



Ballina Shire Council

Community Survey – Special Rate Variation

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Table of Contents

Background and Methodology.....	3
Sample Profile.....	6
Awareness of a Special Rate Variation.....	8
Support for a Special Rate Variation.....	11
Summary of Key Results.....	26
Community Diagnostics.....	28
Demographics.....	32
Appendix A.....	35
Appendix B - Questionnaire.....	42



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Background and Methodology

Background and Context

Background

Ballina Shire Council has identified that they need to be spending, at least, approximately \$2 million extra per annum on the renewal of their infrastructure assets. Council is also interested in taking a more proactive approach in respect to improving the health of its waterways.

As such, Council is considering an option to raise approximately \$2.3m extra per annum to undertake projects to improve their waterways and infrastructure by increasing rates and charges.

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

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

Objectives

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



Methodology & Sample

Data collection

Micromex Research, together with Ballina Shire Council, developed the questionnaire.

Interviewing

Respondents were selected by means of a computer based random selection process using the electronic White Pages. Telephone interviewing was conducted between the 28th January – 1st February 2017, in accordance with the AMSRS Code of Professional Behaviour.

Confidence Limits

N=403 interviews were conducted. A sample size of 403 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=403 residents, that 19 times out of 20 we would expect to see the same results, i.e. +/- 4.9%.

Percentages

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

Word Frequency Tagging

Verbatim responses for open questions were collated and entered into analytical software. This analysis 'counts' the number of times a particular word or phrase appears and, based on the frequency of that word or phrase, a font size is generated. The larger the font, the more frequently the word or sentiment is mentioned.



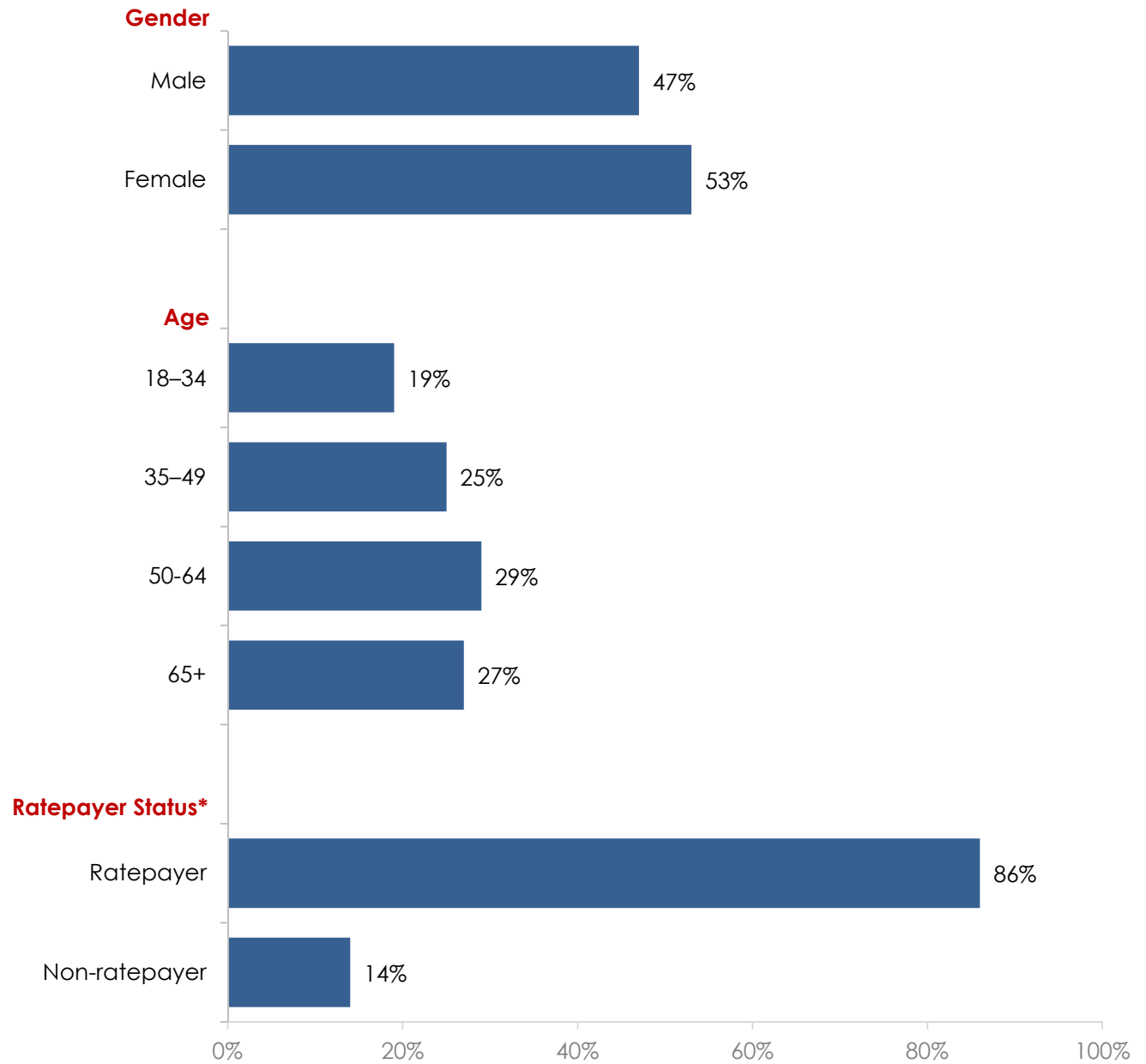


Sample Profile



The sample was weighted by age and gender, to reflect the 2011 ABS community profile of Ballina Shire Council

Sample Profile



Base: N = 403 *1 respondent refused to answer ratepayer status



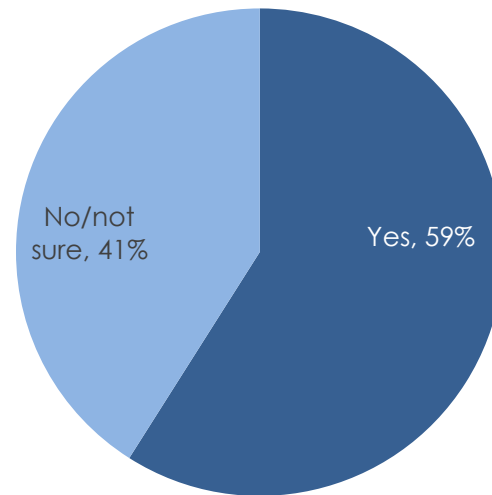
Awareness of a Special Rate Variation

Awareness of Council Exploring a Special Rate Variation

Q6a. Prior to taking 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+
Yes	59%	60%	58%	29%▼	51%	69%▲	77%▲
No/not sure	41%	40%	42%	71%	49%	31%	23%

	Ratepayer	Non-ratepayer	Alstonville	Ballina	Lennox Head	Skennars Head	Wardell	Wollongbar	Rural/other
Yes	65%▲	25%▼	60%	63%	60%	41%	42%	55%	48%
No/not sure	35%	75%	40%	37%	40%	59%	58%	45%	52%



Base: N = 403

Note: not sure = 1%

▲ ▼ = A significantly higher/lower level of awareness

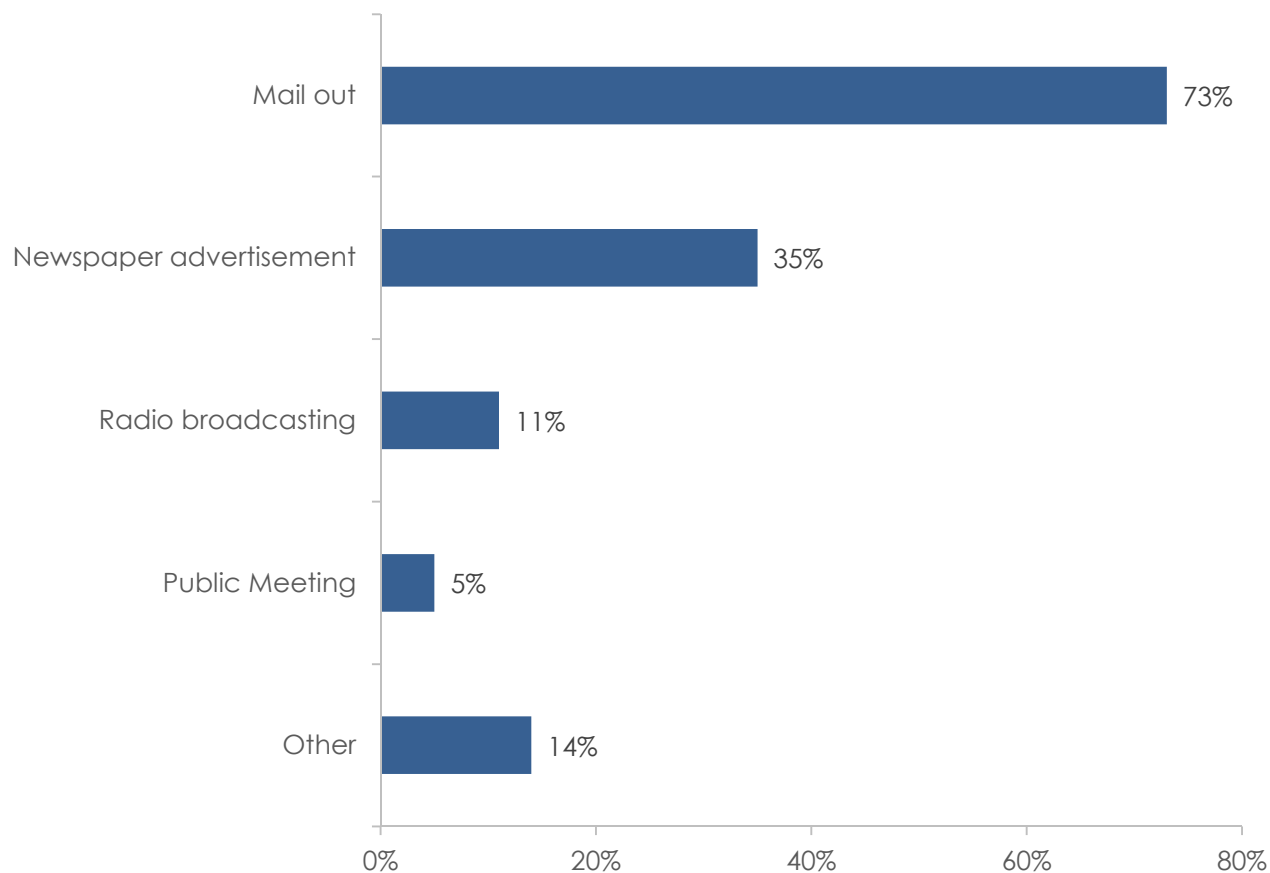


A large proportion of respondents (59%) were already aware that Council was exploring sentiment towards a Special Rate Variation, suggesting that Council had conducted effective methods of communication to the community regarding a SRV

Sources of Information on Special Rate Variation

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

Q6b. (If yes in Q6a), how were you informed about the Special Rate Variation?



Other specified	Count
Word of mouth	25
Council website	8
Council staff	2
Email from Council	2
Television	2
Notice board at council facility	1
Don't know	1

Base: N = 275

Note: see Appendix 1 for data cross analysed by demographics

The majority of respondents (73%) who were already aware of Council exploring community sentiment towards an SRV became informed via a 'mail out'. Ratepayers were significantly more likely to be informed via a 'mail out', whilst residents of Lennox Head and those over the age of 65 were significantly more likely to be aware via a 'newspaper advertisement'



Support for a Special Rate Variation

Concept Statement

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

The State Government introduced its Fit for the Future Reform in 2014, which required all NSW councils to assess their current position and demonstrate how the council will be financially sustainable into the future. In our submission, we identified that we need to be spending approximately \$2 million extra per annum on the renewal of our infrastructure assets such as:

- Roads
- Stormwater drainage
- Community buildings
- Open spaces
- Sports fields

In addition to this, during the recent council elections, the newly elected Councillors received feedback supporting Council taking a more proactive approach in respect to managing our waterways, particularly the Richmond River and its tributaries, along with Shaws Bay and Lake Ainsworth.

As such we are considering an option to raise approximately \$300,000 extra per annum to undertake projects to improve the health of OUR waterways. This extra spending on infrastructure and waterways will require an increase in rates and charges, which is known as a Special Rates Variation. To minimise the financial burden of the rate increase the allowable increases in waste collection, water and wastewater charges will be limited to approximately CPI for the next three years. In addition to this the Council will remove Council's waste operations charge of \$73 per annum.

There are four options which I would like you to consider. Each option will have varying impacts on local assets and service quality. In summary, the four options are:

- Option 1:** Rate peg only
- Option 2:** Improve the health of our waterways
- Option 3:** Maintain and improve our core infrastructure assets
- Option 4:** Maintain and improve our core infrastructure assets and improve the health of our waterways

Before we discuss these options in more detail, it is worth noting that all across NSW, residential rates increase each year by an amount that is set by the NSW Government – this is known as the Rate Peg. For the 2017-18 financial year, this increase is estimated to be 1.5%. In the two following years, this increase is estimated to be 2.5% each year.



Support for Option 1 – Rate Peg Only

OPTION 1 – Rate peg only

No special rate variation and the removal of the waste operations charge.

Rates would increase only by the usual annual rate peg amount of 1.5% for 2017/18 and an estimate of 2.5% for 2018/19 and 2019/20.

Over the three-year period, this is a cumulative increase of 6.6%.

Residential ratepayers who are paying around \$943 per year would pay around \$21 more each year. After three years, this would amount to an annual residential charge of \$1,006 by 2019/2020, an increase of \$63.

Even though the rate peg increase would apply each year, by removing the separate waste operations charge of \$73 in 2017/18, the average residential ratepayer will be paying \$11 less in 2019/20 than they are paying now for this combination of rates and charges.

Under this option there is the potential for long term deterioration of core infrastructure assets, including:

- Roads
- Buildings
- Footpaths
- Stormwater drainage
- Parks and open spaces, including playgrounds
- Sports field facilities

Council may also not be able to reach its goal of being financially sustainable and being confirmed as a Fit for the Future Council.

And there would also be limited proactive works undertaken to improve the health of our waterways.

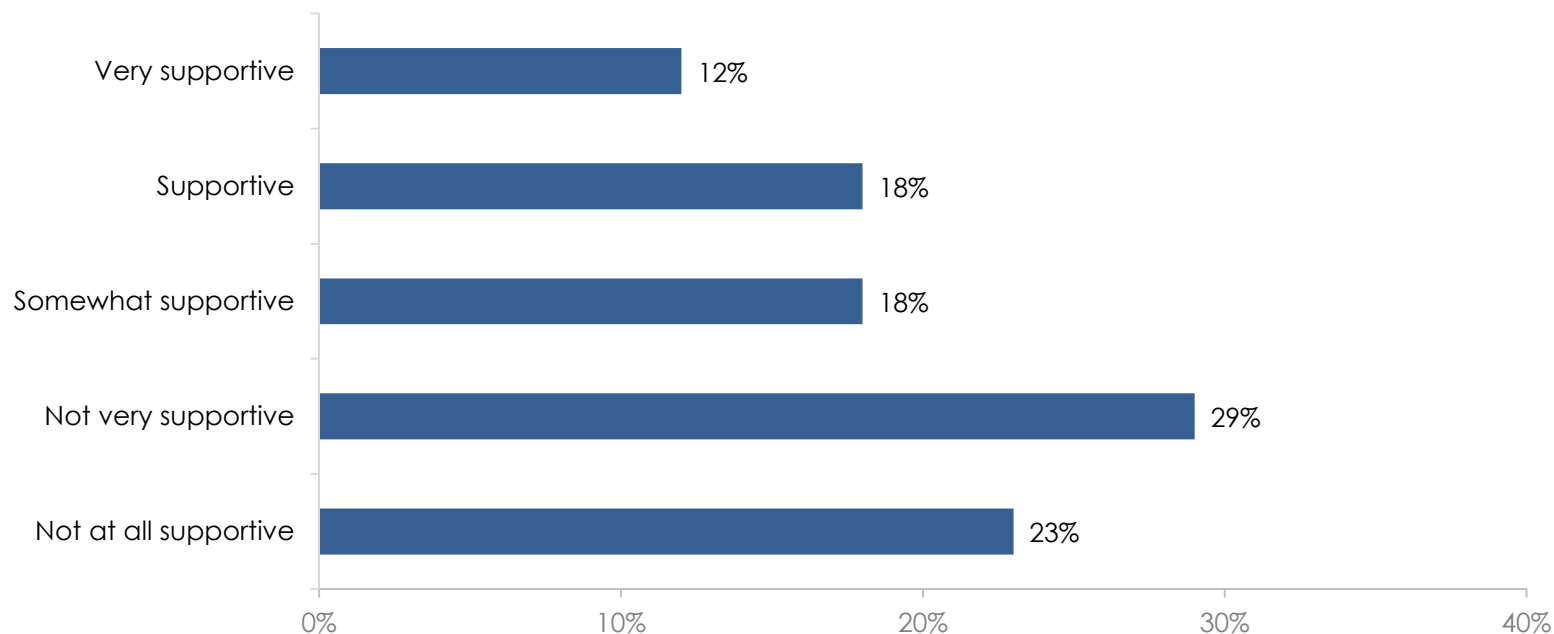


Support for Option 1 – Rate Peg Only

Q4a. How supportive are you of Council proceeding with Option 1?

	Overall	Male	Female	18-34	35-49	50-64	65+
Mean ratings	2.68	2.81	2.56	2.37	2.59	2.81	2.83

	Ratepayer	Non-ratepayer	Alstonville	Ballina	Lennox Head	Skennars Head	Wardell	Wollongbar	Rural/other
Mean ratings	2.71	2.48	2.81	2.72	2.67	2.39	3.10	2.23	2.36



Base: N = 403

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



Support for Option 1 was low, with over half of respondents (52%) being 'not very supportive' of 'not at all supportive' of a rate peg only

Support for Option 2 – Improve the Health of Our Waterways

OPTION 2 – Improve the health of our waterways

The long-term objective of the Healthy Waterways Program, especially for the Richmond River, is to bring back the fish and oysters to our estuary. Plans for Shaws Bay and Lake Ainsworth focus on their highly prized recreational values.

In addition to the usual rate pegging increase of 1.5% for 2017/18, this option would include an extra 1.5% Special Rate Variation, so a total increase of 3% for 2017/18.

This Special Rate Variation increase of 1.5% would only occur in the 2017-18 financial year, but it would be built into the rate base, meaning in future years rate peg increases would be applied to a larger base, thereby generating slightly more revenue to be allocated to the waterways.

Under this option, residential ratepayers who are paying around \$943 per year would pay, on average, \$971 next year, which is an increase of \$28. However, they would not pay the separate \$73 for the waste operations charge, resulting in an overall saving of approximately \$45 for 2017/18.

This option would generate approximately \$3.6 million over 10 years to undertake projects to improve the health of our waterways.

However, under this option there is the potential for long term deterioration of Council's core infrastructure assets due to a lack of funding.

Council may also not be able to reach its goal of being financially sustainable and being confirmed as a Fit for the Future Council.

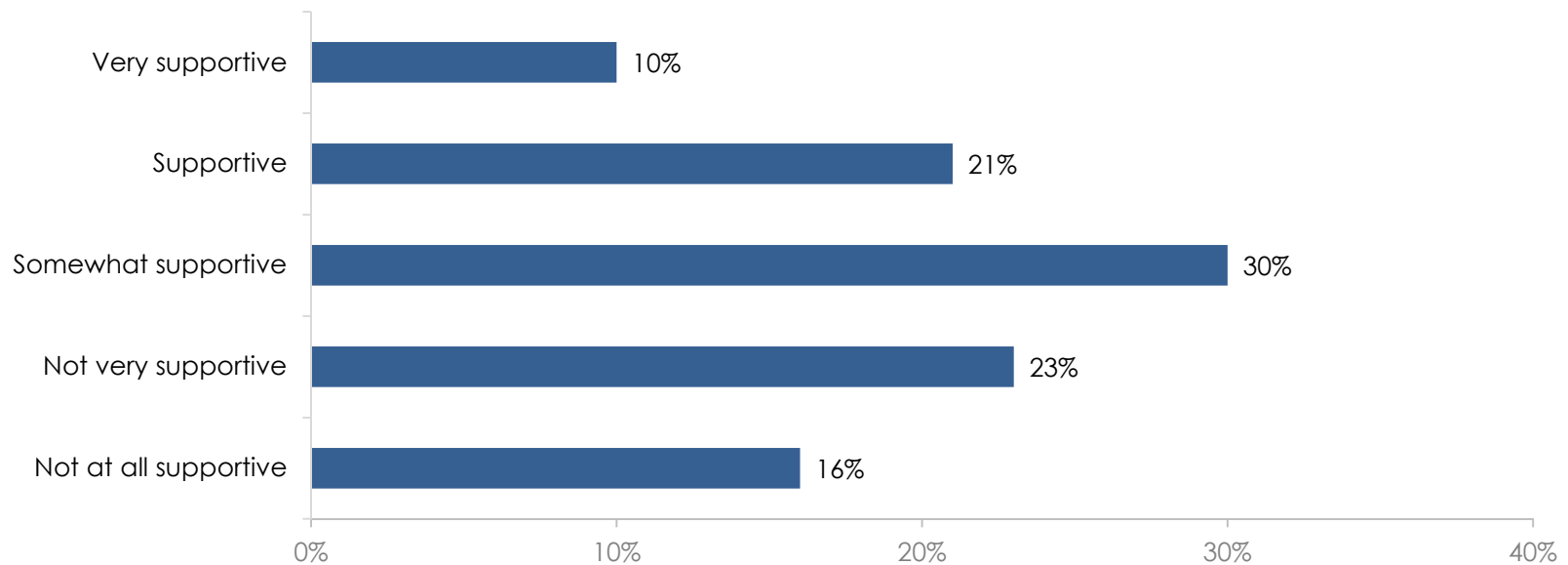


Support for Option 2 – Improve the Health of Our Waterways

Q4b. How supportive are you of Council proceeding with Option 2?

	Overall	Male	Female	18-34	35-49	50-64	65+
Mean ratings	2.86	2.84	2.89	2.82	2.95	2.74	2.95

	Ratepayer	Non-ratepayer	Alstonville	Ballina	Lennox Head	Skennars Head	Wardell	Wollongbar	Rural/other
Mean ratings	2.84	3.02	3.08	2.78	2.87	2.78	2.87	2.37▼	2.98



Base: N = 403

▲▼ = A significantly higher/lower level of support

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

61% of respondents were at least 'somewhat supportive' of Option 2 to improve the health of the waterways. Residents of Wollongbar were significantly less likely to be supportive of this option, possibly a reflection of its western location within the LGA making it one of the furthest points from Shaws Bay and Lake Ainsworth

Support for Option 3 – Maintain and Improve Our Core Infrastructure Assets

OPTION 3 – Maintain and improve our core infrastructure assets

This option is based on Council only implementing its Fit for the Future submission to focus on infrastructure but not waterways, which was based on a 2.9% increase above the estimated rate pegging limit for 2017/18 to 2019/20. Council would be able to deliver improvements to assets sooner and ensure that our existing assets do not deteriorate over time and we meet the State Government's Fit for the Future benchmarks.

In addition to the standard rate pegging increase of 1.5% for 2017/18 and 2.5% for 2018/19 and 2019/20, this option represents a total increase of 4.4% for 2017/18 and then 5.4% for both 2018/19 and 2019/20. Over the three-year period this is a cumulative increase of almost 16%.

Residential ratepayers who are paying around \$943 per year would pay, on average, around \$50 more each year. After three years, this would amount to an annual charge of \$1,094 by 2019/2020.

However, over the next 3 years some of this increase will be offset by the removal of the separate waste operations charge of \$73. The total actual increase over the period would be \$78 more than is currently being paid, which represents an increase of approximately \$26 each year.

At the end of the three-year period the Special Rate Variation increase would be built into the rate base, meaning in future years' rate peg increases would be applied to a larger base, thereby generating slightly more revenue to be allocated to community assets.

This option would generate approximately \$18 million over 10 years and Council would spend this on the renewal of the following infrastructure:

- \$11 million on roads and stormwater drainage
- \$2.5 million on buildings; and
- \$4.5 million on parks, open spaces and sports fields

Allocations within these infrastructure types may change over time depending on the highest priority works, but importantly the funds will always be spent on infrastructure renewal. However, there would be limited proactive works undertaken to improve the health of our waterways.

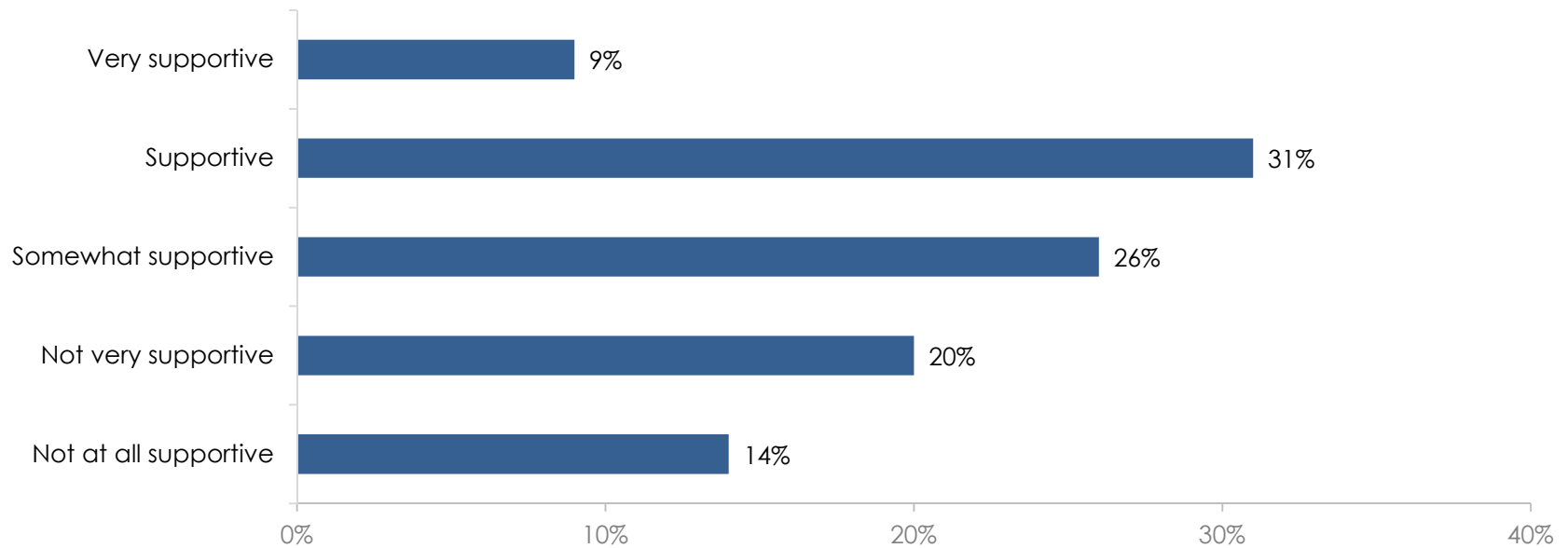


Support for Option 3 – Maintain and Improve Our Core Infrastructure Assets

Q4c. How supportive are you of Council proceeding with Option 3?

	Overall	Male	Female	18-34	35-49	50-64	65+
Mean ratings	3.01	3.09	2.95	2.92	3.00	2.98	3.11

	Ratepayer	Non-ratepayer	Alstonville	Ballina	Lennox Head	Skennars Head	Wardell	Wollongbar	Rural/other
Mean ratings	2.97	3.31	3.27	3.02	2.84	3.04	2.71	3.19	2.63



Base: N = 403

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



Two thirds of respondents (66%) were at least 'somewhat supportive' of Option 3 to maintain and improve core infrastructure assets

Support for Option 4 – Maintain and Improve Our Core Infrastructure and Improve the Health of Our Waterways

OPTION 4 – Maintain and improve our core infrastructure assets and improve the health of our waterways

This option represents a Special Rate Variation of 4.9% for 2017/18 and 5.9% for 2018/19 and 2019/20, to address both our assets and our waterways.

Residential ratepayers who are paying around \$943 per year would pay, on average, around \$55 more each year. After three years, this would amount to an annual charge of \$1,109 by 2019/2020. Over the three-year period this is a cumulative increase of 17.6%.

However, over the next 3 years some of this increase will be offset by the removal the separate waste operations charge of \$73. The total actual increase over the period would be \$93 more than is currently being paid, which represents an increase of approximately \$31 each year.

Therefore, the actual cumulative increase is 9.2% for the three-year period.

As per option three this option would generate approximately \$18 million over 10 years for asset renewal and Council would spend this on the renewal of the following infrastructure:

- \$11 million on roads and stormwater drainage
- \$2.5 million on buildings; and
- \$4.5 million on parks, open spaces and sports fields

Allocations within these infrastructure types may change over time depending on the highest priority works, but importantly the funds will always be spent on infrastructure renewal.

Council would be able to deliver improvements to assets sooner and ensure that our existing asset base did not deteriorate over time.

In addition, this option would generate approximately \$3.6 million over 10 years to undertake projects to improve the health of our waterways.

At the end of the three-year period the Special Rate Variation increase would be built into the rate base, meaning in future years' rate peg increases would be applied to a larger base, thereby generating slightly more revenue to be allocated to community assets and waterways. We should also be in a position to meet the State Government's Fit for the Future benchmarks.

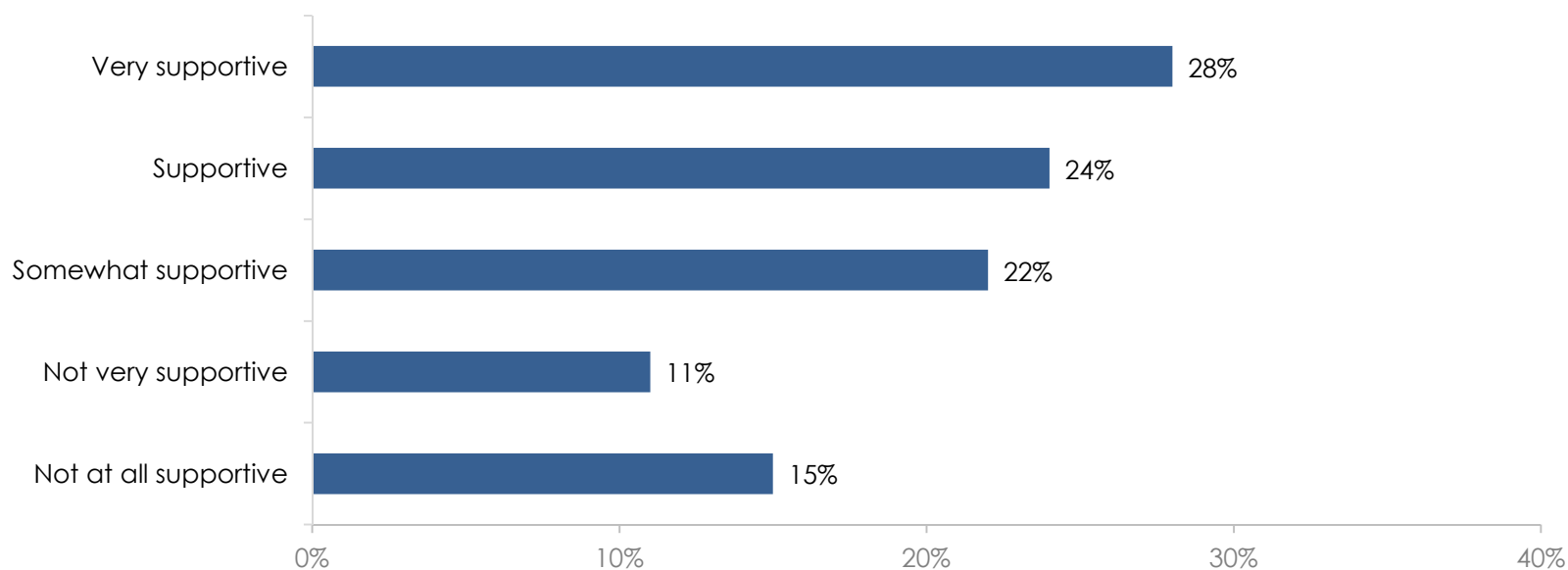


Support for Option 4 – Maintain and Improve Our Core Infrastructure and Improve the Health of Our Waterways

Q4d. How supportive are you of Council proceeding with Option 4?

	Overall	Male	Female	18-34	35-49	50-64	65+
Mean ratings	3.40	3.38	3.43	3.83▲	3.57	3.23	3.14▼

	Ratepayer	Non-ratepayer	Alstonville	Ballina	Lennox Head	Skennars Head	Wardell	Wollongbar	Rural/other
Mean ratings	3.31	3.98▲	3.58	3.37	3.23	4.05	2.67	3.34	3.51



Base: N = 403

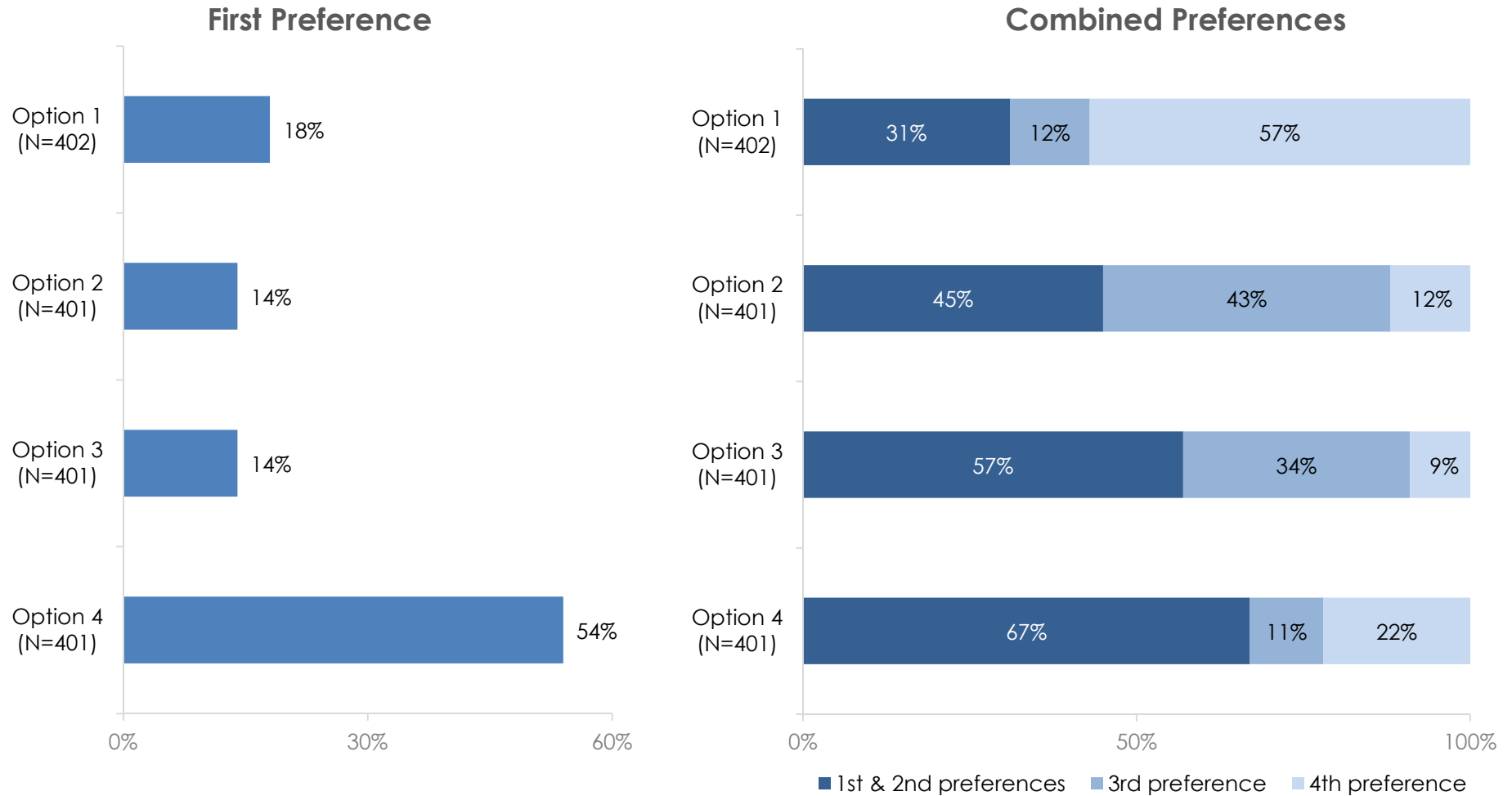
Note: see Appendix A for support for option 4 for ratepayers

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

Support was the highest for Option 4, with 74% of respondents (71% of ratepayers) being at least 'somewhat supportive'. 18-34 year olds and non-ratepayers were significantly more likely to be supportive of Option 4, whilst those over the age of 65 were significantly less likely

Preferences of Special Rate Variation Options

Q5a. Please rank the 4 options in order of preference:



Note: 1. One respondent refused to provide any preferences and one respondent refused to provide a 2nd, 3rd and 4th preference
 2. For data cross analysed by demographics, please see Appendix 1

Option 4 was the most popular choice by residents as their first preference. The variation in preference between Options 4 and 3 was reduced when examining combined 1st and 2nd preferences, however Option 4 remained the dominant choice. Residents who selected Option 4 as their first preference were significantly more likely to be satisfied with the performance of Council in the past 12 months, whilst those who selected Option 1 as their first preference were significantly less likely

Reasons for Preferring Option 4 (54%)

Q5a. Please rank the 4 options in order of preference:

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

'Best option to look after the community'

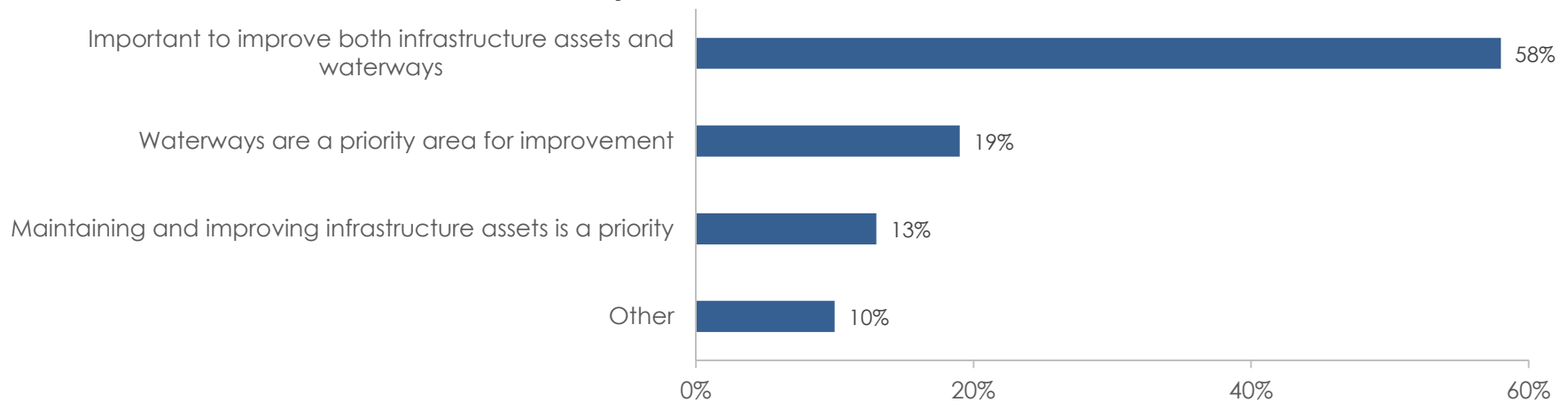
'Happy to pay more to maintain our community and waterways'



'Both are important and need attention'

'Important for everything to be improved equally'

Option 4 – 54% First Preference



Base: N = 190

Note: 'other' responses are listed in Appendix A



Respondents who selected 4 option as their first preference did so because they largely believe it is important to maintain both infrastructure and waterways equally

Reasons for Preferring Option 3 (14%)

Q5a. Please rank the 4 options in order of preference:

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

'It is important for infrastructure to be improved'

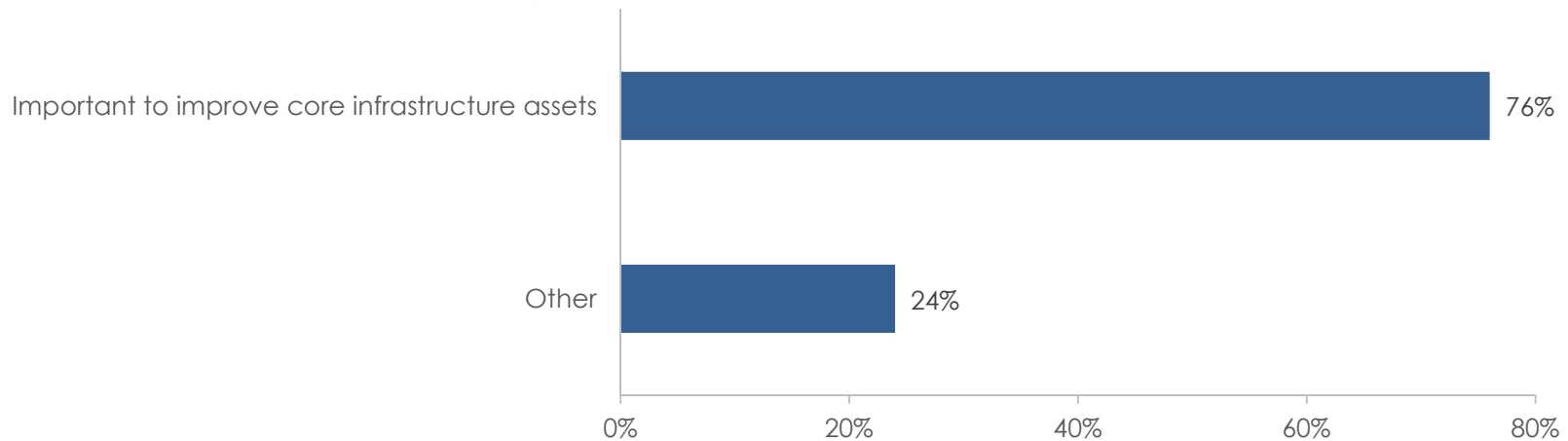
'Infrastructure is an important priority and caters to the whole community'



'It is the best value for money option'

'I do not want money spent on waterways'

Option 3 – 14% First Preference



Base: N = 66

Note: 'other' responses are listed in Appendix A



Believing that it is important to improve core infrastructure assets was the driver of 76% of respondents who selected option 3 as their first preference

Reasons for Preferring Option 2 (14%)

Q5a. Please rank the 4 options in order of preference:

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

'Improving waterways is a priority'

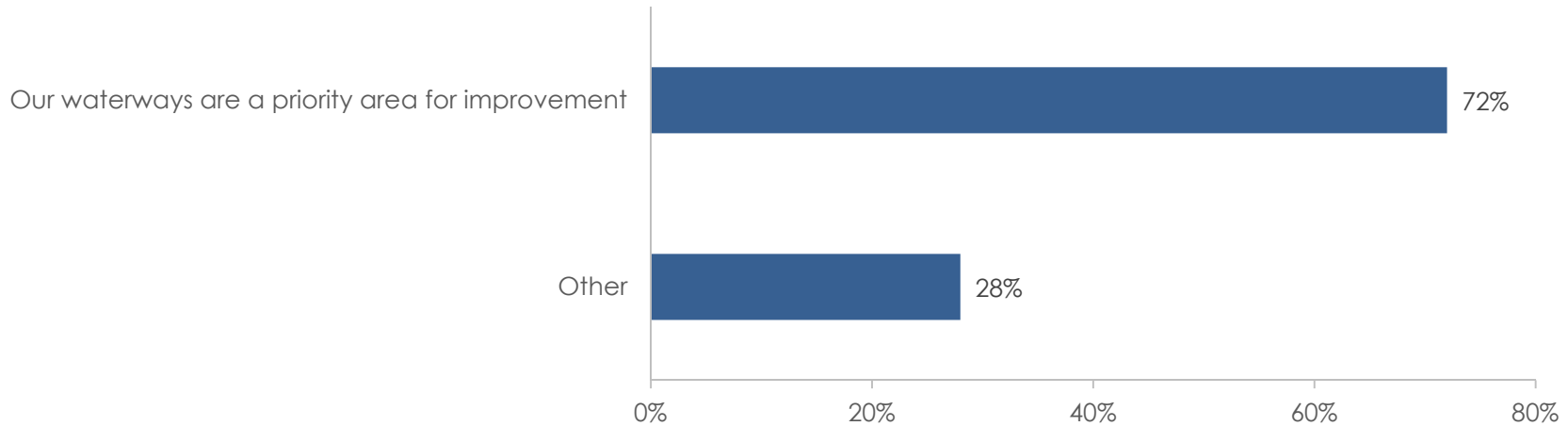
"Waterways are the most important feature of the area"



'This option is financially manageable for most ratepayers'

'Waterways need constant attention'

Option 2 – 14% First Preference



Base: N = 64

Note: 'other' responses are listed in Appendix A



Acknowledging that waterways should be a priority issue for Council to improve was the explanation given by 72% of respondents who selected Option 2 as their first preference

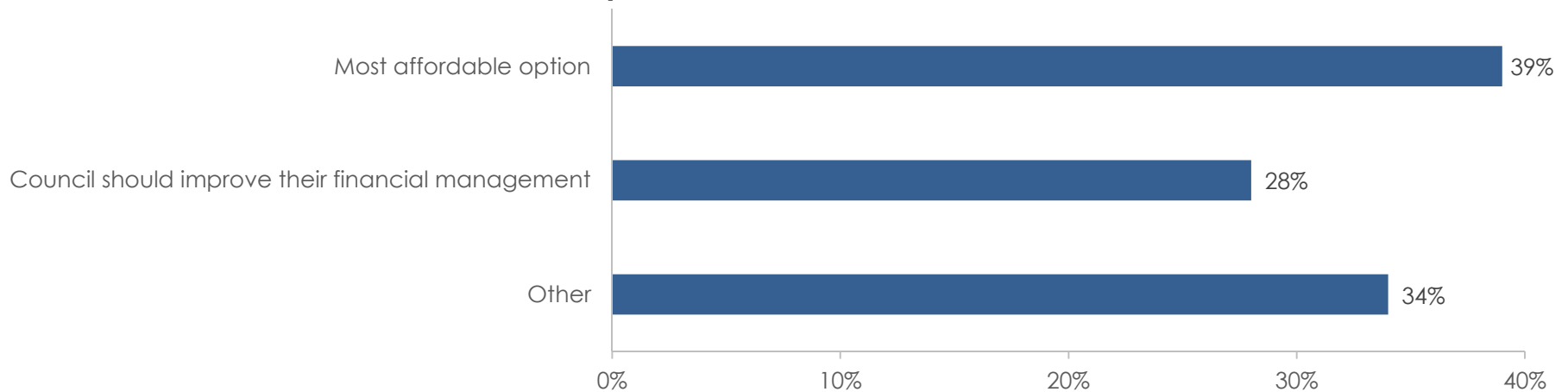
Reasons for Preferring Option 1 (18%)

Q5a. Please rank the 4 options in order of preference:

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



Option 1 – 18% First Preference



Base: N = 83

Note: 'other' responses are listed in Appendix A



Statements on why respondents choose option 1 as their first preference were dominated by references to it being the most affordable option, and that Council should be improving their financial management before asking to increase rates

Summary of Key Results



Summary of Key Results

The majority of residents were aware (59%) that Council was exploring community sentiment towards a potential special rate variation, the majority of whom were informed by the Council's mailout

Residents were most supportive of **Option 4** (Maintain and improve our core infrastructure assets and improve the health of our waterways)

- ⇒ *54% of residents selected **Option 4** as their most preferred option*
- ⇒ *Cumulatively 67% of residents selected **Option 4** as either their first or second preference*

57% of the community had **Option 1** (Rate peg only) as their least preferred option



The Ballina community are supportive of Council seeking an SRV that addresses the needs of both local infrastructure and waterways



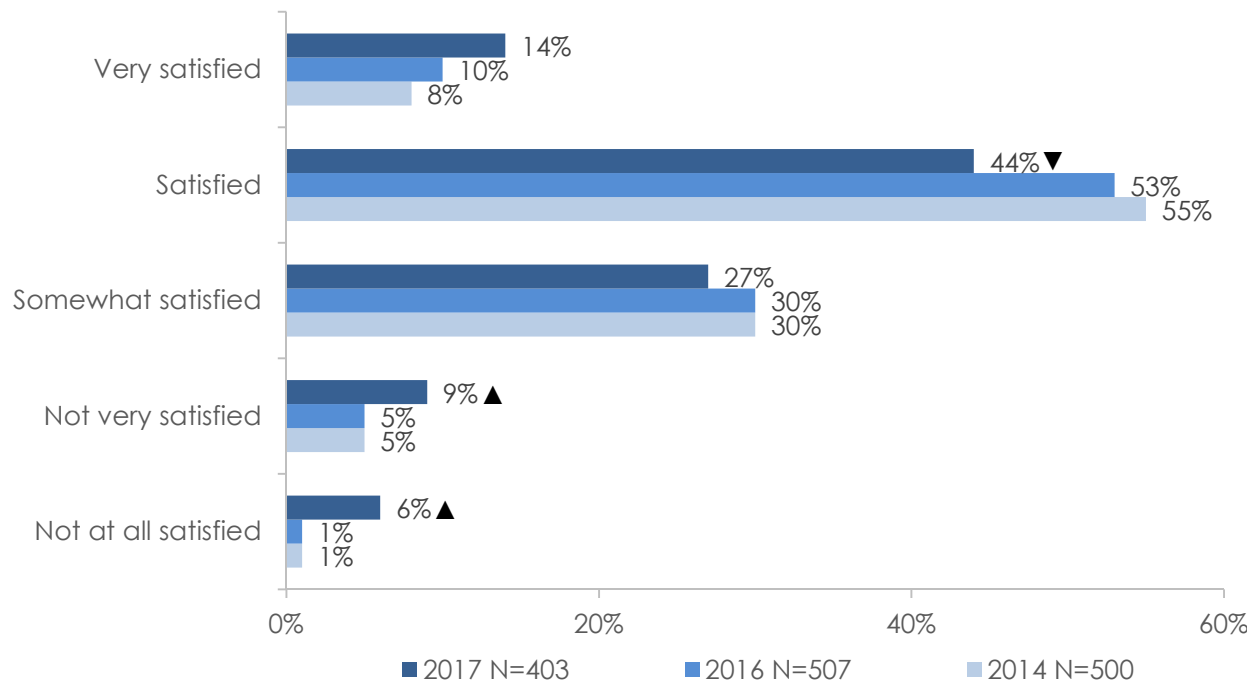
Community Diagnostics

Overall Satisfaction With the Performance of Council

Q2. Overall, for the last 12 months, how satisfied are you with the performance of Council, not just on one or two issues but across all responsibility areas?

	Overall 2017	Overall 2016	Overall 2014	Male	Female	18-34	35-49	50-64	65+
Mean ratings	3.50▼	3.66	3.65	3.41	3.58	3.64	3.31	3.42	3.66▲

	Ratepayer	Non-ratepayer	Alstonville	Ballina	Lennox Head	Skennars Head	Wardell	Wollongbar	Rural/other
Mean ratings	3.47	3.66	3.79▲	3.58	3.10▼	3.80	3.02	3.41	3.25



NSW LGA BRAND SCORES	Means
Regional	3.22
All of NSW	3.31
Ballina Shire Council	3.50▲

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

▲ ▼ = A significantly higher/lower level of satisfaction

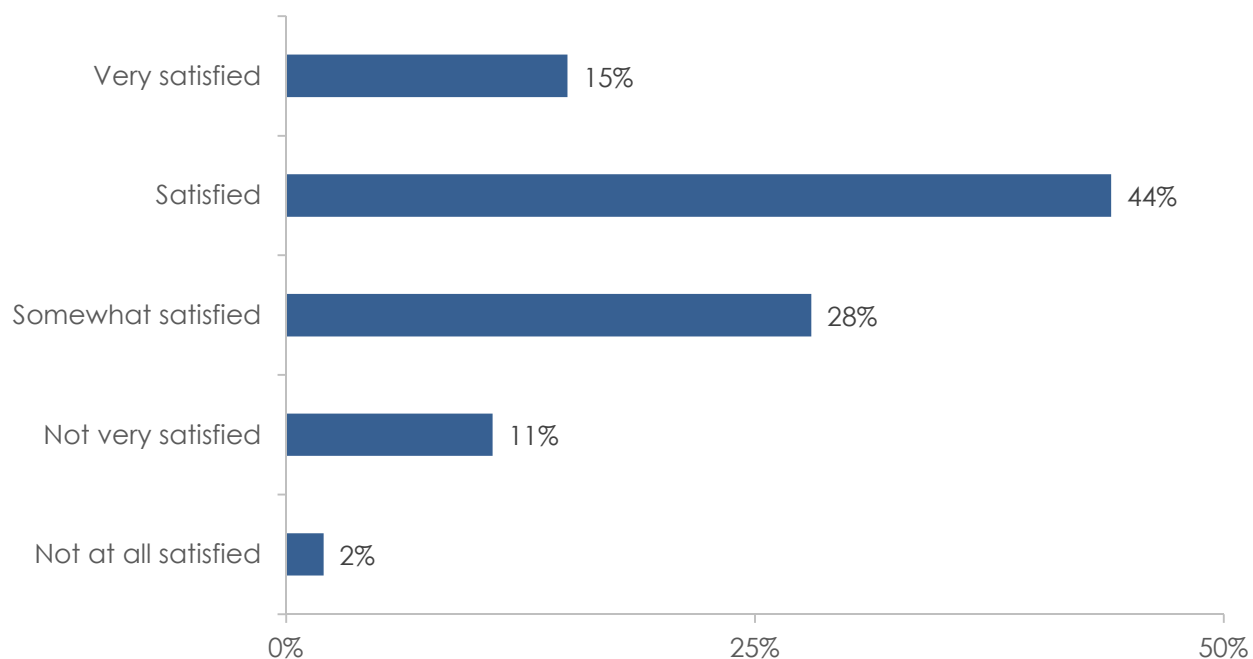
Overall satisfaction with the performance of Council has significantly decreased since 2016. This is likely due to awareness of Council seeking an SRV, with residents who are driving the downward shift in satisfaction being significantly more likely to have a preference for option 1 - no rate rise (as shown in questions later in the report). Satisfaction however is still significantly higher than our LGA brand scores for NSW

Satisfaction With the Quality of Infrastructure and Facilities

Q3a. How satisfied are you with the quality of infrastructure and facilities provided by Council in the local area?

	Overall	Male	Female	18-34	35-49	50-64	65+
Mean ratings	3.57	3.59	3.56	3.53	3.30▼	3.59	3.83▲

	Ratepayer	Non-ratepayer	Alstonville	Ballina	Lennox Head	Skennars Head	Wardell	Wollongbar	Rural/other
Mean ratings	3.56	3.66	3.63	3.58	3.49	3.89	3.12	3.91	3.41



Base: N = 403

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

▲ ▼ = A significantly higher/lower level of satisfaction



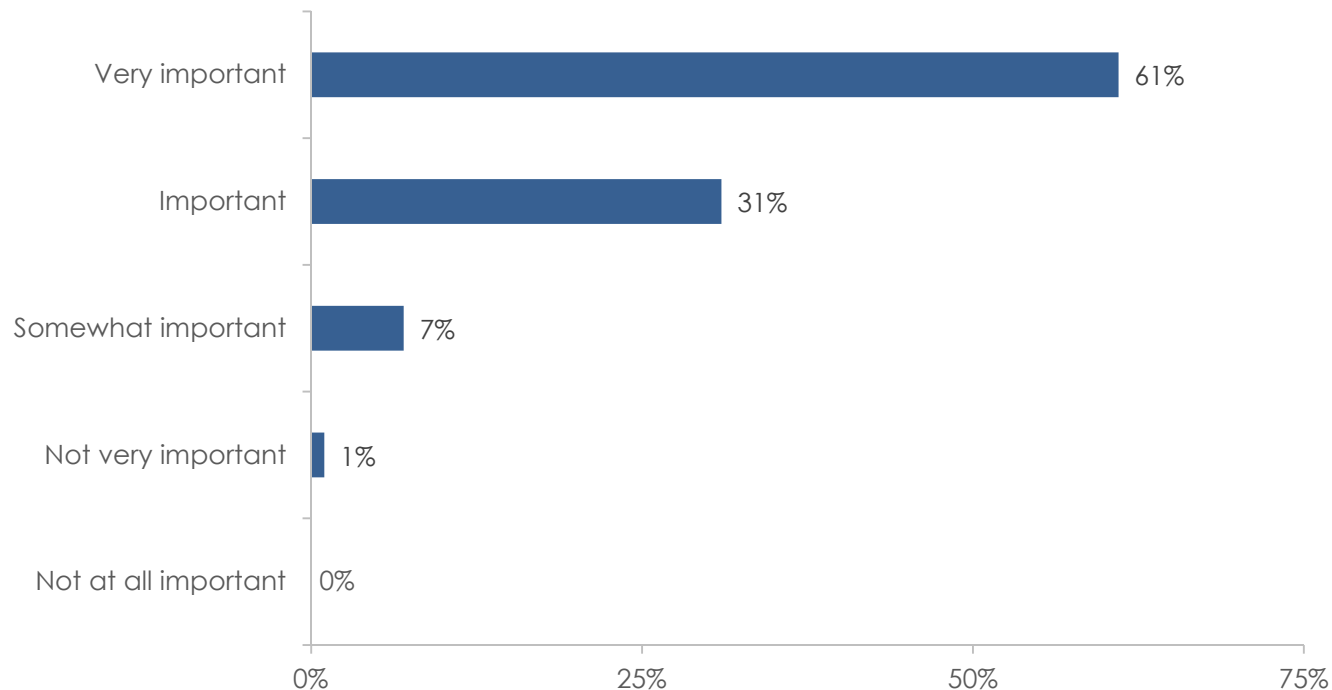
87% of residents were at least 'somewhat satisfied' with the quality of infrastructure and facilities. Respondents over the age of 65 were significantly more satisfied, whilst those aged 35-49 were significantly less satisfied

Importance of Providing Better Infrastructure and Facilities

Q3b. How important is it for Council to provide better infrastructure and facilities?

	Overall	Male	Female	18-34	35-49	50-64	65+
Mean ratings	4.51	4.47	4.54	4.29	4.63	4.61	4.43

	Ratepayer	Non-ratepayer	Alstonville	Ballina	Lennox Head	Skennars Head	Wardell	Wollongbar	Rural/other
Mean ratings	4.49	4.64	4.61	4.42	4.55	4.68	4.78	4.33	4.53



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

Base: N = 403

▲ ▼ = A significantly higher/lower level of importance



Residents strongly believe that it is important for Council to provide better infrastructure and facilities, with 61% stating that it is 'very important'



Demographics

Demographics

Q7. Please stop me when I read out your age bracket:

	%
18-34	19%
35-49	25%
50-64	29%
65+	27%
Base	403

Q8. Which of the following best describes the house where you are currently living?:

	%
Ratepayer	86%
Non-ratepayer	14%
Base	402

Q1a. In which area do you live?

Q10. Gender.

	%
Male	47%
Female	53%
Base	403

	%
Alstonville	23%
Ballina	42%
Lennox Head	17%
Skennars Head	1%
Wardell	2%
Wollongbar	5%
Rural/other	10%
Base	403



Demographics

Q1b. How long have you lived in the local area?

	%
Less than 6 months	2%
6 months – 2 years	4%
3 – 5 years	6%
6 – 10 years	14%
11 – 20 years	30%
More than 20 years	44%
Base	403

Q9. Which of the following best describes your current employment status?:

	%
Work full time in the LGA	28%
Work full time outside the LGA	8%
Work part time in the LGA	18%
Work part time outside the LGA	6%
Home duties	3%
Student	4%
Retired	25%
Unemployed/Pensioner	7%
Not applicable	1%
Base	403





Appendix A

Source of Information on Special Rate Variation

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

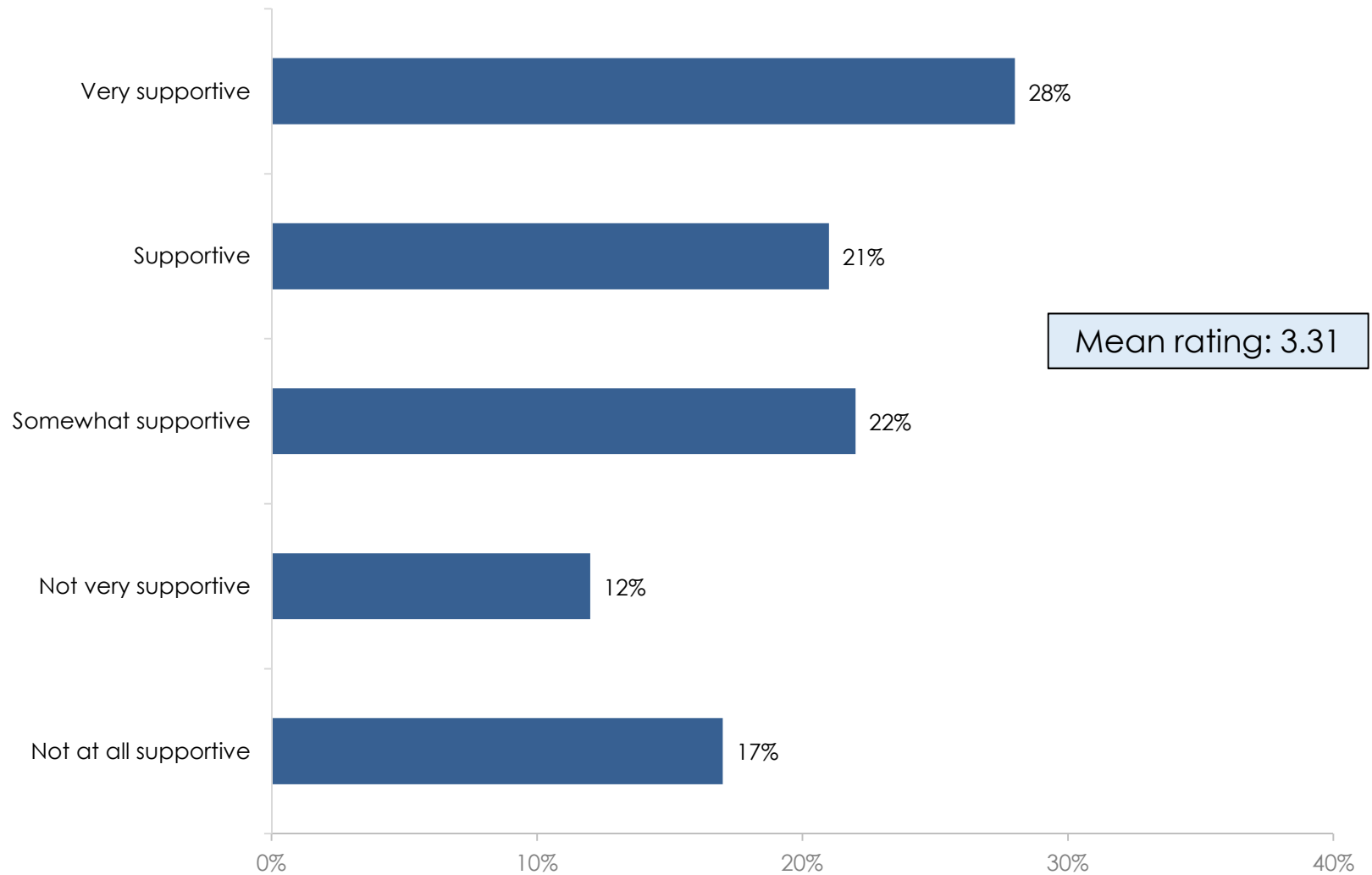
Q6b. (If yes in Q6a), how were you informed about the Special Rate Variation?

	Overall	Male	Female	18-34	35-49	50-64	65+
Mail out	73%	71%	75%	48%	77%	75%	75%
Newspaper advertisement	35%	36%	34%	0%▼	23%	42%	44%▲
Radio broadcasting	11%	12%	11%	0%	14%	15%	9%
Public meeting	5%	7%	3%	13%	4%	0%▼	7%
Other	14%	15%	14%	38%	3%	18%	12%

	Ratepayer	Non-ratepayer	Alstonville	Ballina	Lennox Head	Skennars Head	Wardell	Wollongbar	Rural/other
Mail out	76%▲	32%▼	77%	75%	58%	100%	38%	90%	75%
Newspaper advertisement	35%	28%	24%▼	36%	53%▲	74%	25%	47%	13%▼
Radio broadcasting	10%	25%	11%	10%	17%	0%	0%	5%	14%
Public meeting	5%	0%	4%	5%	9%	0%	0%	0%	0%
Other	13%	45%	15%	17%	8%	0%	62%	14%	3%

Support for Option 4 – Ratepayers

Q4d. How supportive are you of Council proceeding with Option 4?



Preferences of Special Rate Variation Options

Q5a. Please rank the 4 options in order of preference:

1st and 2nd preferences	Overall	Male	Female	18-34	35-49	50-64	65+
Option 1	31%	32%	31%	19%	28%	36%	39%▲
Option 2	45%	43%	47%	32%	54%	49%	43%
Option 3	56%	57%	56%	57%	53%	52%	64%▲
Option 4	67%	68%	66%	92%▲	66%	64%	54%▼

1st and 2nd preferences	Ratepayer	Non-ratepayer	Alstonville	Ballina	Lennox Head	Skennars Head	Wardell	Wollongbar	Rural/other
Option 1	35%▲	10%	30%	33%	35%	0%	57%	26%	23%
Option 2	47%	37%	45%	46%	51%	28%	43%	28%	44%
Option 3	55%	68%	59%	53%	49%	82%	69%	72%	62%
Option 4	64%	85%▲	66%	68%	64%	89%	32%▼	74%	72%

3rd preference	Overall	Male	Female	18-34	35-49	50-64	65+
Option 1	12%	15%	9%	14%	9%	14%	11%
Option 2	43%	44%	42%	54%	36%	40%	45%
Option 3	34%	32%	37%	32%	36%	39%	29%
Option 4	11%	10%	12%	0%▼	19%▲	7%	15%

Preferences of Special Rate Variation Options

Q5a. Please rank the 4 options in order of preference:

3rd preference	Ratepayer	Non-ratepayer	Alstonville	Ballina	Lennox Head	Skennars Head	Wardell	Wollongbar	Rural/other
Option 1	10%	26%▲	15%	12%	13%	20%	15%	5%	5%
Option 2	42%	47%	45%	38%	39%	62%	47%	68%▲	48%
Option 3	37%	21%	33%	37%	33%	18%	31%	28%	34%
Option 4	12%	6%	7%	12%	15%	0%	6%	0%	13%

4th preference	Overall	Male	Female	18-34	35-49	50-64	65+
Option 1	57%	53%	60%	67%	64%	51%	50%
Option 2	12%	13%	11%	14%	10%	11%	12%
Option 3	9%	11%	7%	11%	11%	9%	7%
Option 4	22%	22%	22%	8%▼	15%	29%	31%▲

4th preference	Ratepayer	Non-ratepayer	Alstonville	Ballina	Lennox Head	Skennars Head	Wardell	Wollongbar	Rural/other
Option 1	56%	64%	55%	56%	51%	80%	28%	69%	72%
Option 2	11%	16%	10%	16%	10%	9%	11%	5%	8%
Option 3	9%	11%	8%	9%	18%▲	0%	0%	0%	5%
Option 4	24%▲	8%	27%	19%	21%	11%	62%	26%	15%

Reasons for Preferring Options 1 and 2

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

Option 1 – 1 st preference	Count
Rates are already high, don't want to see an increase	5
Council do not undertake the tasks they promise	4
Do not believe these are the areas that require funding	2
It is the best option for me	2
Refused to respond	2
Wages are not increasing to match further rates increases	2
Council is subdividing so a rate increase will give them too much money	1
Council should look to make extra money in other areas, e.g. Levy, better management of waterways	1
Do not think Council has considered the demographics of the ratepayers	1
Do not trust council to do the best for the community	1
Not the right time to increase rates	1
Rate increases for the purpose of waterways and infrastructure would not impact my future	1
Rates are higher than quoted in options, don't want to see an increase	1
Retired people are not using the facilities which have been flagged for improvement so should not have to pay extra rates	1
There has already been significant rate increases over the years	1
There is more infrastructure work to be undertaken	1
Waterways/infrastructure should be state responsibility	1

Option 2 – 1 st preference	Count
Best sounding option	3
Refused to respond	2
Cost is all I can afford	2
Financially manageable for most rate payers	2
Infrastructure can be funded by other options rather than a rate increase	1
Do not believe that it is Ballina Shire Council's responsibility to raise revenue for infrastructure and waterways	1
Economic climate	1
I think council should take a cut to their wages	1
It covers what I feel should be covered by the councils in their work.	1
Money gets spent on wrong things already why give them more	1
Rates are high enough already	1
Shire is well maintained and doesn't need to raise the rates	1
Wasting enough tax payer dollars so may as well fix the Richmond river	1

Reasons for Preferring Options 3 and 4

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

Option 3 – 1 st preference	Count
Most reasonable rate increase	3
Best value for money	2
Better option for the environment	1
Better to do it now than later	1
Happy medium between all options	1
Supportive, however would like to know what money will be spent on	1
Improving health of waterways should involve financial input from Councils upstream	1
Need sufficient funds to manage everyday life	1
Rates are too high	1
Refused to respond	1
Waterways need to be kept clean	1
Against council spending money on Richmond river if the other councils wont input money as well	1

Option 4 – 1 st preference	Count
This is the best option	6
Most feasible way for Council to raise money to make improvements in the community	2
Refused to respond/no reason	2
Willing to pay for improvements	2
Council should manage the money that they already have more efficiently	1
Possibility of a financially sustainable council	1
Support Council in an increase as they are doing a good job	1
They need to cut down undergrowth for views	1
This is the best use of my money for a rates increase	1
This will improve the area, as well as meeting Fit for the Future benchmarks	1
We need to raise the money	1



Appendix B - Questionnaire

Ballina Shire Council
Community Survey – Special Rate Variation
January 2017

Good morning/afternoon/evening, my name is from Micromex Research and we are conducting a survey on behalf of Ballina Shire Council. The survey will take about 10-15 minutes. Thank you for agreeing to assist us with this survey, which is being conducted for Council and asks local residents their opinions of local facilities and Council services.

QA. Before we start, I would like to check whether you or an immediate family member works for Council?

- Yes (If yes, terminate survey)
 No

Q1a. In which of the following areas do you live? Prompt

- Alstonville
 Ballina
 Lennox Head
 Skennars Head
 Wardell
 Wallongbar
 Rural/Other

Q1b. How long have you lived in the local area? Prompt

- Less than 6 months
 6 months – 2 years
 3 – 5 years
 6 – 10 years
 11 – 20 years
 More than 20 years

Q2. 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

Q3a. How satisfied are you with the quality of infrastructure and facilities provided by Council in the local area? Prompt

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

Q3b. How important is it for Council to provide better infrastructure and facilities? Prompt

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

Read Concept statement:

The State Government introduced its Fit for the Future Reform in 2014, which required all NSW councils to assess their current position and demonstrate how the council will be financially sustainable into the future.

In our submission, we identified that we need to be spending approximately \$2 million extra per annum on the renewal of our infrastructure assets such as:

- Roads
- Stormwater drainage
- Community buildings
- Open spaces
- Sports fields

In addition to this, during the recent council elections, the newly elected Councillors received feedback supporting Council taking a more proactive approach in respect to managing our waterways, particularly the Richmond River and its tributaries, along with Shaws Bay and Lake Ainsworth.

As such we are considering an option to raise approximately \$300,000 extra per annum to undertake projects to improve the health of OUR waterways.

This extra spending on infrastructure and waterways will require an increase in rates and charges, which is known as a Special Rates Variation. To minimise the financial burden of the rate increase the allowable increases in waste collection, water and wastewater charges will be limited to approximately CPI for the next three years. In addition to this the Council will remove Council's waste operations charge of \$73 per annum.

There are four options which I would like you to consider. Each option will have varying impacts on local assets and service quality. In summary, the four options are:

- Option 1** Rate peg only
Option 2 Improve the health of our waterways
Option 3 Maintain and improve our core infrastructure assets
Option 4 Maintain and improve our core infrastructure assets and improve the health of our waterways

Before we discuss these options in more detail, it is worth noting that all across NSW, residential rates increase each year by an amount that is set by the NSW Government – this is known as the Rate Peg. For the 2017-18 financial year, this increase is estimated to be 1.5%. In the two following years, this increase is estimated to be 2.5% each year.

Let's look at the options in more detail:

Programming instruction: Flip options to read 1 – 4 and 4 – 1 evenly across respondents

Option 1: Rate peg only

No special rate variation and the removal of the waste operations charge.

Rates would increase only by the usual annual rate peg amount of 1.5% for 2017/18 and an estimate of 2.5% for 2018/19 and 2019/20.

Over the three-year period, this is a cumulative increase of 6.6%.

Residential ratepayers who are paying around \$943 per year would pay around \$21 more each year. After three years, this would amount to an annual residential charge of \$1,006 by 2019/2020, an increase of \$63.

Even though the rate peg increase would apply each year, by removing the separate waste operations charge of \$73 in 2017/18, the average residential ratepayer will be paying \$11 less in 2019/20 than they are paying now for this combination of rates and charges.

Under this option there is the potential for long term deterioration of core infrastructure assets, including:

- Roads
- Buildings
- Footpaths
- Stormwater drainage
- Parks and open spaces, including playgrounds
- Sports field facilities

Council may also not be able to reach its goal of being financially sustainable and being confirmed as a Fit for the Future Council.

And there would also be limited proactive works undertaken to improve the health of our waterways.

Q4a. How supportive are you of Council proceeding with Option1? Prompt

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

Option 2: Improve the health of our waterways

The long-term objective of the Healthy Waterways Program, especially for the Richmond River, is to bring back the fish and oysters to our estuary. Plans for Shaws Bay and Lake Ainsworth focus on their highly prized recreational values.

In addition to the usual rate pegging increase of 1.5% for 2017/18, this option would include an extra 1.5% Special Rate Variation, so a total increase of 3% for 2017/18.

This Special Rate Variation increase of 1.5% would only occur in the 2017-18 financial year, but it would be built into the rate base, meaning in future years rate peg increases would be applied to a larger base, thereby generating slightly more revenue to be allocated to the waterways.

Under this option, residential ratepayers who are paying around \$943 per year would pay, on average, \$971 next year, which is an increase of \$28. However, they would not pay the separate \$73 for the waste operations charge, resulting in an overall saving of approximately \$45 for 2017/18.

This option would generate approximately \$3.6 million over 10 years to undertake projects to improve the health of our waterways.

However, under this option there is the potential for long term deterioration of Council's core infrastructure assets due to a lack of funding.

Council may also not be able to reach its goal of being financially sustainable and being confirmed as a Fit for the Future Council.

Q4b. How supportive are you of Council proceeding with Option 2? Prompt

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

Option 3: Maintain and improve our core infrastructure assets

This option is based on Council only implementing its Fit for the Future submission to focus on infrastructure but not waterways, which was based on a 2.9% increase above the estimated rate pegging limit for 2017/18 to 2019/20. Council would be able to deliver improvements to assets sooner and ensure that our existing assets do not deteriorate over time and we meet the State Government's Fit for the Future benchmarks.

In addition to the standard rate pegging increase of 1.5% for 2017/18 and 2.5% for 2018/19 and 2019/20, this option represents a total increase of 4.4% for 2017/18 and then 5.4% for both 2018/19 and 2019/20.

Over the three-year period this is a cumulative increase of almost 16%.

Residential ratepayers who are paying around \$943 per year would pay, on average, around \$50 more each year. After three years, this would amount to an annual charge of \$1,094 by 2019/2020.

However, over the next 3 years some of this increase will be offset by the removal of the separate waste operations charge of \$73. The total actual increase over the period would be \$78 more than is currently being paid, which represents an increase of approximately \$26 each year.

At the end of the three-year period the Special Rate Variation increase would be built into the rate base, meaning in future years' rate peg increases would be applied to a larger base, thereby generating slightly more revenue to be allocated to community assets.

This option would generate approximately \$18 million over 10 years and Council would spend this on the renewal of the following infrastructure:

- \$11 million on roads and stormwater drainage
- \$2.5 million on buildings; and
- \$4.5 million on parks, open spaces and sports fields

Allocations within these infrastructure types may change over time depending on the highest priority works, but importantly the funds will always be spent on infrastructure renewal.

However, there would be limited proactive works undertaken to improve the health of our waterways.

Q4c. How supportive are you of Council proceeding with this Option 3? Prompt

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

Option 4: Maintain and Improve our core infrastructure assets and improve the health of our waterways

This option represents a Special Rate Variation of 4.9% for 2017/18 and 5.9% for 2018/19 and 2019/20, to address both our assets and our waterways.

Residential ratepayers who are paying around \$943 per year would pay, on average, around \$55 more each year. After three years, this would amount to an annual charge of \$1,109 by 2019/2020.

Over the three-year period this is a cumulative increase of 17.6%.

However, over the next 3 years some of this increase will be offset by the removal of the separate waste operations charge of \$73. The total actual increase over the period would be \$93 more than is currently being paid, which represents an increase of approximately \$31 each year.

Therefore, the actual cumulative increase is 9.2% for the three-year period.

As per option three this option would generate approximately \$18 million over 10 years for asset renewal and Council would spend this on the renewal of the following infrastructure:

- \$11 million on roads and stormwater drainage
- \$2.5 million on buildings; and
- \$4.5 million on parks, open spaces and sports fields

Allocations within these infrastructure types may change over time depending on the highest priority works, but importantly the funds will always be spent on infrastructure renewal.

Council would be able to deliver improvements to assets sooner and ensure that our existing asset base did not deteriorate over time.

In addition, this option would generate approximately \$3.6 million over 10 years to undertake projects to improve the health of our waterways.

At the end of the three-year period the Special Rate Variation increase would be built into the rate base, meaning in future years' rate peg increases would be applied to a larger base, thereby generating slightly more revenue to be allocated to community assets and waterways.

We should also be in a position to meet the State Government's Fit for the Future benchmarks.

Q4d. How supportive are you of Council proceeding with Option 4? Prompt

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

Q5a. Please rank the 4 options in order of preference:

- Option 1 – Rate peg only our assets may steadily decline over the longer term with Council not being in a position to renew our assets in a timely manner. There is also the risk that Council would not be financially sustainable and not meet the State Government's Fit for the Future program. Amalgamation remains a possibility for councils that do not meet the Fit for the Future benchmarks.
- Option 2 – Improve the health of our waterways Council would improve the quality of our waterways including the Richmond River and its tributaries, along with Shaws Bay and Lake Ainsworth. We would be proactive in undertaking projects and leverage our funding with State and Federal Government grants. However, as per option one, our assets may not be renewed in a timely manner and Council may not meet the State Government's Fit for the Future benchmarks.
- Option 3 – Maintain and improve our core infrastructure assets. We would minimise the deterioration of our existing infrastructures assets and fund most of the required renewal works to ensure our assets are renewed in a timely manner. We should also meet the State Government's Fit for the Future benchmarks.
- Option 4 – Maintain and improve our core infrastructure assets and improve the health of our waterways. We would fund most of the required renewal works to ensure our assets are renewed in a timely manner and improve the quality of our waterways. We should also meet the State Government's Fit for the Future benchmarks.

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 (If no, go to Q7)
- Not sure (If not sure, go to Q7)

Q6b. How were you informed of the Special Rate Variation? Prompt

- Mail out
- Newspaper advertisement
- Radio broadcasting
- Public meeting
- Other (specify).....

Demographics

The following information is used for demographic purposes only.

Q7. Please stop me when I read out your age bracket: Prompt

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

Q8. Which of the following best describes the house where you are currently living? Prompt

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

Q9. Which of the following best describes your current employment status? Prompt

- Work full time in the LGA
- Work full time outside the LGA
- Work part time in the LGA
- Work part time outside the LGA
- Home duties
- Student
- Retired
- Unemployed/Pensioner
- Not applicable

Q10. Gender by voice:

- Male
- Female

Q11a. Council is developing a community consultation register – would you be willing to register your interest with Council for future consultation activities?

- Yes
- No (Go to end)

Q11b. Could I please have some contact details? Note that while these will be supplied to Council, they will be kept entirely separate from your responses to this survey.

First name:

Surname:

Email:

Preferred telephone:

To find out more information about Ballina Shire Council and the Special Rate Variation proposal, please access www.ballina.nsw.gov.au



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