

# ITEM P&S – 27/08/18 – ASSET MANAGEMENT STUDY SURVEY RESULTS

REPORT BY: EXECUTIVE MANAGEMENT PEOPLE & SERVICES

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## REFERENCE

Min No 18-165: Ordinary Meeting of Council held on 25 June 2018

## SUMMARY

This report provides Councillors and the Community with an update on the results of the recent community survey undertaken to ascertain community satisfaction and priorities for expenditure on Council assets now and into the future.

## COMMENTARY

During June/July Council contracted the services of Micromex Research to undertake a random telephone survey of residents from across the local government area to explore:

- Relative priority and satisfaction of key community assets.
- The level of investment residents believe should be dedicated to different community assets, both before and after receiving an information pack.
- Understanding support for Council's funding positions in regards to key asset areas.
- Identifying any community endorsed revenue options for Council to explore in order to address funding requirements including the proposal for a Special Rate Variation to be introduced in 2019/20.

The survey was undertaken in two parts:

1. An initial recruitment survey was undertaken with 631 residents agreeing to participate in the survey.
2. An information pack was sent out to residents who agreed to participate in the survey.
3. The recall survey was conducted from 16-27 July with 401 residents completing the survey. A drop-off of around 200 residents was anticipated as part of the process with the target number being 400 respondents.

The 4 key take outs from this research are:

1. All assets are viewed as priorities by residents, with Council having the opportunity to increase satisfaction with service delivery by addressing any issues/concerns with community assets.
2. There are high levels of support for Council to increase investment in order to achieve better outcomes in regards to the quality of assets.
3. Half of residents already accept that they need to pay more, either indirectly via rates or directly via service fees and charges, in order for Council have the required funding to increase investment in community assets.
  - a. 31% of residents agree they need to pay directly via rates and 38% indirectly via service charges and fees to allow council to meet these funding requirements in order to improve the quality of community assets.
4. The consultation process was very positively received by the community, significantly improving overall satisfaction with Council.

Overall satisfaction with the performance of Council increased post info pack from 66% to 76% of respondents being somewhat satisfied. And 91% of respondents were at least somewhat satisfied with the community consultation.

80% of respondents were somewhat satisfied with the quality of community assets.

Local roads, both 'urban sealed' and 'rural sealed' are the assets that residents consider to be the highest priority. However, the areas that residents would like investment to be increased the most are:

- Local roads – urban sealed
- Local roads – rural sealed
- Stormwater drainage
- Rural roads – unsealed.

### Proposed Special Rate Variation

The information pack provided to respondents with information on Council's proposal to apply for a special rate variation of 9% to commence in 2019/20. This will extend the current SRV of 4.77% (which ends in 2018/19) with an increase of 4.23%.

Respondents were advised that the only alternative to an SRV application is to make further cuts to services to deliver a balanced operating result (before capital), consistent with 'Fit for the Future' requirements. It was noted that Council currently spends approximately \$19million on asset maintenance and renewal each year however; we should be investing an additional \$1.1 million per year.

With respect to the proposed Special Rate Variation, residents were provided with information regarding the proposed level of funding increase (as per the table below) and asked to rate their level of support for the proposed investment position on the following assets:

- Transport (sealed roads, unsealed roads, footpaths, cycleways, bridges and road drainage).
- Stormwater drainage
- Buildings.

Asset Type	Current Maintenance & Renewal Budget (\$'000 p.a.)	Proposed increase in investment (\$'000 p.a.)	Proposed total investment (\$'000 p.a.)	Proposed (%) increase in investment
Transport	4,188	725	4,913	17%
Stormwater Drainage	107	100	207	93%
Buildings	831	250	1,051	26%

The remainder of the increased funding (approx. \$100,000 p.a.) will be spent on business improvement initiatives which will either generate additional revenue or reduce long-term costs.

Overall residents are supportive of investment increasing for all 3 types of services/facilities, though support was highest for 'transport' with 91% of residents being at least 'somewhat supportive'.

Full details of survey responses are available in Section 2 of the Asset Management Study Survey Report.

### POLICY IMPLICATIONS

Nil

## FINANCIAL IMPLICATIONS

- Budget approved - \$66,000
- Cost centre - 600076
- Expended to date - \$45,713.64
- Future potential impact - Nil

## LEGAL IMPLICATIONS

Nil

## ATTACHMENTS

1. Asset Management Study Survey Report

## RECOMMENDATION

### THAT:

1. Council note the Asset Management Study Survey Report.
2. A copy of the report be placed on Council's website.
3. Survey participants be thanked and provided with a summary of the survey results and link to the survey on Council's website for further information.

## 18-227 RESOLVED

### THAT:

1. Council note the Asset Management Study Survey Report.
2. A copy of the report be placed on Council's website.
3. Survey participants be thanked and provided with a summary of the survey results and link to the survey on Council's website for further information.

**MOVED:** Councillor C Coleman **SECONDED:** Councillor R Thompson

**CARRIED** – Unanimously