

TABLED DOCUMENT 1: COMMUNITY CONSULTATION REPORT

Proposed Special Rate Variation

Investing in Our Community

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Executive Summary

A comprehensive information and consultation process has been undertaken to gauge the community's support for a possible Special Rate Variation (SRV) to fund a range of infrastructure and services in Port Stephens.

Four options were tested in the community – rate page only and three different levels of rate increase.

Council used a range of engagement methods to make the community aware of the proposed rate variation and the options being considered. This included the need and extent of the rate increase and the projects to be funded by the proposed SRV options.

Activities included public meetings, information booths, discussion groups, newspaper advertising, mail-outs, pamphlets, surveys, social media and an online presence on Council's website.

Approximately 540 people attended consultation activities with approximately 2,000 people providing feedback using one of the various available feedback methods (this may include people using more than one feedback format).

Data shows strong general awareness of the proposal with approximately 50% of people surveyed being aware of the issue.

Results across the different feedback channels were consistent with the majority of correspondents not supporting a SRV. The "opt-in" online and hard copy surveys were more negative against a SRV while a weighted, "opt –out" telephone survey to randomly selected Port Stephens households provided a more moderate response. Support for a SRV, while in the minority, recognised the need for infrastructure improvements and planning for the future.

Main issues of concern were lack of affordability for low or fixed income families (particularly pensioners), the need for Council to be more efficient and live within its means and a view that identified projects were not the best use of SRV funds. There was also a feeling of mistrust that Council could not deliver the proposed projects, based on past performance.

These results were similar to other Councils who had recently undertaken the SRV process – Byron Shire Council, Penrith and Singleton Councils.

To increase community support for a SRV, Council should consider:

- Clearly articulate the proposed projects, timeframes and their tangible benefits to community and good integration with the existing Capital Works Program (and Capital Works Plan Plus);
- Commitment to greater transparency around major projects, including detailed business cases and public consultation;

- Investigation of measures to address the impact of a SRV on fixed income and asset rich but cash poor homeowners, and
- Clearer communication of Council's efficiency measures and demonstrated ability to deliver the projects would also improve the community's capacity and willingness to pay a rate rise.

Introduction

This report provides the results of community consultation undertaken by Port Stephens Council about a proposed SRV application to the Independent Pricing and Regulatory Tribunal (IPART).

Four rating options and a range of projects to be funded by each option were presented to the community for comment. These were:

Option 1 MAINTAIN

Take no action, no rate rise above the NSW Government rate peg (based on 2.5% as proposed by IPART)

Option 2 ENHANCE

Fund a range of projects to enhance infrastructure and services in the region SRV of 6.5% per year over seven years including rate peg

Option 3 EXTEND

Fund a range of projects to extend infrastructure and services in the region SRV of 7.5% per year over seven years including rate peg

Option 4 TRANSFORM

Fund a range of projects to transform infrastructure and services in the region SRV of 8.5% per year over seven years including rate peg

This report outlines the processes undertaken to reach as many people in the Port Stephens community to ensure:

- awareness of the proposed Special Rate Variation;
- knowledge about the proposed rate options and project priorities; and
- opportunity to provide informed feedback.

Council has adopted a Community Engagement Framework based on the International Association for Public Participation (IAP2) spectrum. This provides tools to determine the range and type of activities for a particular issue. This project was assessed as a Level 3 as part of Council's Community Engagement Policy and Guidelines.

At its meeting on 10 July 2018, Council endorsed a Communication and Engagement Plan for a proposed SRV.

Background

As part of Council's consultation of the community through the Integrated Planning Reporting Framework, Council has sought views on the possibility of a rate rise to fund a wide range of projects that the community has consistently raised as needed in the community.

In late 2017, a discussion paper to review the Community Strategic Plan 2018-2028 (CSP) was circulated in the community for comment and feedback.

Specific feedback from this consultation included:

- Ecologically sustainable development should be formally recognised as a key commitment;
- Town centres need attention to make them more attractive to visitors and residents;
- Need for more public amenities and pathways for walkers and cyclists;
- Infrastructure should be first with proper planning; and
- Much greater priority needs to be given to place making and strategic planning of urban centres.

These and Councillor priorities were included in the development of the draft CSP and other IP&R documents, which were endorsed by Council for public exhibition at its meeting on 27 March 2018.

From this public consultation, a number of topics were recurring across the submissions relating to:

- Height increases
- Drainage
- Roads
- Anna Bay
- Cycleways and pathways
- Ecologically sustainable development
- Readability of the documents

After revision in light of this feedback, the IP&R documents were adopted by Council on 26 June 2018. As part of the Delivery Program 2018-2021, Council formally committed to examine a SRV as a way to raise funds to undertake unfunded projects as outlined in the Strategic Asset Management Plan (SAMP 8: 2018).

Engagement Objectives

Key objectives were to:

- inform the community by providing accurate detailed information on the need for and impact of various rate options;
- gauge community support for the four rate options and the propose projects; and
- provide a variety of avenues for the community to provide formal feedback on the four rate options and projects.

Engagement Framework

Initially, a five week community consultation period (Monday 23 July to Friday 7 September 2018) was established. As the program rolled out, an extra two weeks were added as a number of key community groups scheduled meetings in the last weeks and requested extra time to provide feedback. The consultation period was roughly divided into three phases:

1. Informing the community

The first phase of the consultation period used a range of materials to inform the community about the proposed SRV including:

- General letter informing ratepayer that Council was considering an SRV was circulated with the annual rate notice;
- Advertisements were placed in the two local, weekly newspapers - *Port Stephens Examiner* and *News of the Area*;
- At the beginning of the period, a half page advertisement in the Port Stephens Examiner provided the schedule of consultation activities;
- A regular quarter page advertisement and a section in Council's weekly Public Notices section of the Port Stephens Examiner also provided up to date information;
- A email to all school newsletters notifying them of community meetings;
- Documents available in Council's libraries and administration building;
- Information booths

Other media and promotion included:

- Facebook:
 - numerous paid (sponsored) posts on Facebook targeted to the local area;
 - shared posts to community organisation Facebook sites where known
 - numerous organic (non-paid) posts;
- Electronic distribution of a factsheet to Council's 355c committees, community groups and community associations by email (where known);
- Distribution of media releases, leading to some radio station interest;
- Updates in Council's online newsletter InforMe
- Hard copies of the documents were made available at Council's administration building and libraries with hard copy sets provided to key community groups;
- Electronic copies of the documents were made available on Council's website;
- A dedicated SRV page on Council's website;
- A dedicated page and forum on Council's engagement portal, Engagement HQ – have your say. EHQ platform.

Information materials:

- Information booklet – general information outlining the four rating options and proposed projects to be funded by the different options.
- A Frequently Asked Question sheet provided information on the general process of an SRV
- Factsheets that estimated the potential on rates for the three categories – residential, business and farmland were produced to assist ratepayers understand the potential cost over seven years of each option.
- Factsheet – General Rates information
- Special Rate Variation Proposal – community projects booklet

These materials were available on Council's website and in hard copy at Council's libraries, administration centre.

Details of advertisements and other communications are at Attachment A.

2. Consulting the community activities

Council held or participated in 28 community events across the Port Stephens region, attended by approximately 540 people. Locations included Karuah, Medowie, Nelson Bay, Raymond Terrace, Tilligerry Peninsula, Seaham and Shoal Bay.

These included:

- Eight information booths that distributed printed material, provided basic information and promoted the community meetings at various locations and events including the Anna Bay market, Love Seafood Festival, Salamander Bay and Shoal Bay shopping centres; waste drop day and in libraries;
- Three round table discussion groups at Anna Bay, Raymond Terrace and Salamander Bay
- Nine Council to Community meetings – a PowerPoint presentation by the Mayor or his representative followed by Q and A with Councillors and senior staff.
- Five briefings of Council volunteer and advisory committees such as the Parks Forum (for Council's 355c parks committees), and the 355c Aboriginal Strategic Committee and the Tomaree Sports Council; and
- Three meetings with key community groups - the Tomaree Residents and Ratepayers Association, Tomaree Business Chamber and the Shoal Bay Community Association.

Around 1,500 copies of the SRV Information Booklet (with accompanying material) were distributed at events, the customer service counter, displays in libraries and various community association meetings.

- An average of 2,400 people viewed the SRV material on Council's EHQ website.

Details of the meetings is in Attachment B.

3. Feedback formats

The third phase was to provide a range of feedback formats.

3.1 Surveys

Telephone survey

A telephone survey was conducted in the week of 20 August 2018, deliberately planned at the end of the consultation period to capitalise on the community's awareness of the proposal. It also allowed time for people submit feedback through other channels (see below).

The survey, designed by Micromex Research, a company experienced in supporting local government with SRV consultations, was a key feedback component of the consultation.

EHQ – online survey

The online version of the survey was available in the *Have your Say* EHQ portal on Council’s website from the beginning of the consultation period. This ensured those who attended community meetings had the ability to provide detailed feedback. This is an “opt-in” approach, where people have volunteered to participate and may be less representative of the community than an “opt-out” sample.

Hard copy survey

The survey was also available in hard copy at community meetings and discussion groups, or on request from Customer Service. Again, this is an “opt-in” approach.

Quick survey

A quick exit poll available at community meetings and discussion groups to ascertain a quick response and how the resident heard about the meeting.

Council also offered a quick survey/exit poll at the end of each community meeting. Its aim was ascertain if by attending a presentation, community members provided a more considered response rather than a default position of “no rate increase”.

3.2 Submissions

Community members could provide formal submissions in three ways:

- Long submissions received by email to a dedicated email address;
- By letter to Council; and
- A short online submissions could be provided through Council’s *HaveYourSay* portal, EHQ,

Note: Respondents could participate in more than one feedback activity.

The long submissions were reviewed and summarised by key issues and option preference (if made).

Consultation results

Submissions:

- 218 Engagement HQ submissions (short)
 - 198 handwritten and emailed long submissions
- TOTAL 416**

Surveys:

- 1016 Engagement HQ surveys
 - 115 hard copy surveys
 - 403 successful telephone surveys
 - 91 short surveys/exit polls
- TOTAL 1,625**

There were 2,400 visits the EHQ site with 35 new registrations over the consultation period.

Survey results

The majority of respondents not support a SRV. The level varied across the feedback format.

Telephone survey

This was an “opt-out” sample where participants are contacted without volunteering to take part in the research and excluded only when they say they are unwilling to participate. The sample is also weighted to reflect the community profile of Port Stephens LGA.

361 of the 403 respondents were selected by a computer based random selection process using the electronic White Pages. In addition, 42 respondents were recruited face-to-face. This was undertaken at a number of locations around the Port Stephens LGA, eg, Marketplace in Raymond Terrace and Salamander Square.

All percentages are calculated to the nearest whole number and therefore the total may not exactly equal 100% with the greatest margin of error +/- 4.9%.

Micromex’s detailed report is in Attachment C.

EHQ – online survey

1,016 online surveys were completed.

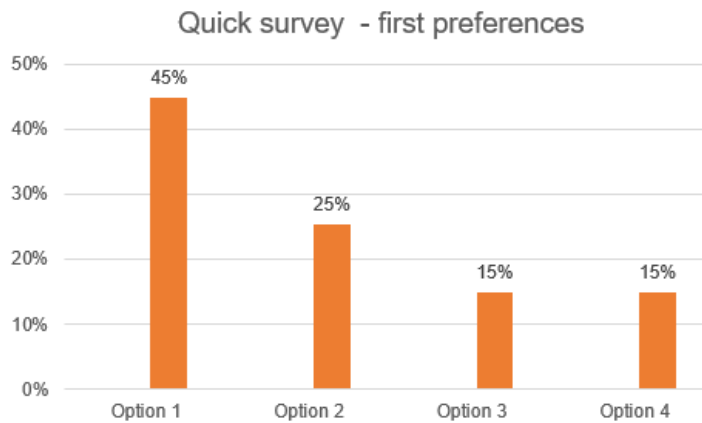
- 77 surveys were completed by staff or an immediate family member:
- A reasonable age spread in EHQ – although still young people are under - represented
- Significantly more people were 'aware' the Council was considering a special rate variation on EHQ (this is understandable as it was opt in):
- People who found about the SRV on social media was much higher than Micromex:
- 95% of people who completed the online EHQ survey were ratepayers again significantly higher than Micromex; and
- The suburb of Medowie accounted for 25%, the EHQ results which is generally within 5% of the overall results and probably in line with the demographics of the area.

Hard copy survey

115 hard copy surveys were completed. These were aggregated with the online surveys as they were “opt-in” as well.

Short survey/ Quick Poll

The survey was completed by 91 people, who attended a consultation event. Of these, 87 people nominated their first preference options as follows:

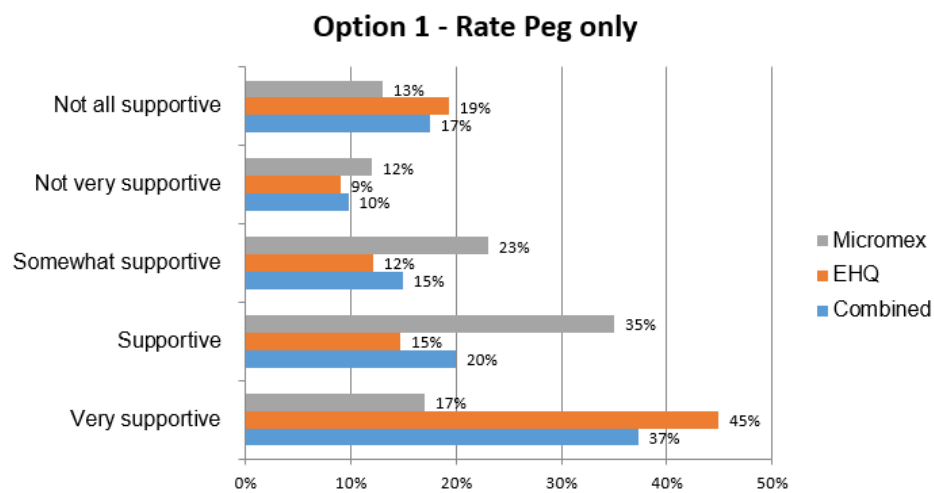


Long Survey Results

The graphs below show responses to questions in the telephone (Micromex) and the other surveys (online and hard copy).

Option 1: Rate peg only

How supportive are you of Council proceeding with Option 1?

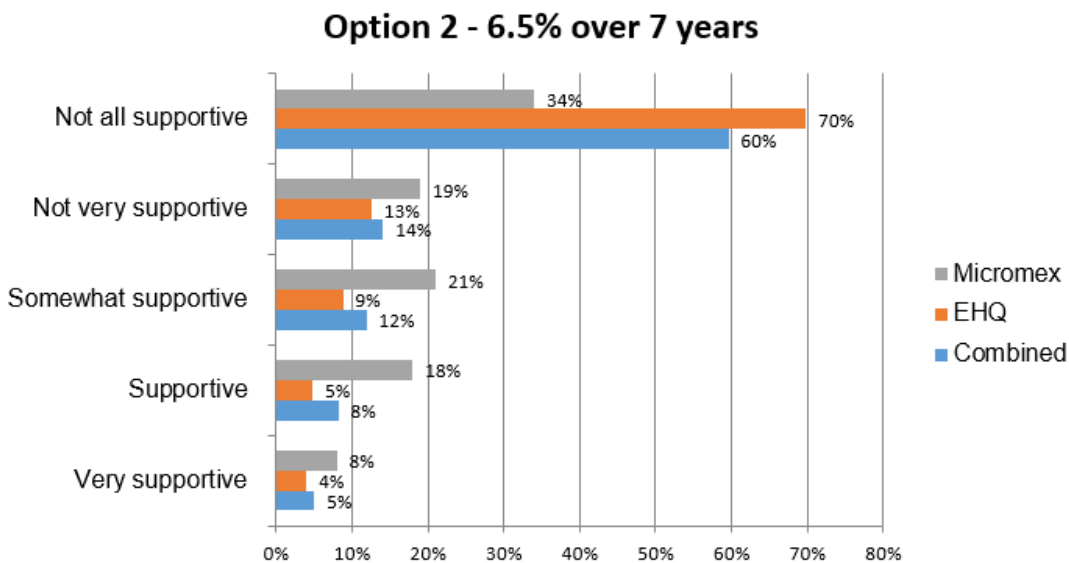


72% of residents were at least somewhat supportive of Option 1 (EHQ)

75% of residents were at least somewhat supportive of Option 1 (Micromex)

Option 2: 6.5% over 7 years

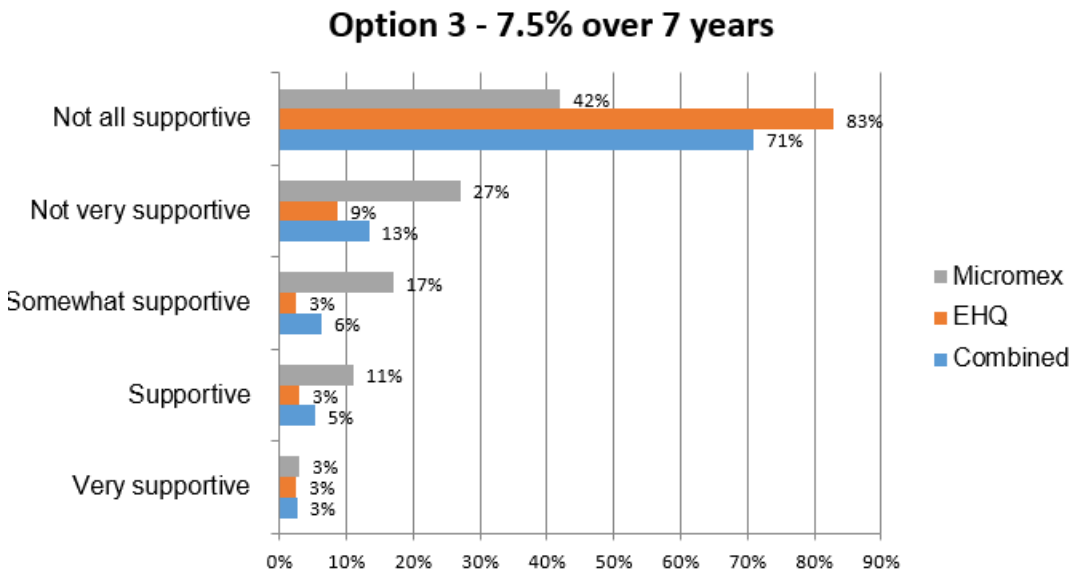
How supportive are you of Council proceeding with Option 2?



18% of residents were at least somewhat supportive of Option 2 (EHQ)
 47% of residents were at least somewhat supportive of Option 2 (Micromex)

Option 3: 7.5% over 7 years

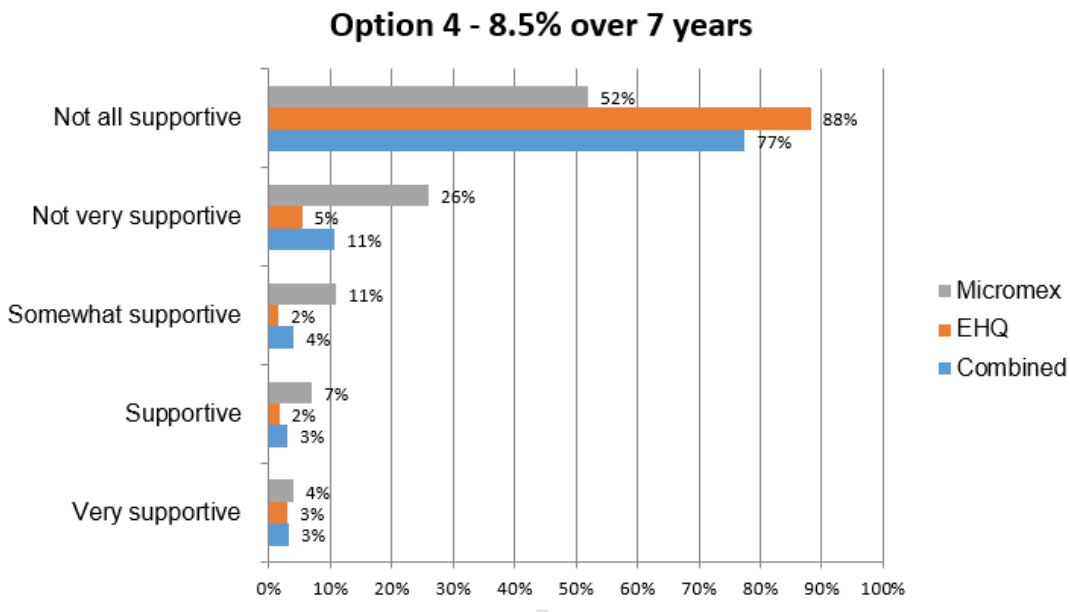
How supportive are you of Council proceeding with Option 3?



8% of residents were at least somewhat supportive of Option 3 (EHQ)
 31% of residents were at least somewhat supportive of Option 3 (Micromex)

Option 4: 8.5% over 7 years

How supportive are you of Council proceeding with Option 4?

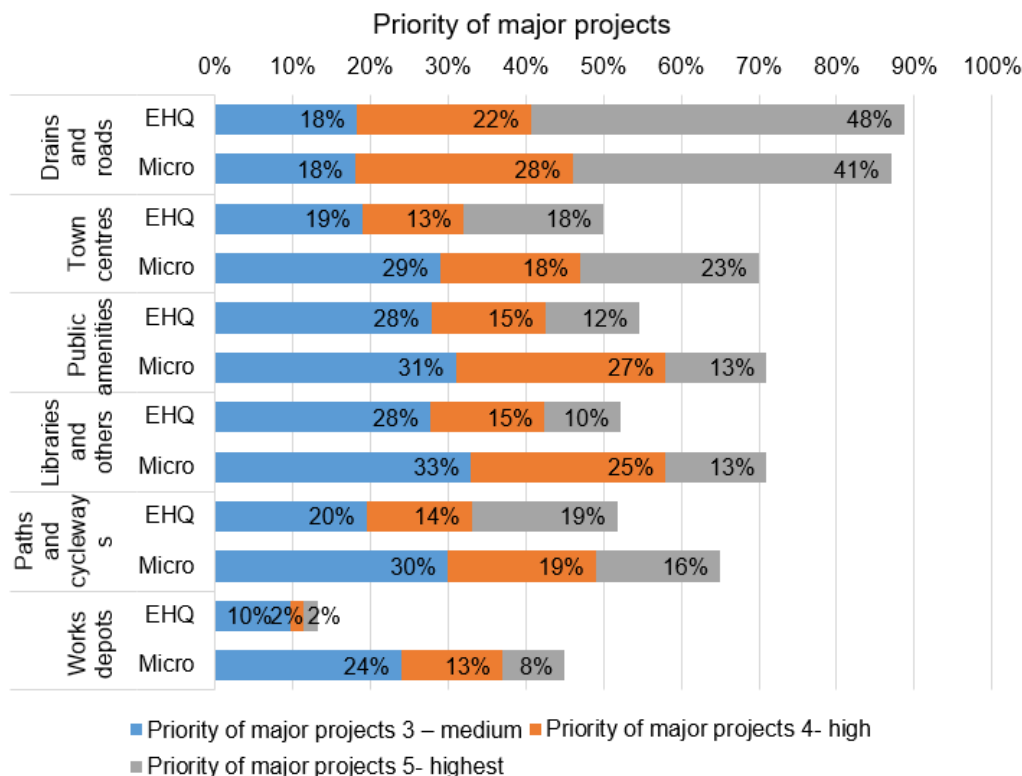


7% of residents were at least somewhat supportive of Option 4 (EHQ)

22% of residents were at least somewhat supportive of Option 4 (Micromex)

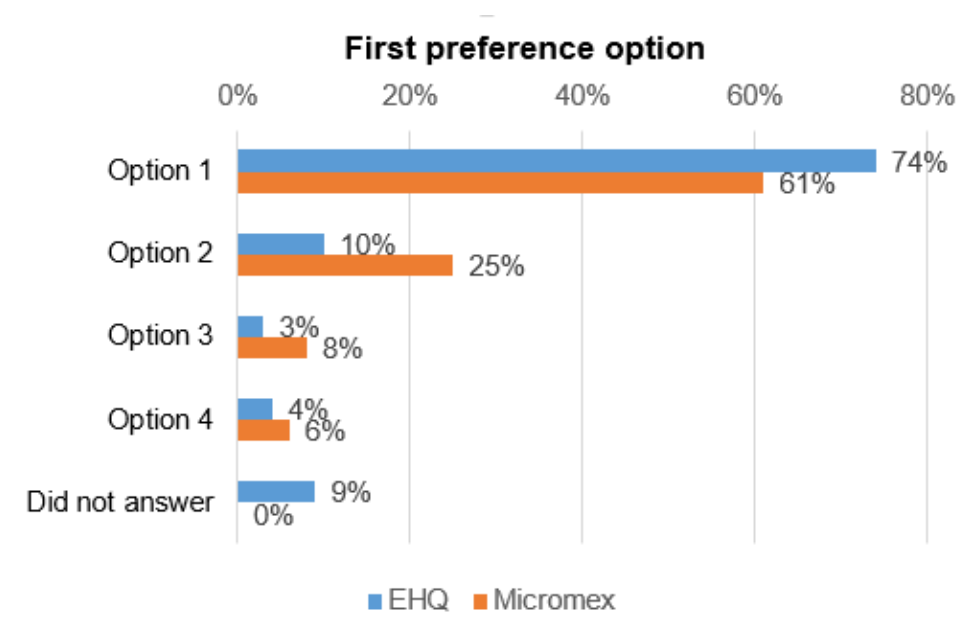
Priorities of major projects

Shows three level of priority – medium, high and highest for each category of work.



Aggregation of top three priorities		
Drains and roads	EHQ	89%
	Micro	87%
Town centres	EHQ	50%
	Micro	70%
Public amenities	EHQ	55%
	Micro	71%
Libraries and others	EHQ	52%
	Micro	71%
Paths and cycleways	EHQ	52%
	Micro	65%
Works depots	EHQ	13%
	Micro	45%

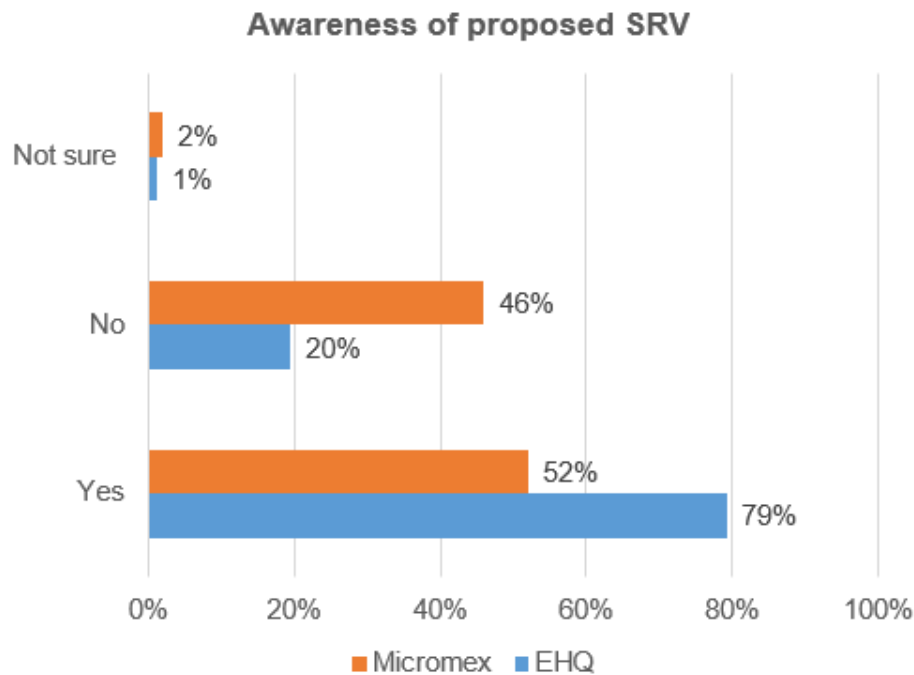
PRIORITY OF OPTIONS



Respondents	Support Rate Peg only	Support some form of SRV	No response
EHQ	74%	17%	9%
Micromex	61%	39%	0

Awareness of SRV

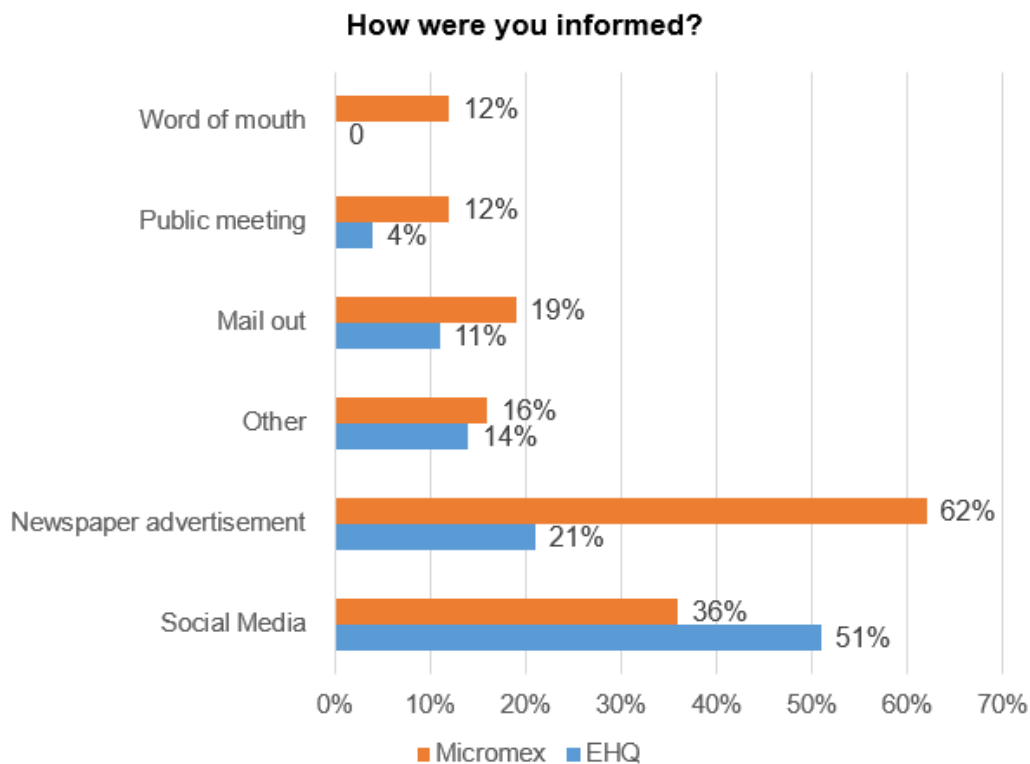
Were you aware that Council was considering a SRV and seeking community comment?



Source of information

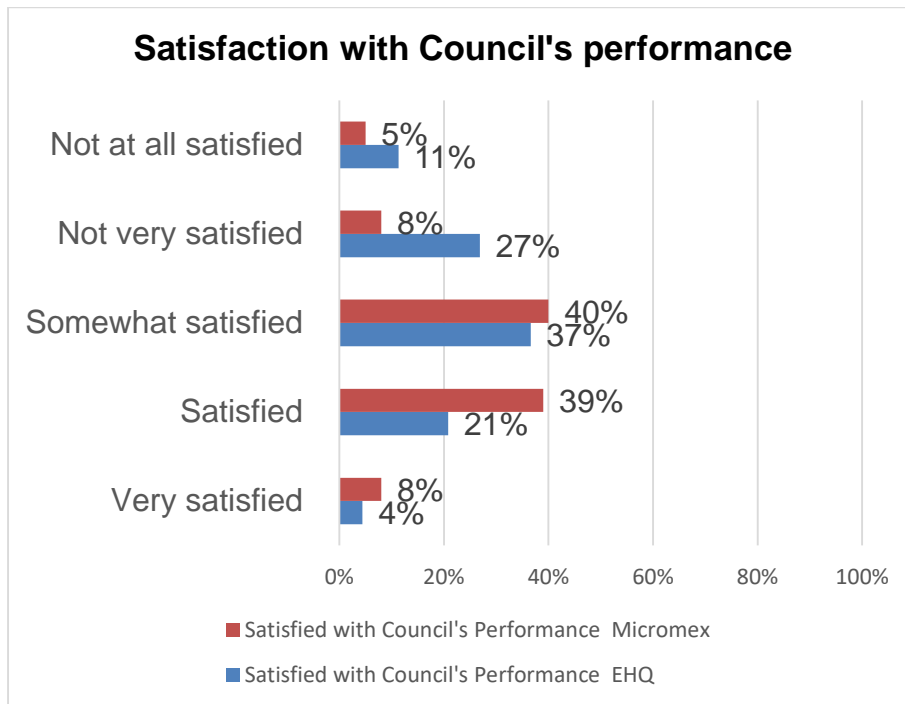
How were you informed of the SRV?

Note: Respondents could provide multiple answers



Council Performance

Satisfaction with Council's performance

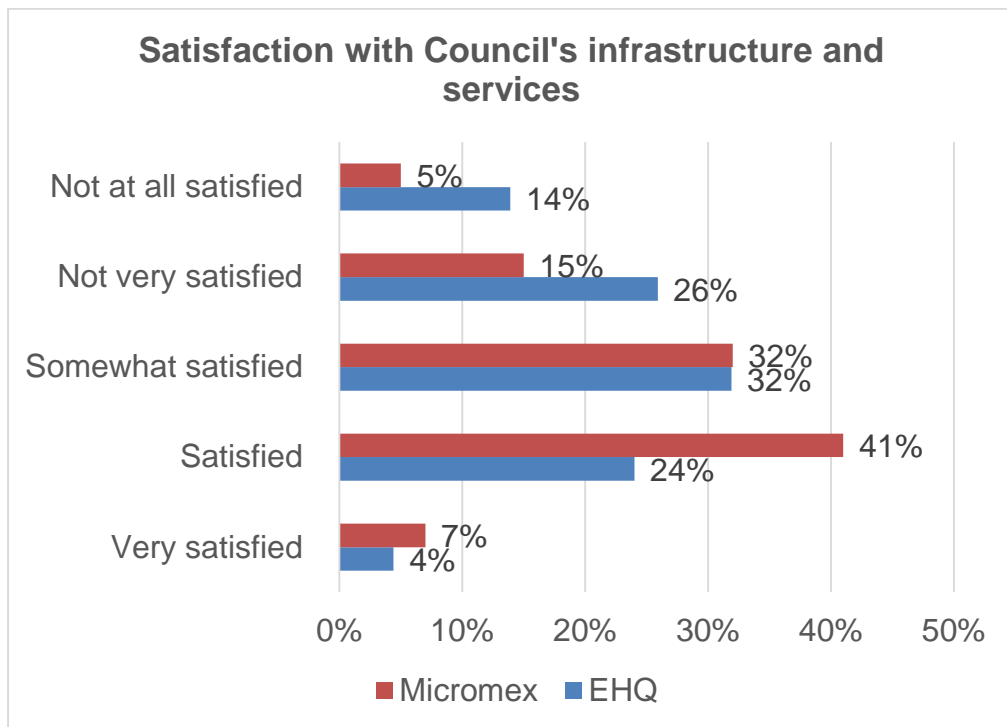


62% somewhat satisfied to very satisfied (EHQ)
 87% somewhat satisfied to very satisfied (Micromex)

38% not very to not all satisfied (EHQ)
 13% not very to not all satisfied (Micromex)

This is line with Council's 2018 Community Satisfaction Survey score of 84.87% for overall satisfaction.

Satisfaction with infrastructure and services



60% somewhat satisfied to very satisfied (EHQ)
80% somewhat satisfied to very satisfied (Micromex)

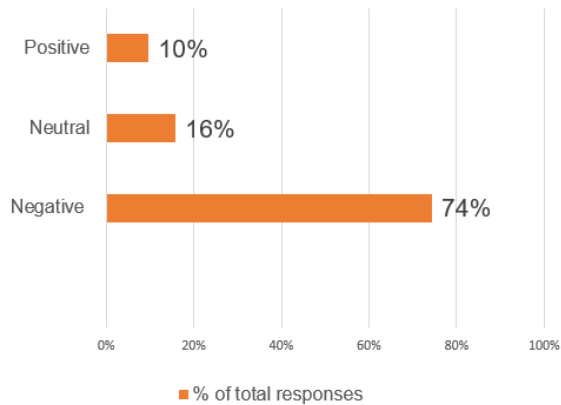
40% not very to not all satisfied (EHQ)
20% not very to not all satisfied (Micromex)

Submissions

A total of 198 written submissions were received by email to a dedicated email address (187) and by letter (11). These submissions were summarised with the key issues and expressed options being identified and enumerated.

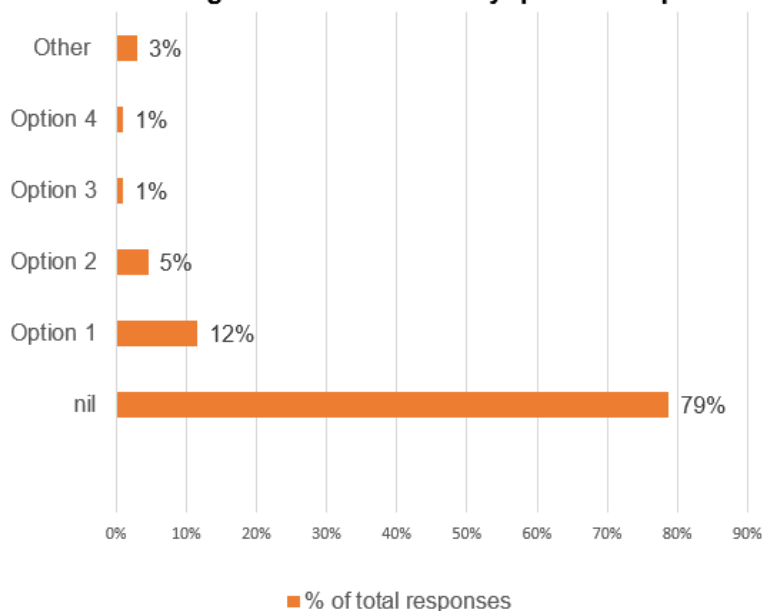
If a respondent supported a SRV, it was scored as “positive. If they supported rate peg only, it was scored. If no option was expressed it was scored as “nil”

Summary of long submission responses

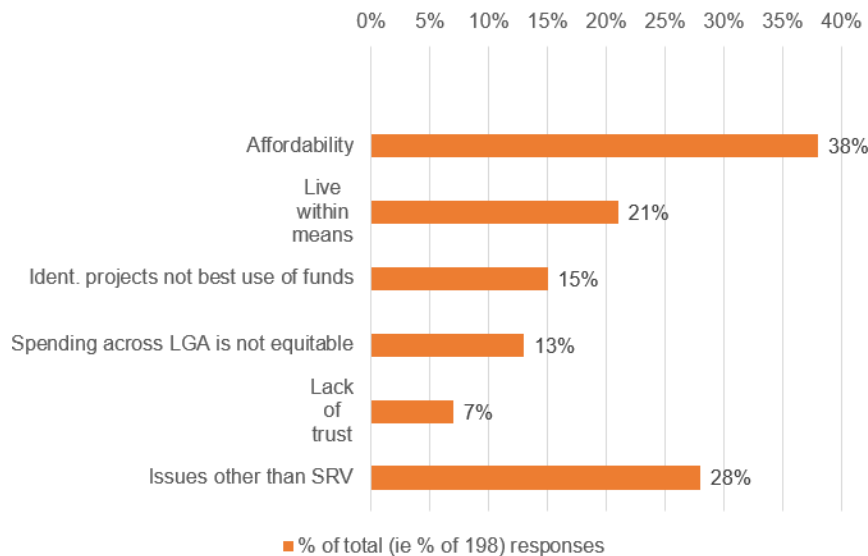


A short online submission could be completed through Council’s *HaveYourSay* portal, EHQ. These submissions reflected similar issues as raised in the emails and letters.

Long submission summary: preferred options



Long submission summary: Key issues



Those in support of a SRV provided comments such as:

- Council needs to increase rates to provide good infrastructure for a good standard of living, not be left behind.
- More infrastructure and services equal a better future for the next generation.
- Opportunity to make a difference to our future.
- Any rate increase should not burden those on lower incomes and pensions

Key issues

1. Affordability

This included comments such as:

- Impact on people on fixed or low incomes (including pensioners and self-funded retirees), small businesses and renters
- Renters and business leases will not be able to afford the rent increases
- Other costs rising (electricity, insurance, petrol) but not wages and pensions
- Economic uncertainty makes a 7 year SRV period risky
- Any rate increase should not burden those on lower incomes and pensions
- Consider option between One and Two –more affordable and reasonable, focussing on core projects such as roads.

2. Live within means

This included comments such as:

- Council needs to live within its means by using current budget better and not waste money
- Find efficiencies in staffing
- Council is inefficient on how it spends its existing funds.
- Council should improve its performance without increasing rates.
- Staff and Councillors can take a pay cut
- Council should sell non-performing assets and apply for more grants

- Developer contribution and population growth should pay for the extra infrastructure

3. Identified projects are not best use of SRV funds

This included comments such as:

- Lack of detail on specific projects to be supported by the SRV
- Some projects were grandiose and outside the remit of Council eg. sports complex
- Too much being spent on visitors and tourists and not residents
- Council should focus on roads, drains etc.
- Council rates are funding projects that benefit developers, business development and tourism. Tourism does not benefit the majority of residents. This should be funded by NSW or Federal government, businesses or developers.

4. Lack of equity of project funding across the LGA

This included comments such as:

- Funding will not divided evenly across the Port Stephens area.
- My rates disproportionally fund projects in Nelson Bay / Raymond Terrace / Medowie etc.
- Rates in my area should only fund projects in my area.
- Western part of LGA is ignored
- Infrastructure promised but not delivered as funds spent elsewhere in LGA
-

5. Lack of trust in Council

This included comments on:

- Council does not have the ability to deliver the projects
- There is very little detail on the projects
- No business cases or evaluation for some projects; e.g. the art centre
- Little integration into the Capital Works Program or connection to Capital Plus Program
- Lack of connection to planning documents
- Unclear is rates will return to lower rate or stay high after 7 years
- Don't trust Council will spend the extra funding sensibly or fairly
- Council lacks ability to manage an continuous improvement process
- Not clear how Council will undertake the projects

Numerous submissions also raised issues not related to other than SRV. These included comments on:

- Council's past performance
- Lists of projects with no comment on SRV
- Comment of Council's past performance
- A proposed SRV was not an election issue
- Comments on projects unrelated to the proposed SRV
- Object to Spencer Park carpark

- Objection of some gated communities paying full rates with little perceived return (garbage collection only)

Those who supported a SRV recognised that the need for Port Stephens to improve rather than just maintain infrastructure and facilities and support a growing community.

There were concerns about lack of detail on the cost of projects and how they were to be prioritised (including the need for detailed business cases). There is also a need for the projects to be more strongly linked to planning strategies such as the Medowie Planning Strategy and to the Strategic Asset Management Plan.

Unfortunately, as part of the consultation and in some responses, it became apparent that there was some misunderstanding about how rates are calculated and applied.

There was also a lack of accurate information about Council's functions and its regulatory environment, which led to some misinformed submissions. In response to this, Council is developing a new, general fact sheets for our website.

A proforma letter received from 24 residents (approx. 12% of submissions) opposed a SRV due to a potential increase in rates through land valuations from the Valuer General. They incorrectly asserted that the council would receive extra income both from the rates increase and higher land valuations.

Attachment A: Communications and Advertising

Advertisements were placed weekly in the main local newspaper, and at the beginning and end of the consultation period for the smaller local paper.

Date	Publication	Details	Content
Wed 11 July	Media release	“Council resolves to invest in Port Stephens community” Distributed to media outlets	Introduction of proposed SRV application
	Informe	Council's eNewsletter	Introduction of proposed SRV application Why a SRV
Thur 12 July	<i>Port Stephens Examiner</i>	Free weekly local newspaper distributed throughout the LGA	News article “Council considers rate rise for Port” Page 9
Tues 17 July	In person briefing sessions (internal)	Councillor briefing General Manager's address to staff	Introduction of proposed SRV application Why a SRV Upcoming community consultation events
Thur 19 July	<i>Port Stephens Examiner</i>	News article	“Push to raise rates” Front page
	<i>Port Stephens Examiner</i>	Opinion piece (Mayor)	“The future Looks bright, but there's a cost” Page 18
	<i>Port Stephens Examiner</i>	Public Notice	Content in Council's regular full page Informe
	<i>Port Stephens Examiner</i>	1/2 page advertisement	Upcoming community consultation events dates Have your say
	<i>News of the Area</i>	1/4 page advertisement	Upcoming community consultation events Have your say
Community consultation period opens Monday 23 July			
Mon 23 July	Council website	SRV information page with information booklet, fact sheets and frequently asked questions	Introduction of potential SRV application Why a SRV Options being proposed Projects being proposed for each funding option Projected financial impacts (rates tables) Community consultation activities

	Engagement HQ	Online feedback tool	Submissions opens Online survey opens Short submission opens
Wed 25 July	Informe	Council's eNewsletter	Why a SRV Options being proposed Projects being proposed Community consultation activities
	<i>Port Stephens Examiner</i>	Online article	"Council to hold community meetings on proposed rate rise"
Thur 26 July	<i>Port Stephens Examiner</i>	News article	"Council: how rate rise would be spent" Page 8
	<i>Port Stephens Examiner</i>	1/2 page advertisement	Upcoming community consultation events dates Have your say
	<i>Port Stephens Examiner</i>	Public Notice	Content in Council's regular full page Informe
	<i>Port Stephens Examiner</i>	Letters to the Editor	"No Desire for Rate Rise" Page 19
		Photo	"Cr Arnott voted against raising rates in Port Stephens" Page 19
Late July	Rates Letter	Letter sent with annual rate notice to 34,160 residents (2,043 via email and 32,117 by post)	Brief overview of proposal and links to online material
Mon 30 July		Video Message from the Mayor Audience: community	Why a SRV Options being proposed Projects being proposed Community consultation activities
Mon 30 July		Message from the General Manager Audience: staff	Why a SRV Options being proposed Community consultation activities
	<i>The Port Report from Kate Washington</i>	Community newsletter for K. Washington MP July/August 2018 Every letterbox in the LGA	Article "Council Rate Rise on the agenda" Page 2
Thur 2 Aug	<i>Port Stephens Examiner</i>	Letters to the Editor	"Rate rise needed" Page 21
	<i>Port Stephens Examiner</i>	Photo	"Residents unsure about the proposed rate rise by PSC (councillors pictured) are urged to attend planned

			community meetings” Page 21
	<i>Port Stephens Examiner</i>	Backchat	Community comment from Facebook Page 21
	<i>Port Stephens Examiner</i>	Public notice	Content in Council’s regular full page Informe
	<i>Port Stephens Examiner</i>	1/2 page advertisement	Upcoming community consultation events dates Have your say
Mon 6 Aug	<i>Port Stephens Examiner</i>	Online article	“More than 80 attend TRRA meeting on rate proposal at Nelson Bay Bowling Club”
Mon 6 Aug	<i>News of the Area</i>	Online article	“Port Stephens Council puts rate rise options to the community”
Thur 9 Aug	<i>Port Stephens Examiner</i>	News article	“Public turn out for the great rate debate” Page 8
	<i>Port Stephens Examiner</i>	Letters to the Editor	“An issue of governance “ Page 18
	<i>Port Stephens Examiner</i>	Public notice	Content in Council’s regular full page Informe
	<i>Port Stephens Examiner</i>	1/2 page advertisement	Upcoming community consultation events dates Have your say
	<i>Port Stephens Examiner</i>	Online article	“Port Stephens Council extends consultation period for Special Rate Variation proposal”
Thurs 16 Aug	<i>Port Stephens Examiner</i>	Public notice	Content in Council’s regular full page Informe
	<i>Port Stephens Examiner</i>	1/2 page advertisement	Upcoming community consultation events dates Have your say
	<i>The Newcastle Herald</i>	Online article	“Cash splash needed to match rate of growth”
	<i>The Newcastle Herald</i>	Opinion piece (Mayor)	“Cash splash needed to match rate of growth” Page 14
	Informe	Council’s eNewsletter	Extension of consultation period to 31 August Why a SRV Options and projects being proposed Community consultation activities
	Media release	“Investing in the future of	Why a SRV









		Port Stephens” Distributed to XXX media outlets	Options being proposed Projects being proposed Community consultation activities
Thurs 23 Aug	<i>Port Stephens Examiner</i>	Article	“Extra time for residents to have say on rates” Page 2
	<i>Port Stephens Examiner</i>	Public notice	Content in Council’s regular full page Informe
	<i>Port Stephens Examiner</i>	1/2 page advertisement	Extension on consultation period Possible contact from Micromex
	<i>Port Stephens Examiner</i>	Online article	“Port Stephens residents have their say on council’s Special Rate Variation proposal”
	Media release	“Last week to have a say on proposed Special Rate Variation”	Last week to provide submissions Why a SRV Options being proposed Projects being proposed
Thurs 30 Aug	<i>Port Stephens Examiner</i>	News Article	“The argument for a proposed rate rise” Page 12
	<i>Port Stephens Examiner</i>	News article	“Resident’ argument against a rate rise” Page 12
	<i>Port Stephens Examiner</i>	Public notice	Content in Council’s regular full page Informe
	<i>Port Stephens Examiner</i>	1/2 page advertisement	Extension on consultation period Possible contact from Micromex
Thurs 6 Sept	<i>Port Stephens Examiner</i>	1/2 page advertisement Paid for by former mayor	“to the rate payers of Port Stephens watch out...”
	<i>Port Stephens Examiner</i>	Letters to the Editor	“Rate rise a burden”
Friday 7 September 2018: Consultation period closed			


Social media

Council’s Facebook site was used extensively to promote information about the proposals, the meetings and answer questions about the proposal. It was also used to promote the online engagement tool, Have Your Say

Special Rate Variation - social media paid campaign

Channel	Clicks	Engagement	Content	Date
---------	--------	------------	---------	------

Facebook	738	896	 <p>Port Stephens Council Sponsored · 1h</p> <p>Do you want better roads, more cycleways, improved drainage, revitalised town centres and more? Then have a look at our proposed SRV and have your say.</p> <p>portstephens.nsw.gov.au/br Have Your Say on the SRV The SRV will provide additional f... LEARN MORE</p>	25/7/18
Facebook	831	942	 <p>Port Stephens Council Sponsored · 1h</p> <p>Every person in Port Stephens now has the chance to have their say on Council's proposed SRV application. Don't miss out, share your thoughts today.</p> <p>portstephens.nsw.gov.au/br Have Your Say on the SRV Together we are investing in our... LEARN MORE</p>	26/7/18
Facebook	241	337	 <p>Port Stephens Council Sponsored · 1h</p> <p>Port Stephens' residents want more facilities, better roads and more playgrounds – and we want to deliver. Make your submission on the SRV proposal.</p> <p>portstephens.nsw.gov.au/br Have Your Say on the SRV Together we are investing in our... LEARN MORE</p>	26/07/18
Facebook	236	312	 <p>Port Stephens Council Sponsored · 1h</p> <p>We want more for Port Stephens, just like you do. Better roads, paths, and enhanced services are some of the projects we're proposing under a SRV. Let us know what you think.</p> <p>portstephens.nsw.gov.au/br Have Your Say on the SRV Together we are investing in our... LEARN MORE</p>	1/8/18
Facebook	44	63	 <p>Port Stephens Council Sponsored · 1h</p> <p>The proposed SRV will give us additional funds to fast-track major projects like road rehabilitation, parking and public facilities. Share your thoughts today.</p> <p>portstephens.nsw.gov.au/br Have Your Say on the SRV Together we are investing in our... LEARN MORE</p>	17/8/18
Facebook Video	4,490 views	13,123	 <p>Port Stephens Council Sponsored · 1h</p> <p>The proposed SRV will give us additional funds to fast-track major projects like road rehabilitation, parking and public facilities. Tell us what you think.</p> <p>portstephens.nsw.gov.au/br Have Your Say on the SRV Together we are investing in our... LEARN MORE</p> <p>IN THE LOWER HUNTER</p> <p>RATES</p> <p>portstephens.nsw.gov.au/br Have Your Say on the SRV Together we are investing in our... LEARN MORE</p>	23/8/18
Facebook Events (Anna Bay, LTP & RT)	61	164	 <p>Port Stephens Council shared an event. Sponsored · 1h</p> <p>Want to know what the Special Rate Variation is all about? Come along to one of our meetings and have the opportunity to chat with Councillors and Council staff.</p> <p>SRV 18/19 Special Rate Variation Meeting - Anna Bay 27 people interested · 7 going</p> <p>Investing in our community</p>	25/7/18
Twitter	24	24	 <p>Port Stephens Council #PSHaveYourSay</p> <p>Want to know what the Special Rate Variation is all about? Come along to one of our meetings and have the opportunity to chat with the Councillors and Council staff.</p> <p>Follow the link to find out more about the meetings happening near you: bit.ly/2NqLRK</p> <p>SRV Investing in our community</p>	20/7/18

92		31/7/18
805		26/7/18
302		20/7/18

Broadcast mentions

NBN Newcastle at July 26th 2018 6:05 PM

*Port Stephens residents are in for a rate hike with the **council** presenting four different funding models.*

1233 ABC Newcastle at July 26th 2018 7:30 AM

*.5% a year that's one option being offered to rate paid by **Port Stephens Council** which see total cumulative increase of 19% over 7 years the....*

ABC Upper Hunter AM at July 26th 2018 7:05 AM

Council** plans to increase rates with one resident telling her to get real and leave us alone Annabelle Regan reports **Port Stephens Council

1233 ABC Newcastle at July 26th 2018 6:47 AM

***Port Stephens Council** has offered 4 rate variation options for the community ...*

1233 ABC Newcastle at July 23rd 2018 7:30 AM

*over 3 years **Port Stephens Council** says it's considering a **rate rise** to make the area a better and safer place to live **councils** considering.....*

ABC Upper Hunter AM at July 23rd 2018 7:30 AM

*Over 3 years **Port Stephens Council** says it's considering a rate rise to make the area a better and safer place lived **councils** considering an.....*

Council website

A dedicated page with copies of all materials and list of meetings in the events calendar.

Attachment B: Summary of Community Activities

Date	Activity	Council lors	Staff	Attend Nos
July				
Tue 24	Information Booth Tomaree Library 11am-1pm	4	1	4
Tue 24	Halls Forum	N/A	2	30
Wed 25	Round Table Discussion Raymond Terrace 11am -1pm	3	2	Nil
Wed 25	Parks Forum	4	2	50
Wed 25	Community Meeting Raymond Terrace 4-6pm	5	5	5
Thu 26	Community Meeting Medowie Community Hall 4-6pm	6	4	15
Sat 28	Information Booth Marketplace Raymond Terrace 10am -1pm	2	1	30
Mon 30	Information Booth Raymond Terrace Library 10am-Noon	3	1	2
August				
Wed 1	Round Table Discussion Tomaree Library 11.30am-1.30pm	2	4	4
Wed 1	Community Meeting Karuah RSL Club 3-5pm	1	4	18
Thu 2	Community Meeting Lemon Tree Passage 4-6pm	3	5	48
Sat 4	Information Booth Anna Bay Markets 8.30am-2pm	N/A	1	20
Sat 4	Community Meeting Medowie Community Hall 10am-1pm	3	4	18
Mon 6	TRRA General Meeting Nelson Bay	5	5	80
Mon 6	Medowie Sports Council	1	2	
Wed 8	Round Table Discussion Anna Bay 11am-1pm	2	3	7
Wed 8	Community Meeting Anna Bay 4-6pm	3	3	18
Sat 11	Information Booth Medowie Markets 8am-12.30pm	2	2	15
Sat 11	Information Booth Chemical Waste Drop Day Lemon Tree Passage	N/A	1	40
Mon 13	Community Meeting Raymond Terrace 4-6pm	3	3	17
Wed 15	Tomaree Business Chamber Nelson Bay	3	3	25
Thu 16	Community Meeting Seaham Community Hall 4-6pm	4	3	25

Sat 18	Community Meeting Tomaree Community Centre 10am-1pm	3	2	15
Sat 18	Information Booth Love Seafood Festival 11am – 3pm	N/A	2	10
Mon 20	Information Booth Shoal Bay Shopping Centre 8 -11am	N/A	1	5
Mon 27	Aboriginal Strategic Committee	?	N/A	5
Mon 27	Tomaree Sports Council	1	1	10
Wed 29	Shoal Bay Community Association	4	3	35

8 Information Booths

9 Council to Community meetings

5 Council committee or advisory groups

3 Round Tables

3 Community associations

TOTAL 28 activities

Attachment C: Micromex Telephone Survey report

Attached to the Council business report as **ATTACHMENT 1**.

Acronyms

CSP	Community Strategic Plan
EHQ	Engagement HQ – have your say online platform
IPART	Independent Pricing and Regulatory Tribunal
LGA	Local Government Area
OLG	Office of Local Government
PSC	Port Stephens Council
SAMP	Strategic Asset Management Plan
SRV	Special Rate Variation

Port Stephens Council

SRV Research

Prepared by: Micromex Research
Date: August 2018



Background and Objectives

Background

Port Stephens Council is facing increased pressure to provide enhanced services and facilities to meet the high standards expected by the community. Whilst Council has implemented a range of productivity savings, reduced costs across operations and been assessed as financially sustainable by the NSW Government, the community is saying they want more investment in their local area.

Council is therefore considering applying for a Special Rate Variation to increase rates above the rate cap, providing additional funds to deliver major projects requested by the community – stimulating local economies, driving business growth, attracting visitors and enhancing the region.

Council is conducting a range of engagement and consultation regarding the SRV, presenting the community with a range of options to consider and provide feedback on. This research forms part of the engagement process.

Objectives of the Survey

- 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
- Community attitude towards a number of key projects
- Measure community satisfaction with the performance of Council



Methodology & Sample

Data collection

Micromex Research, together with Port Stephens Council, developed the questionnaire. Telephone interviewing (CATI) was conducted during period 20th – 25th August 2018.

Sample

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%.

As the raw data has been weighted to reflect the real community profile of Port Stephens Council, the outcomes reported here reflect an 'effective sample size'; that is, the weighted data provides outcomes with the same level of confidence as unweighted data of a different sample size. In some cases this effective sample size may be smaller than the true number of surveys conducted.

Interviewing

361 of the 403 of respondents were selected by means of a computer based random selection process using the electronic White Pages and SamplePages.

In addition 42 respondents were recruited face-to-face, this was conducted at a number of areas around Port Stephens Council area, i.e. Market Place in Raymond Terrace, Post Office at Nelsons Bay and Salamander Bay Square.

Respondents were asked whether they currently pay residential, farmland and/or business rates, and were then provided with the information for the highest monetary increase they would face, i.e. business was priorities, then farmland, then residential. 381 respondents answered the survey from the perspective of households that pay residential rates, 14 from the perspective of those that pay farmland rates and 7 from the perspective of those that pay business rates. Due to the low base size, results for farmland and business rates should be viewed from an interest point of view only.

Data analysis

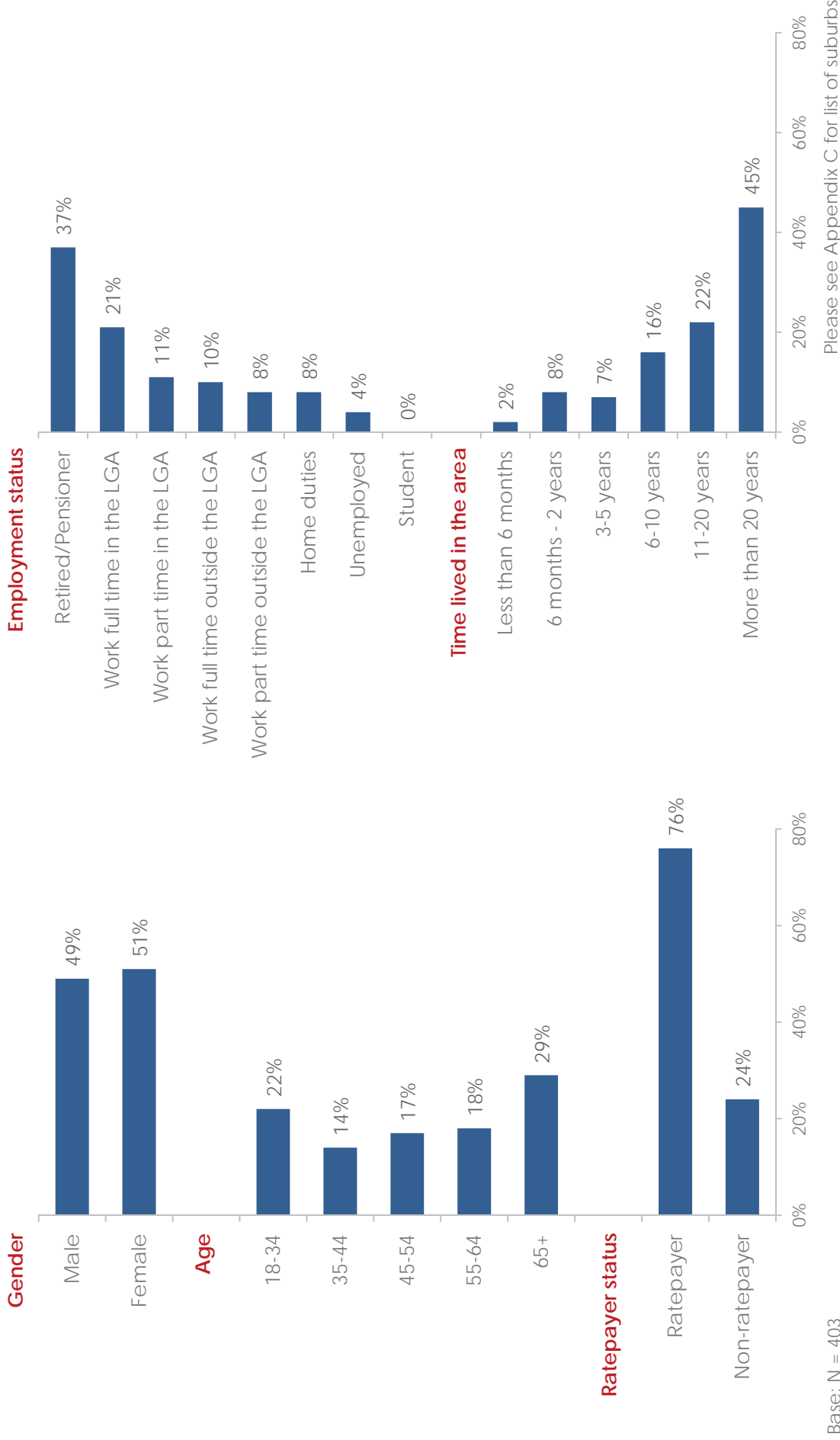
The data within this report was analysed using Q Professional.



Sample Profile



Sample Profile



Summary of Key Findings



Summary of Key Findings

Summary

87% were at least somewhat satisfied with Council's performance and 80% were at least somewhat satisfied with the current quality of local infrastructure and facilities.

Prior to contact 52% of residents were already aware of the proposed SRV .

- 61% of residents selected Option 1 (Rate peg only) as their first preference,
- 39% of residents selected one of the SRV options as their first preference.

Recommendations

If Council wishes to increase community support for an SRV it will need to:

- Clearly articulate tangible benefits that the proposed SRV will provide to the Port Stephens community, and that any SRV funding will be equitably allocated across the whole LGA
- Demonstrate that it has already achieved budgetary efficiencies, and that it is being fiscally responsible
- Address the hardship concerns of older residents



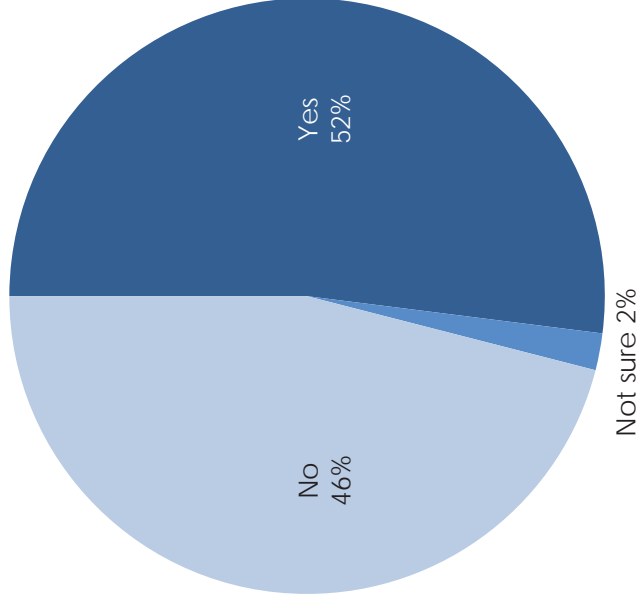
Awareness of a Special Rate Variation



Awareness of Special Rate Variation Exploration

Q4a. Prior to this call, were you aware that Council was considering a Special Rate Variation and seeking community comment?

	Overall	Male	Female	18-34	35-44	45-54	55-64	65+	Ratepayer	Non-ratepayer
Yes	52%	58%	47%	23% ▼	44%	57%	63%	70% ▲	60% ▲	27%
No/not sure	48%	42%	53%	77%	56%	43%	37%	30%	40%	73%



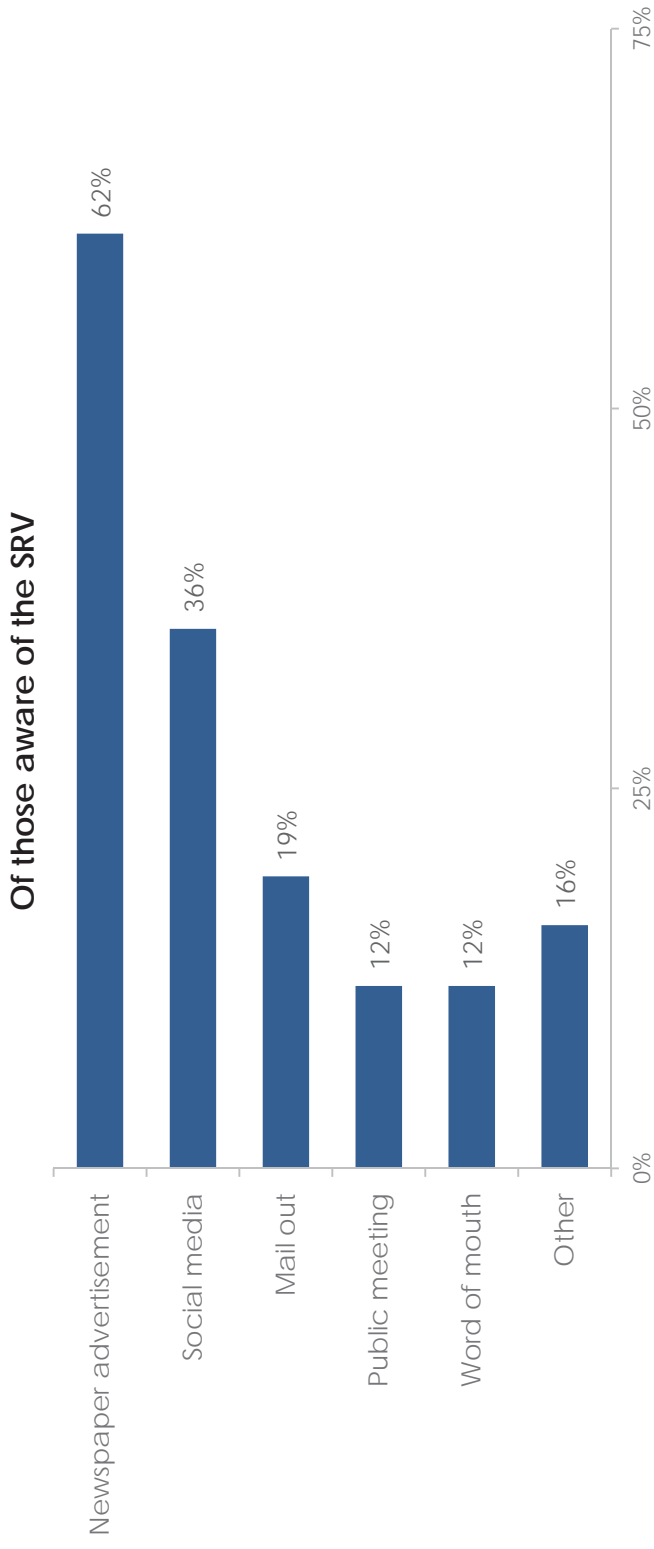
Base: N = 403

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

Just over half of respondents (52%) were aware that Council was considering a Special Rate Variation and seeking community comment.
Older residents (65+) and ratepayers were significantly more likely to be aware, whilst younger residents (18-34) were significantly less likely.

Source of Information on a Special Rate Variation

- Q4a. Prior to this call, were you aware that Council was considering a Special Rate Variation and seeking community comment?
 Q4b. [If yes in Q4a] How were you informed of the Special Rate Variation?



Other specified	Count	Other specified	Count
News article	7	Council meeting/event	2
Radio	7	Email	2
TV	5	Via work/place of employment	2
Councillors/Council staff	3	Public noticeboard	1
Local social/community group	3		

Base: N = 211

See Appendix A for results by demographics



Newspaper advertisement (62%) was the most common method by which respondents had become aware that Council is considering a SRV, followed by social media (36%).

Support for a Special Rate Variation



Concept Statement

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

The Port Stephens community has consistently told Council that local facilities, infrastructure and services are important to them and that they would like to see better outcomes being provided to the community across a range of areas.

Over recent years, Council has implemented a range of productivity savings, reduced costs across our operations and been assessed as financially sustainable by the NSW government. However, Council is constantly asked to undertake more as our region grows and community expectations increase. To help meet this demand, Council is considering an application to the NSW Government for a Special Rate Variation in 2019.

Across NSW, council rates increase each year by an amount that is set by the NSW Government – this is known as the Rate Peg. For the 2018-19 financial year this increase is estimated to be 2.5%. A special rate variation is an additional increase, above the rate peg.

If successful, this proposed rate increase would provide additional funds to deliver major projects requested by the community, which Council is unable to fund within its existing revenue.

The proposed SRV projects will create local jobs, stimulate the local economy and support vibrant town centres which will add value for everyone.

Specifically, Council wants to provide:

- Town centre and neighbourhood revitalisation projects at Anna Bay, Fern Bay, Fingal Bay, Karuah, Lemon Tree Passage, Medowie, Nelson Bay, Raymond Terrace and Seaham.
- New and improved infrastructure including:
 - Upgrading and installing new paths and cycleways
 - Increased annual road maintenance budget and the provision of car parking
 - Public amenities and BBQ facilities
 - Enhanced services including:
 - Extended library hours and services
 - Additional tree management
 - Increased investment into our local sports facility maintenance, and
 - Additional open drain maintenance

As this directly affects you, we want your feedback on the proposal and consideration of which option you prefer.

Concept Statement

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

Council has commenced the consultation process with the community and has identified 4 potential options. Just to remind you that Port Stephens Council is committed to assisting residents that are facing difficulties in meeting their rates payments and have in place a hardship policy and pensioner rebate system to support our community.

The four options which I would like you to consider are:

- Option 1 – **Maintain** infrastructure and service, that is rate peg only increase of 2.5%
- Option 2 – **Enhanced** infrastructure and services with a rate rise of 6.5% per annum for seven years (which includes rate peg)
- Option 3 – **Expanded** infrastructure and services with a rate rise of 7.5% per annum for seven years (including rate peg), and
- Option 4 – **Transformed** infrastructure and services with a rate rise of 8.5% per annum for seven years (including rate peg)

The main difference between options 2, 3 and 4 is that increased rate income would fund an increasing range of projects and service levels. All listed increases apply only to ordinary rates.

I am now going to provide you with more details of each option and ask you to indicate your level of support for each. At the end, I will ask you to rank your preferences. Please note that each option would apply to all rates, however, because you pay [business/farmland/residential] rates we will be referring to those rates.

Option 1 – Rate Peg Only

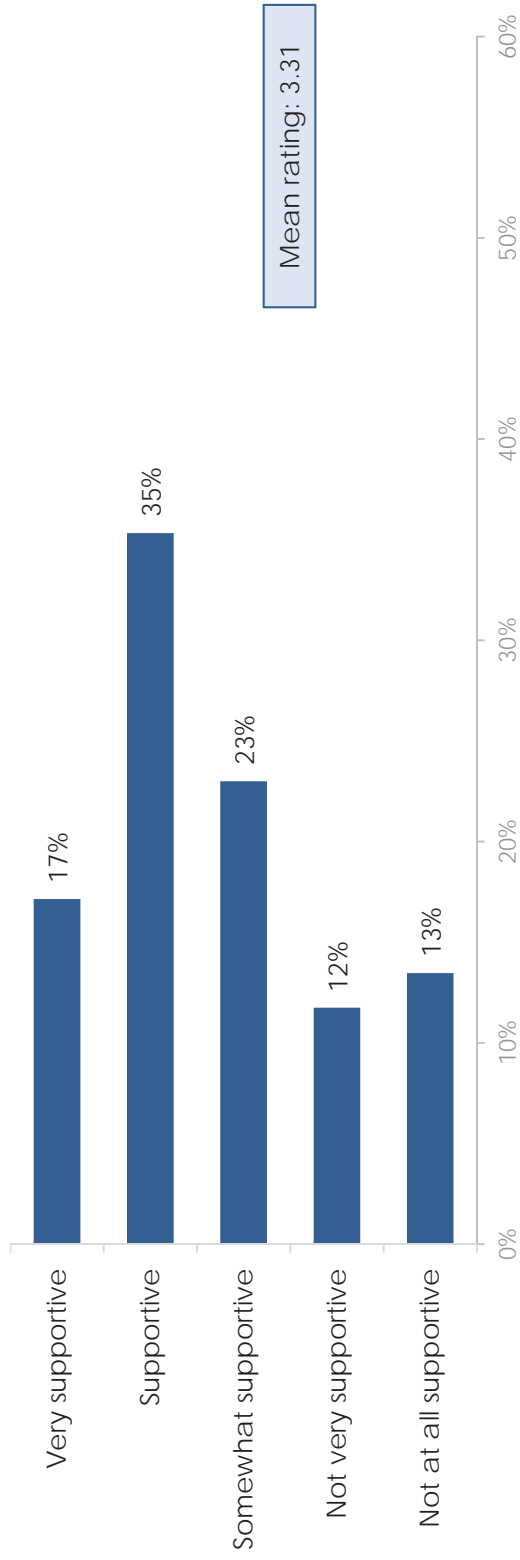
Under Option 1, rates would only increase by the rate peg amount of 2.5% each year. Under this option Council will not be able to fund any of the proposed new projects or additional services. This represents a cumulative rise of 19% over the seven years.

Under this option an additional \$30.9 million in rate peg increases would be raised over seven years. This would cover normal inflationary costs but only offer a limited potential to undertake additional infrastructure projects or provide enhanced services.

Under this option: Residential – The average residential household rates will increase from \$1,048 in 2018-2019 to \$1,246 in 2025-2026
Farmland – The average farmland rates will increase from \$1,649 in 2018-2019 to \$1,960 in 2025-2026.
Business – The average business rates will increase from \$4,451 in 2018-2019 to \$5,291 in 2025-2026.

Q5a. How supportive are you of Council proceeding with Option 1?

	Overall	Male	Female	18-34	35-44	45-54	55-64	65+	Ratepayer	Non-ratepayer
Mean rating	3.31	3.45	3.18	3.47	2.84 ▼	3.57	3.22	3.33	3.34	3.20



Base: N = 403

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

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

75% of respondents are at least 'somewhat supportive' of Option 1, remaining with the rate peg only.

Respondents aged 35-44 were significantly less supportive of this option.

Option 2 – The Enhanced Approach

Under Option 2, Council would apply for an SRV of 6.5% per annum for seven years (including rate peg) to enhance infrastructure and services. At the end of the period the Special Rate Variation increase would be built into the rate base. This would represent a cumulative rise of 55% over the seven years.

Under this option an additional \$87.2 million (including rate peg revenue of \$30.9 million) would be raised over seven years. This would allow an additional \$56.3 million to be allocated and invested into a range of town centre revitalisations, infrastructure projects and enhanced servicing, including some road rehabilitation and resealing.

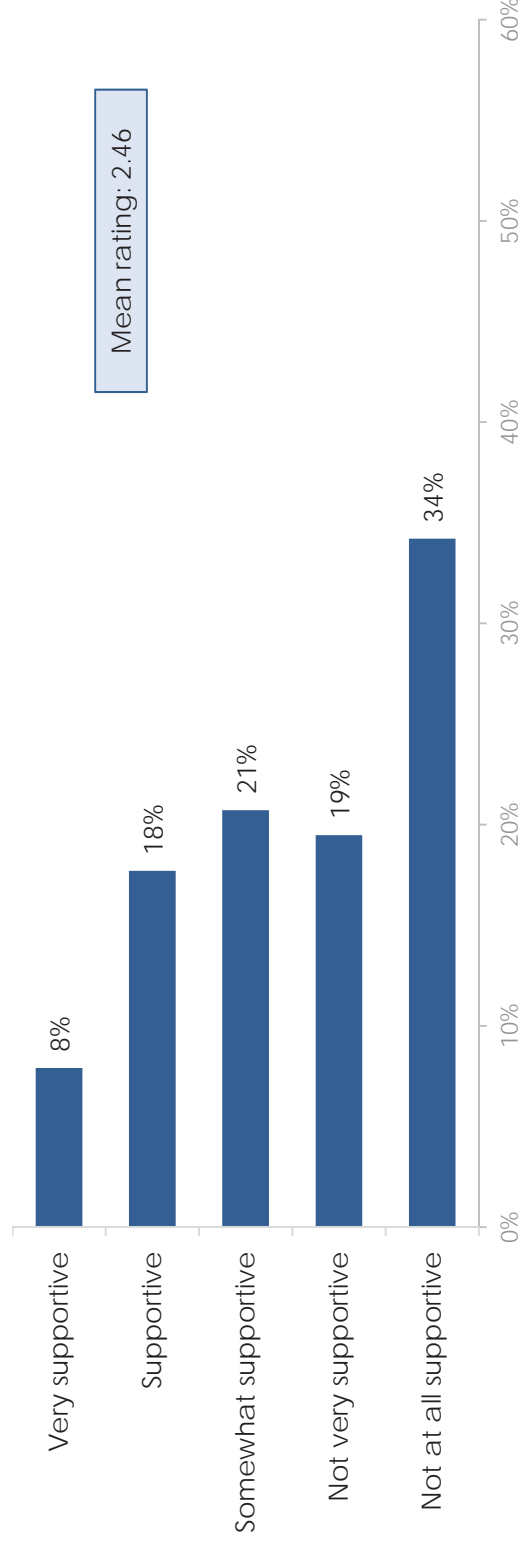
Under this option: Residential – The average residential household rates will increase from \$1,048 in 2018-2019 to \$1,629 in 2025-2026

Farmland - The average farmland rates will increase from \$1,649 in 2018-2019 to \$2,562 in 2025-2026.

Business – The average business rates will increase from \$4,451 in 2018-2019 to \$6,917 in 2025-2026.

Q5b. How supportive are you of Council proceeding with Option 2?

	Overall	Male	Female	18-34	35-44	45-54	55-64	65+	Ratepayer	Non-ratepayer
Mean rating	2.46	2.39	2.52	3.07▲	2.42	2.24	2.21	2.29	2.26	3.08▲



Base: N = 403

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

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

Just under half of respondents (47%) were at least 'somewhat supportive' of Option 2, the Enhanced Approach, however 34% selected the bottom box of 'not at all supportive'.

Younger residents (18-34) and non-ratepayers were significantly more likely to be supportive.

Option 3 – The Expanded Approach

Under Option 3, Council would apply for an SRV of 7.5% per annum for seven years (including rate peg) to expand infrastructure and services. At the end of the period the Special Rate Variation increase would be built into the rate base. This would represent a cumulative rise of 66% over the seven years.

Under this option an additional \$102.7 million (including rate peg revenue of \$30.9 million) would be raised over seven years. This would allow an additional \$71.8 million to be allocated and invested into a range of town centre revitalisations, infrastructure projects and enhanced servicing, including some road rehabilitation and resealing.

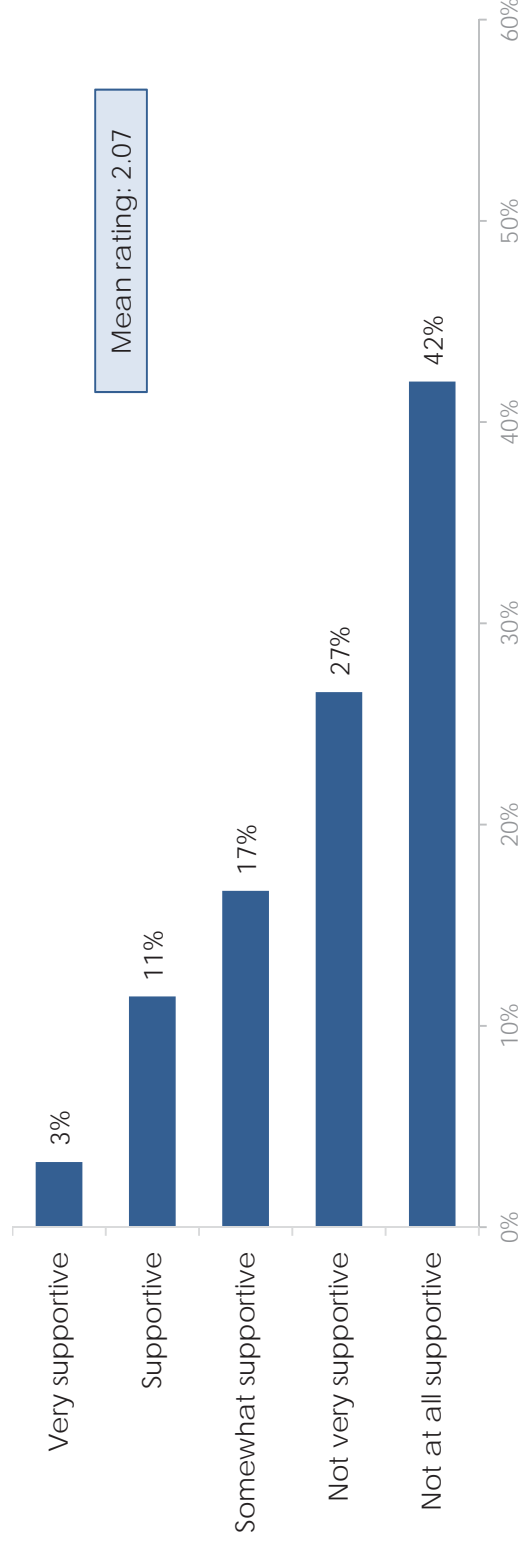
Under this option: Residential – The average residential household rates will increase from \$1,048 in 2018-2019 to \$1,739 in 2025-2026

Farmland – The average farmland rates will increase from \$1,649 in 2018-2019 to \$2,736 in 2025-2026.

Business – The average business rates will increase from \$4,451 in 2018-2019 to \$7,385 in 2025-2026.

Q5c. How supportive are you of Council proceeding with Option 3?

	Overall	Male	Female	18-34	35-44	45-54	55-64	65+	Ratepayer	Non-ratepayer
Mean rating	2.07	1.99	2.15	2.50▲	2.39	1.83	1.84▼	1.88▼	1.98	2.39▲



Base: N = 403

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

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

Just under a third of respondents (31%) were at least 'somewhat supportive' of Council proceeding with Option 3, the Expanded Approach.

Younger residents (18-34) and non-ratepayers were significantly more likely to be supportive of this Option, with older residents (55+) significantly less likely.

Option 4 – The Transformed Approach

Under Option 4, Council would apply for an SRV of 8.5% per annum for seven years (including rate peg) to transform infrastructure and services. This would represent a cumulative rise of 77.01% over the seven years.

Under this option an additional \$118.9 million (including rate peg revenue of \$30.9 million) would be raised over seven years. This would allow for an additional \$88 million to be allocated and invested into a range of town centre revitalisations, infrastructure projects and enhanced servicing, including some road rehabilitation and resealing.

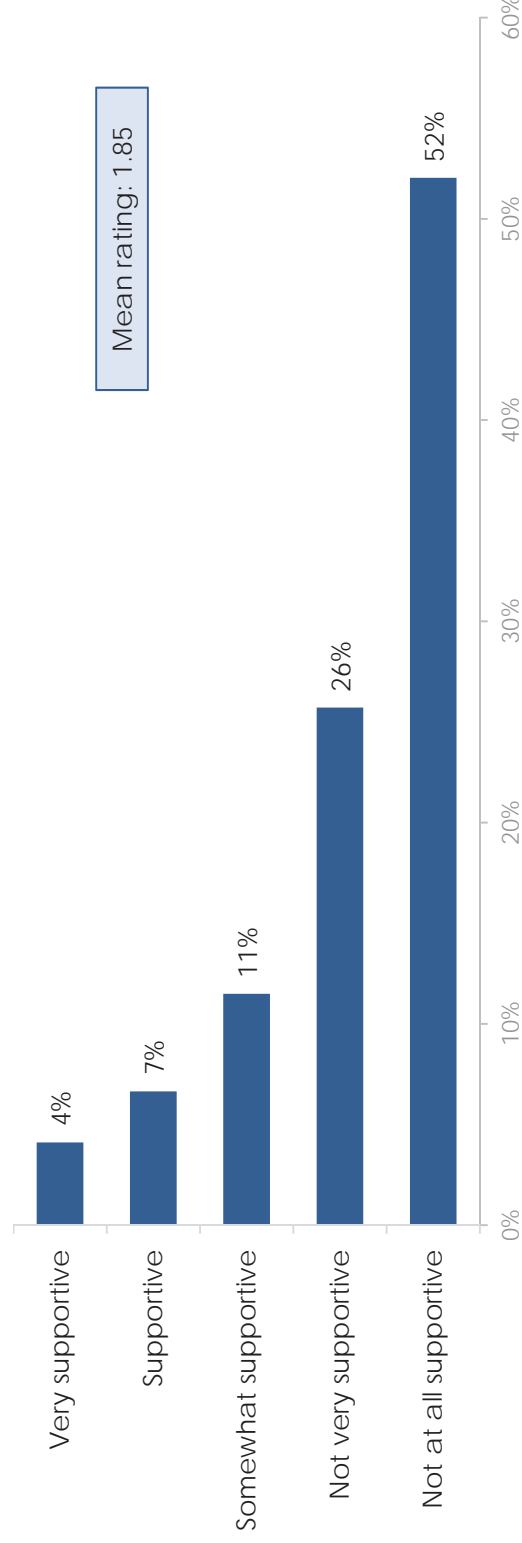
Under this option: Residential – The average residential household rates will increase from \$1,048 in 2018-2019 to \$1,856 in 2025-2026

Farmland – The average farmland rates will increase from \$1,649 in 2018-2019 to \$2,919 in 2025-2026.

Business – The average business rates will increase from \$4,451 in 2018-2019 to \$7,880 in 2025-2026.

Q5d. How supportive are you of Council proceeding with Option 4?

	Overall	Male	Female	18-34	35-44	45-54	55-64	65+	Ratepayer	Non-ratepayer
Mean rating	1.85	1.79	1.91	2.40▲	2.03	1.49▼	1.56▼	1.74	1.72	2.27▲



Base: N = 403

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

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

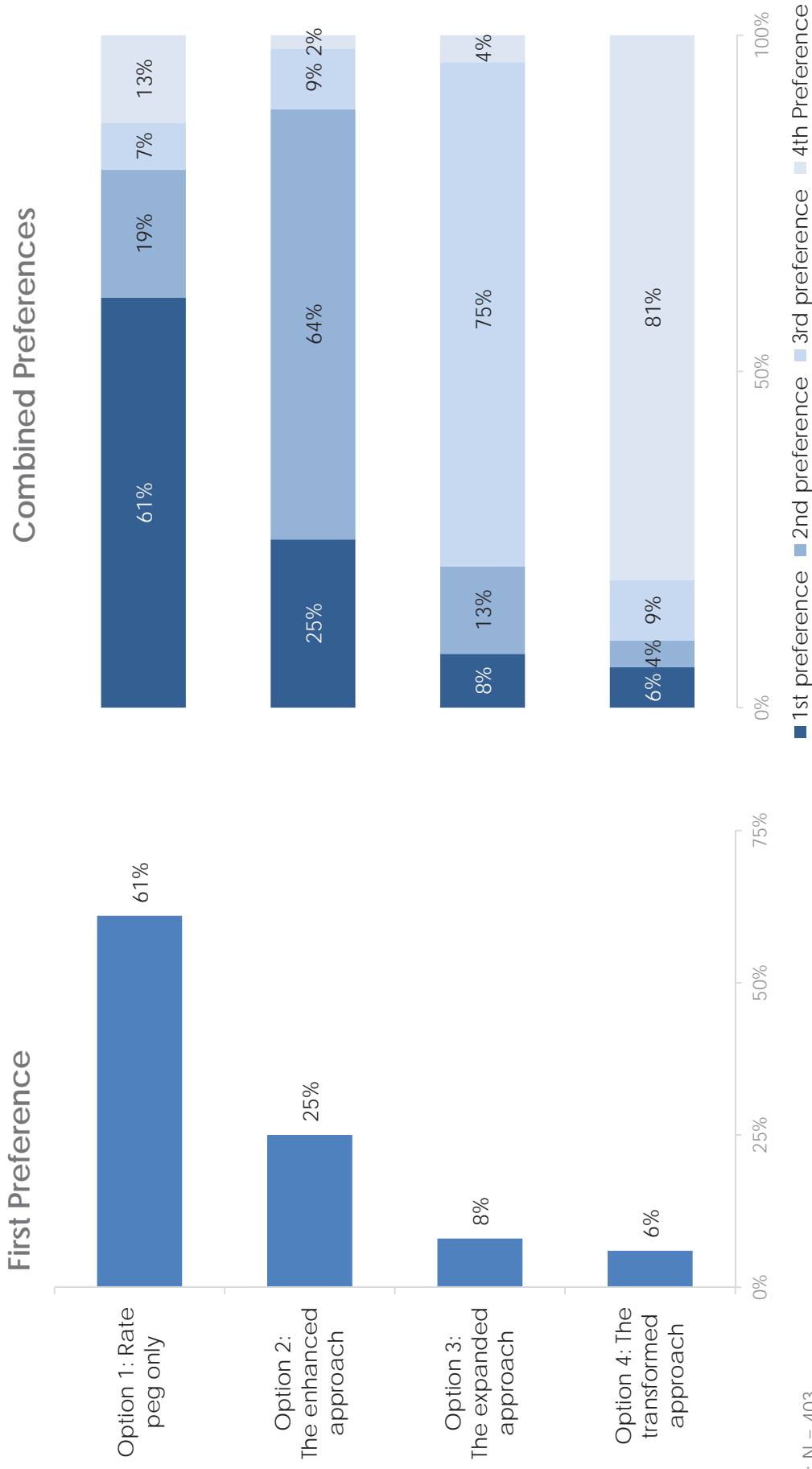


22% of residents were at least 'somewhat supportive' of Option 4, the Transformed Approach, however 52% selected the bottom box 'not at all supportive'.

Residents aged 18-34 and non-ratepayers were significantly more likely to be supportive of this option, whilst those aged 45-64 were significantly less likely.

Preferences for Special Rate Variation Options

Q6a. Please rank the 4 options in order of preference:



Base: N = 403

Note: for data cross analysed by demographics and satisfaction, please see Appendix A



'Option 1 – rate peg only' was the most popular choice by residents out of the four options, with 61% of residents selecting it as their first preference. Furthermore, 81% of residents stated that 'Option 4 – the transformed approach' was their least preferred option.

Interestingly, current levels of satisfaction are impacting the support for options. As residents who selected 'option 1 – a rate peg only' as their first preference were significantly less likely to be satisfied with the performance of council over the past 12 months and significantly less likely to be satisfied with the quality of infrastructure and facilities provided by council in the local area.

Reasons for Preferring Option 1 – Rate peg only (61%)

Q6a. Please rank the 4 options in order of preference:

Q6b. What is your reason for choosing that option as your highest preference?

'It's the only option my family can afford'

'I am not convinced money would be spent in best interest of residents'

'As a pensioner, rates we currently pay don't seem to be giving us value for money'

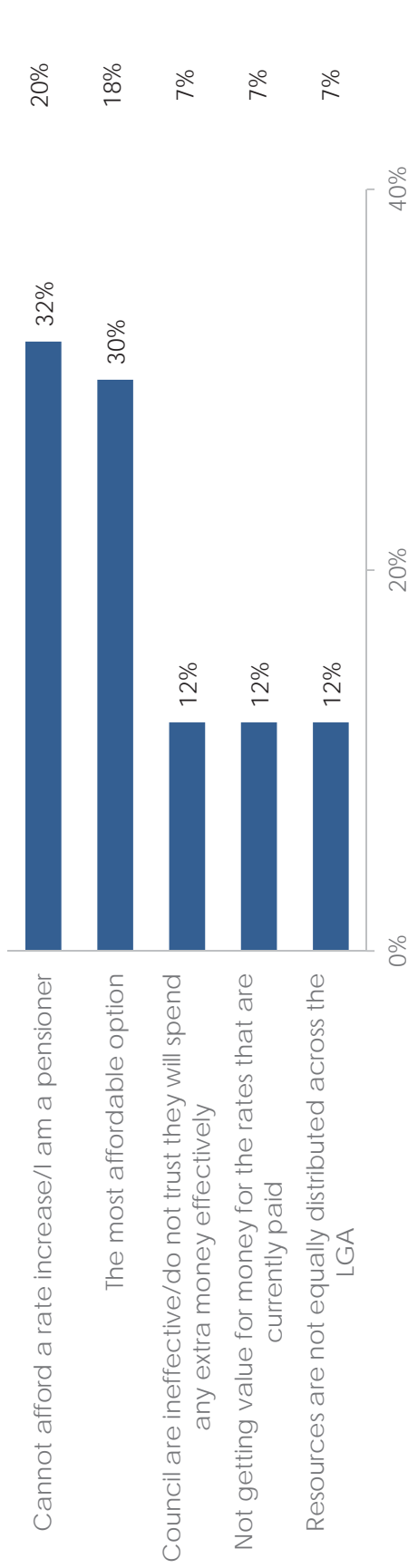
'I would not mind paying more in rates if the money was distributed evenly between suburbs'

'Council needs to learn to operate within its budget'

'As a pensioner, I can't afford any of the other options'

'Raising rates would cause financial struggles and hardships within the community'

Option 1: Rate Peg Only – 61% First Preference



Base: N = 247

Note: responses of less than 12% are listed in Appendix C



32% (20% of total sample) of those that selected Option 1, did so as they cannot afford a rate increase, a further 30% believe Option 1 is 'the most affordable option'.

Reasons for Preferring Other Options (2-4) – The Enhanced, Expanded and Transformed Approach (39%)

Q6a. Please rank the 4 options in order of preference:

Q6b. What is your reason for choosing that option as your highest preference?

'If the community wants projects and improvements they need to support Council financially'

'Majority of the infrastructure and facilities need to be improved'

'More money is needed to support the growing the community'

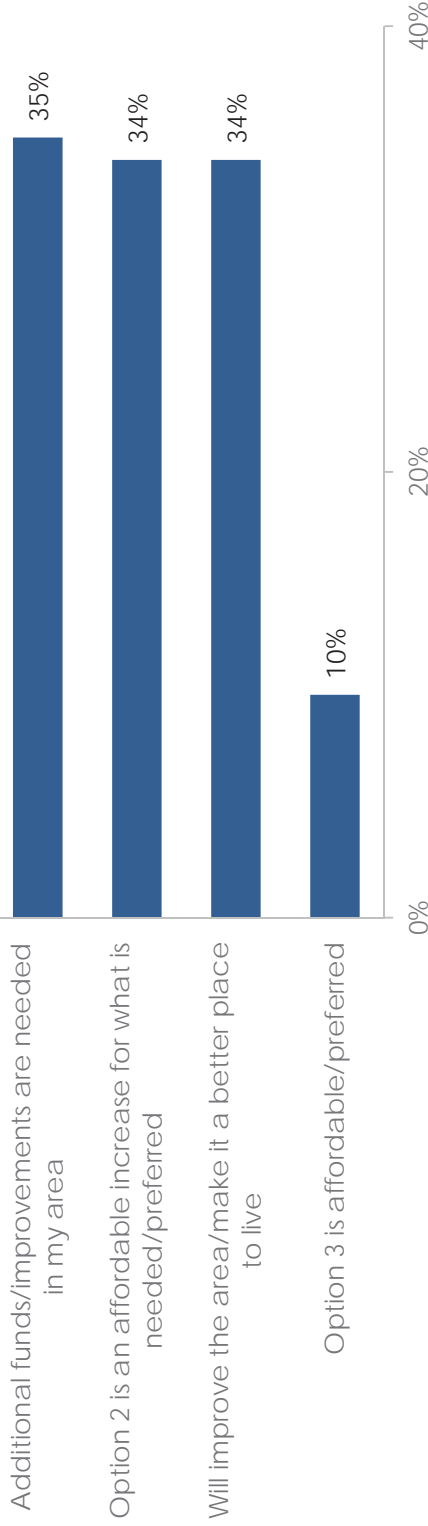
'Prepared to pay increased rates for developed services'

'More affordable option for families while still providing for improved services'

'Helps improve infrastructure instead of just maintaining them'

% of total respondents
N=402

All Other Options – 39% First Preference



Base: N = 155

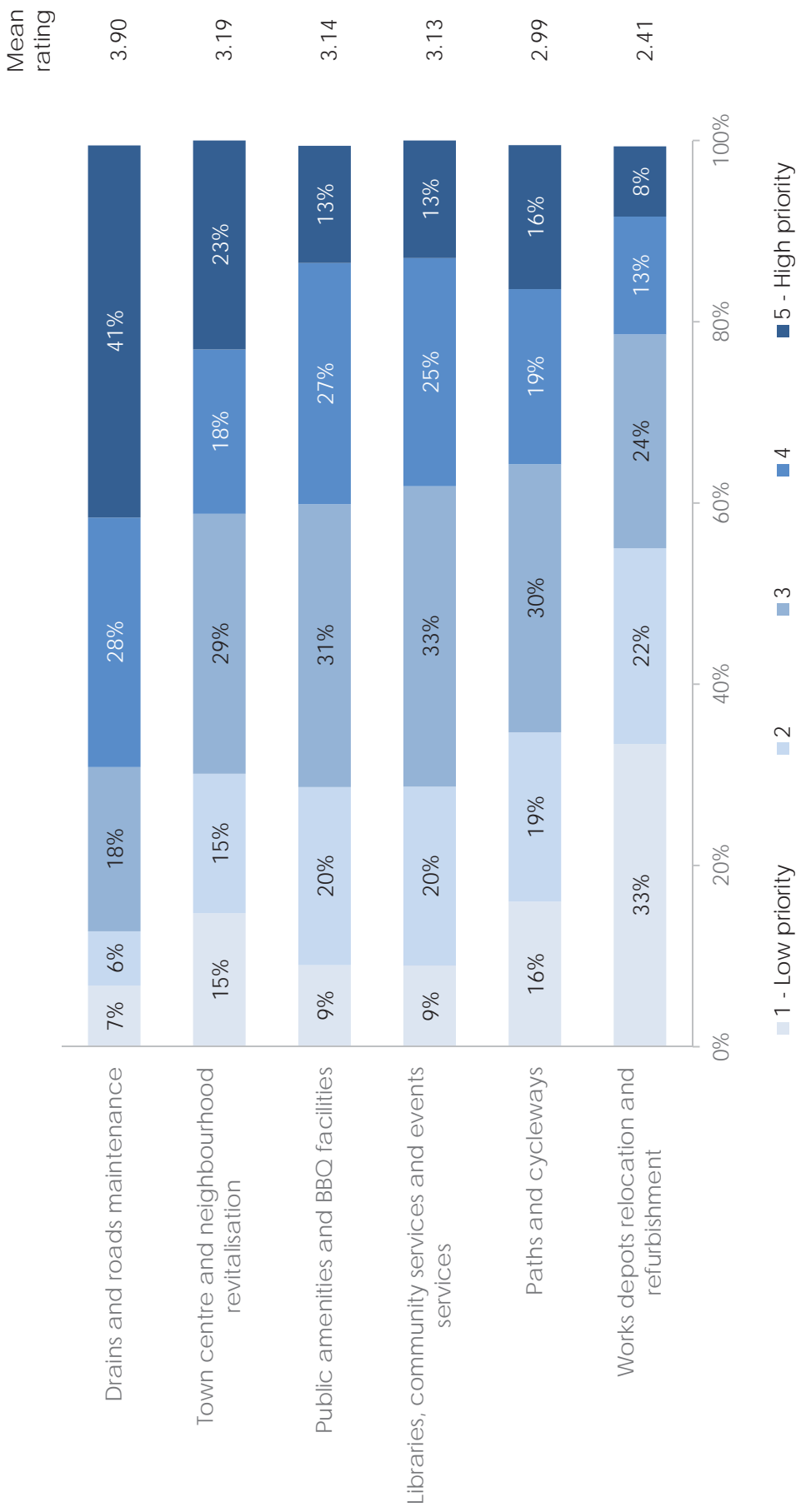
Note: responses of less than 10% are listed in Appendix C



35% of those that would prefer an increase believe 'additional funds/improvements are needed in the area'. 34% specifically mentioned that Option 2 is an affordable/preferable option.

Priority of Major Projects

Q6c. Please rate the following major projects in terms of priority for Council to invest in.



Base: N = 403

Scale: 1 = low priority, 5 = high priority

Note: 1 respondent refused to rate priority for 'drains and roads maintenance', 'libraries, community services and events services' and 'works depots relocation and refurbishment'.



'Drains and roads maintenance' was rated the highest priority, with 41% of residents stating it was a 'high priority'.

Priority of Major Projects

Q6c. Please rate the following major projects in terms of priority for Council to invest in.

	Overall	Male	Female	18-34	35-44	45-54	55-64	65+	Ratepayer	Non-ratepayer
Drains and roads maintenance	3.90	3.81	3.98	4.20▲	3.94	3.97	3.61▼	3.78	3.83	4.12
Town centre and neighbourhood revitalisation	3.19	3.09	3.30	3.51	3.58	3.16	2.87▼	2.99▼	3.03	3.71▲
Public amenities and BBQ facilities	3.14	2.99	3.28▲	3.43▲	3.30	3.21	2.95	2.91▼	3.06	3.38▲
Libraries, community services and events services	3.13	2.86	3.40▲	3.27	3.47	2.99	2.90▼	3.10	3.06	3.38
Paths and cycleways	2.99	2.89	3.09	3.29	2.99	3.02	3.02	2.74▼	2.92	3.24
Works depots relocation and refurbishment	2.41	2.53	2.29	2.78▲	2.18	2.31	2.25	2.40	2.36	2.57

Base: N = 403

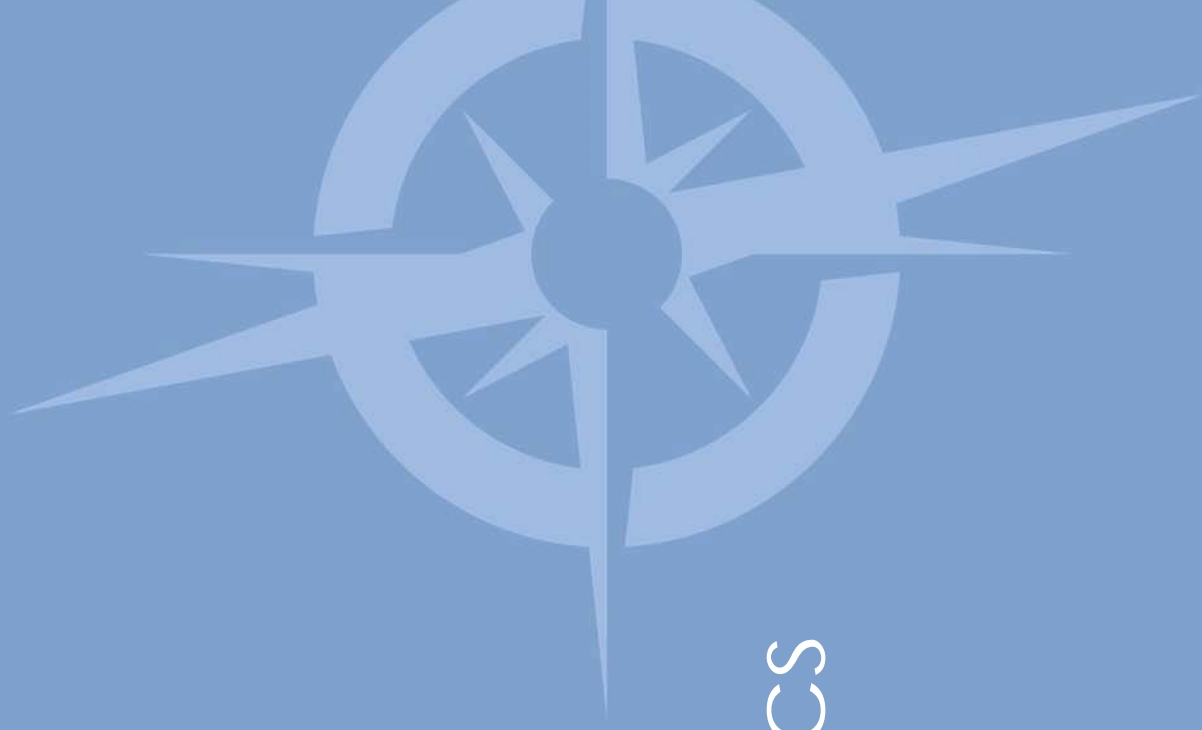
Scale: 1 = low priority, 5 = high priority

Note: 1 respondent refused to rate priority for 'drains and roads maintenance', 'libraries, community services and events services' and 'works depots relocation and refurbishment'.

Younger residents (aged 18-34) were significantly more likely to rate 'drains and roads maintenance' as a high priority, whilst residents aged 55-64 were significantly less likely.



Community Diagnostics

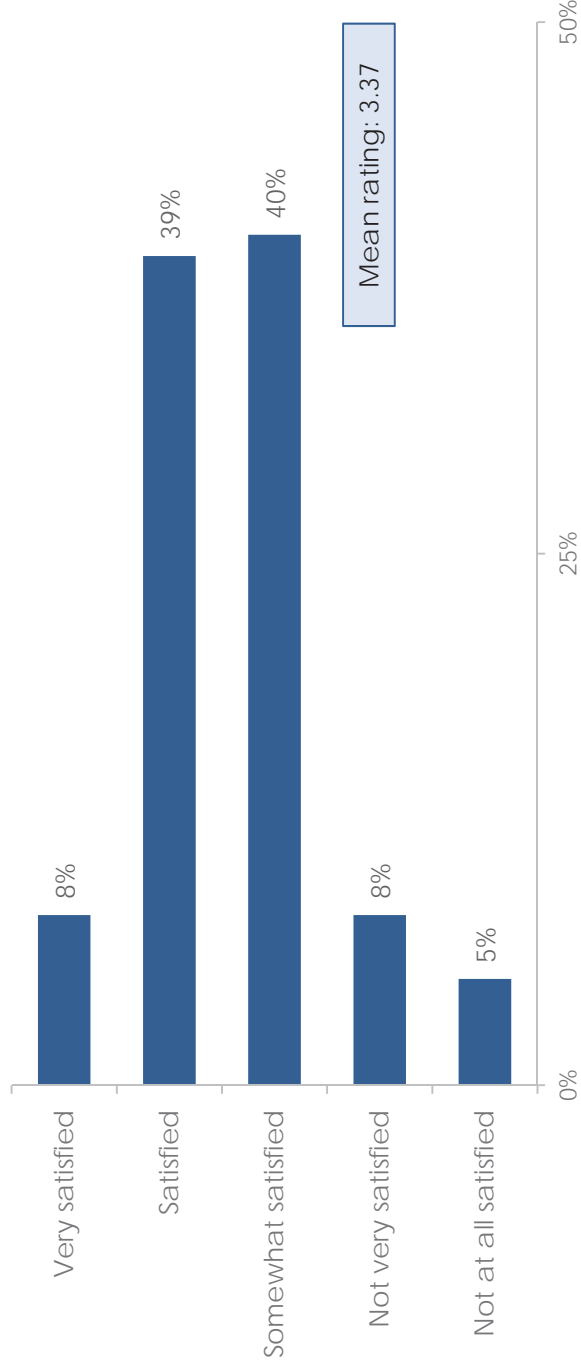


Performance of Council

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 2018	Male	Female	18-34	35-44	45-54	55-64	65+	Ratepayer	Non-ratepayer
Mean rating	3.37	3.26	3.48▲	3.38	3.33	3.32	3.32	3.45	3.34	3.49

NSW LGA BRAND SCORES	Port Stephens Council	All of NSW	Metro Benchmark	Regional
Mean rating	3.37	3.31	3.45	3.22



Base: N = 403

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

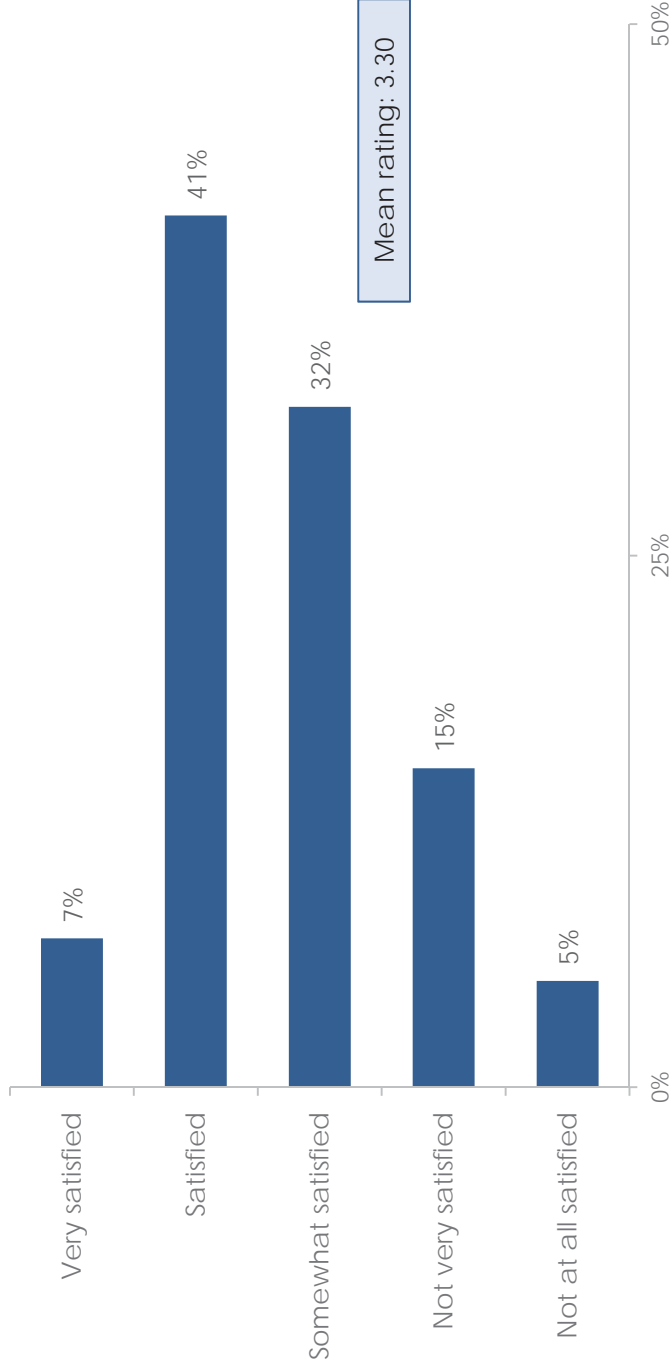


87% of residents are at least 'somewhat satisfied' with the performance of Port Stephens Council over the last 12 months. This result is on par with our NSW LGA brand scores.

Satisfaction with Infrastructure and Facilities

Q3. How satisfied are you with the quality of infrastructure and facilities provided by Council in the local area?

	Overall	Male	Female	18-34	35-44	45-54	55-64	65+	Ratepayer	Non-ratepayer
Mean rating	3.30	3.25	3.35	3.55▲	3.04	3.25	3.29	3.30	3.26	3.43



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

Base: N = 403

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

80% of residents are at least 'somewhat satisfied' with the quality of infrastructure and facilities provided by Council in the local area.

Younger residents (18-34) were significantly more likely to be satisfied.



Appendix A – Results by Demographics



Source of Information on a Special Rate Variation

Q4a. Prior to this call, were you aware that Council was considering a Special Rate Variation and seeking community comment?

Q4b. [If yes in Q4a] How were you informed of the Special Rate Variation?

	Male	Female	18-34	35-44	45-54	55-64	65+	Ratepayer	Non-ratepayer
Newspaper advertisement	69%▲	53%	42%	41%	61%	72%	67%	62%	57%
Social media	33%	39%	91%▲	43%	46%	31%	17%▼	32%	58%▲
Mail out	26%▲	12%	21%	10%	13%	18%	25%	19%	22%
Public meeting	15%	9%	0%	10%	4%	16%	18%	12%	13%
Word of mouth	8%	18%	0%	33%▲	15%	9%	10%	13%	5%
Other	17%	14%	21%	10%	17%	15%	16%	15%	19%
Base	114	97	20	26	39	45	82	186	25

Preferences of Special Rate Variation Options

Q6a. Please rank the 4 options in order of preference:

1 st preference	Overall	Male	Female	18-34	35-44	45-54	55-64	65+	Ratepayer	Non-ratepayer
Option 1 – rate peg only	61%	62%	61%	42%▼	59%	68%	71%	68%	69%▲	38%
Option 2 – the enhanced approach	25%	25%	24%	42%▲	23%	16%	21%	20%	20%	40%▲
Option 3 – the expanded approach	8%	8%	8%	5%	15%	13%	5%	6%	7%	12%
Option 4 – the transformed approach	6%	5%	7%	11%	3%	2%	4%	7%	5%	11%

2 nd preference	Overall	Male	Female	18-34	35-44	45-54	55-64	65+	Ratepayer	Non-ratepayer
Option 1 – rate peg only	19%	20%	18%	33%▲	19%	16%	10%▼	15%	14%	34%▲
Option 2 – the enhanced approach	64%	62%	67%	44%▼	66%	75%	69%	71%	71%▲	46%
Option 3 – the expanded approach	13%	12%	13%	18%	10%	4%	20%▲	10%	11%	17%
Option 4 – the transformed approach	4%	6%	2%	5%	4%	4%	1%	4%	4%	3%

Base: N = 403 Note: 1 respondent refused to state their second, third and fourth preference

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

Preferences of Special Rate Variation Options

Q6a. Please rank the 4 options in order of preference:

3rd preference	Overall	Male	Female	18-34	35-44	45-54	55-64	65+	Ratepayer	Non-ratepayer
Option 1 – rate peg only	7%	7%	6%	14%▲	0%	6%	5%	5%	7%	5%
Option 2 – the enhanced approach	9%	10%	8%	12%	7%	7%	9%	8%	8%	12%
Option 3 – the expanded approach	75%	73%	77%	69%	75%	80%	72%	80%	78%	68%
Option 4 – the transformed approach	9%	10%	9%	5%	18%	7%	13%	8%	7%	16%▲

4th preference	Overall	Male	Female	18-34	35-44	45-54	55-64	65+	Ratepayer	Non-ratepayer
Option 1 – rate peg only	13%	12%	15%	11%	22%	9%	15%	13%	10%	24%▲
Option 2 – the enhanced approach	2%	2%	2%	2%	4%	2%	1%	1%	2%	3%
Option 3 – the expanded approach	4%	7%▲	1%	8%	0%	2%	3%	5%	4%	3%
Option 4 – the transformed approach	81%	79%	82%	79%	74%	87%	81%	82%	84%▲	71%

Preferences of Special Rate Variation Options

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?
 Q6a. Please rank the 4 options in order of preference:

	Preference			
	1 st	2 nd	3 rd	4 th
Option 1 – rate peg only	3.28 ▼	3.46	3.70	3.55
Option 2 – the enhanced approach	3.52	3.28 ▼	3.66	3.60
Option 3 – the expanded approach	3.33	3.75 ▲	3.31 ▼	3.59
Option 4 – the transformed approach	3.86 ▲	3.40	3.44	3.34

Q3. How satisfied are you with the quality of infrastructure and facilities provided by Council in the local area?
 Q6a. Please rank the 4 options in order of preference:

	Preference			
	1 st	2 nd	3 rd	4 th
Option 1 – rate peg only	3.21 ▼	3.48	3.59	3.35
Option 2 – the enhanced approach	3.48	3.20 ▼	3.66 ▲	3.03
Option 3 – the expanded approach	3.20	3.49	3.25	3.99 ▲
Option 4 – the transformed approach	3.69	3.62	3.23	3.27



Appendix B – Comparison of Residential Rates, Farmland Rates and Business Rates

Awareness of SRV

Q4a. Prior to this call, were you aware that Council was considering a Special rate Variation and seeking community comment?

	Resident	Farmland	Business
Yes	51%	75%	67%
No/not sure	49%	25%	33%
Base	381	14*	7*

Q4b. [If yes in Q4a] How were you informed of the Special Rate Variation?

	Resident	Farmland	Business
Newspaper advertisement	64%▲	27%▼	41%
Social media	37%▲	16%	0%
Mail out	20%	6%	0%
Public meeting	13%	0%	10%
Word of mouth	11%	35%	0%
Other	14%	22%	48%
Base	196	11*	5*

▲ ▼ = A significantly higher/lower percentage (by group) *Caution: low base size

Support for Options

Q5a. How supportive are you of Council proceeding with Option 1?

	Resident	Farmland	Business
Mean rating	3.31	3.31	3.13
Base	381	14*	7*

Q5b. How supportive are you of Council proceeding with Option 2?

	Resident	Farmland	Business
Mean rating	2.49▲	1.58▼	2.35
Base	381	14*	7*

Q5c. How supportive are you of Council proceeding with Option 3?

	Resident	Farmland	Business
Mean rating	2.10	1.28▼	2.25
Base	381	14*	7*

Q5d. How supportive are you of Council proceeding with Option 4?

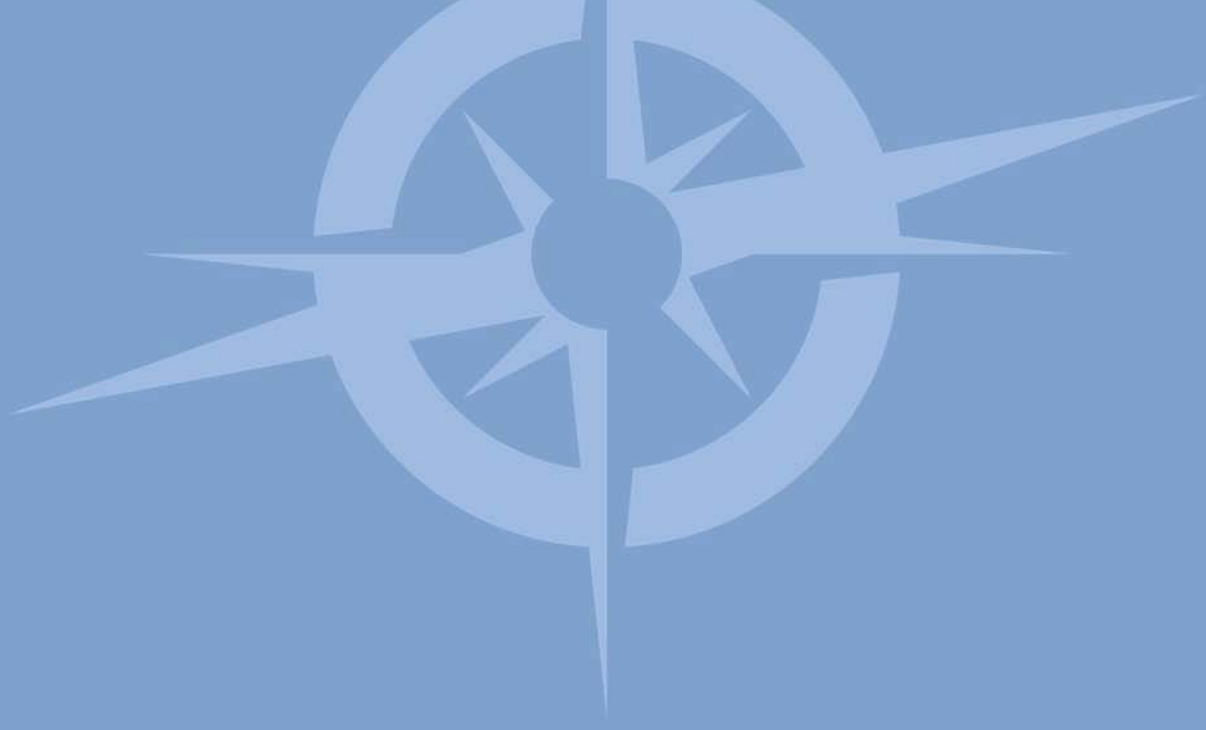
	Resident	Farmland	Business
Mean rating	1.86	1.35▼	2.18
Base	381	14*	7*

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

*Caution: low base size

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

Appendix C – Additional Tables



Sample Profile

Suburb	N = 403	Suburb	N = 403
Raymond Terrace	21%	Fern Bay	1%
Nelson Bay	11%	Fullerton Cove	1%
Medowie	9%	Karuah	1%
Corlette	8%	Mallabula	1%
Anna Bay	7%	Nelsons Plains	1%
Salamander Bay	7%	One Mile	1%
Shoal Bay	4%	Salt Ash	1%
Tanilba Bay	4%	Williamtown	1%
Lemon Tree Passage	3%	Woodville	1%
Seaham	3%	Eagleton	<1%
Soldiers Point	3%	East Seaham	<1%
Boat Harbour	2%	Glen Oak	<1%
Brandy Hill	2%	Hinton	<1%
Fingal Bay	2%	Oyster Cove	<1%
Wallalong	2%	Swan Bay	<1%
Bobs Farm	1%	Tomago	<1%
Duns Creek	1%		



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

Reasons for Preferring Option 1 – Rate peg only (61%)

Q6a. Please rank the 4 options in order of preference:

Q6b. What is your reason for choosing that option as your highest preference?

Reason for selecting option 1	% of those that selected option 1 N=247	% of total sample N=402
Do not agree with current spending behaviours of Council	10%	6%
Improvements are needed with Council's financial management	6%	4%
It is reasonable enough to see progress in the area	6%	4%
Infrastructure/facilities are fine as they are	5%	3%
Other sources of revenue should be sought	5%	3%
They have enough money already to do everything that should be required	5%	3%
I will not benefit from a rate increase	3%	2%
Do not want more residential development in the area	2%	1%
I do not approve of any rate increase	2%	1%
Already pay additional fees through other services	1%	<1%
I want stability for the local Council area workers to maintain jobs	1%	<1%
Need more information about SRV	1%	1%
Should not be the decision of the Council to increase rates	1%	1%
Council should charge each rate payer a set levy	<1%	<1%
Council should focus on essential services rather than recreational needs	<1%	<1%
Other costs/fees will rise along with rates	<1%	<1%
The options are weighted to achieve the results that Council desires	<1%	<1%
Would support an increase if it reflected Council priorities	<1%	<1%
Don't know/nothing	2%	1%

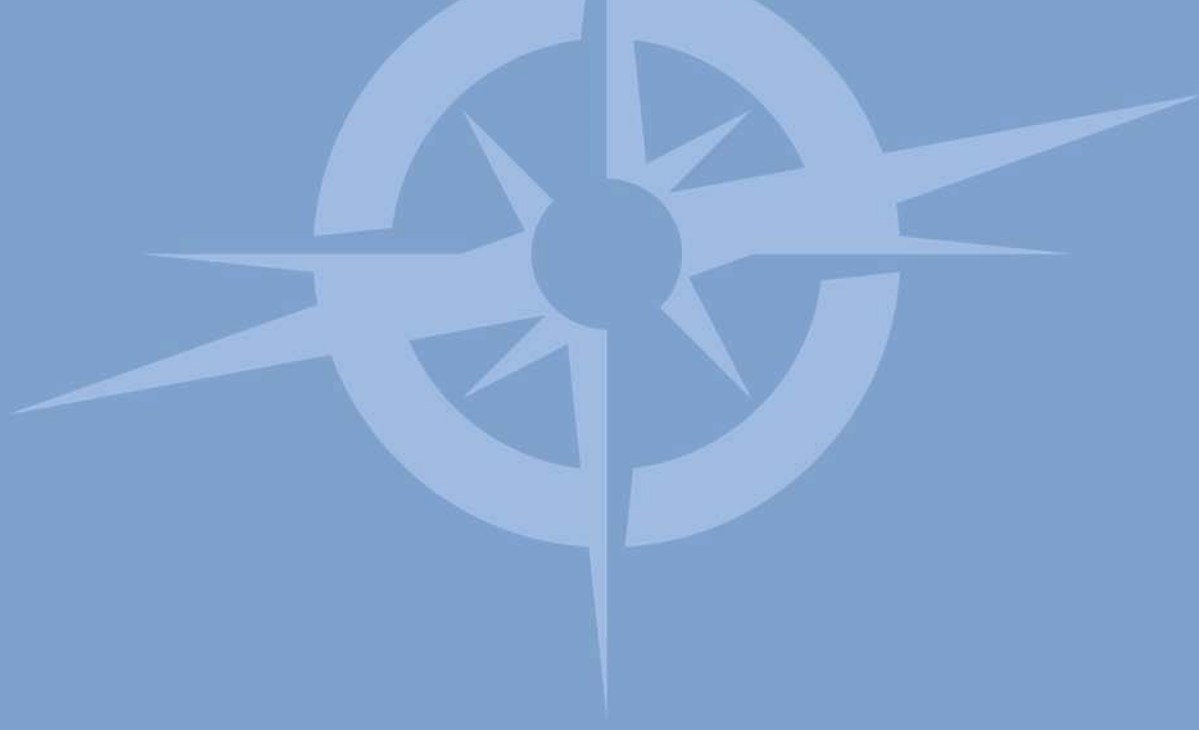
Reasons for Preferring Other Options (2-4) – The Enhanced, Expanded and Transformed Approach (39%)

Q6a. Please rank the 4 options in order of preference:

Q6b. What is your reason for choosing that option as your highest preference?

Reason for selecting other options	% of those that selected option 1 N=155	% of total sample N=402
I am happy to pay more as long as it is evenly distributed/used effectively	3%	1%
Do not agree with current spending behaviours of Council	2%	1%
Need more information about SRV	2%	1%
Option 4 is reasonable/affordable	1%	1%
Do not trust they will spend any extra money effectively	1%	<1%
Doesn't apply to me/I am renting	1%	1%
Would like a middle option between 1 and 2 e.g. 4%	1%	<1%
Improvements are needed with Council's financial management	<1%	<1%
Don't know/nothing	5%	2%

Questionnaire



**Port Stephens Council
Community Survey – Special Rate Variation
August 2018**

Good morning/afternoon/evening, my name is from Micromex, Research and we are conducting a survey on behalf of Port Stephens Council. The survey is about local facilities and services. It will take about 10-15 minutes, would you be willing to take part?

Q1. Before we start, I would like to check whether you or an immediate family member works for Port Stephens Council.

- Yes (If yes, terminate survey)
- No

Q2. Which of the following best describes the home where you are currently living?

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

Q3. Does your household pay Council rates to Port Stephens Council, if so, which type(s) do you pay?
Prompt
If multiple selected – prioritise business, then farmland, then resident

- Residential
- Farmland
- Business
- None of these

(Default to residential script)

Q1a. Where do you live?

- Anna Bay
- Ballickera
- Boat Harbour
- Bobs Farm
- Brandy Hill
- Butterwick
- Campvale
- Corlette
- Duns Creek
- Eagleton
- East Seaham
- Fern Bay
- Ferodale
- Fingal Bay
- Fishermans Bay
- Fullerton Cove
- Glen Oak
- Heatherbrae
- Hinton
- Karuah
- Kings Hill
- Lemon Tree Passage
- Mallabula
- Meadowie
- Nelson Bay
- Nelsons Plains
- One Mile
- Osterley
- Oyster Cove
- Raymond Terrace
- Salamander Bay
- Salt Ash
- Seaham
- Shoal Bay
- Soldiers Point
- Swan Bay
- Tarilba Bay
- Taylors Beach
- Tomago
- Twelve Mile Creek
- Wallalong
- Williamstown
- Woodville

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

Q3. 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

Read Concept Statement:

The Port Stephens community has consistently told Council that local facilities, infrastructure and services are important to them and that they would like to see better outcomes being provided to the community across a range of areas.

Over recent years, Council has implemented a range of productivity savings, reduced costs across our operations and been assessed as financially sustainable by the NSW government. However, Council is constantly asked to undertake more as our region grows and community expectations increase. To help meet this demand, Council is considering an application to the NSW Government for a Special Rate Variation in 2019.

Across NSW, council rates increase each year by an amount that is set by the NSW Government – this is known as the Rate Peg. For the 2018-19 financial year this increase is estimated to be 2.5%. A special rate variation is an additional increase, above the rate peg.

If successful, this proposed rate increase would provide additional funds to deliver major projects requested by the community, which Council is unable to fund within its existing revenue.

The proposed SRV projects will create local jobs, stimulate the local economy and support vibrant town centres which will add value for everyone.

Specifically, Council wants to provide:

- Town centre and neighbourhood revitalisation projects at Anna Bay, Fern Bay, Fingal Bay, Karuah, Lemon Tree Passage, Medowie, Nelson Bay, Raymond Terrace and Seaham.
- New and improved infrastructure including:
 - o Upgrading and installing new paths and cycleways
 - o Increased annual road maintenance budget and the provision of car parking
 - o Public amenities and BBQ facilities
- Enhanced services including:
 - o Extended library hours and services
 - o Additional tree management
 - o Increased investment into our local sports facility maintenance, and
 - o Additional open drain maintenance

As this directly affects you, we want your feedback on the proposal and consideration of which option you prefer.

Q4a. Prior to this call, were you aware that Council was considering a Special Rate Variation and seeking community comment?

- Yes
- No (If no, go to Q5a)
- Not sure (If not sure, go to Q5a)

Q4b. How were you informed of the Special Rate Variation? Prompt

- Mail out
- Newspaper advertisement
- Public meeting
- Social media
- Other (specify)

Council has commenced the consultation process with the community and has identified 4 potential options. Just to remind you that Port Stephens Council is committed to assisting residents that are facing difficulties in meeting their rates payments and have in place a hardship policy and pensioner rebate system to support our community.

The four options which I would like you to consider are:

- Option 1 – **Maintain** infrastructure and service, that is rate peg only increase of 2.5% (which includes rate peg)
- Option 2 – **Enhanced** infrastructure and services with a rate rise of 6.5% per annum for seven years
- Option 3 – **Expanded** infrastructure and services with a rate rise of 7.5% per annum for seven years (including rate peg), and
- Option 4 – **Transformed** infrastructure and services with a rate rise of 8.5% per annum for seven years (including rate peg)

The main difference between options 2, 3 and 4 is that increased rate income would fund an increasing range of projects and service levels. All listed increases apply only to ordinary rates.

I am now going to provide you with more details of each option and ask you to indicate your level of support for each. At the end, I will ask you to rank your preferences. Please note that each option would apply to all rates, however, because you pay [business/farmland/residential] rates we will be referring to those rates.

PROGRAMMING NOTE: ROTATE CONCEPTS EITHER 4-1 OR 1-4

Option 1: Rate peg only

Under Option 1, rates would only increase by the rate peg amount of 2.5% each year. Under this option Council will not be able to fund any of the proposed new projects or additional services.

This represents a cumulative rise of 19% over the seven years.

Under this option an additional \$30.9 million in rate peg increases would be raised over seven years. This would cover normal inflationary costs but only offer a limited potential to undertake additional infrastructure projects or provide enhanced services.

Under this option: (READ OUT APPROPRIATE SCRIPT BASED ON ANSWERS AT QC, but only 1)

Residential – The average residential household rates will increase from \$1,048 in 2018-2019 to \$1,246 in 2025-2026

Farmland – The average farmland rates will increase from \$1,649 in 2018-2019 to \$1,960 in 2025-2026.

Business – The average business rates will increase from \$4,451 in 2018-2019 to \$5,291 in 2025-2026.

Q5a. How supportive are you of Council proceeding with Option1? Prompt

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

Option 2: The enhanced approach

Under Option 2, Council would apply for an SRV of 6.5% per annum for seven years (including rate peg) to enhance infrastructure and services. At the end of the period the Special Rate Variation increase would be built into the rate base.

This would represent a cumulative rise of 55% over the seven years.

Under this option an additional \$87.2 million (including rate peg revenue of \$30.9 million) would be raised over seven years. This would allow an additional \$56.3 million to be allocated and invested into a range of town centre revitalisations, infrastructure projects and enhanced servicing, including some road rehabilitation and resealing.

Under this option: (READ OUT APPROPRIATE SCRIPT BASED ON ANSWERS AT QC, but only 1)

Residential – The average residential household rates will increase from \$1,048 in 2018-2019 to \$1,629 in 2025-2026

Farmiland - The average farmiland rates will increase from \$1,649 in 2018-2019 to \$2,562 in 2025-2026.

Business – The average business rates will increase from \$4,451 in 2018-2019 to \$6,917 in 2025-2026.

Q5b. 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: The expanded approach

Under Option 3, Council would apply for an SRV of 7.5% per annum for seven years (including rate peg) to expand infrastructure and services. At the end of the period the Special Rate Variation increase would be built into the rate base.

This would represent a cumulative rise of 66% over the seven years.

Under this option an additional \$102.7 million (including rate peg revenue of \$30.9 million) would be raised over seven years. This would allow an additional \$71.8 million to be allocated and invested into a range of town centre revitalisations, infrastructure projects and enhanced servicing, including some road rehabilitation and resealing.

Under this option: (READ OUT APPROPRIATE SCRIPT BASED ON ANSWERS AT QC, but only 1)

Residential – The average residential household rates will increase from \$1,048 in 2018-2019 to \$1,739 in 2025-2026

Farmiland – The average farmiland rates will increase from \$1,649 in 2018-2019 to \$2,736 in 2025-2026.

Business – The average business rates will increase from \$4,451 in 2018-2019 to \$7,385 in 2025-2026.

Q5c. 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: The transformed approach

Under Option 4, Council would apply for an SRV of 8.5% per annum for seven years (including rate peg) to transform infrastructure and services.

This would represent a cumulative rise of 77.01% over the seven years.

Under this option an additional \$118.9 million (including rate peg revenue of \$30.9 million) would be raised over seven years. This would allow for an additional \$88 million to be allocated and invested into a range of town centre revitalisations, infrastructure projects and enhanced servicing, including some road rehabilitation and resealing.

Under this option: (READ OUT APPROPRIATE SCRIPT BASED ON ANSWERS AT QC, but only 1)

Residential – The average residential household rates will increase from \$1,048 in 2018-2019 to \$1,856 in 2025-2026

Farmiland – The average farmiland rates will increase from \$1,649 in 2018-2019 to \$2,919 in 2025-2026.

Business – The average business rates will increase from \$4,451 in 2018-2019 to \$7,880 in 2025-2026.

Q5d. How supportive are you of Council proceeding with this Option 4? Prompt

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

Q6a. Please rank the 4 options in order of preference (with 1 being your highest preference):

- Option 1 – Maintain infrastructure and services with rate peg only
- Option 2 – Enhanced infrastructure and services with a rate rise of 6.5% per annum (including rate peg) for seven years
- Option 3 – Expanded infrastructure and services with a rate rise of 7.5% per annum (including rate peg) for seven years
- Option 4 – Transformed infrastructure and services with a rate rise of 8.5% per annum (including rate peg) for seven years

Q6b. What is your reason for choosing that option as your highest preference?

Q6c. I'm now going to read out a range of major projects – as I read each one, please rate them in terms of their priority for Council to invest in – please use a scale of 1 to 5, with 5 being high priority and 1 being low priority.

	Low					High				
	1	2	3	4	5	1	2	3	4	5
Town centre and neighbourhood revitalisation										
Paths and cycleways										
Public amenities and BBQ facilities										
Works depots relocation and refurbishment										
Drains and roads maintenance										
Libraries, community services and events services										

Part D – Demographic information

Could you please now assist with the following demographic information?

Q7. Gender? (by voice)

- Male
- Female

Q8. Are you:

- 18-24 years
- 25-34 years
- 35-44 years
- 45-54 years
- 55-64 years
- 65 years and older

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/Pensioner
- Unemployed
- Not applicable

At this stage, Council is developing a register of interest in this and other consultation coming up in the future.

R1. Would you be interested in registering?

- Yes
- No (Go to end)

R2. (If yes), what are your contact details?

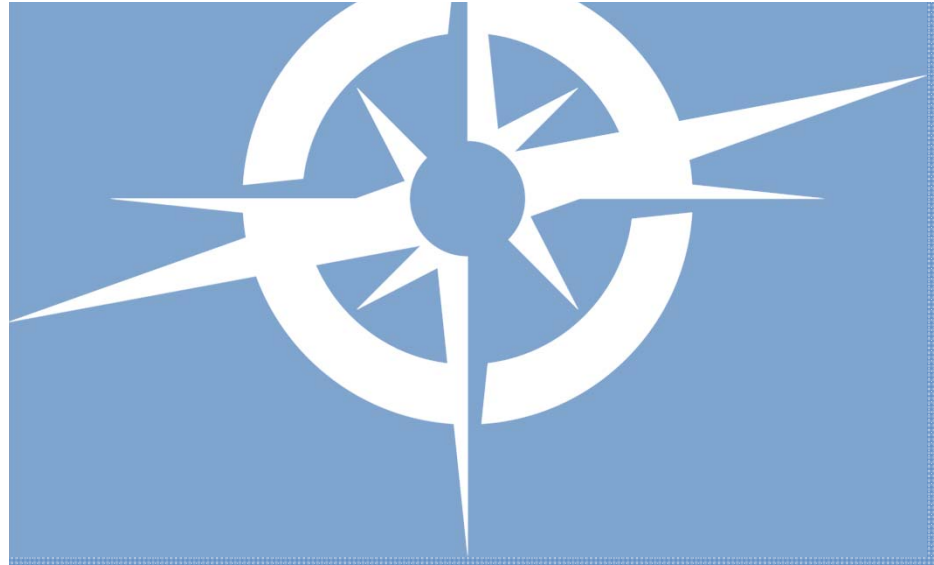
Name

Telephone

Email

To find out more information about Port Stephens Council and the Special Rate Variation proposal, please access www.portstephens.nsw.gov.au

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 Port Stephens Council. For more information please contact Port Stephens Council on 02 4988 0255.



micromex research

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