



Insight for
Business & Government

Greater Hume Shire Council Special Rates Variation Survey

Prepared for



by

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EXECUTIVE SUMMARY

This report presents the results of the Greater Hume Shire Council special rate variation survey, 2014. IRIS Research was commissioned by Council to conduct a comprehensive telephone-based survey among the area's residents. The survey sought to gauge community support for the proposal of lifting the minimum rates for the next 3 years. There were two different funding options put to residents. Those that pay residential rates were asked if they would support a 10.7% or \$68.96 per year rise for the next 3 years, while those that pay farmland / forestry rate payers were asked if they would support a 5.6% or \$107.70 per year for the next 3 years.

The key findings of the survey were that three fifths of residential rate paying residents (60.2%) supported the increase for the next 3 years, while 52.6% of farmland / forestry rate payers would support their proposed funding option.

1 INTRODUCTION

1.1 BACKGROUND

IRIS Research was commissioned by the Greater Hume Shire Council to undertake a survey of residents within the Local Government Area. The survey aimed to canvass the community on the proposal of lifting the minimum rates, so as to provide Council with additional resources to commit to the ongoing maintenance and renewal of Council assets, particularly the local road network.

It is noted that rates in NSW are largely linked to land value and in a predominantly rural council like Greater Hume Shire, Councilors view that an unfair burden could be placed on rural ratepayers. Given this, Council has proposed options for those residents that pay residential/residential villages/residential rural rates, as well as options for those that pay farmland/farmland forestry rates. The main aim of this survey is to measure the support for these options, amongst residents from these two rate paying groups.

1.2 RESEARCH OBJECTIVES

The main objectives of this survey were;

- Assess the level of support for a minimum rate variation, by residents that pay residential/residential villages/residential rural rates and those that pay farmland/farmland forestry rates.

1.3 RESEARCH METHODOLOGY

The survey, which followed the deliberative poll process, was conducted following an information package titled “Options for achieving a better road network” being mailed out to all resident rate payers explaining the financing options proposed by Council. The questionnaire was only administered to those residents that had read the information package, were a rate payer of the Greater Hume Shire Council and were aged 18 years plus.

The questionnaire was administered using IRIS's CATI facility. CATI facilitates strategies to combat non response using time shifted retries for non-contacts and a callback facility for the convenience of respondents. Adult decision makers were randomly selected across the local government area in proportion to population densities ensuring a geographic spread of response.

1.4 SURVEY RESPONSE

Interviews were conducted on the 12th to the 21st November 2014 between 4.00 and 8.30 p.m. A final sample of 501 adult decision makers was achieved. The maximum error on proportion for the total sample is +/- 4.4%.

The table below shows the compliance rate achieved for the entire sample. The compliance rate is the number of refusals as a proportion of completed surveys plus refusals. The result of 73% is a high compliance rate.

Table 1.1 Survey compliance rate

Response sequence	Outcome
Interviews	501
Refusals	182
<i>Valid contacts (Excludes disqualified – businesses, out of area, under 16yrs etc)</i>	683
Compliance rate	73%

Table 1.2 provides the breakdown of the township and villages of residents that completed the survey into Greater Hume Shire Council's special rate variation.

Table 1.2 Township or village

Which township or village do you live in?	%
Jindera	23%
Holbrook	21%
Culcairn	15%
Henty	13%
Walla Walla	10%
Gerogery/Gerogery West	6%
Burrumbuttock	6%
Walbundrie	2%
Morven	2%
Brocklesby	1%
Woomargama	1%
Other	1%

Total sample; Unweighted; base n = 501

SURVEY RESULTS

2 Council Infrastructure

Table 2.1 provides a summary of how important residents felt it was for Council to renew or maintain each of the 7 types of infrastructure at an acceptable level. To allow comparisons between infrastructure types, rating points 1 and 2 have been merged to form a 'low importance' category, while rating points 4 and 5 have also been merged to form a 'high importance category'.

The 7 types of infrastructure have been ranked from most important to lowest. Data that is colour coded blue denotes that it is significantly above the average score for that column, while red means it is significantly below the average.

Question: Can you tell me how important is it for Council to renew and maintain each type of the following infrastructure at an acceptable level?

Table 2.1: Importance of maintaining infrastructure at an acceptable level

Importance of Council Infrastructure	Low Importance (1 & 2)	Neither Unimp. nor Imp. (3)	High Importance (4 & 5)	Can't say	Mean
Rural sealed roads	3.4%	11.4%	84.4%	0.8%	4.38
Storm water and drainage	10.0%	13.4%	74.5%	2.2%	4.17
Town roads	6.8%	16.0%	76.4%	0.8%	4.16
Rural unsealed roads	9.0%	23.2%	66.1%	1.8%	3.95
Public halls and community buildings	11.8%	23.8%	63.9%	0.6%	3.77
Parks and Playgrounds	13.8%	25.0%	60.3%	1.0%	3.70
Swimming pools	25.9%	17.2%	54.5%	2.4%	3.44
Average for all 7 infrastructure types	11.5%	18.5%	68.6%	1.4%	3.94

Total sample; Unweighted; base n = 501

Blue font indicates that the cell is significantly higher than the column average

Red font indicates that the cell is significantly lower than the column average

- Residents rated 'Rural sealed roads' as the most important form of infrastructure that Council needs to maintain or renew. This finding supports Council's aim of introducing a special rate variation to assist with funding the ongoing maintenance of the local road network.

Table 2.2 provides the mean importance scores for each of the 7 types of infrastructure types by sex. Blue scores are significantly higher relative to red scores for that particular infrastructure type.

Table 2.2: Mean importance - maintaining infrastructure at an acceptable level by Sex

Importance by Sex		
Average	Male	Female
Rural sealed roads	4.31	4.43
Rural unsealed roads	3.86	4.09
Town roads	4.03	4.27
Storm water and drainage	4.02	4.35
Swimming pools	3.15	3.76
Parks and Playgrounds	3.48	3.90
Public halls and community buildings	3.59	3.92

Total sample; Unweighted; base n = from 497 to 501; total n = 501; 4 missing

Blue font indicates a significantly higher mean score within infrastructure type compared to opposite sex.

Table 2.3 provides the mean importance scores for each of the 7 types of infrastructure types by age. Blue scores are significantly higher relative to red scores for that particular infrastructure type.

Table 2.3: Mean importance - maintaining infrastructure at an acceptable level by Age

Importance by Age				
Average	18 to 29	30 to 49	50 to 64	65 years plus
Rural sealed roads	4.25	4.44	4.39	4.34
Rural unsealed roads	4.00	4.02	3.98	3.99
Town roads	3.50	4.37	4.10	4.16
Storm water and drainage	2.75	4.17	4.25	4.21
Swimming pools	3.00	3.81	3.39	3.47
Parks and Playgrounds	3.50	3.88	3.64	3.74
Public halls and community buildings	2.50	3.78	3.72	3.87

Total sample; Unweighted; base n = from 496 to 500; total n = 501; 5 missing

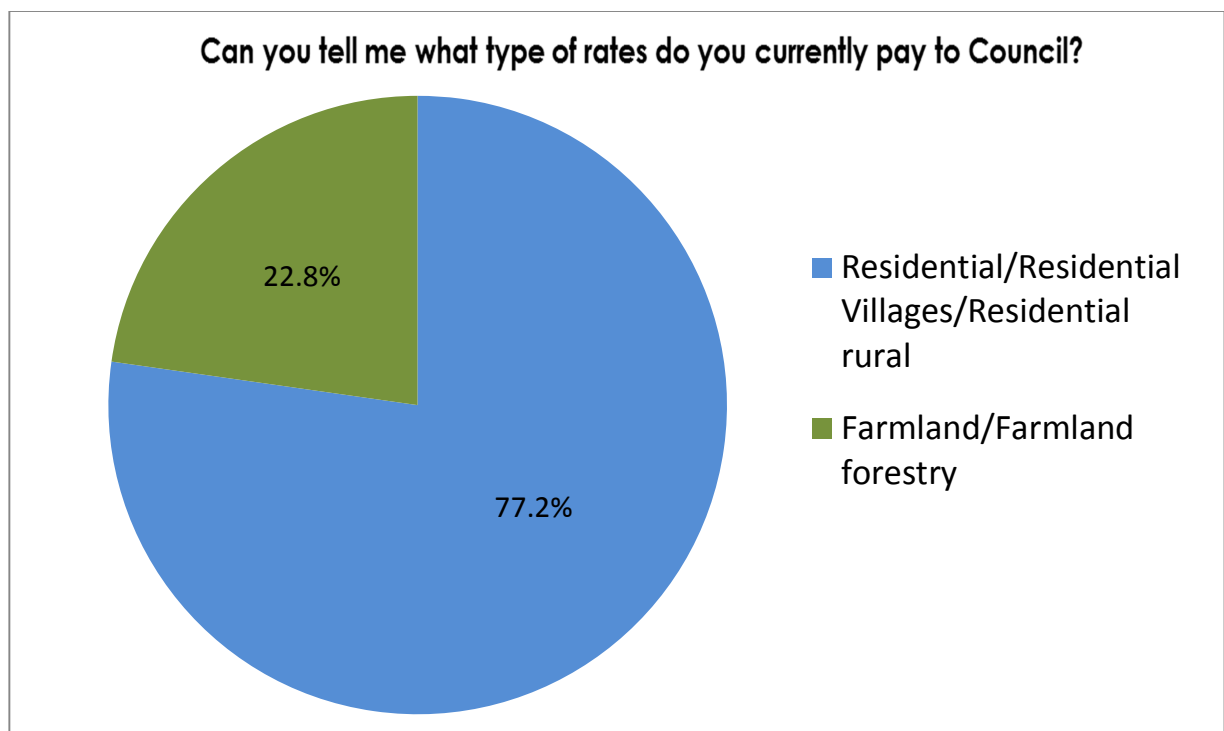
Blue font indicates a significantly higher mean score within infrastructure type compared to red font within age.

3 Council Rates

Given that Council has proposed different funding options for residential rate payers versus farmland rate payers, it is imperative to attain the views from these two groups. In order to achieve this, respondents were asked about the Council rates they currently pay. The results are shown in graph 3.1.

Question: Can you tell me what type of rates do you currently pay to Council?

Graph 3.1: Council rates (n=501)



- Around one in four residents surveyed (22.8%) indicated they pay farmland / farmland forestry rates, while 77.2% pay residential rates.

4 Residential/Residential Villages or Residential Rural Rates

Option 1 proposes a rate increase above the rate peg to improve service levels.

Under this option Council will have a greater capacity to fund the required renewal and maintenance of community's built assets such as roads, storm water and drains, swimming pools, parks, playgrounds, public halls and libraries. Under option 1 the average increase for residential rates including the rate peg will be:

10.7% or \$68.96 per year for the next 3 years

Option 2 proposes no increase above the rate peg.

This may lead to a reduction of service levels and a deterioration in the condition of community built assets, storm water and drains, swimming pools, parks and playgrounds, public halls and libraries to provide the funds needed for additional spending on roads. Under option 2 the average increase for residential rates for the rate peg will be:

3% or \$17.76 per year for the next 3 years

Question: *Of the two options proposed by Council, which option do you most support? (Read out)*

Table 4.1: Option most supported

Of the two options proposed by Council which option do you most support?	Overall	Age				Sex	
		18 to 29	30 to 49	50 to 64	65 years plus	Male	Female
Option 1: Improved service levels and community built assets with a special rate variation for the next three years	60.2%	33.3%	63.2%	59.2%	60.0%	53.2%	64.9%
Option 2: Only Maintain or a decline in service levels with no rate increase above the rate peg.	39.8%	66.7%	36.8%	40.8%	40.0%	46.8%	35.1%

Total sample; Unweighted; base n = 387; total n = 501; 114 missing

Blue font indicates a significantly higher proportion relative to red

- Three out of five residents that pay residential rates (60.2%) are supportive of improving service levels with a special rate variation for the next 3 years.
- Male residents were less supportive of option 1, compared to female residents.

Residential rate payers that were not supportive of Option 1 (39.8%), were subsequently asked what services and infrastructure they would like to see reduced. The responses have been coded and summarised into table 4.2.

Question: What services and infrastructure would you like to see reduced as a result?

Table 4.2: Services and infrastructure to reduce

	%
Nothing should be reduced	25%
Council should manage budget better	10%
Trees in main street / plants / planting / lopping trees / Maintenance	7%
Cut administration costs / staff	5%
Roads / unnecessary roadworks & maintenance	5%
Swimming pools	5%
Play grounds / parks	5%
Town Hall / Community Halls / Public Buildings	4%
Don't receive any / many services now	4%
Round about	2%
Can't afford higher rates	2%
Our suburb subsidises other areas	1%
Other	6%
No response given	20%

Total sample; Unweighted; base n = 153; total n = 501; 348 missing

- One in four residential rate payers (25%) that are not supportive of Option 1 indicated they did not want to see any service or infrastructure reduced.
- A further 10% felt Council should manage their budget better.

5 Farmland/Farmland Forestry Rates

Option 1 proposes a rate increase above the rate peg to improve service levels.

Under this option Council will have a greater capacity to fund the required renewal and maintenance of community's built assets such as roads, storm water and drains, swimming pools, parks, playgrounds, public halls and libraries. Under option 1 the average increase for farmland/farm forestry rates including the rate peg will be:

5.6% or \$107.70 per year for the next 3 years

Option 2 proposes no increase above the rate peg.

This may lead to a reduction of service levels and a deterioration in the condition of community built assets, storm water and drains, swimming pools, parks and playgrounds, public halls and libraries to provide the funds needed for additional spending on roads. Under option 2 the average increase for farmland/farm forestry rates for the rate peg will be:

3% or \$56.54 per year for the next 3 years

Question: *Of the two options proposed by Council, which option do you most support? (Read out)*

Table 5.1: Option most supported

Of the two options proposed by Council which option do you most support?	Overall	Age				Sex	
		18 to 29	30 to 49	50 to 64	65 years plus	Male	Female
Option 1: Improved service levels and community built assets with a special rate variation for the next three years.	52.6%	0.0%	54.5%	56.0%	48.8%	48.1%	56.5%
Option 2: Only Maintain or a decline in service levels with no rate increase above the rate peg.	47.4%	100.0%	45.5%	44.0%	51.2%	51.9%	43.5%

Total sample; Unweighted; base n = 114; total n = 501; 387 missing

- Half of all residents that pay farmland / forestry rates (52.6%) are supportive of improving service levels with a special rate variation for the next 3 years.

Farmland / forestry rate payers that were not supportive of Option 1 (47.4%), were subsequently asked what services and infrastructure they would like to see reduced. The responses have been coded and summarised into table 5.2.

Question: What services and infrastructure would you like to see reduced as a result?

Table 5.2: Services and infrastructure to reduce

	%
Nothing should be reduced	16%
Don't receive any / many services now	14%
Trees in main street / plants / planting / lopping trees / Maintenance	9%
Town Hall / Community Halls / Public Buildings	9%
Cut administration costs / staff	9%
Council should manage budget better	9%
Kerb guttering / storm water	7%
Roads /unecessary roadworks & maintenance	5%
Swimming pools	5%
Play grounds / parks	5%
No value for rates paid	5%
Can't afford higher rates	2%
Round about	0%
Our suburb subsidises other areas	0%
Other	5%

Total sample; Unweighted; base n = 43; total n = 501; 458 missing

- Results showed that 16% of farmland / forestry rate payers that are not supportive of Option 1 indicated they did not want to see any service or infrastructure reduced.
- A further 14% felt they didn't receive any / many services now so there was nothing really that could be reduced.