



# Hunters Hill Council Special Rate Variation Research – 2021 Phone Results

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# Background & Methodology

## 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

## How?

- Telephone survey (landline and mobile) to N=400 residents
- We use a 5 point scale (e.g. 1 = not at all supportive, 5 = very supportive)
- Greatest margin of error +/- 4.9%

## When?

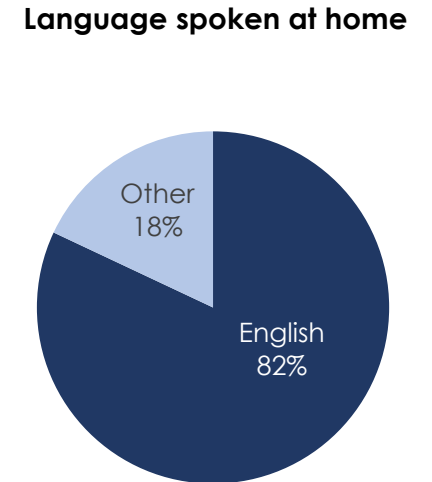
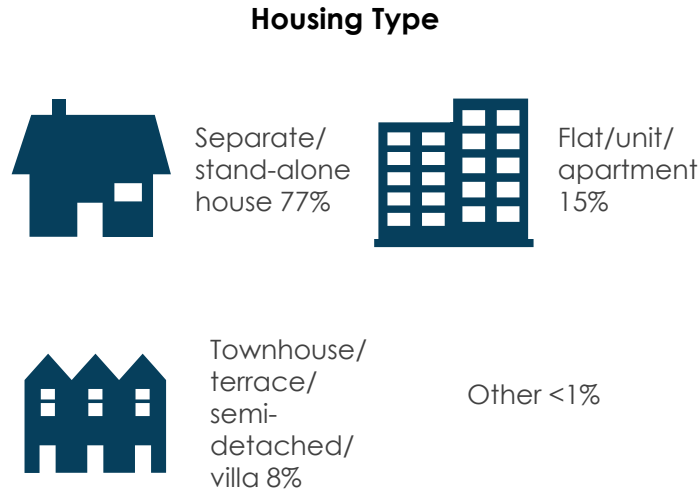
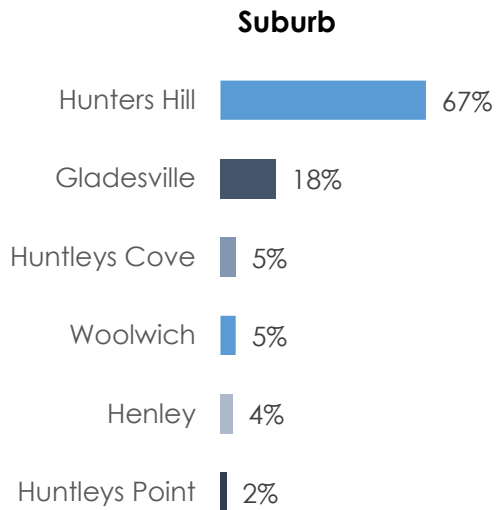
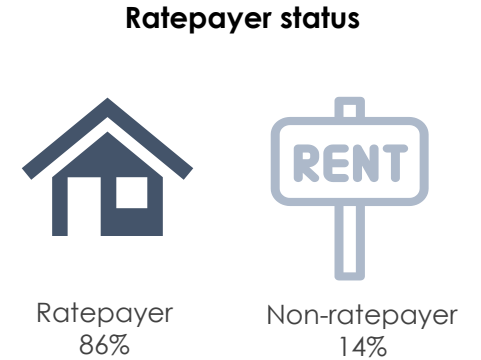
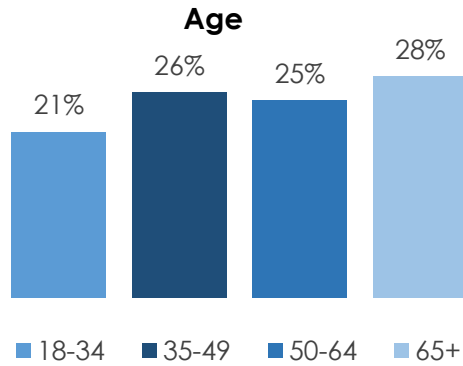
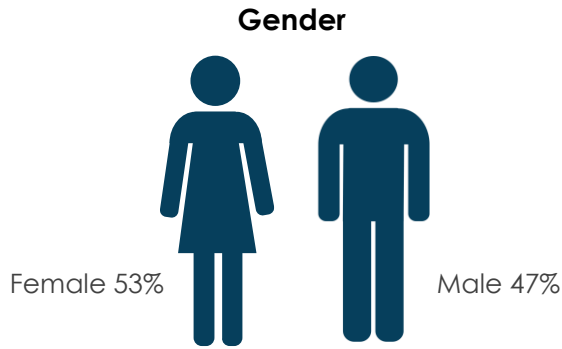
- Fieldwork conducted 23<sup>rd</sup> September – 1<sup>st</sup> October 2021

Please see Appendix B for detailed methodology



# Sample Profile

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



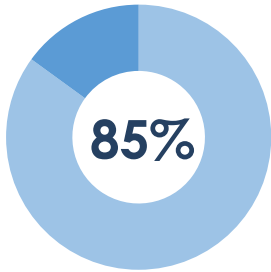


# Summary of Findings



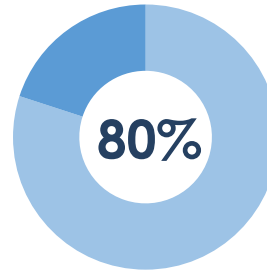
# Summary of Findings

## Overall Satisfaction



Of Hunters Hill residents are at least somewhat satisfied with the **performance of Council** over the last 12 months

## Satisfaction with the Quality of Assets



Of Hunters Hill residents are at least somewhat satisfied with the **quality of Council – provided assets**

## Most Valued Aspects About Living in the Area



- Open spaces, parks and natural environment



- Central location/proximity to CBD and harbour



- Community/connection to local area



- Lifestyle e.g. peaceful, quiet, village atmosphere

## Priority Issues



- Maintaining roads, road safety, footpaths and traffic congestion



- Parks, playgrounds and open spaces



- Managing development and DA process

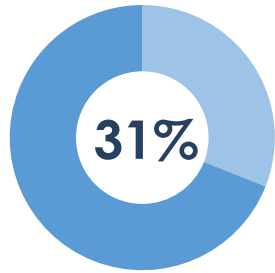


- Maintaining/upgrading services and facilities



# Summary of Findings

## Awareness



Of Hunters Hill residents were previously aware that Council was exploring community sentiment towards a Special Rate Variation



The most common ways to be informed of the SRV were:

Letters/flyers in the mail **(43%)**

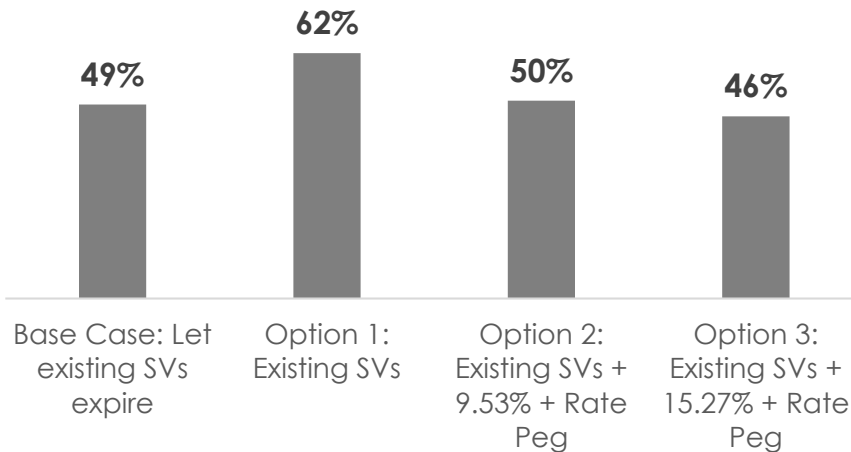


Newspaper advertisement **(23%)**



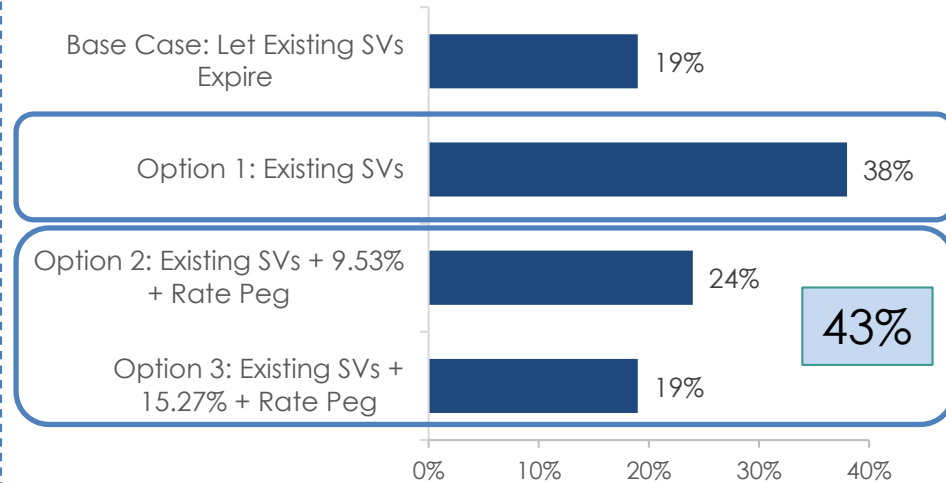
## Support for SRV Options

**73%** (somewhat supportive/supportive/very supportive)



## Preferred Options

First Preference



**Resident preference for at least continuing the current SVs exceeds 80%.  
43% suggesting they are willing to pay the existing as well as some sort of increase.**

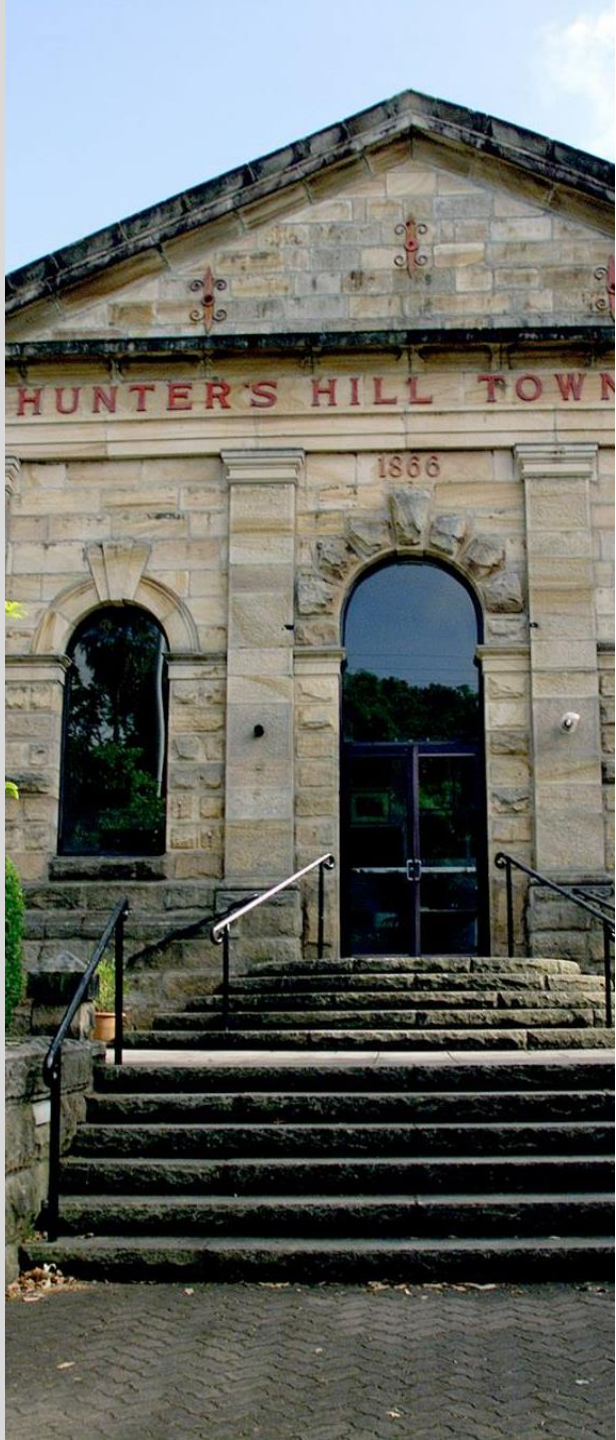


# Detailed Results





# 1. Overall Satisfaction with Council and the Local Area



## Detailed Results

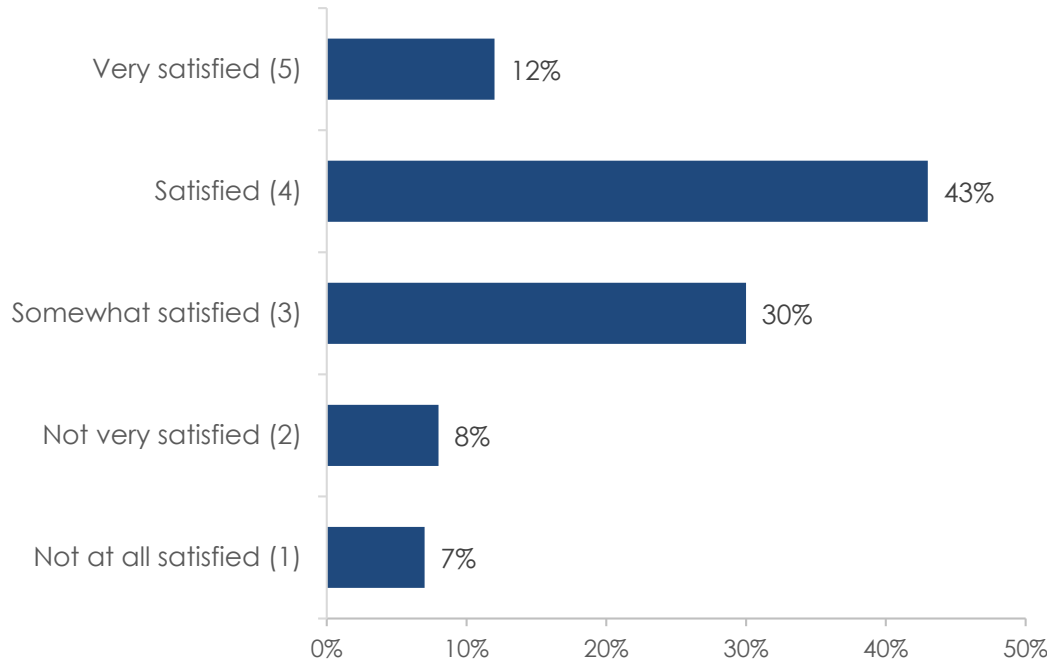
1. Overall Satisfaction with Council and the Local Area
2. Awareness of Special Variation of Rates
3. Support for a Special Variation of Rates



# Overall Satisfaction

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?

	Overall	Male	Female	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer
Mean rating	3.43	3.37	3.50	3.60	3.41	3.32	3.44	3.38	3.79▲
T3 Box	85%	82%	87%	87%	88%	80%	84%	84%	91%
Base	400	188	212	83	105	99	114	343	57



	Aware of SRV	Not aware/ Not sure
Mean rating	3.28	3.51
T3 Box	80%	87%
Base	126	274

	Hunters Hill Council	Micromex LGA Metro Benchmark
Mean rating	3.43	3.55
T3 Box	85%	89%
Base	400	37,950

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

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

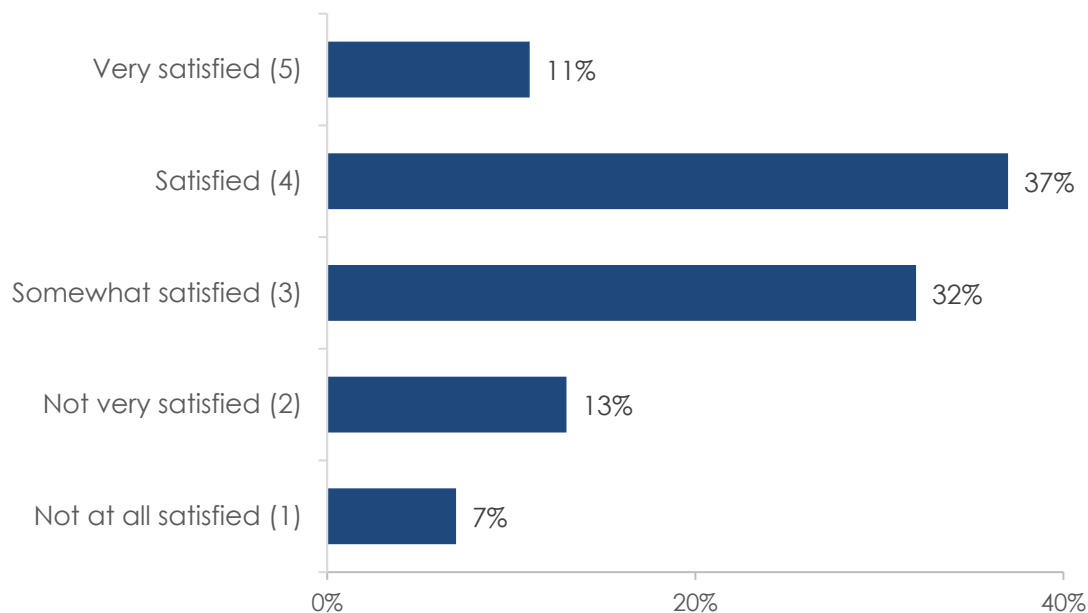
**Overall, 85% of residents are at least somewhat satisfied with the performance of Council over the last 12 months, with non-ratepayers being significantly more satisfied. Levels of satisfaction are lower amongst those aware of the SRV.**



# 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?

	Overall	Male	Female	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer
Mean rating	3.32	3.24	3.39	3.60	3.20	3.16	3.37	3.28	3.54
T3 Box	80%	78%	82%	89%	77%	73%▼	83%	79%	86%
Base	400	188	212	83	105	99	114	343	57



	Aware of SRV	Not aware/ Not sure
Mean rating	3.15▼	3.40
T3 Box	73%▼	84%
Base	126	274

	Hunters Hill Council	Micromex LGA Benchmark*
Mean rating	3.32	3.35
T3 Box	80%	83%
Base	400	2,978

\*Please note: this benchmark is an interim benchmark for a point of reference only. The benchmark is created using 7 LGA's (Byron Shire Council, Great Lakes Council, The Hills Shire Council, Lake Macquarie Council, Lithgow City Council, Wingecarribee Shire Council and Central Coast Council)  
Scale: 1 = not at all satisfied, 5 = very satisfied

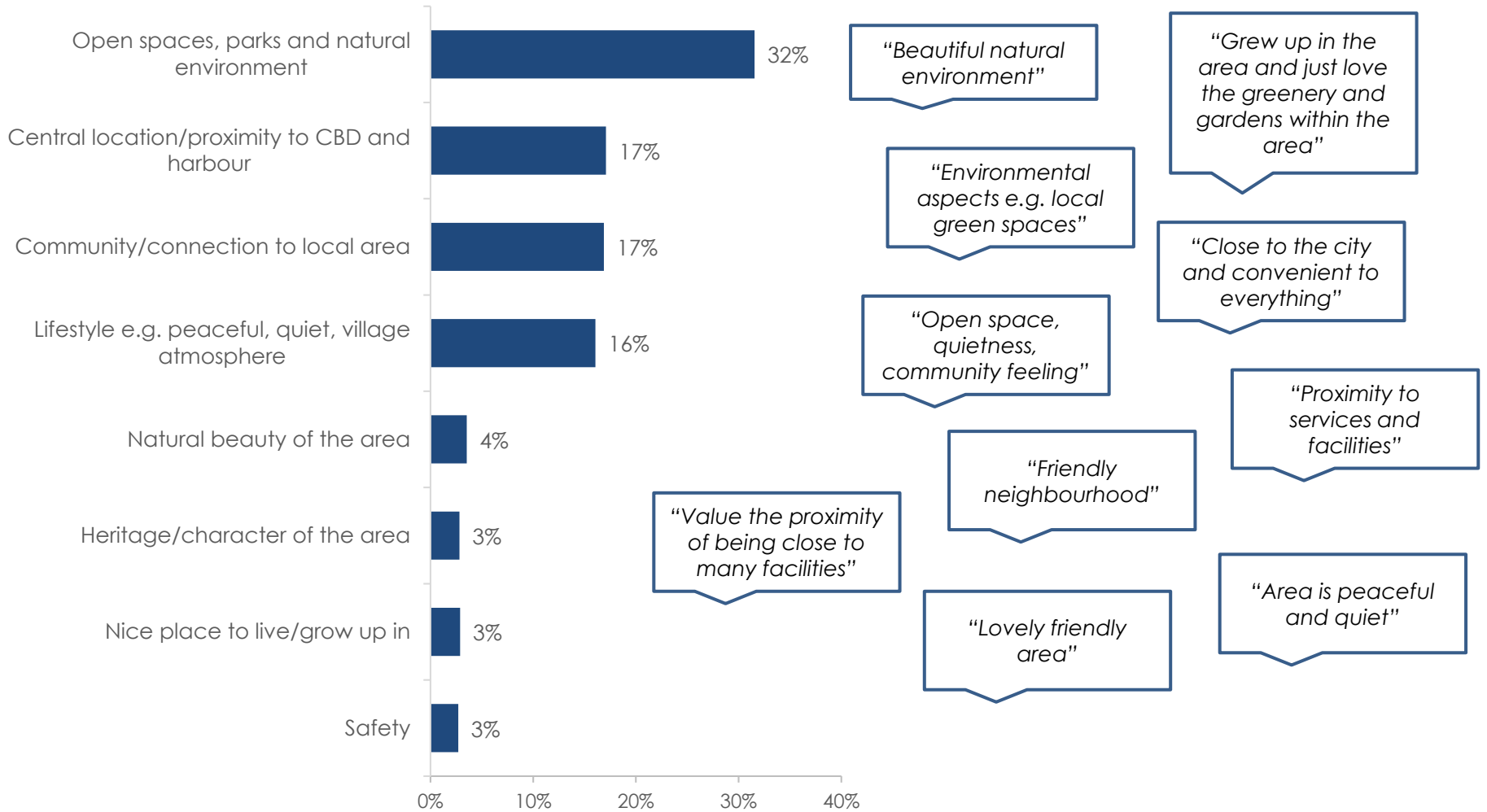
T3 box = somewhat satisfied/satisfied/very satisfied

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

**80% of Hunters Hill residents are at least somewhat satisfied with the current quality of council-provided community assets. Those aged 50-64, and those previously aware of the SRV are significantly less satisfied.**

# 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?



Base: N = 400

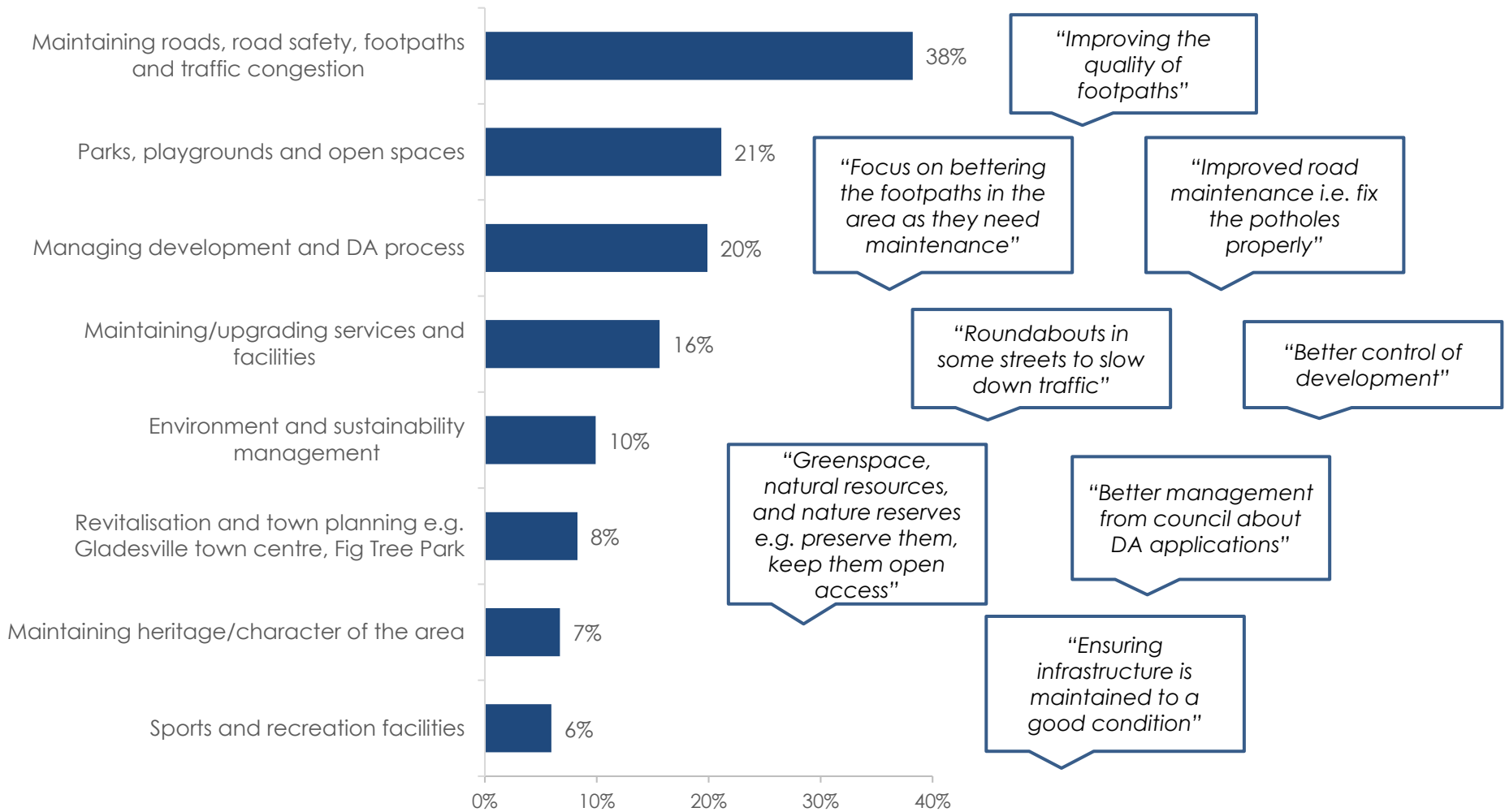
Please see Appendix A for full list of responses

**Residents in the Hunters Hill area value the open spaces, parks and natural environment. Location, sense of community and lifestyle were also common responses.**



# Top Priorities Over the Next Four Years

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



Base: N = 400

Please see Appendix A for full list of responses

**38% of residents believe that road maintenance/safety, footpaths and traffic congestion should be the top priority area for Council to focus on in the next 4 years. Parks, playgrounds and open spaces, and development management were also frequently mentioned.**

## 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

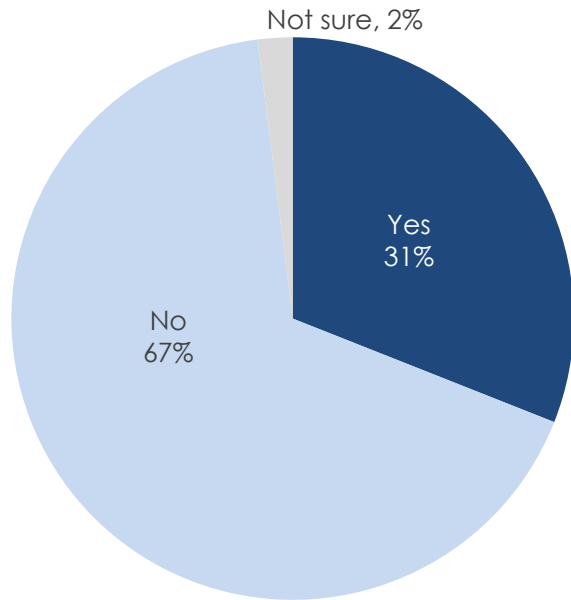




# Awareness of a Special Variation of Rates

Q6a. 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 %	31%	31%	32%	5%▼	30%	37%	47%▲	34%▲	18%
Base	400	188	212	83	105	99	114	343	57



Base: N = 400

	Hunters Hill Council	Micromex LGA Benchmark - Metro
Yes %	31%	30%
Base	400	2,431

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

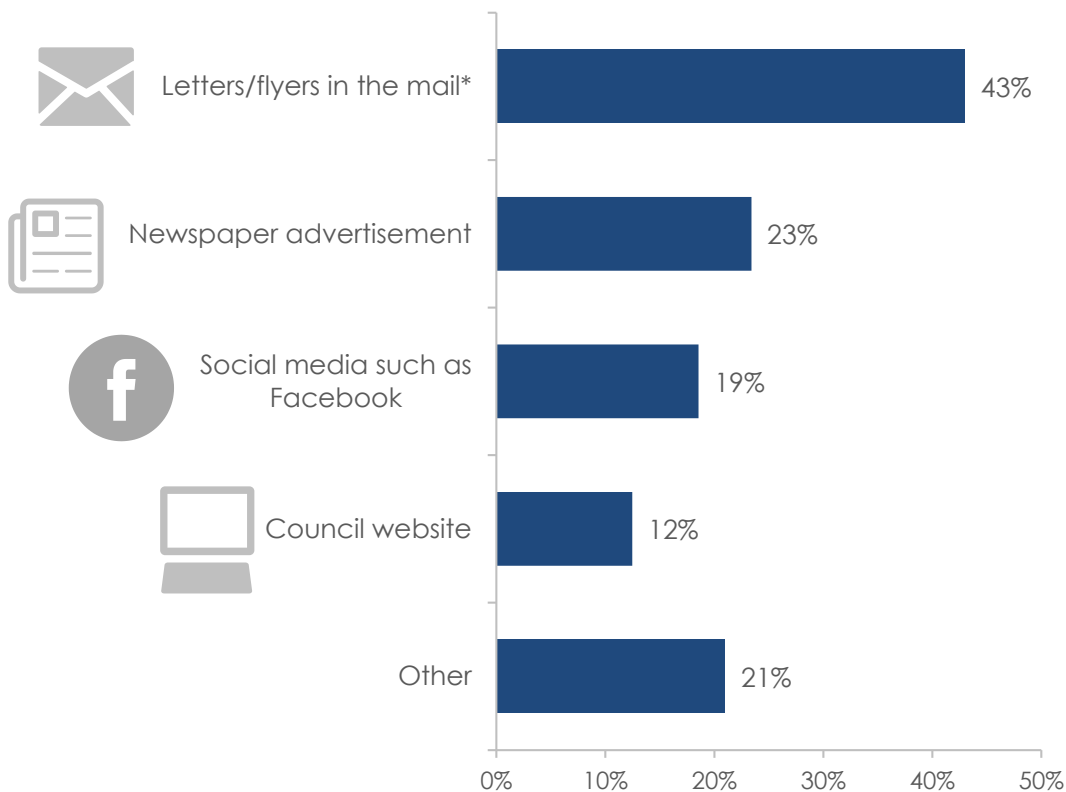
**31% of residents were previously aware that Hunters Hill Council was exploring community sentiment towards a Special Rate Variation. Older residents (65+) and ratepayers were significantly more likely to be aware of the SRV prior to the call.**

# Source of Information on a Special Variation of Rates

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)	Count
Word of mouth	9
Council newsletter (print and email)	7
Email	7
Local media	2
Phone call	2
Signage	1
Social groups	1

Base: N = 126

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

**Non-digital methods of communication were the most common ways for those aware of the SRV to be informed, with 43% mentioning they were informed via letters/flyers in the mail and 23% were informed via newspaper advertisements.**



# 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

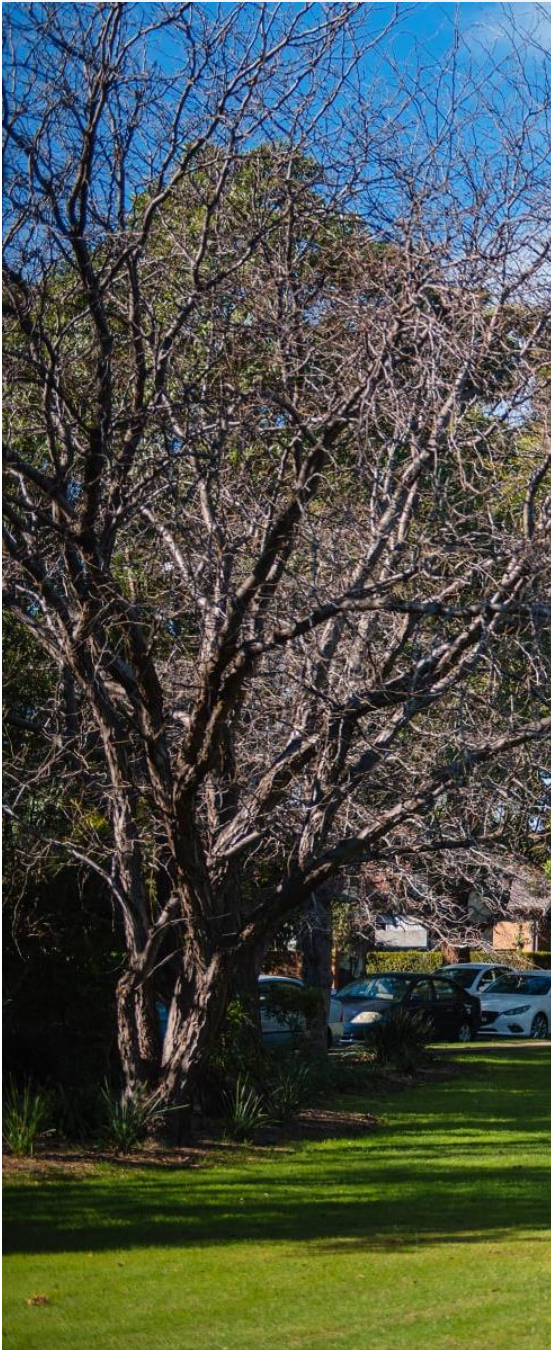
Residents were read the following concept statement prior to being asked to rate their support:

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:

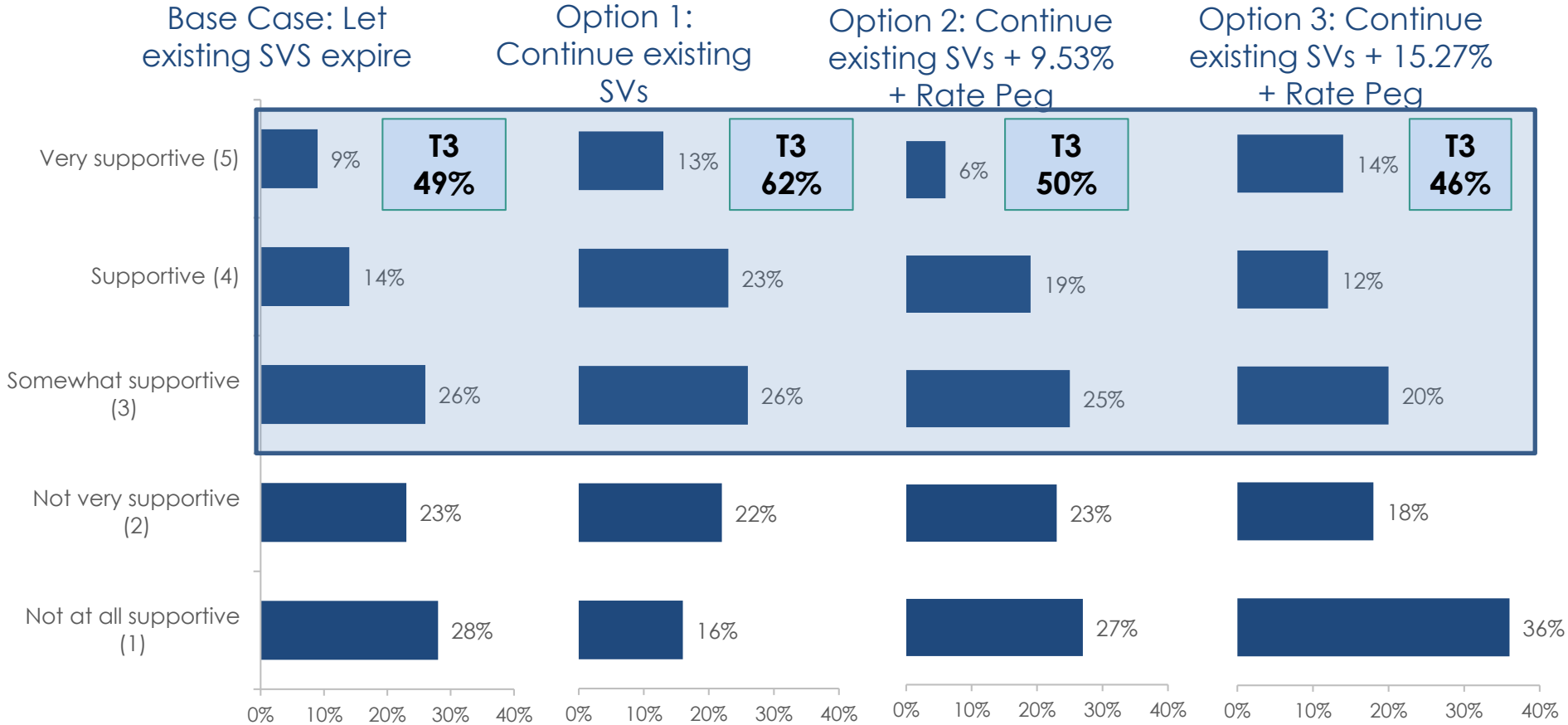
1. BASE CASE - LET EXISTING SV's EXPIRE
2. OPTION 1 - CONTINUE EXISTING SV's
3. OPTION 2 - CONTINUE SV's WITH AN ADDITIONAL INCREASE OF 9.53% + THE RATE PEG
4. OPTION 3 - CONTINUE SV's WITH AN ADDITIONAL INCREASE OF 15.27% + THE RATE PEG



# Summary of Support Scores - Monadic

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

## Support for Each Option



Base: N = 400

**Support is highest for option 1: Continue existing SVs, with 62% 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.

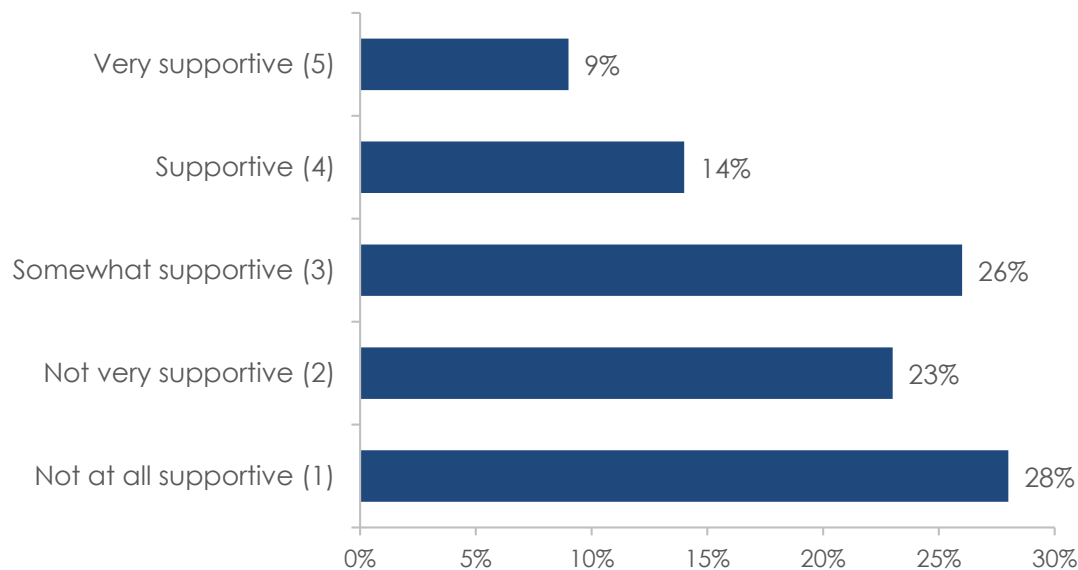
Under this scenario our asset backlog will be \$18.9m by 2030-31. As such the condition of our assets, including buildings, kerbs, seawalls, open space, footpaths and roads will decline and we will not be able to maintain our existing assets at the current rate of repair.



# Support for the Base Case

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

	Overall	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	2.52	2.51	2.53	2.76	2.50	2.50	2.38	2.48	2.74	2.42	2.56
T3 Box	49%	48%	49%	65%▲	47%	45%	41%	47%	58%	38%	53%▲
Base	400	188	212	83	105	99	114	343	57	126	274



Base: N = 400

T3 box = somewhat satisfied/satisfied/very satisfied

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

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

**49% of residents are at least somewhat supportive of Council proceeding with the base case option.**



## 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.

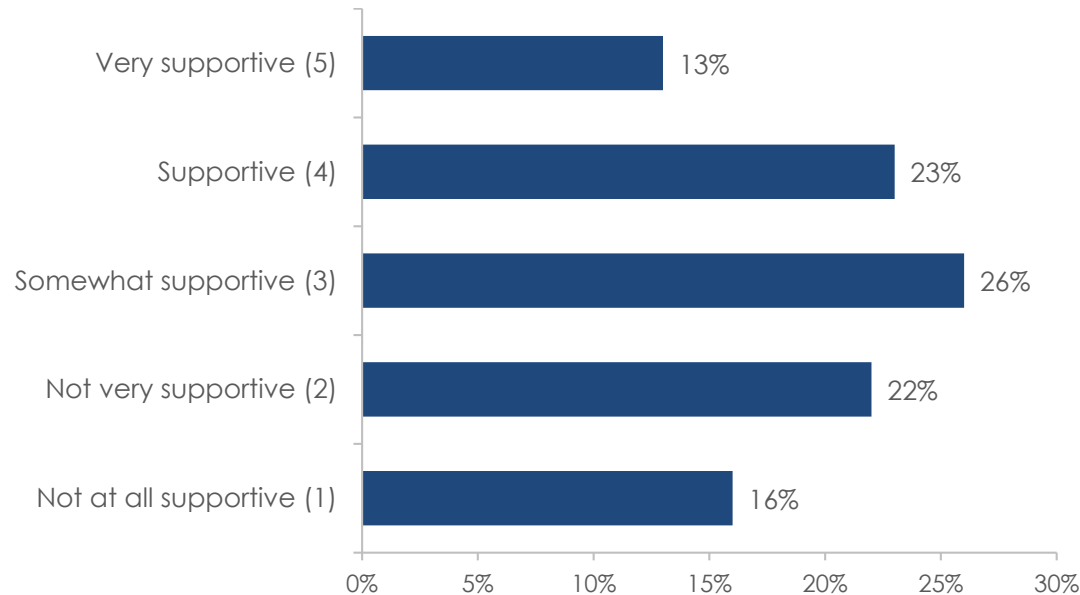
The projects outlined under the existing SVs would be completed, but there would be no increase in further maintenance projects.

\*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: Continue Existing SVs

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

	Overall	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	2.95	2.96	2.93	2.94	3.08	2.87	2.90	2.90	3.20	2.77	3.03
T3 Box	62%	59%	64%	65%	69%	56%	58%	61%	66%	52%	66%▲
Base	400	188	212	83	105	99	114	343	57	126	274



Base: N = 400

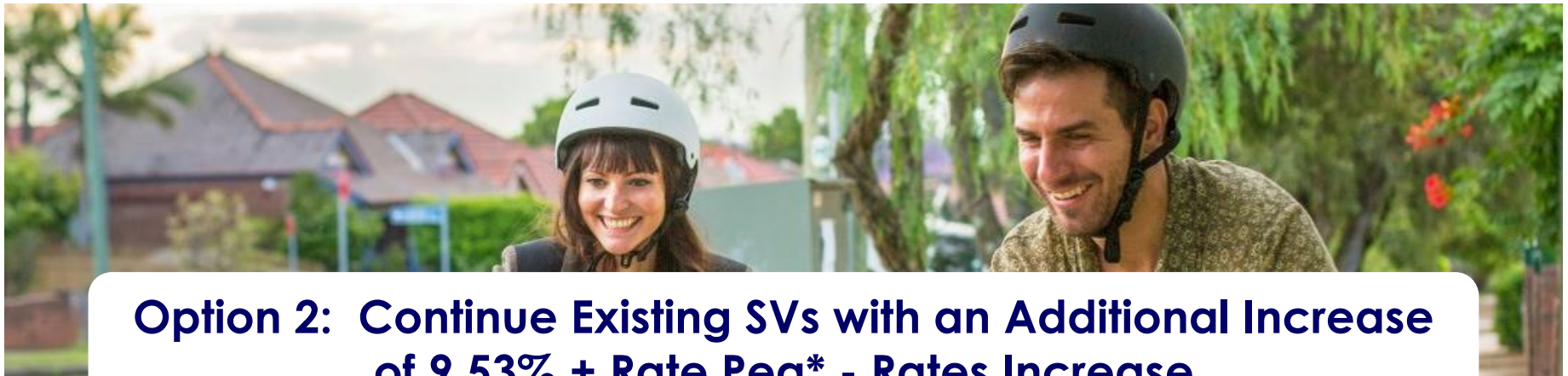
T3 box = somewhat satisfied/satisfied/very satisfied

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

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

**62% of residents are at least somewhat supportive of Council proceeding with the option to continue with the existing SVs, with those not previously aware of the SRV more likely to be supportive of this option.**





## **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.

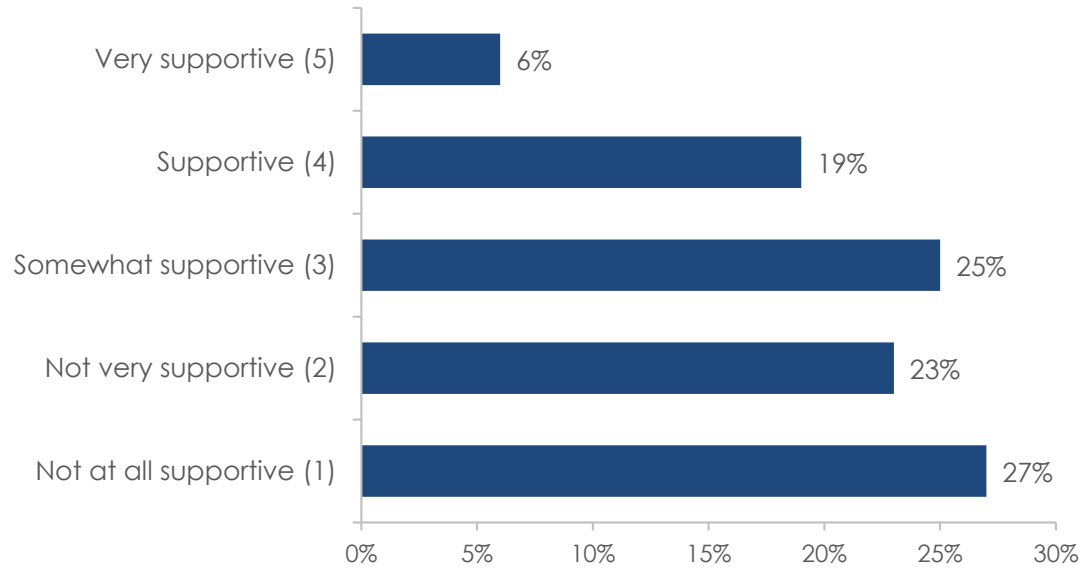
There would be an increase in some maintenance projects to improve general facilities and infrastructure. However, the condition of our buildings, kerbs, open space and footpaths will decline.

\*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

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

	Overall	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	2.53	2.55	2.52	2.43	2.80▲	2.47	2.42	2.52	2.63	2.57	2.52
T3 Box	50%	50%	50%	49%	59%▲	46%	46%	49%	55%	51%	49%
Base	400	188	212	83	105	99	114	343	57	126	274



Base: N = 400

T3 box = somewhat satisfied/satisfied/very satisfied

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

**50% of residents are at least somewhat supportive of Council proceeding with the option to increase rates by 9.53%. Those aged 35-49 are significantly more likely to support this option.**



## **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.

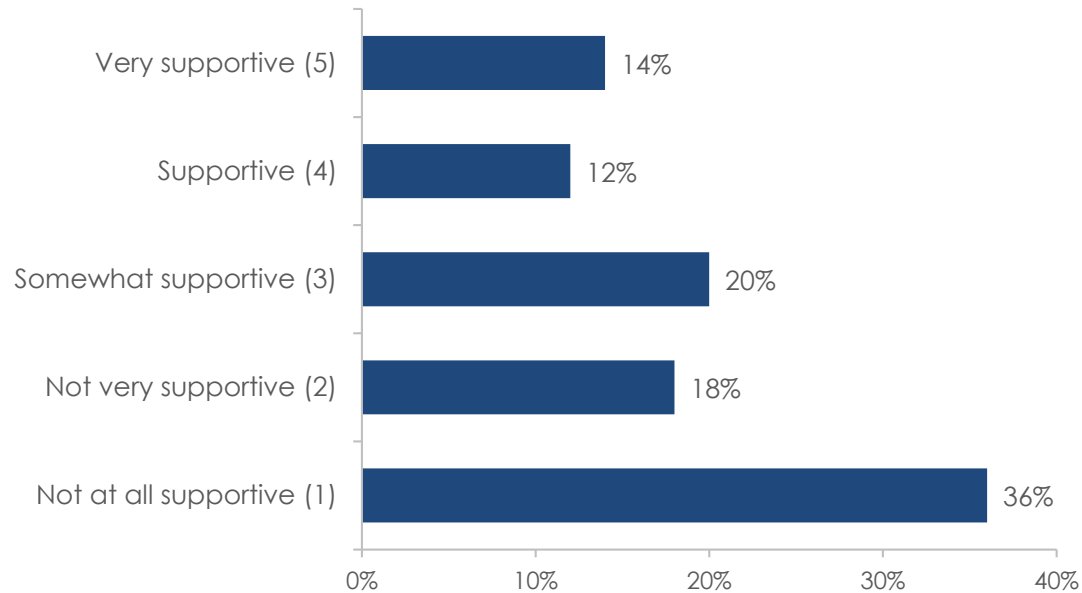
\*The order of presenting ' Option 1: Existing SVs', 'Option 2: Existing SVs with an additional increase of 9.53% + Rate Peg' and 'Option 3: Existing SVs with an additional increase of 15.27% + Rate Peg' options was randomised to reduce position bias.



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

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

	Overall	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	2.49	2.53	2.46	2.73	2.37	2.41	2.49	2.43	2.88	2.45	2.51
T3 Box	46%	47%	45%	57%	45%	41%	43%	43%	65%▲	44%	47%
Base	400	188	212	83	105	99	114	343	57	126	274



Base: N = 400

T3 box = somewhat satisfied/satisfied/very satisfied

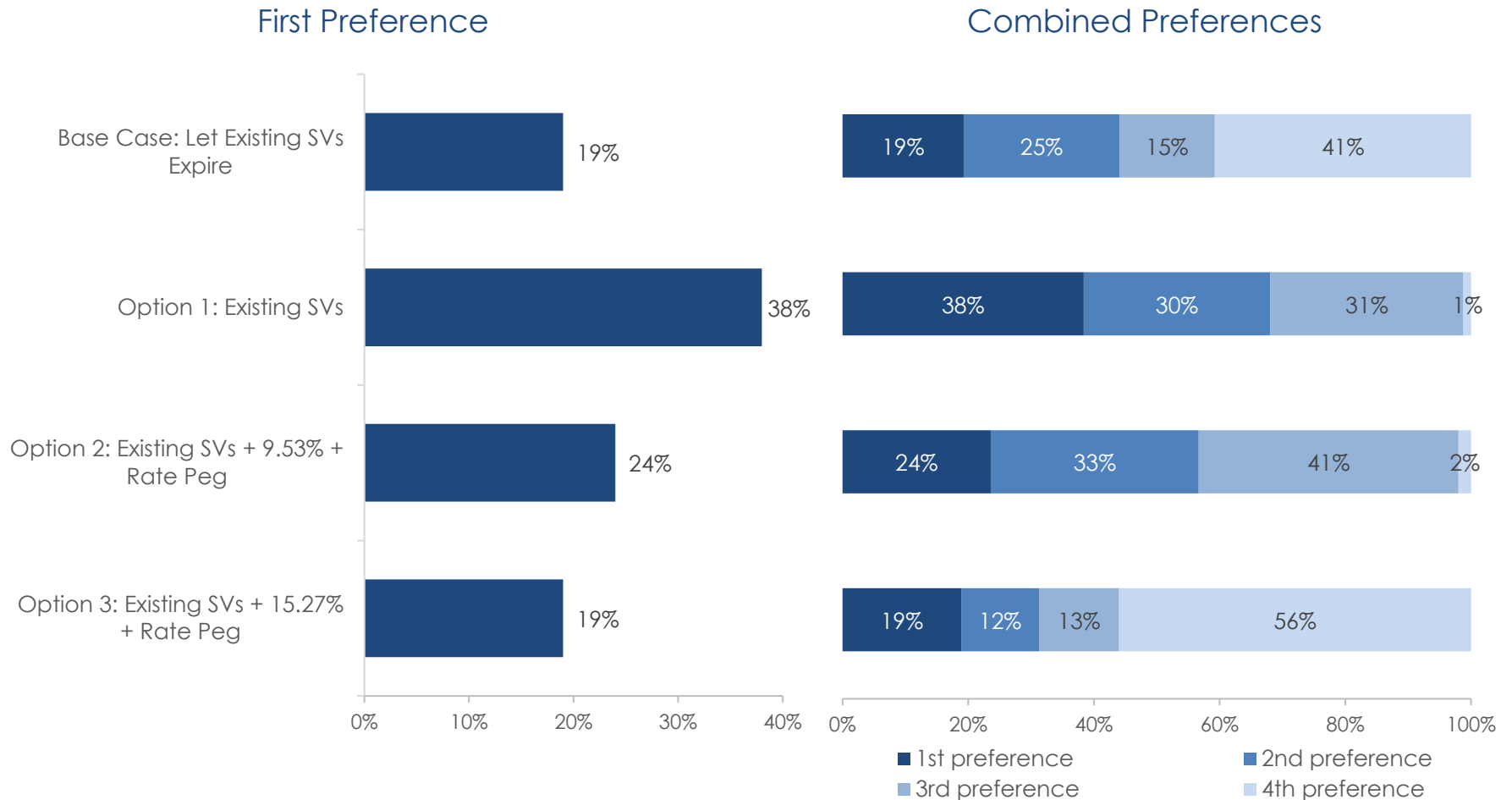
Scale: 1 = not at all supportive, 5 = very supportive

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

**46% of residents are at least somewhat supportive of option 3: continuing existing SVs + 15.27% + rate peg. Non-ratepayers are significantly more likely to be supportive of this option.**

# Preferred Options

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



Base: N = 396 - 397

\*Note: 3 respondents refused to give a preference, and one respondent only gave a first preference

**1<sup>st</sup> preference is singularly stronger for Option 1 (38%).**

**However in total, 43% of residents have 1<sup>st</sup> preferred either Option 2 or Option 3.**

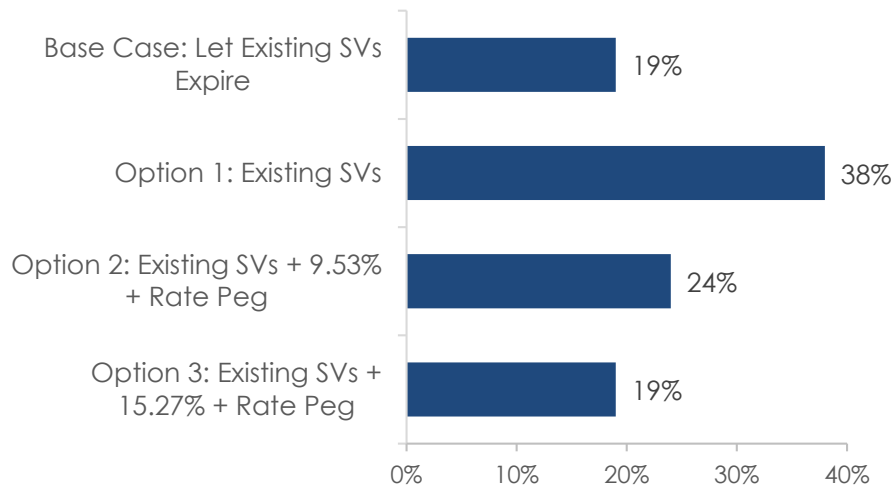
**Less than 20% of residents 1<sup>st</sup> preferred the Base Case.**

# Preferred Option

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

First preference	Overall	Male	Female	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer
Base Case: Let Existing SVs Expire	19%	23%	16%	16%	18%	23%	20%	19%	19%
Option 1: Existing SVs	38%	36%	41%	51%	32%	35%	38%	39%	37%
Option 2: Existing SVs + 9.53% + Rate Peg	24%	22%	25%	14%	36%▲	21%	21%	25%	18%
Option 3: Existing SVs + 15.27% + Rate Peg	19%	20%	18%	19%	14%	20%	22%	18%	25%
Base	396-397*	186	211	83	104	99	111	340	56

## First Preference



Base: N = 396 - 397

\*Note: 3 respondents refused to give a preference, and one respondent only gave a first preference

	Aware of the SV prior to call	Not aware/not sure
Base Case: Let Existing SVs Expire	21%	19%
Option 1: Existing SVs	29%▼	43%
Option 2: Existing SVs + 9.53% + Rate Peg	31%▲	20%
Option 3: Existing SVs + 15.27% + Rate Peg	20%	19%
Base	126	271

For the most part the data is reasonably consistent across the demographics.

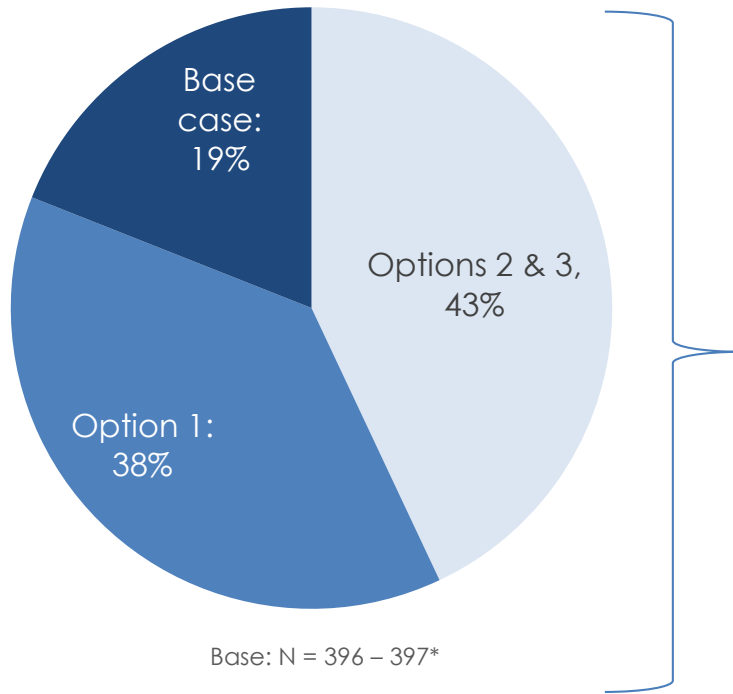


# Reasons for Preferences

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

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

## First Preference



## Top Reasons for Preference

Options 2/3: Continue existing SVs + increase	% of total population
Balance between increased costs and maintaining level of services/infrastructure	21%
Maintaining/upgrading quality services, facilities and infrastructure	20%
Willing to pay more to maintain the area/quality of living	5%

Option 1: Continue existing SVs	% of total population
Cost of rates is already high/can't afford to pay more	11%
Council should reduce expenditure/manage finances better	10%
Balance between increased costs and maintaining level of services/infrastructure	10%

Base case	% of total population
Council should reduce expenditure/manage finances better	9%
Cost of rates is already high/can't afford to pay more	6%
Council should leave rates as is/seek other alternatives for generating revenue	3%

\*Note: 3 respondents refused to give a preference,

**For those preferring the increase options, having a balance between increasing costs and maintaining service levels, as well as ensuring services and facilities are maintained/upgraded were the most common responses.**

# 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?

'Everything needs to be upgraded so if council needs more funding to do so then its acceptable to raise rates'

'Understandable costs rise and to best manage the situation we need that increase in the rates'

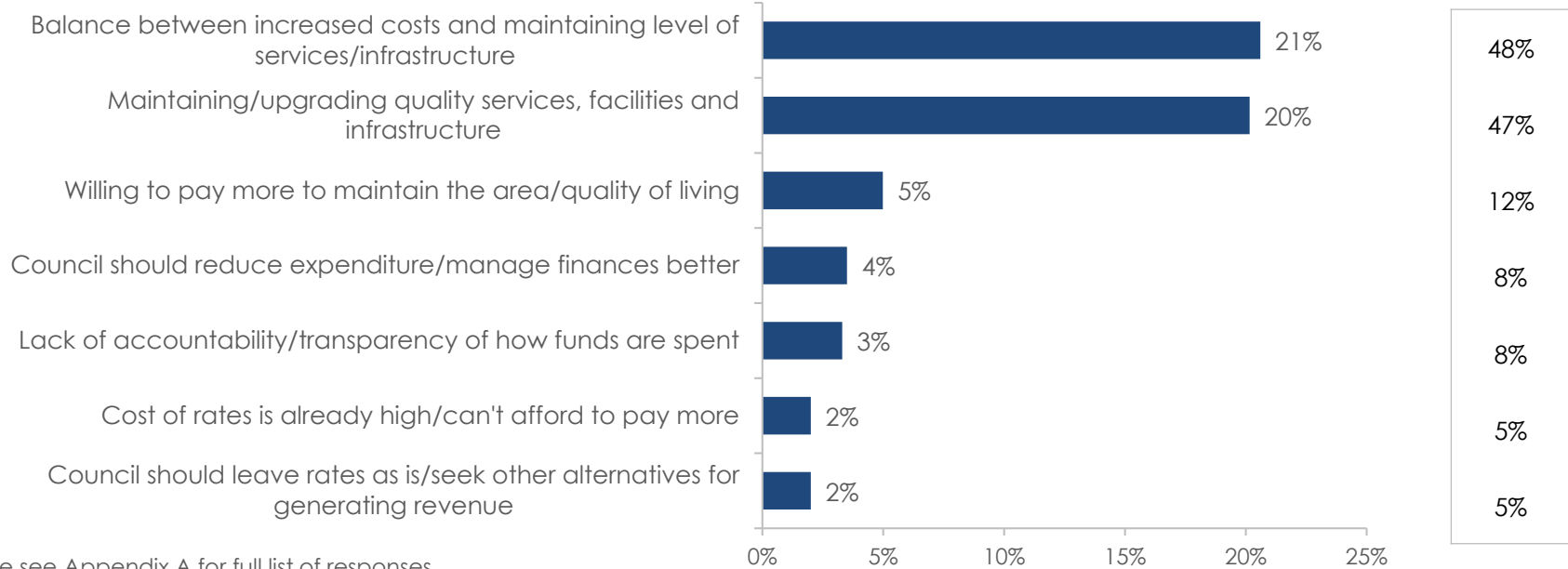
'A reasonable increase for what council is trying to provide the community'

'We need to keep the infrastructure maintained and the area to be kept in good manner'

'We have to make sure the place is maintained'

## Options 2/3: Continue Existing SVs + increase + Rate Peg % of total sample (N=396)

% of respondents preferring options 2 or 3 (N=168)

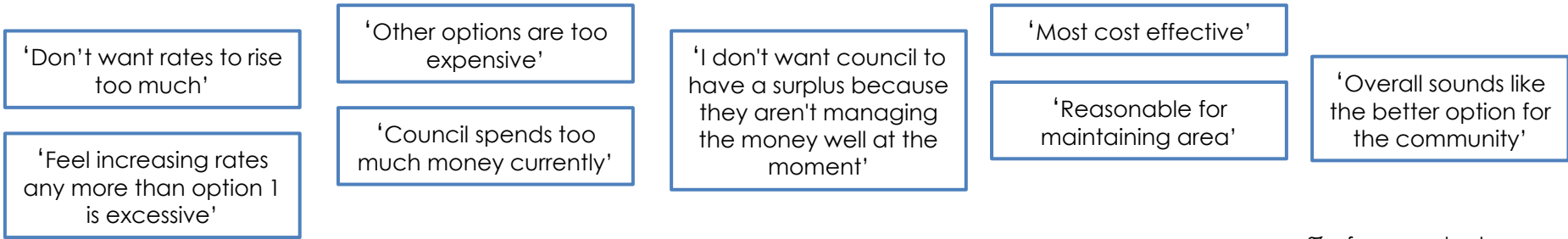


Please see Appendix A for full list of responses

**The main reasons for choosing options 2 or 3 as their first preference was that residents believe that there should be a balance between increasing costs and maintaining the level of service, and that the services, facilities and infrastructure in the area need to continue to be maintained/upgraded.**

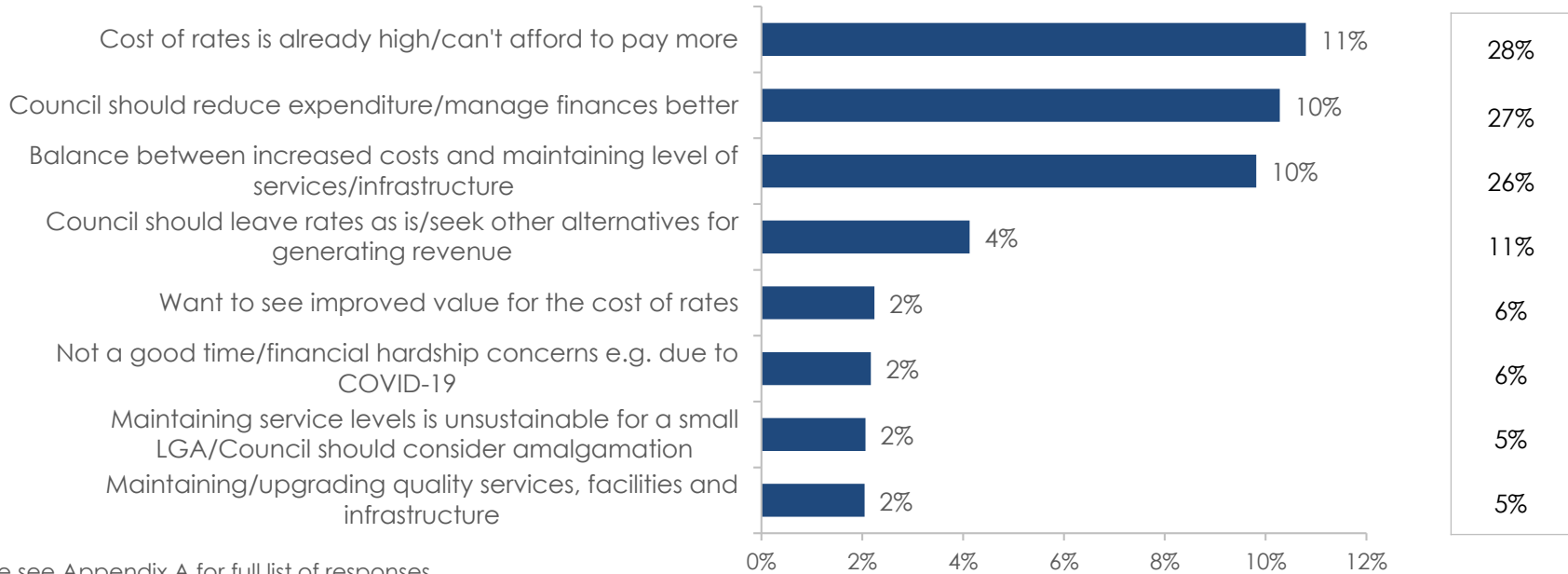
# Reasons for Preferring Option 1: Continue Existing SVs

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



## Option 1: Continue Existing SVs % of total sample (N=396)

% of respondents preferring option 1 (N=152)



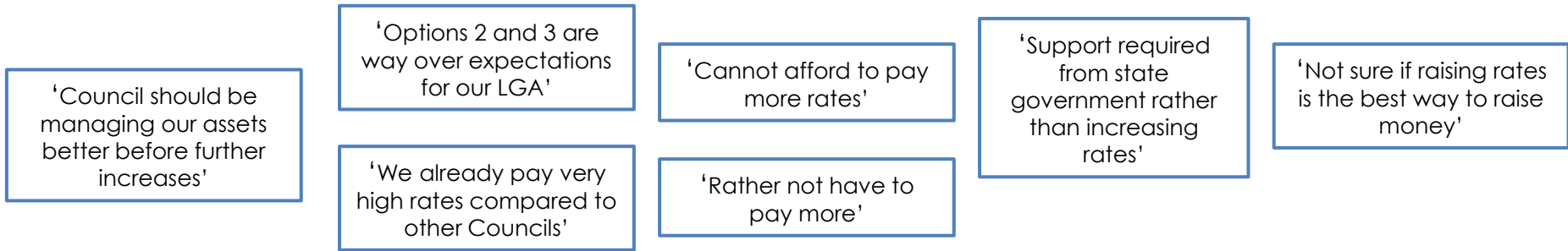
Please see Appendix A for full list of responses

**Of the 4 options, option 1: continue existing SVs was the preferred option for 38% of residents. Main reasons for selecting this as top preference include that the cost of rates is already high, that Council should manage their finances better and that there needs to be a balance between increasing costs and maintaining service levels.**



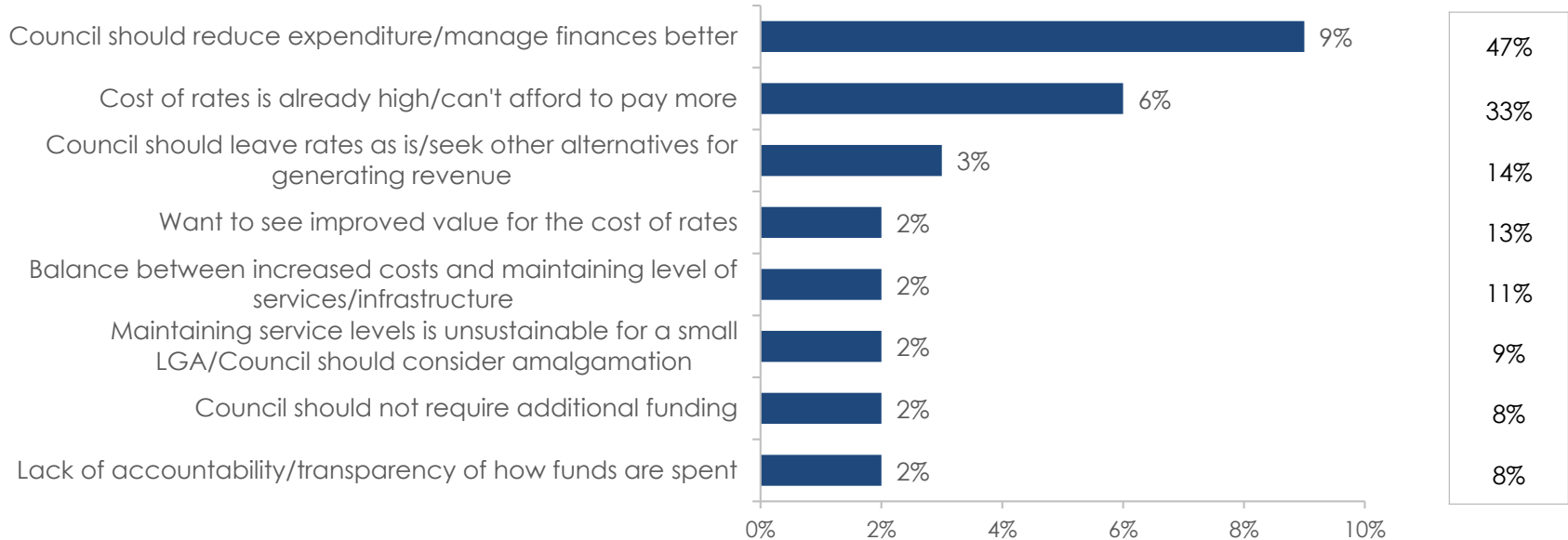
# Reasons for Preferring the Base Case Option

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



## Base Case: Let existing SVs expire % of total sample (N=396)

% of respondents preferring the base case option (N=76)



Please see Appendix A for full list of responses

**Just under half of those that selected the Base Case option as their first preference believe that Council need to improve their financial management, and 33% believe that the cost of rates is already high, and the community can not afford to pay more.**



# Appendix A: Additional Analysis



# 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?

	N=400
Open spaces, parks and natural environment	32%
Central location/proximity to CBD and harbour	17%
Community/connection to local area	17%
Lifestyle e.g. peaceful, quiet, village atmosphere	16%
Natural beauty of the area	4%
Heritage/character of the area	3%
Nice place to live/grow up in	3%
Safety	3%
Low density housing/less crowded	2%
Access to facilities and services	1%
Clean/well maintained area	1%
Family friendly	1%
Public transport facilities	1%
Council is approachable/responsive/cares about residents	<1%
Good schools	<1%
Shopping, cafes and restaurants	<1%
Not sure/don't know	1%
Nothing	1%





# Top Priorities Over the Next Four Years

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

	N=400		N=400
Maintaining roads, road safety, footpaths and traffic congestion	38%	Provision of street lighting	3%
Parks, playgrounds and open spaces	21%	Bike paths/cycleways	2%
Managing development and DA process	20%	Council leadership and management	2%
Maintaining/upgrading services and facilities	16%	Culture and community	2%
Environment and sustainability management	10%	Improvements to the NBN/mobile services/power lines	2%
Revitalisation and town planning e.g. Gladesville town centre, Fig Tree Park	8%	More recreation areas e.g. access to the water	2%
Maintaining heritage/character of the area	7%	Services/facilities for children and youth	2%
Sports and recreation facilities	6%	Animal management	1%
Listening to/engaging with the community	5%	Keep doing what Council is currently doing	1%
Availability of public transport	4%	Public safety	1%
General maintenance/cleanliness of the area	4%	Remaining as independent Council/avoiding amalgamation	1%
Waste management and recycling	4%	Services/facilities for older residents	1%
Cost of rates/cost of living	3%	Managing population growth	<1%
Encouraging local business/supporting tourism	3%	More entertainment options	<1%
Financial management/allocation of resources	3%	Potential amalgamation	<1%
More shops, restaurants, cafes and community places in the area	3%	Other	4%
Parking	3%	Not sure/don't know	6%

# 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 2/3 (N=168)	% of total population (N=396)
Balance between increased costs and maintaining level of services/infrastructure	48%	21%
Maintaining/upgrading quality services, facilities and infrastructure	47%	20%
Willing to pay more to maintain the area/quality of living	12%	5%
Council should reduce expenditure/manage finances better	8%	4%
Lack of accountability/transparency of how funds are spent	8%	3%
Cost of rates is already high/can't afford to pay more	5%	2%
Council should leave rates as is/seek other alternatives for generating revenue	5%	2%
Council should not require additional funding	3%	1%
Want to see improved value for the cost of rates	3%	1%
Happy with current servicing levels	2%	1%
Maintaining service levels is unsustainable for a small LGA/Council should consider amalgamation	2%	1%
Not happy with current services/facilities	2%	1%
Council should communicate better	1%	1%
Lack of community consultation	1%	<1%
Lack of trust in Council	1%	<1%
Not a good time/financial hardship concerns e.g. due to COVID-19	1%	<1%
Other	3%	1%
Not sure/don't know	1%	<1%

# Reasons for Preferring Option 1: Continue Existing SVs

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

	% of respondents preferring option 1 (N=152)	% of total population (N=396)
Cost of rates is already high/can't afford to pay more	28%	11%
Council should reduce expenditure/manage finances better	27%	10%
Balance between increased costs and maintaining level of services/infrastructure	26%	10%
Council should leave rates as is/seek other alternatives for generating revenue	11%	4%
Not a good time/financial hardship concerns e.g. due to COVID-19	6%	2%
Want to see improved value for the cost of rates	6%	2%
Maintaining service levels is unsustainable for a small LGA/Council should consider amalgamation	5%	2%
Maintaining/upgrading quality services, facilities and infrastructure	5%	2%
Happy with current servicing levels	4%	2%
Lack of accountability/transparency of how funds are spent	4%	2%
The base case is more than sufficient	4%	2%
Council should not require additional funding	3%	1%
Lack of community consultation	3%	1%
Council doesn't act in the community's interests	2%	1%
Council should communicate better	1%	<1%
Council should focus on core services only	1%	1%
Lack of trust in Council	1%	<1%
Need more balanced/unbiased information	1%	1%
Not happy with current services/facilities	1%	<1%
Willing to pay more to maintain the area/quality of living	1%	<1%
Other	3%	1%
Not sure/don't know	6%	2%



# Reasons for Preferring the Base Case Option

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

	% of respondents preferring the base case option (N=76)	% of total population (N=396)
Council should reduce expenditure/manage finances better	47%	9%
Cost of rates is already high/can't afford to pay more	33%	6%
Council should leave rates as is/seek other alternatives for generating revenue	14%	3%
Want to see improved value for the cost of rates	13%	2%
Balance between increased costs and maintaining level of services/infrastructure	11%	2%
Maintaining service levels is unsustainable for a small LGA/Council should consider amalgamation	9%	2%
Council should not require additional funding	8%	2%
Lack of accountability/transparency of how funds are spent	8%	2%
The base case is more than sufficient	6%	1%
Not happy with current services/facilities	5%	1%
Council doesn't act in the community's interests	3%	1%
Not a good time/financial hardship concerns e.g. due to COVID-19	3%	1%
Lack of trust in Council	2%	<1%
Council should focus on core services only	2%	<1%
Maintaining/upgrading quality services, facilities and infrastructure	2%	<1%
Lack of community consultation	1%	<1%
Rate increases were meant to be temporary/not apply if amalgamation didn't go ahead	<1%	<1%
Other	1%	<1%
Not sure/don't know	3%	1%



# Appendix B: Further Demographics & Methodology



# Demographics

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

## Other Specified

	Count
Lives in a church	1
Owns property	1

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

## Other Language spoken

	N=400		N=400
Italian	3%	Armenian	<1%
Arabic	2%	Croatian	<1%
Cantonese	2%	Danish	<1%
Greek	2%	Dutch	<1%
Mandarin	2%	Estonian	<1%
French	1%	Filipino	<1%
German	1%	Hindi	<1%
Hungarian	1%	Indonesian	<1%
Persian	1%	Lebanese	<1%
Serbian	1%	Polish	<1%
Spanish	1%	Tamil	<1%
Teo chew	1%	Telegu	<1%
Vietnamese	1%		





# Background & Methodology

## Sample selection and error

A total of 400 resident interviews were completed. Respondents were selected by means of a computer based random selection process using Australian marketing lists.

A sample size of 400 residents 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=400 residents, 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 such as 'yes' (50%) to a question could vary from 45% to 55%.

The sample was weighted by age and gender to reflect the 2016 ABS Census data for Hunters Hill Council LGA.

## Interviewing

Interviewing was conducted in accordance with The Research Society Code of Professional Behaviour.

## 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: 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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