat lower as compared to results by phone.**



## **Option 3: Continue Existing SVs with an Additional 15.27% + Rate Peg\* – Rates Increase**

The existing SVs of 12.07% for roads, environment, other infrastructure, and operations will be incorporated permanently into the rate base to fund asset renewal, with an additional 15.27% increase to improve roads, open space, kerbs and gutters, footpath, seawalls, parks and reserves.

Under this option, with rate peg increase of 2.5% per annum general rates will rise from \$1,919 per annum in 2021/22 to \$2,187 in 2022/23, then to \$2,241 in 2023/2024, and by 2029/30 will be \$2,599 per annum.

A 36% above the 2022/23 annual charge.

Under this scenario there will be no asset backlog by 2030-31. As such the condition of our roads will remain stable over the period, and there will be improvements to sea walls and stormwater pits.

There would be an increase in maintenance projects to improve general facilities and infrastructure. However, the condition of our buildings, kerbs, open space and footpaths may still see a slight decline.

Importantly, this option will give Council a slight operating surplus enabling Council to be financially sustainable into the future.

\*The order of presenting ' Option 1: Existing SVs', 'Option 2: Existing SVs with an additional increase of 9.53% + Rate Peg' and 'Option 3: Existing SVs with an additional increase of 15.27% + Rate Peg' options was randomised to reduce position bias.

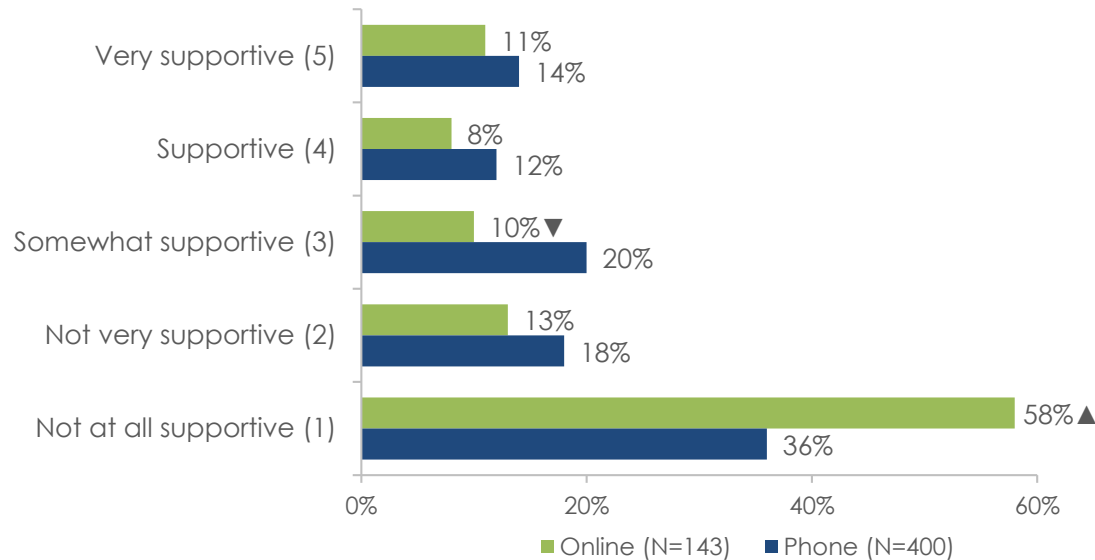
# Support for Option 3: Existing SVs + 15.27% + Rate Peg



Phone Online

Q4d. How supportive are you of Council proceeding with this option?

	Online	Phone	Online									
			Male	Female	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer	Aware of SV prior to the call	Not aware/not sure
Mean rating	2.03▼	2.49	2.12	1.95	2.29	1.84	2.13	2.02	2.01	3.00	2.00	2.04
T3 Box	29%▼	46%	33%	26%	43%	21%	32%	31%	29%	67%	26%	31%
Base	143	400	67	76	7*	38	56	42	140	3*	50	93



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

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

\*Caution small base size

**29% of online respondents are at least somewhat supportive of Option 3: continuing existing SVs + 15.27% + the rate peg. Support for this option is significantly lower compared to results by phone.**

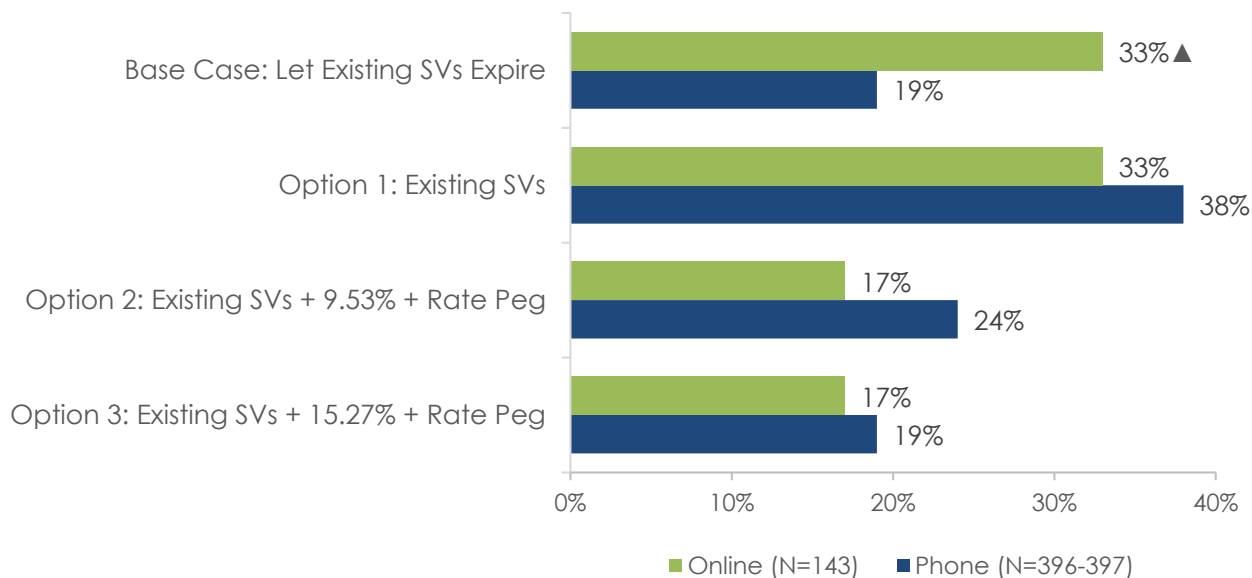
# Preferred Option



Phone Online

Q5a. Please rank the 4 options in order of preference. Which is your first preference?

First preference	Online	Phone
Base Case: Let Existing SVs Expire	33%▲	19%
Option 1: Existing SVs	33%	38%
Option 2: Existing SVs + 9.53% + Rate Peg	17%	24%
Option 3: Existing SVs + 15.27% + Rate Peg	17%	19%
Base	143	396-397



\*Caution small base size

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

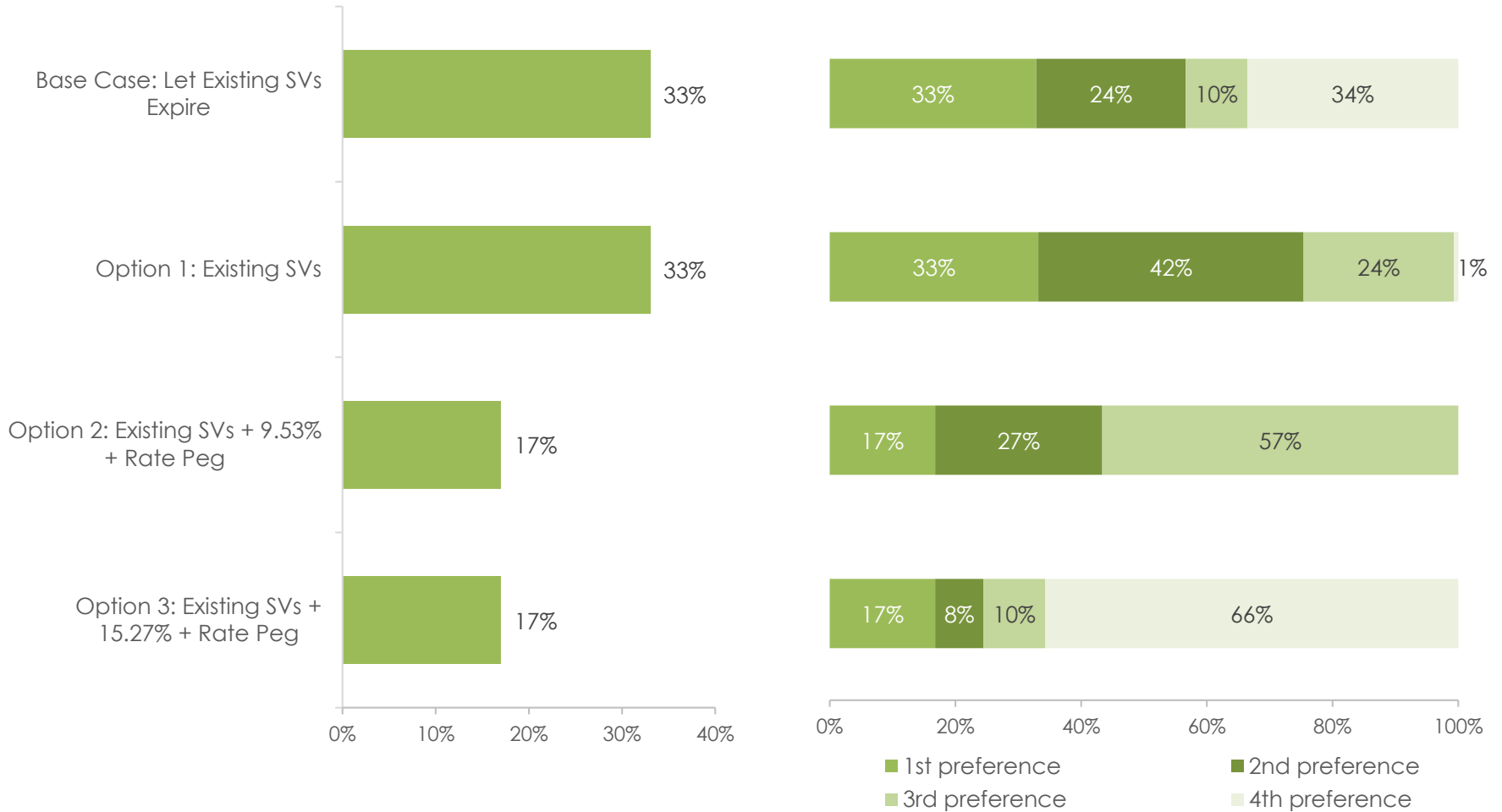
**Online respondents are more likely to select the base case option as their first preference than phone respondents.**

# Preferred Option



Online

Q5a. Please rank the 4 options in order of preference. Which is your first preference?



Preferences for online respondents are more mixed than what was observed in the phone results.

# Reasons for Preferring the Base Case Option



Q5b. What is your reason for choosing that option as your highest preference?

'Budgets and spend should be able to managed without an increase. Household incomes aren't going up at the same rate'

'I believe there may be other areas that could be looked at to reduce costs'

'Our rates are very high already'

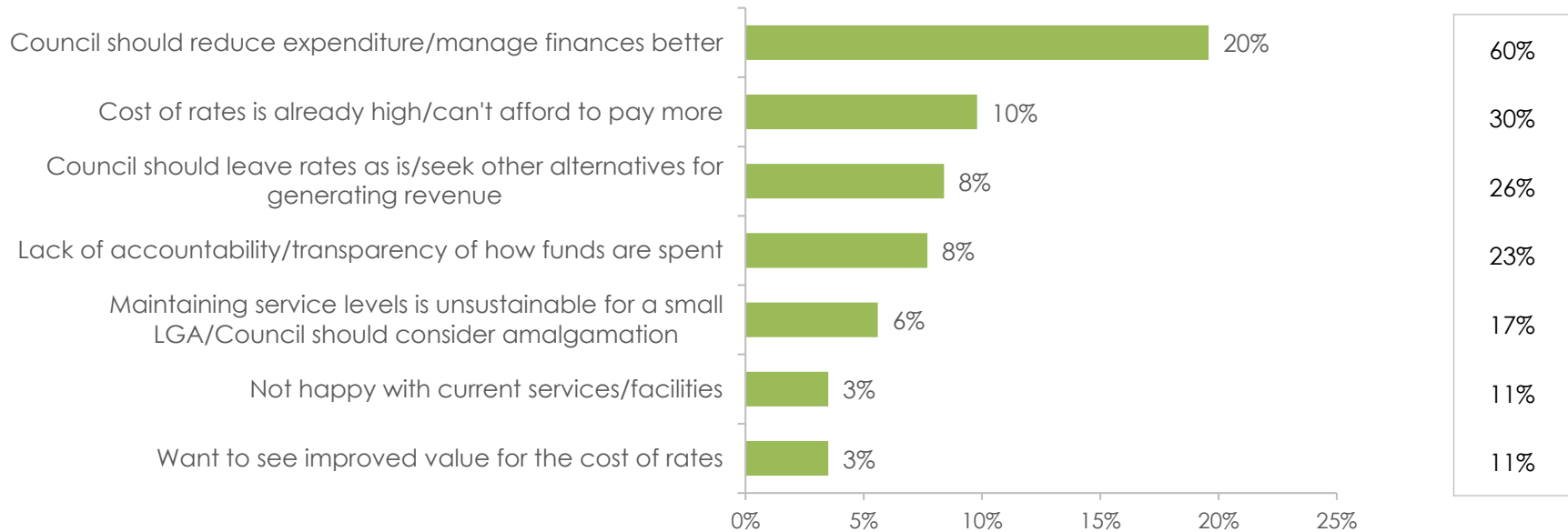
'Rates are unaffordable'

'Have adjusted to current rates spending wise but not budgeted for more'

'Council should be focused on delivering the very best services for less not more'

## Base Case: Let existing SVs expire % of total sample (N=143)

% of respondents preferring the base case option (N=47)



Please see Appendix A for remaining list of responses

**The main reasons for online respondents selecting the base case as their highest preference include Council reducing expenditure/managing finances better, seeking alternative methods of generating revenue and lack of accountability/transparency of how funds are spent.**

# Reasons for Preferring Option 1: Continue Existing SVs



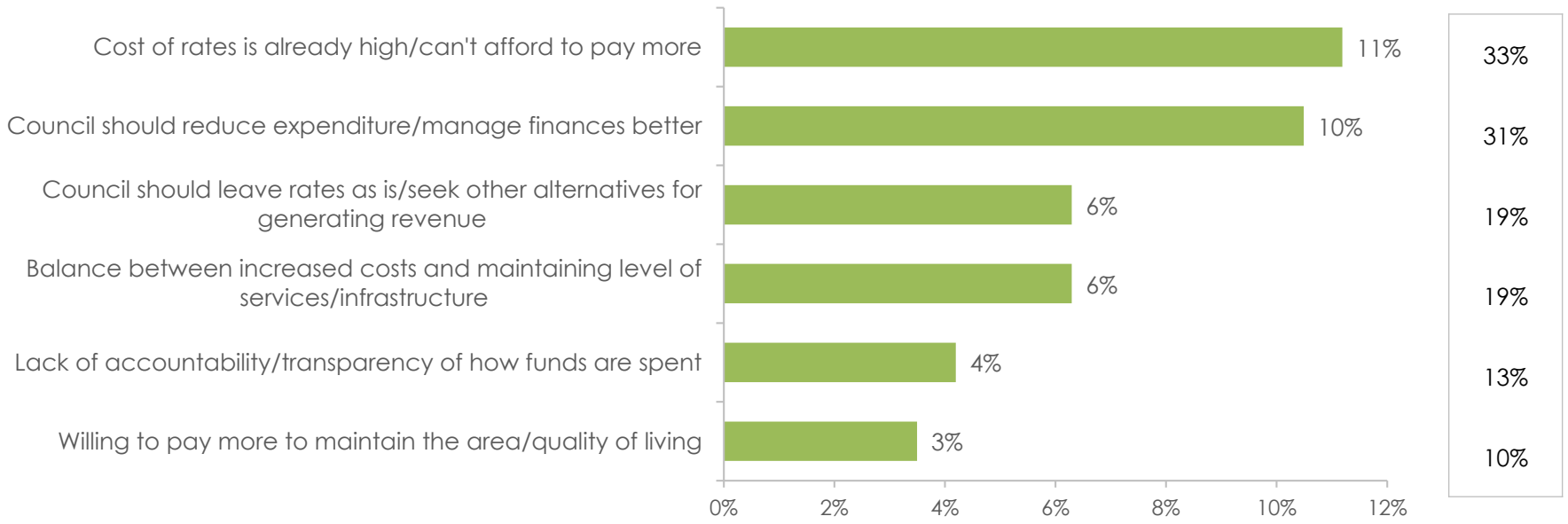
Online

Q5b. What is your reason for choosing that option as your highest preference?



## Option 1: Continue Existing SVs % of total sample (N=143)

% of respondents preferring option 1 (N=48)



Please see Appendix A for remaining list of responses

**For online respondents, the cost of rates already being high is the main reason for supporting Option 1: continuing the existing SVs, closely followed by Council needing to reduce expenditure/manage finances better.**

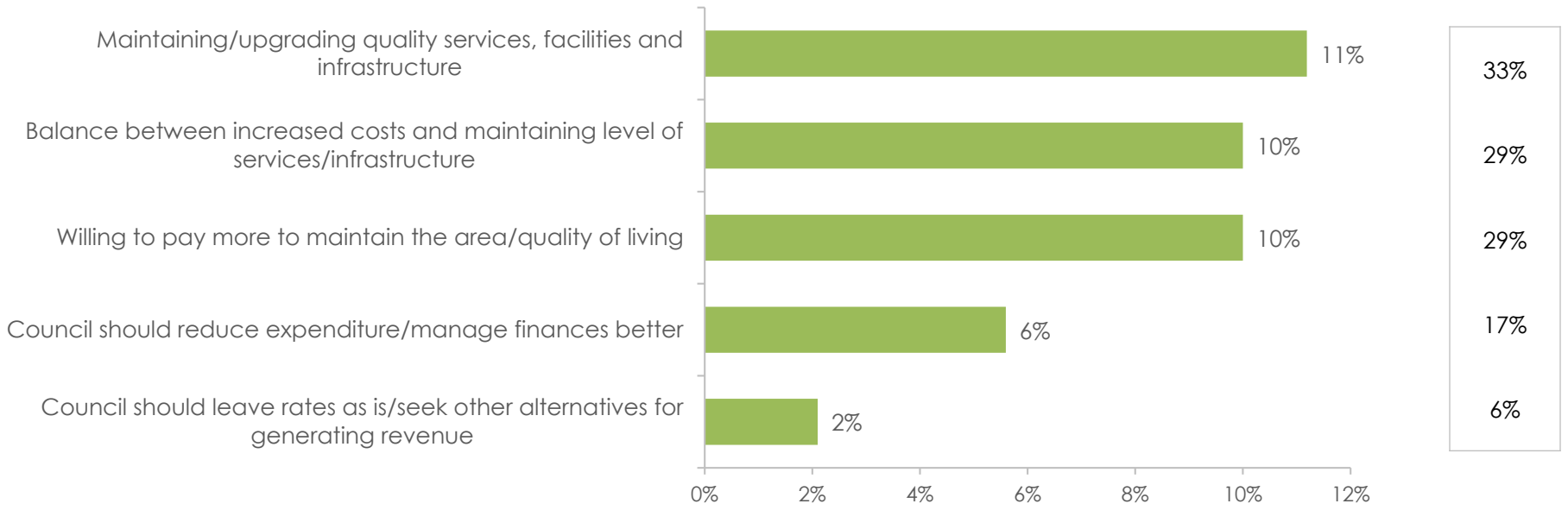
# Reasons for Preferring Options 2 or 3: Continue Existing SVs + Increase + Rate Peg

Q5b. What is your reason for choosing that option as your highest preference?

- 'Maintain high quality, accessible community services & infrastructure'
- 'Council need funding to address poor infrastructure and implement cycle paths etc.'
- 'We need to maintain services'
- 'It is a balanced approach'
- 'Seems the most reasonable option for getting on with the maintenance required so assets don't deteriorate further'

**Options 2/3: Continue Existing SVs + increase + Rate Peg**  
 % of total sample (N=143)

% of respondents preferring options 2 or 3 (N=48)



Please see Appendix A for remaining list of responses

**Reasons for supporting Options 2 and 3 primarily include striking a balance between increased costs and the need for maintaining the level of services and infrastructure provided to the community, as well as providing future upgrades.**





# Appendix A: Additional Analysis



# What Residents Value About Living in Hunters Hill LGA



Online

Q2a. Thinking generally about living in the Hunters Hill local government area, what do you value the most about living here?

	N = 143
Open spaces, parks and natural environment	71%
Community/connection to local area	27%
Lifestyle e.g. peaceful, quiet, village atmosphere	27%
Central location/proximity to CBD and harbour	24%
Low density housing/less crowded	24%
Heritage/character of the area	17%
Access to facilities and services	12%
Shopping, cafes and restaurants	8%
Public transport facilities	7%
Safety	6%
Family friendly	3%
Maintenance of the area	3%
Council is approachable/responsive/cares about residents	2%
Concerns about overdevelopment	1%
Concerns about roads/traffic congestion	1%
Festivals and events	1%
Quality of housing	1%
Rates are already very high	1%
Unable to fully enjoy living in the area due to COVID-19	1%
Not sure/don't know	1%



# Top Priorities Over the Next Four Years



Online

Q2b. Thinking about the next four years, what do you think are the top priorities for Council to focus on?

	N = 143
Maintaining roads, road safety, footpaths and traffic congestion	41%
Parks, playgrounds and open spaces	29%
Managing development and DA process	23%
Maintaining/upgrading services and facilities	22%
Financial management/allocation of resources	20%
Environment and sustainability management	12%
Cost of rates/cost of living	10%
Maintaining heritage/character of the area	10%
Revitalisation and town planning e.g. Gladesville town centre, Fig Tree Park	10%
Sports and recreation facilities	7%
Culture and community	6%
General maintenance/cleanliness of the area	6%
Listening to/engaging with the community	6%
Waste management and recycling	6%
Potential amalgamation	4%
Bike paths/cycleways	3%
Council leadership	3%
Encouraging local business	1%
Not sure/don't know	1%
Parking	1%
Public safety	1%
Reducing airplane noise	1%



# Reasons for Supporting the Base Case



Online

Q5b. What is your reason for choosing that option as your highest preference?

	% of respondents preferring the base case option (N=47)	% of total population (N=143)
Council should reduce expenditure/manage finances better	60%	20%
Cost of rates is already high/can't afford to pay more	30%	10%
Council should leave rates as is/seek other alternatives for generating revenue	26%	8%
Lack of accountability/transparency of how funds are spent	23%	8%
Maintaining service levels is unsustainable for a small LGA/Council should consider amalgamation	17%	6%
Not happy with current services/facilities	11%	3%
Want to see improved value for the cost of rates	11%	3%
Council doesn't act in the community's interests	9%	3%
Lack of community consultation	6%	2%
Council should focus on core services only	4%	1%
Maintaining/upgrading quality services, facilities and infrastructure	4%	1%
Council should communicate better	2%	1%
Council should not require additional funding	2%	1%
Rate increases were meant to be temporary/not apply if amalgamation didn't go ahead	2%	1%
The base case is more than sufficient	2%	1%
Not sure/don't know	2%	1%



# Reasons for Preferring Option 1: Continue Existing SVs



Online

Q5b. What is your reason for choosing that option as your highest preference?

	% of respondents preferring option 1 (N=48)	% of total population (N=143)
Cost of rates is already high/can't afford to pay more	33%	11%
Council should reduce expenditure/manage finances better	31%	10%
Council should leave rates as is/seek other alternatives for generating revenue	19%	6%
Balance between increased costs and maintaining level of services/infrastructure	19%	6%
Lack of accountability/transparency of how funds are spent	13%	4%
Willing to pay more to maintain the area/quality of living	10%	3%
Maintaining service levels is unsustainable for a small LGA/Council should consider amalgamation	6%	2%
Council doesn't act in the community's interests	6%	2%
Need more balanced/unbiased information	6%	2%
Maintaining/upgrading quality services, facilities and infrastructure	4%	1%
Council should not require additional funding	4%	1%
Not a good time/financial hardship concerns e.g. due to COVID-19	4%	1%
Not happy with current services/facilities	2%	1%
Not sure/don't know	4%	1%




# Reasons for Preferring Options 2 or 3: Continue Existing SVs + Increase + Rate Peg



Q5b. What is your reason for choosing that option as your highest preference?

	% of respondents preferring options 2 or 3 (N=48)	% of total population (N=143)
Maintaining/upgrading quality services, facilities and infrastructure	33%	11%
Balance between increased costs and maintaining level of services/infrastructure	29%	10%
Willing to pay more to maintain the area/quality of living	29%	10%
Council should reduce expenditure/manage finances better	17%	6%
Council should leave rates as is/seek other alternatives for generating revenue	6%	2%
Lack of accountability/transparency of how funds are spent	4%	1%
Council doesn't act in the community's interests	4%	1%
Not happy with current services/facilities	4%	1%
Maintaining service levels is unsustainable for a small LGA/Council should consider amalgamation	2%	1%
Need more balanced/unbiased information	2%	1%
Not a good time/financial hardship concerns e.g. due to COVID-19	2%	1%
Want to see improved value for the cost of rates	2%	1%
Council should focus on core services only	2%	1%
Happy with current servicing levels	2%	1%
Other	2%	1%
Not sure/don't know	2%	1%





# Appendix B: Further Demographics and Background & Methodology



# Demographics

Q7d. Which language do you speak?

	N=143
Italian	3%
Cantonese	1%
Arabic	1%
Greek	1%
Mandarin	1%
Other	2%

Other specified	Count
Hakka	1
Punjabi	1
Tagalog	1





# Background & Methodology



Online

## Prequalification

Participants in this survey were pre-qualified as being over the age of 18, and not working for, nor having an immediate family member working for, Hunters Hill Council.

## Data analysis

The data within this report was analysed using Q Professional.

Within the report, ▲▼ are used to identify statistically significant differences between groups, i.e., gender, age, ratepayer status.

Significance difference testing is a statistical test performed to evaluate the difference between two measurements. To identify the statistically significant differences between the groups of means, 'One-Way Anova tests' and 'Independent Samples T-tests' were used. 'Z Tests' were also used to determine statistically significant differences between column percentages.

## Percentages

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





# Appendix C: The Questionnaire



Hunter's Hill Council  
Community Survey – Special Rate Variation  
2021

Good morning/afternoon/evening, my name is..... from Micromex Research and we are conducting a survey on behalf of Hunters Hill Council on a range of local issues. The survey will take about 10 or so minutes, would you be able to assist us please?

Q1a. And do you or an immediate family member work for Hunters Hill Council?

- Yes (Terminate)
- No

Q1b. Which suburb do you live in?

- Gladesville
- Henley
- Huntleys Cove
- Huntleys Point
- Hunters Hill
- Woolwich

Q1c. Which of these age groups do you fit into? *Prompt*

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

Q1d. Gender (determine by voice):

- Male
- Female

**Section A – Overall satisfaction with Council and the local area**

Q2a. Thinking generally about living in the Hunters Hill local government area, what do you value the most about living here?

.....

Q2b. Thinking about the next four years, what do you think are the top priorities for Council to focus on?

.....

Q3a. 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

Q3b. Thinking generally about community assets provided by Council, which include local roads, footpaths, cycle ways, parks and playgrounds, public buildings, public toilets, libraries, etc. Overall, how satisfied are you with the quality of community assets currently provided by Council? *Prompt*

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

**SRV Options - Concept statement:**

Currently Council delivers a broad range of services from roads and rubbish collection, parks and playgrounds, cultural facilities and events, environmental protection and much more. Council also manages \$209m worth of assets, which it has to maintain and renew.

At present, Council's revenue is regulated by the NSW Independent Pricing and Regulatory Tribunal (IPART). IPART limits the amount by which councils can increase rates from one year to the next. At the moment, that amount, known as the rate peg, is an annual increase of 2.5%.

Council is facing the challenge of balancing community expectations with future financial sustainability. There is a growing gap between the cost of providing services and facilities and the available funding to meet those costs. This is a result of a long term 'cap' on Council's ability to increase rates, and costs rising more than the 2.5% rate peg.

Council currently has three SRV's in place specifically for funding road building and maintenance, footpaths and environmental works, and community facilities. These existing SV's will expire over the next eight years.

Over recent years, Council has implemented a range of productivity savings, reduced costs across our operations, but there are no easy solutions to addressing this increasing funding gap. If Council does not address this gap now, our community assets will deteriorate. To address this situation, councils are able to apply for rate increases above rate peg. This is called a Special Variation to Rates (SV).

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.

Council is considering a number of options, including applying for a permanent SRV, there are 4 options which ratepayers can consider. Each option will have varying impact on what Council can deliver.

Council wants to get community feedback on the following 4 options:

1. **BASE CASE - LET EXISTING SV's EXPIRE**
2. **OPTION 1 - CONTINUE EXISTING SV's**
3. **OPTION 2 - CONTINUE SV's WITH AN ADDITIONAL INCREASE OF 9.53% + THE RATE PEG**
4. **OPTION 3 - CONTINUE SV's WITH AN ADDITIONAL INCREASE OF 15.27% + THE RATE PEG**

Always read Base case first - Flip (bcd/dcb)

#### Base Case – RATE DECREASE – no special variation

The average amount of general rates for 2021/2022 excluding waste and water is just under \$1,919 per annum.

- Under this option the existing special variation for roads will expire in 2022-23 and not be renewed. The total rate income for roads falls by nearly \$600,000 in that year.
- Then in 2023-24 the special variation for footpaths and environmental works, will expire in and the total rate income for assets would fall by nearly \$500,000.
- Finally in 2029-30 the existing special variation for community facilities due to expire will not be renewed. The total rate income would fall by nearly \$450,000.

Under this option, even with the statutory rate peg increase of 2.5% per annum, general rates will drop to \$1,839 in 2022/23, then to \$1,785 in 2023/2024, and by 2029/30 will be \$1,983 per annum.

This represents a 3% above 2022/23 annual charge.

Under this scenario our asset backlog will be \$18.9m by 2030-31. As such the condition of our assets, including buildings, kerbs, seawalls, open space, footpaths and roads will decline and we will not be able to maintain our existing assets at the current rate of repair.

#### Q4a. How supportive are you of Council proceeding with this option? *Prompt*

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

#### Option 1 – NO CHANGE TO YOUR RATES

Under this option, the existing SVs of 12.07% for roads, environment, other infrastructure, and operations will be incorporated permanently into the rate base to fund asset renewal.

With the rate peg increase of 2.5% per annum general rates will rise from \$1,919 per annum in 2021/22 to \$1,953 in 2022/23, then to \$2,001 in 2023/2024, and by 2029/30 will be \$2,321 per annum.

This is a 21% increase above 2022/23 annual charge.

Under this option, the condition of our buildings, kerbs, open space, and footpaths will decline from where they are at present, and there will be an increase in the renewal backlog.

Under this scenario our asset backlog will be \$12m by 2030-31. As such the condition of our roads will remain stable over the period, and there will be some slight improvement in seawalls and stormwater pits.

The projects outlined under the existing SVs would be completed, but there would be no increase in further maintenance projects.

#### Q4b. How supportive are you of Council proceeding with this option? *Prompt*

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

#### Option 2 – AN INCREASE TO YOUR RATES

The existing SVs of 12.07% for roads, environment, other infrastructure, and operations will be incorporated permanently into the rate base to fund asset renewal, with an additional 9.53% to improve roads, footpaths, environmental management, playgrounds, kerbs and gutters, seawalls, parks and reserves.

Under this option, including with the statutory rate peg increase of 2.5% per annum general rates will rise from \$1,919 per annum in 2021/22 to \$2,099 in 2022/23, then to \$2,112 in 2023/2024, and by 2029/30 will be \$2,449 per annum.

This is 28% increase above 2022/23 annual charge.

Under this scenario our asset backlog will be \$5.5m by 2030-31. As such the condition of our roads will remain stable over the period, and there will be some slight improvement in seawalls and stormwater pits.

There would be an increase in some maintenance projects to improve general facilities and infrastructure. However, the condition of our buildings, kerbs, open space and footpaths will decline.

#### Q4c. How supportive are you of Council proceeding with this option? *Prompt*

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

**Option 3 - AN INCREASE TO YOUR RATES**

The existing SVs of 12.07% for roads, environment, other infrastructure, and operations will be incorporated permanently into the rate base to fund asset renewal, with an additional 15.27% increase to improve roads, open space, kerbs and gutters, footpath, seawalls, parks and reserves.

Under this option, with rate peg increase of 2.5% per annum general rates will rise from \$1,919 per annum in 2021/22 to \$2,187 in 2022/23, then to \$2,241 in 2023/2024, and by 2029/30 will be \$2,599 per annum.

A 36% above the 2022/23 annual charge.

Under this scenario there will be no asset backlog by 2030-31. As such the condition of our roads will remain stable over the period, and there will be improvements to sea walls and stormwater pits.

There would be an increase in maintenance projects to improve general facilities and infrastructure. However, the condition of our buildings, kerbs, open space and footpaths may still see a slight decline.

Importantly, this option will give Council a slight operating surplus enabling Council to be financially sustainable into the future.

**Q4d. How supportive are you of Council proceeding with this option? Prompt**

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

**Q5a. Please rank the 4 options in order of preference. Which is your first preference? Prompt**

	1 <sup>st</sup>	Preference		4 <sup>th</sup>
		2 <sup>nd</sup>	3 <sup>rd</sup>	
Base case (Let existing SVs expire)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Option 1 (Continue existing SVs)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Option 2 (Continue SVs + 9.53% + the rate peg)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Option 3 (Continue SVs + 15.27% + the rate peg)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**Q5b. What is your reason for choosing that option as your highest preference?**

.....

**Q6a. Prior to this call, were you aware that Council was exploring community sentiment towards a Special Rate Variation?**

- Yes
- No (Go to Q7a)
- Not sure (Go to Q7a)

**Q6b. How were you informed of the Special Rate Variation? Please answer yes or no as I read each one. Prompt**

- Council website
- Newspaper advertisement
- Social media such as Facebook
- Other (please specify).....

Demographics

The following information is used for demographic purposes only.

**Q7a. What type of home do you currently live in?**

- Separate or standalone house
- Townhouse/terrace house/semi-detached/villa
- Flat/unit/apartment
- Other (please specify).....

**Q7b. Which of the following best describes the home where you are currently living? Prompt**

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

**Q7c. Do you speak a language other than English at home?**

- Yes
- No

Council may wish to conduct some further research with residents in the coming weeks to discuss this issue in more detail.

**Q8a. Would you like to receive updates on the outcome of this consultation and other important communication from Hunters Hill Council?**

- Yes
- No (Go to end)

**Q8b. Please provide relevant contact details.**

Name:.....  
 Email:.....  
 Phone:.....  
 Postcode:.....

Thank you for your time and assistance. 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 Hunters Hill Council.

(If respondent wants more details about Council's proposed SRV, refer to Council.)

The information contained herein is believed to be reliable and accurate, however, no guarantee is given as to its accuracy and reliability, and no responsibility or liability for any information, opinions or commentary contained herein, or for any consequences of its use, will be accepted by Micromex Research, or by any person involved in the preparation of this report.

The logo for micromex research features the word "micromex" in a white, lowercase, sans-serif font. A stylized compass rose is integrated into the letter "o", with a red needle pointing towards the top. Below "micromex", the word "research" is written in a smaller, grey, lowercase, sans-serif font. The background of the entire image is a lush green golf course with trees and a bright sun in the sky.

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