

# Lachlan Shire Council

Fit for the Future

Prepared by: Micromex Research

Date: June 2015



# Background



# Methodology & Sample

## Data collection

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

## Data collection period

Telephone interviewing (CATI) was conducted during the period 3<sup>rd</sup> – 4<sup>th</sup> June 2015.

## Sample

N=267 interviews were conducted.

A sample size of 267 provides a maximum sampling error of plus or minus 6.0% at 95% confidence.

This means that if the survey was replicated with a new universe of n=267 residents, that 19 times out of 20 we would expect to see the same results, i.e. +/- 6.0%.

For the survey under discussion the greatest margin of error is 6.0%. This means for example that the answer "yes" (72%) to awareness of State Government reviewing the local government system question, could vary from 66% to 78%. As the raw data has been weighted to reflect the real community profile of Lachlan Shire 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

Interviewing was conducted in accordance with the AMSRS Code of Professional Conduct. Where applicable, the issues in each question were systematically rearranged for each respondent.

## Data analysis

The data within this report was analysed using Q Professional.

## 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.



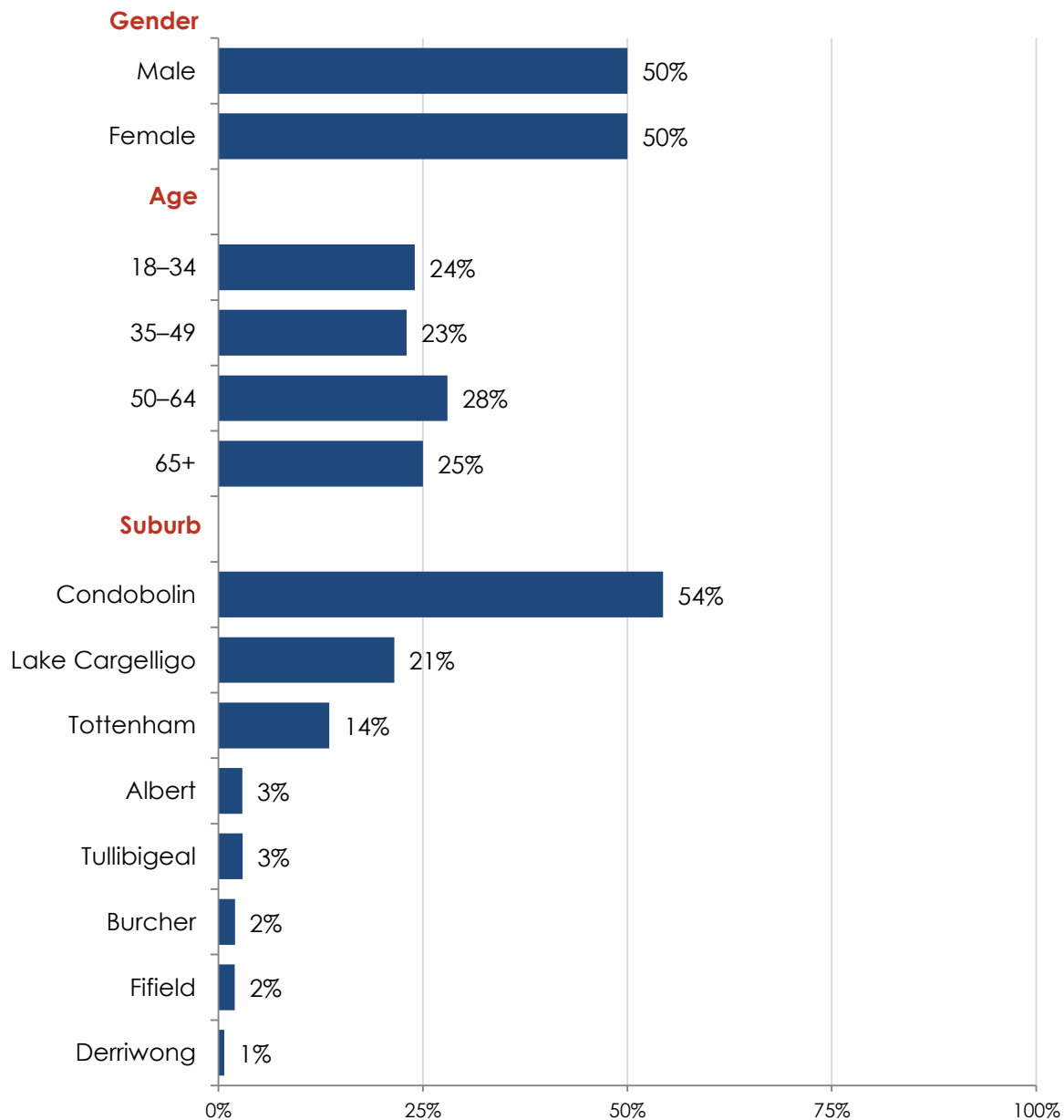
# Sample Profile





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

# Sample Profile

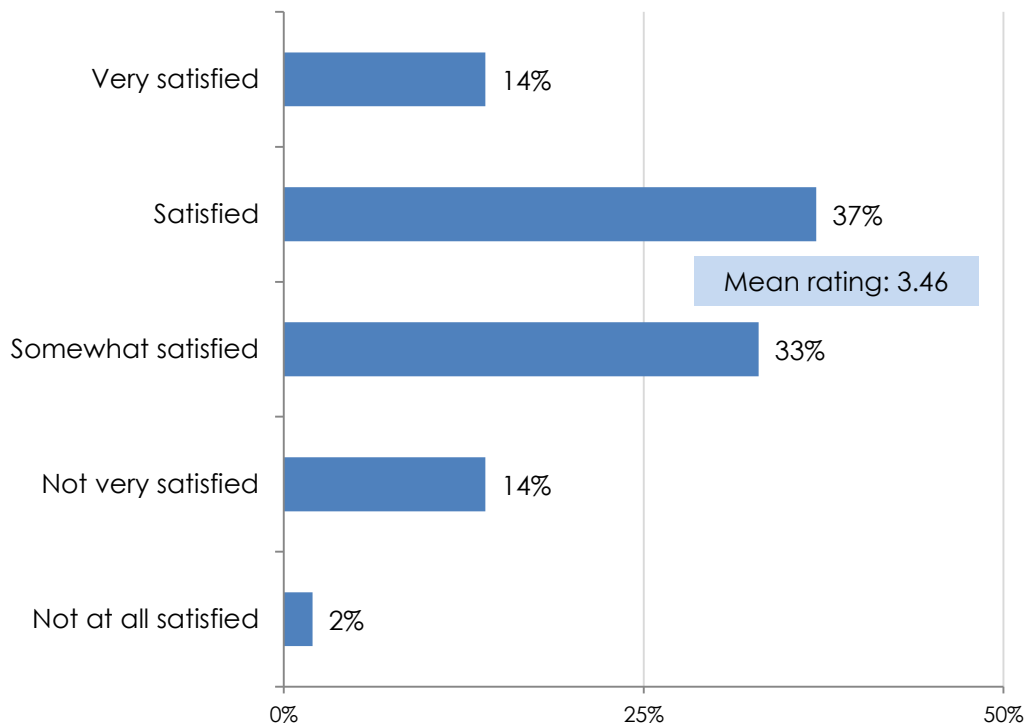


# Results



# Overall Satisfaction with Council

Q1. In general, how satisfied are you with the performance of Lachlan Shire Council, and their services, not just on one or two issues but across all responsibility areas?



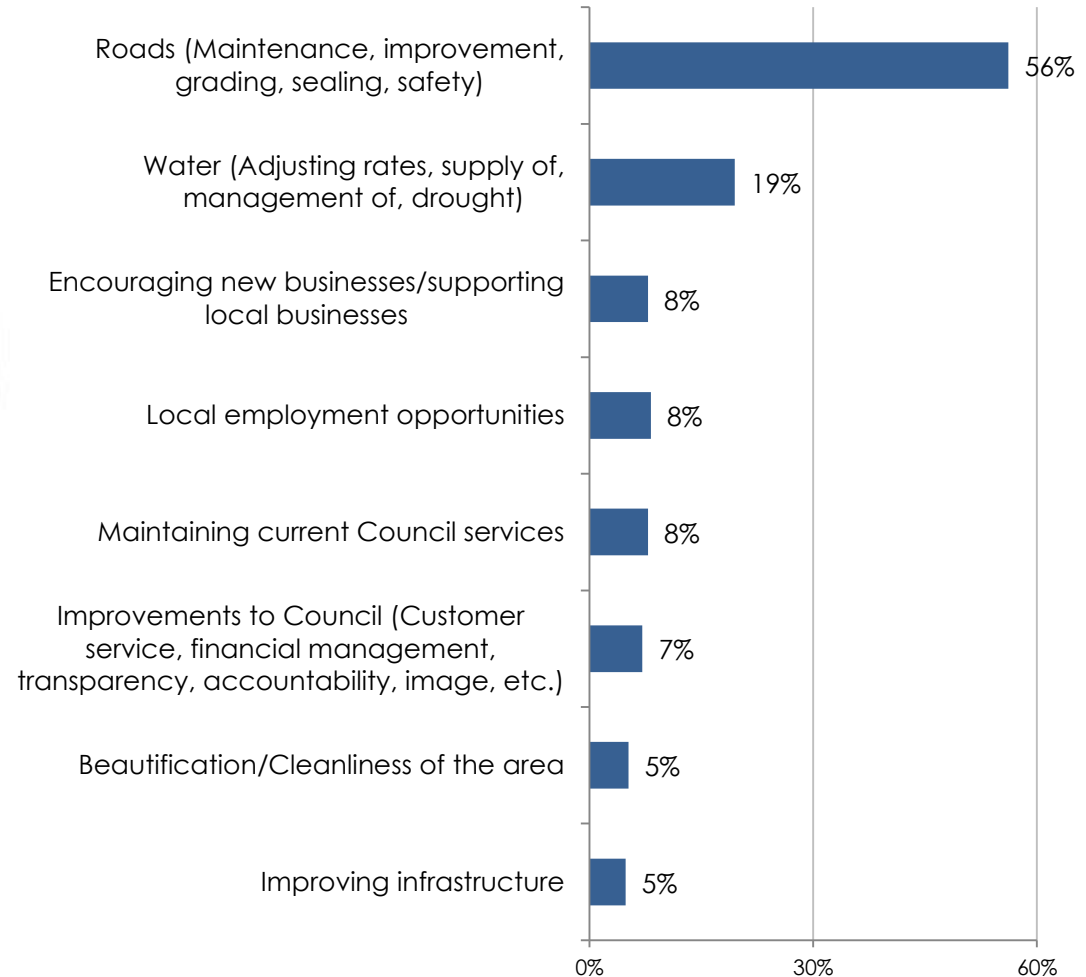
	Overall	Male	Female	18-34	35-49	50-64	65+
Mean ratings	3.46	3.44	3.47	3.39	3.33	3.28	3.82▲

Base: n = 267

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

# Main Priorities for Lachlan Shire over the Next 10 Years

Q2. In your opinion, what are the main priorities for the Shire over the next 10 years?



Base: n = 267

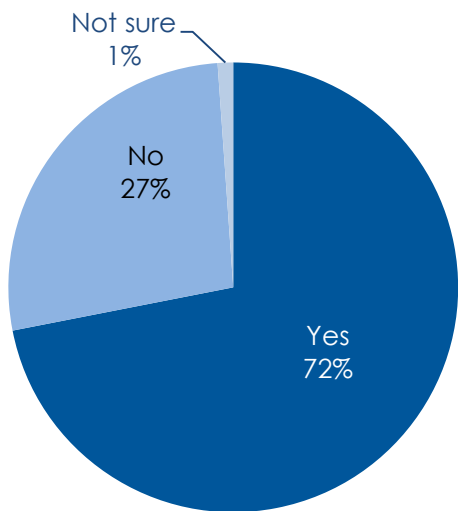
\*Note: Only top responses have been reported – See Appendix for complete list of responses

**More than half of the residents (56%) felt that roads were a main priority for Lachlan Shire over the next ten years**



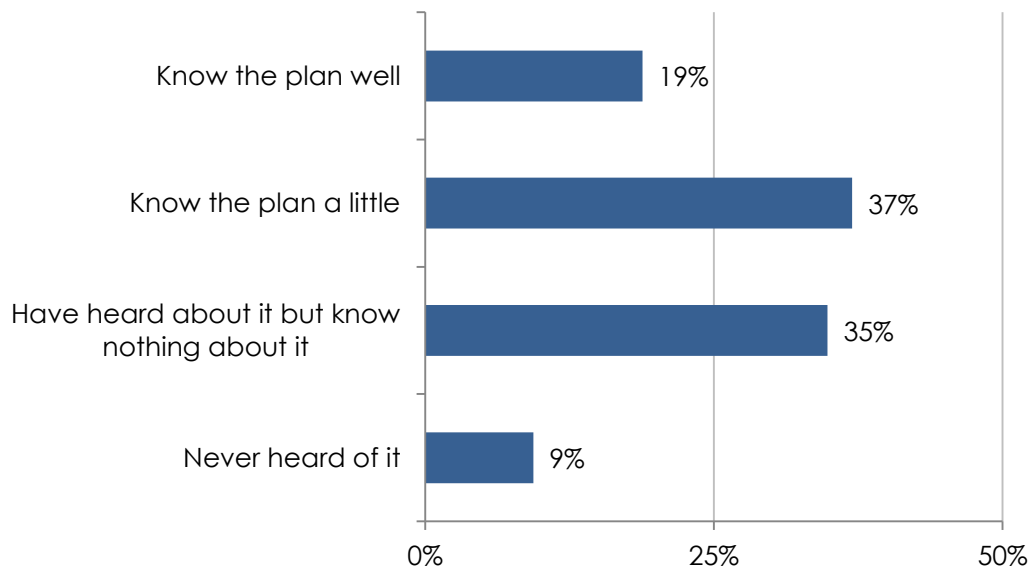
# Awareness of State Government Review

Q3a. Are you aware that the State Government is reviewing the local government system?



\*There were no significant differences by demographics

Q3b. The NSW State Government is reviewing the local government system and is encouraging NSW local councils to merge, forming new, larger councils. How aware are you of this plan?



	Overall	Male	Female	18-34	35-49	50-64	65+
Know the plan well	19%	20%	18%	9%	23%	21%	22%
Know the plan a little	37%	39%	35%	30%	37%	41%	39%
Have heard about it but know nothing about it	35%	30%	40%	36%	38%	34%	31%
Never heard of it	9%	11%	7%	24%▲	2%	4%	8%

▲▼ = significantly higher/lower (by group)

Base: n = 267



**72% of residents indicated they were aware of the NSW Government's review of the local government system. The majority of resident had at least heard of the proposal, with 56% indicating some knowledge of the plan. Residents aged 18-34 were most likely to have never heard**

# Concept Statement

Residents were read this statement before being asked the relevant questions

Fit for the Future is the name given to the review of local government being carried out by the NSW State Government, in an effort to reduce the number of councils in NSW, and to make local government sustainable, efficient, and effective for future generations.

The argument for amalgamation is that bigger councils could be more economically efficient in the delivery of services, whilst an argument against amalgamation is that bigger councils will be less responsive to the community's needs and local issues.

Under the review, councils need to demonstrate how they will become sustainable, provide effective and efficient services, have the scale and capacity needed to meet the needs of communities, and partner with the NSW Government.

Lachlan Shire Council has been given two options, being:

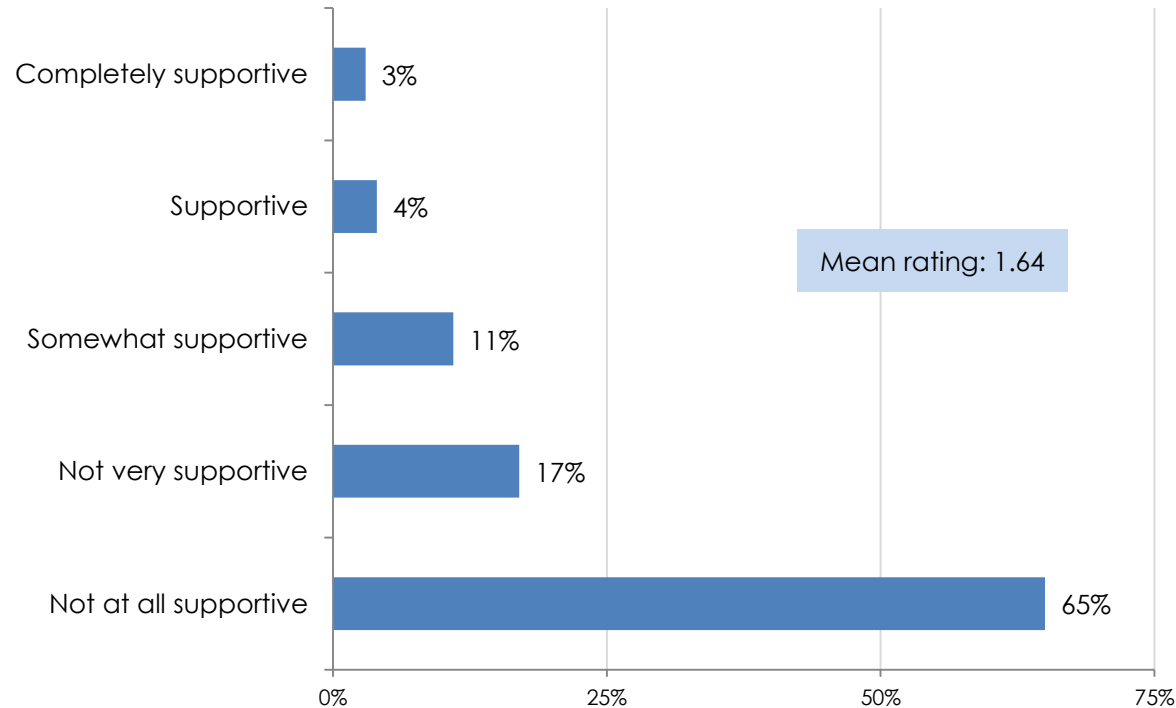
- No merge, but completing a detailed Council Improvement Proposal; or
- Potentially merge with Parkes Shire Council to create a larger, single council with a population of 22,000. The merged facility would receive \$5m in funding to help pay for the cost of the merger

We are seeking our community's views to form its position on the recommendations.



# Support for Lachlan Shire Council merging with Parkes Shire Council

Q4a. How supportive are you of Lachlan Shire Council joining with Parkes Shire Council?



	Overall	Male	Female	18-34	35-49	50-64	65+
Mean ratings	1.64	1.76	1.52	1.96	1.58	1.54	1.50

Base: n = 267

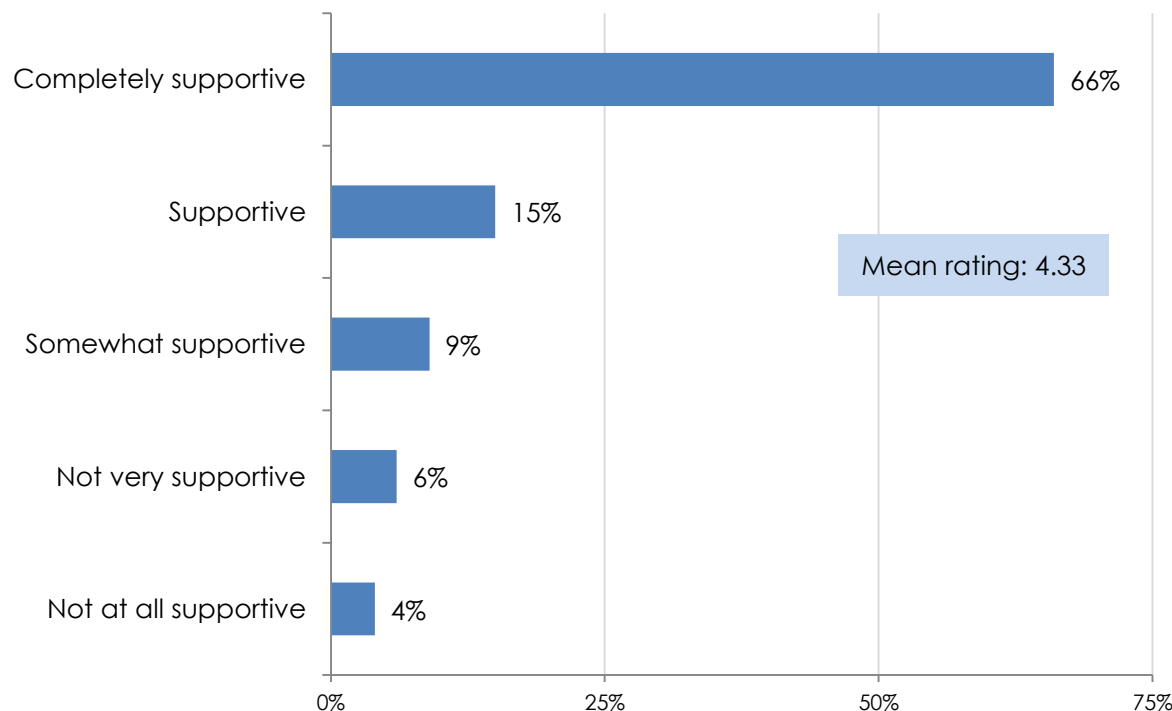
Scale: 1 = not at all supportive, 5 = completely supportive



**82% of residents were 'not very supportive' to 'not at all supportive' of Lachlan Shire Council merging with Parkes Shire Council**

# Support for Lachlan Shire Council Standing Alone

Q4b. How supportive are you of Lachlan Shire Council standing alone and not merging with Parkes Shire Council?



	Overall	Male	Female	18-34	35-49	50-64	65+
Mean ratings	4.33	4.22	4.45	4.18	4.27	4.43	4.43

Base: n = 267

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

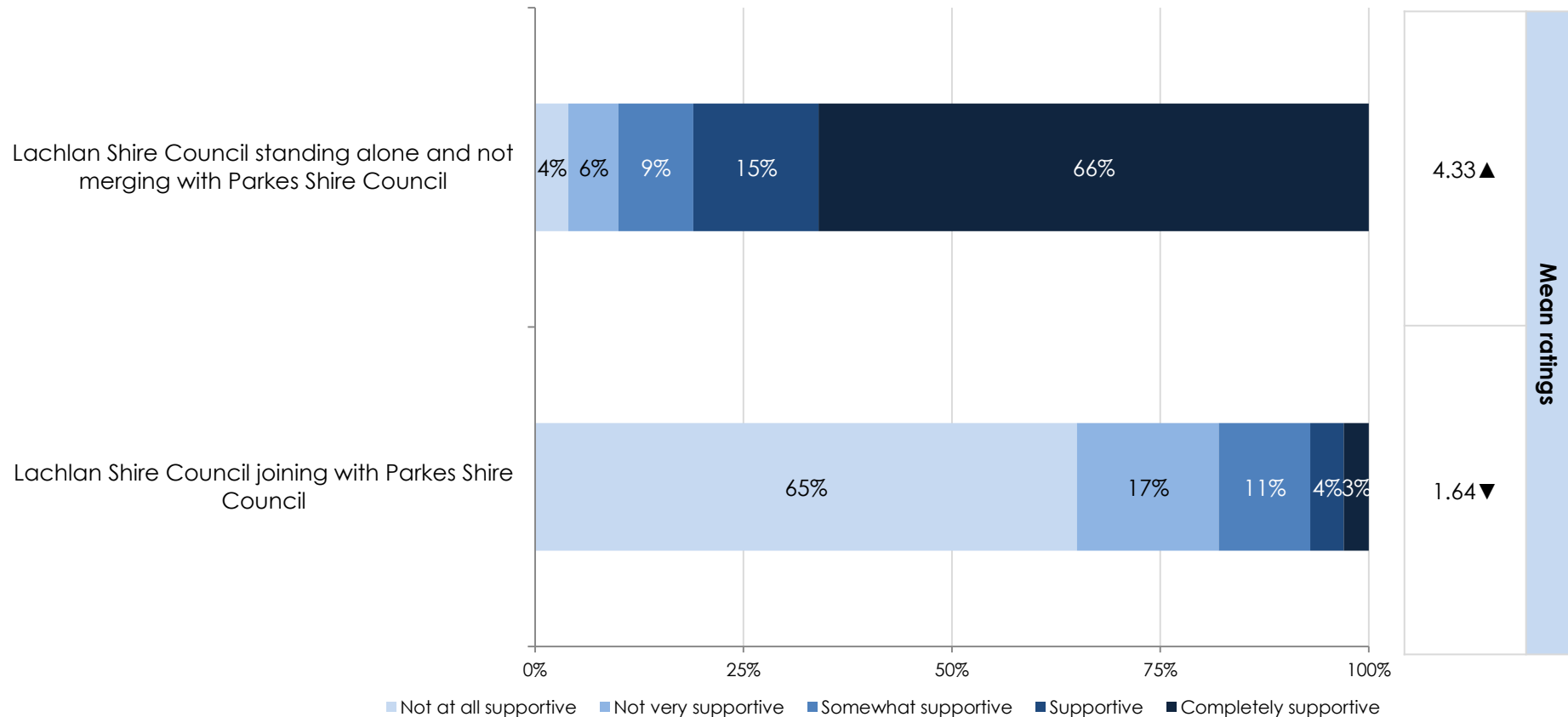


90% of residents were 'somewhat supportive' to 'completely supportive' of Lachlan Shire Council standing alone and not merging with Parkes Shire Council

# Summary of Support for Prompted Options

Q4a. How supportive are you of Lachlan Shire Council joining with Parkes Shire Council?

Q4b. How supportive are you of Lachlan Shire Council standing alone and not merging with Parkes Shire Council?



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

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

Base: n = 267



**Residents were significantly more supportive of the option 'Lachlan Shire Council standing alone and not merging with Parkes Shire Council'**

# Second Concept Statement

Residents were read this statement before being asked the relevant questions

If Lachlan Shire Council were to stand alone, it would be required to find approximately \$3 million in additional revenue and cost savings each year to meet the Government's criteria by 2020.

To achieve this, Council is proposing to increase rates in 2016/17 by an additional 5% per annum plus the estimated rate peg increase of 2.4%. This would be applied each year for a period of 4 years coming to a total 33% increase, inclusive of the 10% increase that would have come with the current rate peg increases.

This rate increase would raise an extra \$1.2m in year 4. Council is also proposing to reduce costs by \$1.8m in year 4 to ensure it reaches the financial targets.

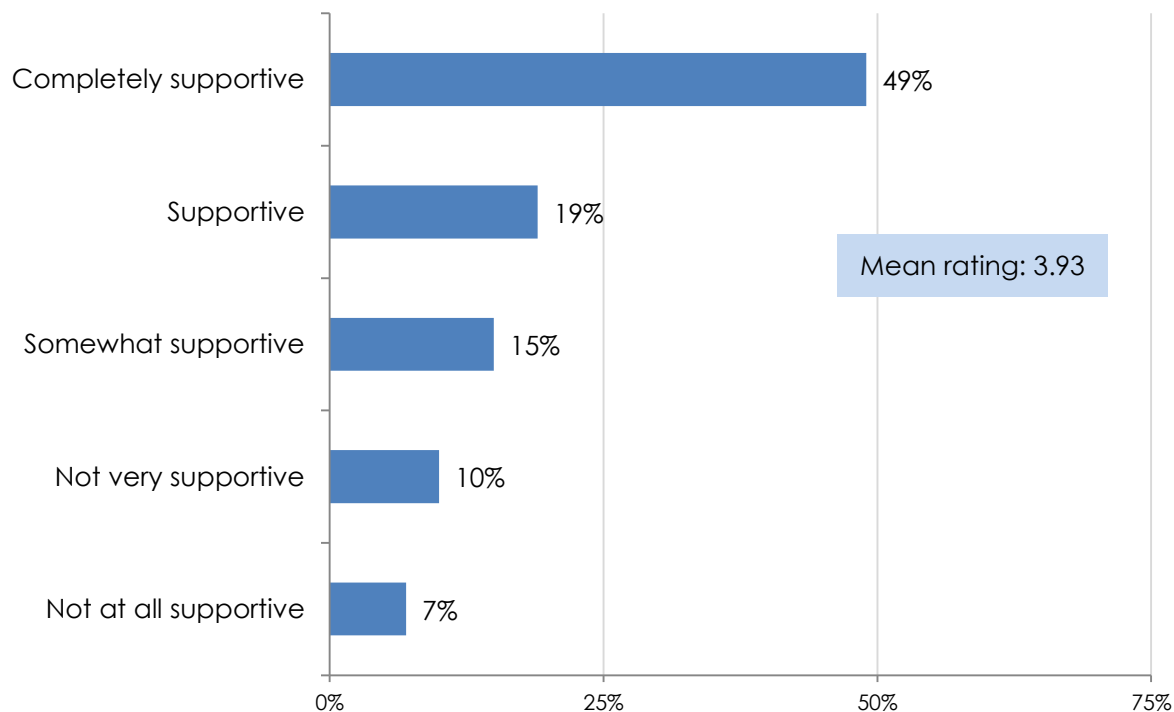
- As such, residential ratepayers would pay on average an additional \$37 per annum, which is around \$26 more than the rate peg. In five years' time the total cumulative increase including the rate peg would be \$147
- Rural ratepayers would pay on average an additional \$221 dollars per annum, which is around \$154 more than the rate peg. In five years' time the total cumulative increase including the rate peg will be \$885

The argument against the merger of councils includes concerns that community representation will be reduced along with the loss of the 'Lachlan Shire Council' identity. Operating efficiencies of a merged council may, however, alleviate some of the financial strain, but there is no guarantee that a merged council would not increase rates similar to or even greater than what is being proposed by Lachlan Shire Council.



# Support for Lachlan Shire Council Standing Alone

Q5a. With this in mind, now how supportive are you of Lachlan Shire Council standing alone and not merging with Parkes Shire Council?



	Post-Information	Pre Information	Male	Female	18-34	35-49	50-64	65+
Mean ratings	3.93▼	4.33▲	3.94	3.92	3.78	3.78	4.02	4.11

▲▼ = A significantly higher/lower level of support

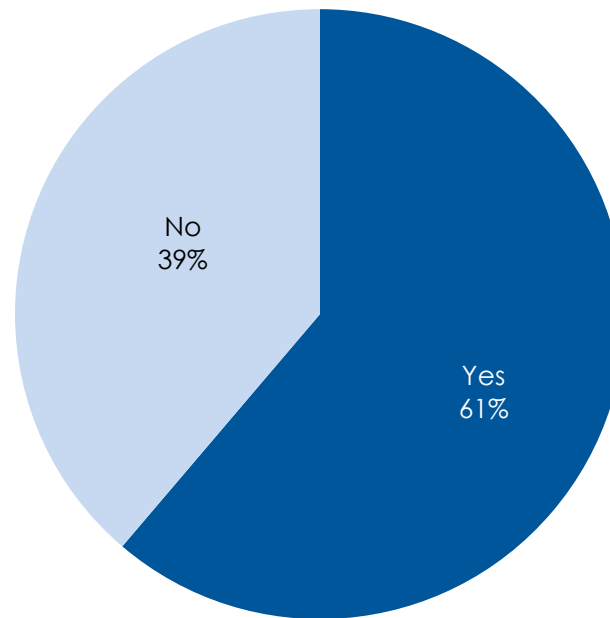
Scale: 1 = not at all supportive, 5 = completely supportive

Base: n = 267

Though there was a decline after being informed of the proposed rate increase required to stand alone, 83% of residents were 'somewhat supportive' to 'completely supportive' of Lachlan Shire Council standing alone and not merging with Parkes Shire Council

# Support for Increasing Rates to Become Financially Sustainable

Q5b. Council has proposed to reduce its operating costs by \$1.8 million over the next 4 years, however, this will not be enough to address the Council's financial shortfall. Would you support Council increasing rates as indicated above to reduce the remaining shortfall for it to become financially sustainable?



	Overall	Male	Female	18-34	35-49	50-64	65+
Yes	61%	64%	59%	66%	50%	55%	74%▲
No	39%	36%	41%	34%	50%	45%	26%

Base: n = 267

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

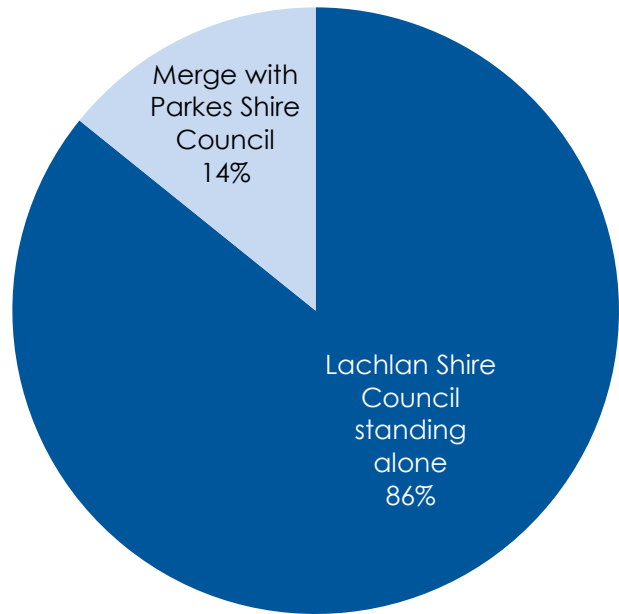
**61% of residents indicated they would support an increase in rates to reduce the remaining shortfall in order for Council to become financially sustainable.**

**Residents aged 65+ were significantly more likely to support the rates increase**



# Preferred Option

Q6a. Thinking about the options we have just discussed, which is your preferred option?



	Overall	Male	Female	18-34	35-49	50-64	65+
Lachlan Shire Council standing alone	86%	87%	85%	80%	83%	88%	91%
Merge with Parkes Shire Council	14%	13%	15%	20%	17%	12%	9%

Base: n = 267



86% of residents indicated that ‘Lachlan Shire Council standing alone’ was their preferred option



# Reasons for Preferred Option:

## Lachlan Shire Council standing alone

Q6a. Thinking about the options we have just discussed, which is your preferred option?  
Q6b. Why do you say that?

86% of Preference (N=229) / 75% of responses	%
Will receive better services standing alone	20%
Services in smaller/rural areas may decline	16%
Happy with Council's current provision of services	12%
Parkes Shire Council will receive all the funding/servicing/attention	10%
Do not want a loss of jobs/want to keep jobs in the community	9%
Focus on local issues would decrease	9%
Less community representation if merged	9%
Area is large enough already	8%
Amalgamated council would be too large to be effective	6%
Best option for residents/community	6%
Loss of local identity with merger	6%

The primary reason for residents preferring to stand alone was because they believed they would receive better services in standing alone (20%), followed by a concern that services in smaller/rural areas in Lachlan Shire would decline in a merger (16%)



# Reasons for Preferred Option

## Lachlan Shire Council standing alone

Q6a. Thinking about the options we have just discussed, which is your preferred option?

Q6b. Why do you say that?

Verbatim responses
<i>"Maintenance in the area would significantly decrease in an amalgamation with Parkes Council"</i>
<i>"Standing alone would increase the effectiveness of service provision to local communities"</i>
<i>"Merging could result in loss of services"</i>
<i>"Rural areas will be neglected through a merge with Parkes"</i>
<i>"A merger with Parkes would leave the smaller areas forgotten"</i>
<i>"Concern that a merged Council may not provide services to rural areas"</i>
<i>"Lachlan Shire Council is working well as it is, so there's no need to try and change"</i>
<i>"Lachlan Shire would get no attention if there was to be a merge, and would mostly be neglected, so standing alone would be better for the area"</i>
<i>"Parkes would get a lot more attention and resources if there was to be a merge, which would be a bad thing for the Lachlan Shire area"</i>
<i>"Concerned about the loss of council jobs for locals if a merge occurs"</i>
<i>"Larger council will be less responsive to the Lachlan Council local community"</i>
<i>"Council would just get bigger and bigger and residents would become one of a number"</i>
<i>"Local representation would be severely reduced in an amalgamation"</i>
<i>"Due to the population against land mass we would not be properly serviced in such merger"</i>
<i>"Area is too big at the moment and merging would reduce representation"</i>



# Reasons for Preferred Option:

Merge with Parkes Shire Council to create a larger single council

Q6a. Thinking about the options we have just discussed, which is your preferred option?

Q6b. Why do you say that?

14% of Preference (N=38)	%
Want to avoid rates increasing	5%
Merging would improve quality of services and facilities	3%
Rural/small areas may have a more equal provision of services	2%
Financially more sustainable	1%
More efficient	1%
Do not feel Lachlan Shire Council currently provides adequate services	1%
Happy with Parkes Shire Council management	1%
Larger council would have better control of the area/distribution of services	1%
Unhappy with Lachlan Shire Council	1%
Amalgamating would help to increase tourism to the area	<1%
Do not want to sell off assets	<1%
Lake Cargelligo will be protected in the event of a merger	<1%
Prefer to merge with other councils but supports merging with Parkes as a last resort	<1%
Staff would be more attentive	<1%
Will improve management	<1%

The primary reason for choosing to merge with Parkes Shire Council was to avoid the rate increase (5%) associated with standing alone, followed by the belief that merging will improve the quality of services and facilities (3%)



# Reasons for Preferred Option

Merge with Parkes Shire Council to create a larger single council

Q6a. Thinking about the options we have just discussed, which is your preferred option?

Q6b. Why do you say that?

Verbatim responses
<i>"Hopefully rates wouldn't increase"</i>
<i>"Merging may mean that rates would not increase"</i>
<i>"So the rates don't increase too much"</i>
<i>"Financially it makes more sense for Council to merge"</i>
<i>"Parkes Shire Council is run well and we would benefit from a merger"</i>
<i>"Merging could make a Lachlan Parkes Shire with services that will be much better than now"</i>
<i>"Hopefully a merge would improve services"</i>
<i>"Bigger councils are more efficient and it would be better for the future"</i>
<i>"Council never does much for the area unless it's for Condobolin, so merging might help the smaller areas of the council get looked after better"</i>
<i>"Maybe merging might improve the services provided to the rural areas as currently there are none"</i>
<i>"Not happy with current Council"</i>

# Conclusion



# Conclusion

## ***Overall Satisfaction with Council***

- 84% of residents were 'somewhat satisfied' to 'completely satisfied' with the performance of Lachlan Shire Council
- Residents aged 65+ were significantly more satisfied

## ***Priorities for Lachlan Shire***

- 56% of residents felt that roads – including maintenance, improvement of, grading, sealing, safety, etc. were the main priority for the area for the next 10 years, followed by water related issues – including the adjustment of rates, supply of, management of, drought, etc. (19%)

## ***Awareness of State Government Review***

- 72% of residents indicated they were aware of the State Government's review of the local government system
- 56% indicated they had some knowledge of the NSW Government encouraging councils to merge
- Residents aged 18-34 were significantly more likely to have not heard about the review

## ***Support for Options***

- Support for Lachlan Shire merging with Parkes Shire Council was low, with 82% of residents indicating they were 'not very supportive' to 'not at all supportive' of the merger
- Support for Lachlan Shire standing alone was high, with 90% of residents indicating they were 'somewhat supportive' to 'completely supportive' of standing alone, with 66% indicating the highest level of support



# Conclusion

## ***Support for Standing Alone***

- Whilst support for standing alone declined after residents were informed of the rate increase, 83% of residents were still 'somewhat supportive' to 'completely supportive' of standing alone (compared to 90% prior to being informed), and 49% indicated the highest level of support

## ***Support for Rates Increase***

- 61% of residents indicated they would support Council increasing rates to reduce the remaining shortfall for it to become financially sustainable
- Residents aged 65+ were significantly more likely to support the rates increase (74%)
- Residents who supported the rates increase were significantly more likely to be satisfied with Council's overall performance and services

## ***Preferred Option***

- 86% of residents indicated that Lachlan Shire Council standing alone was their preferred option
- Residents who chose standing alone as their preference were significantly more likely to be satisfied with Council's overall performance and services
- Those who chose standing alone as their preference most frequently cited that the belief they would receive better services in standing alone was their reason for choosing that option, followed closely by a concern that services in smaller/rural areas would decline in the event of a merger
- The minority preferring a merger most commonly cited a desire to avoid a rates increase





# Appendix



# Respondent Breakdown by Subcell

	Overall	Male	Female	18-34	35-49	50-64	65+
Base	267	134	134	64	61	75	67

**\*Note:** Rounding applied to weighted figures has led to an ostensible total of 268 for these subcells. Despite this discrepancy, these figures represent the most accurate weighted totals.



# Main Priorities for Lachlan Shire over the Next 10 Years

Q2. In your opinion, what are the main priorities for the Shire over the next 10 years?

	%		%
Health services/hospitals	4%	Disabled transport/services	<1%
Staying independent and avoiding amalgamation	4%	Encouraging population growth in Condobolin	<1%
Maintaining/reducing rates	4%	Encouraging younger generation to join Council	<1%
Park and recreation area improvement	3%	Excess salt from the lake	<1%
Increasing tourism	3%	Finishing of current projects	<1%
Footpath maintenance	2%	Football oval maintenance	<1%
Developing Lake Cargelligo	2%	Future of the Shire	<1%
Improving quality of services and facilities	2%	House identification numbers	<1%
Tip services	2%	Increasing number of Council employees based in the area	<1%
Mobile phone reception	1%	Listening to community needs	<1%
Providing equal services across the area	1%	Maintaining current population	<1%
Affordable/available housing	1%	Maintaining local church buildings	<1%
Reopening a community hall	1%	More building assessors	<1%
Unsure	1%	New bridges	<1%
Youth services	1%	No sell off of stock roads	<1%
Town planning/population	1%	Public transport	<1%
Aged care services/facilities	1%	Rest area maintenance	<1%
Better signage in the area	1%	Revitalisation of Condobolin	<1%
Children's facilities/services/programs	1%	Roadside grass maintenance	<1%
Cleaning the lake/river system	1%	Rural rates	<1%
Crime prevention	1%	Rural weed maintenance	<1%
Indigenous programs	1%	Shopping centre improvement in Condobolin	<1%
Recycling facilities	1%	Show pavilion	<1%
Services for rural residents	1%	Sporting facility upgrades	<1%
Youth employment	1%	Top heavy administration at Council	<1%
Building maintenance	<1%	Truck parking in town	<1%
Cemeteries	<1%	Upgrade the showground	<1%



# Reason for Preferred Option – Stand Alone

Q6a. Thinking about the options we have just discussed, which is your preferred option?

Q6b. Why do you say that?

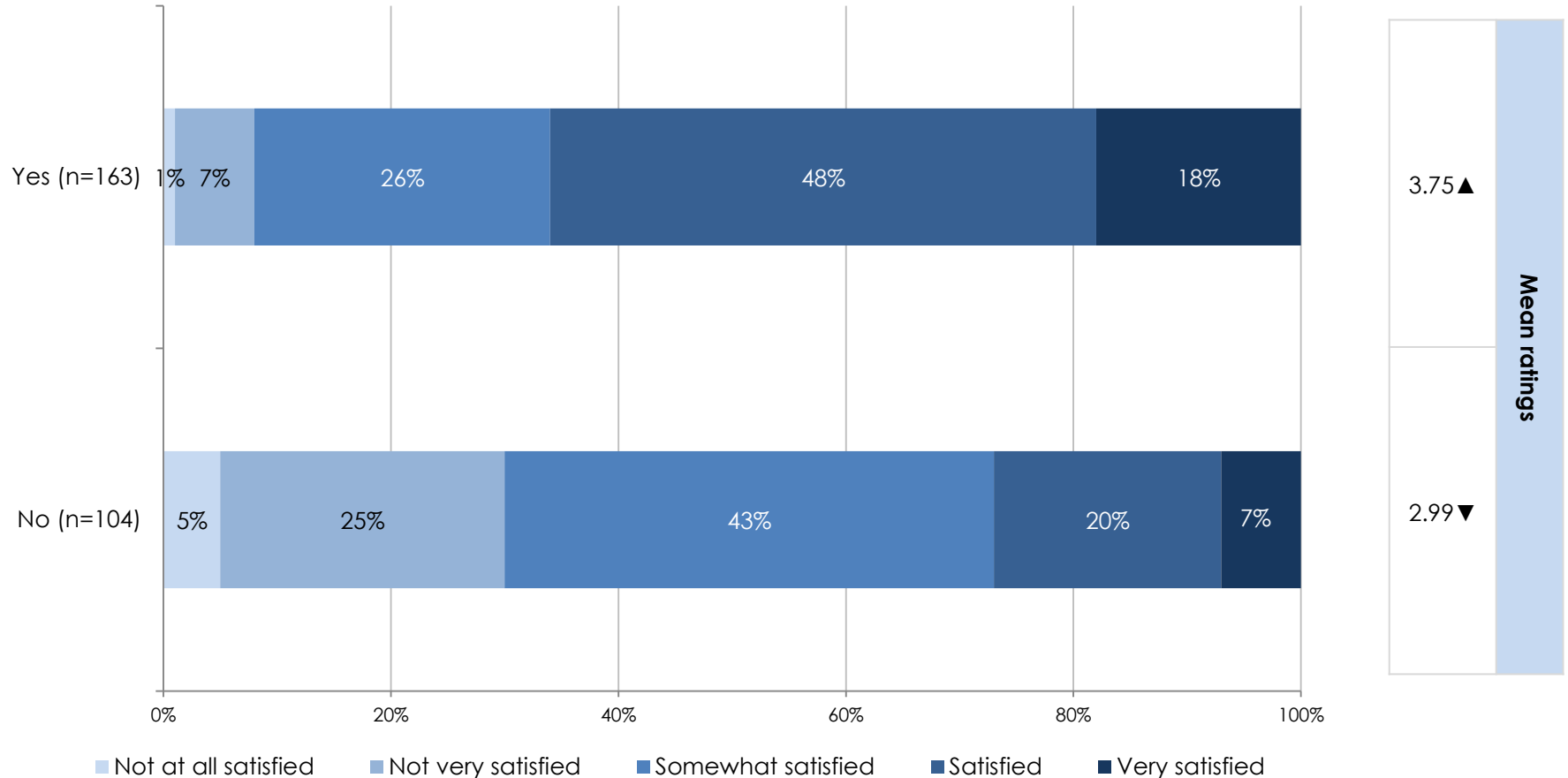
	%
Council can improve the area without merging	4%
Local council would be too far away if merged	4%
Can see no benefits in merging	3%
Prefer to stand alone	3%
Do not want rates to increase	2%
Rates will increase either way, prefer to stand alone	2%
Would not gain anything by merging with Parkes	2%
Distance between the councils is too large	2%
Other mergers have not been successful	2%
Unhappy with Parkes Shire Council	2%
Dislike Parkes Shire Council financial management	1%
Standing alone would keep funding in the local area	1%
Parkes is too different to Lachlan to be merged	1%
Would prefer to dissolve State Government than local governments	1%
Financially a better option for Lachlan Shire	<1%
Merging will negatively impact the ease of getting in contact with Council	<1%
Oppose forced amalgamations	<1%
Want things to remain the same	<1%
Would prefer to merge with Bogan Shire	<1%



# Support by Overall Satisfaction with Council

Q5b. Council has proposed to reduce its operating costs by \$1.8 million over the next 4 years, however, this will not be enough to address the Council's financial shortfall. Would you support Council increasing rates as indicated above to reduce the remaining shortfall for it to become financially sustainable?

Q1. In general, how satisfied are you with the performance of Lachlan Shire Council, and their services, not just on one or two issues but across all responsibility areas?



Base: n = 267

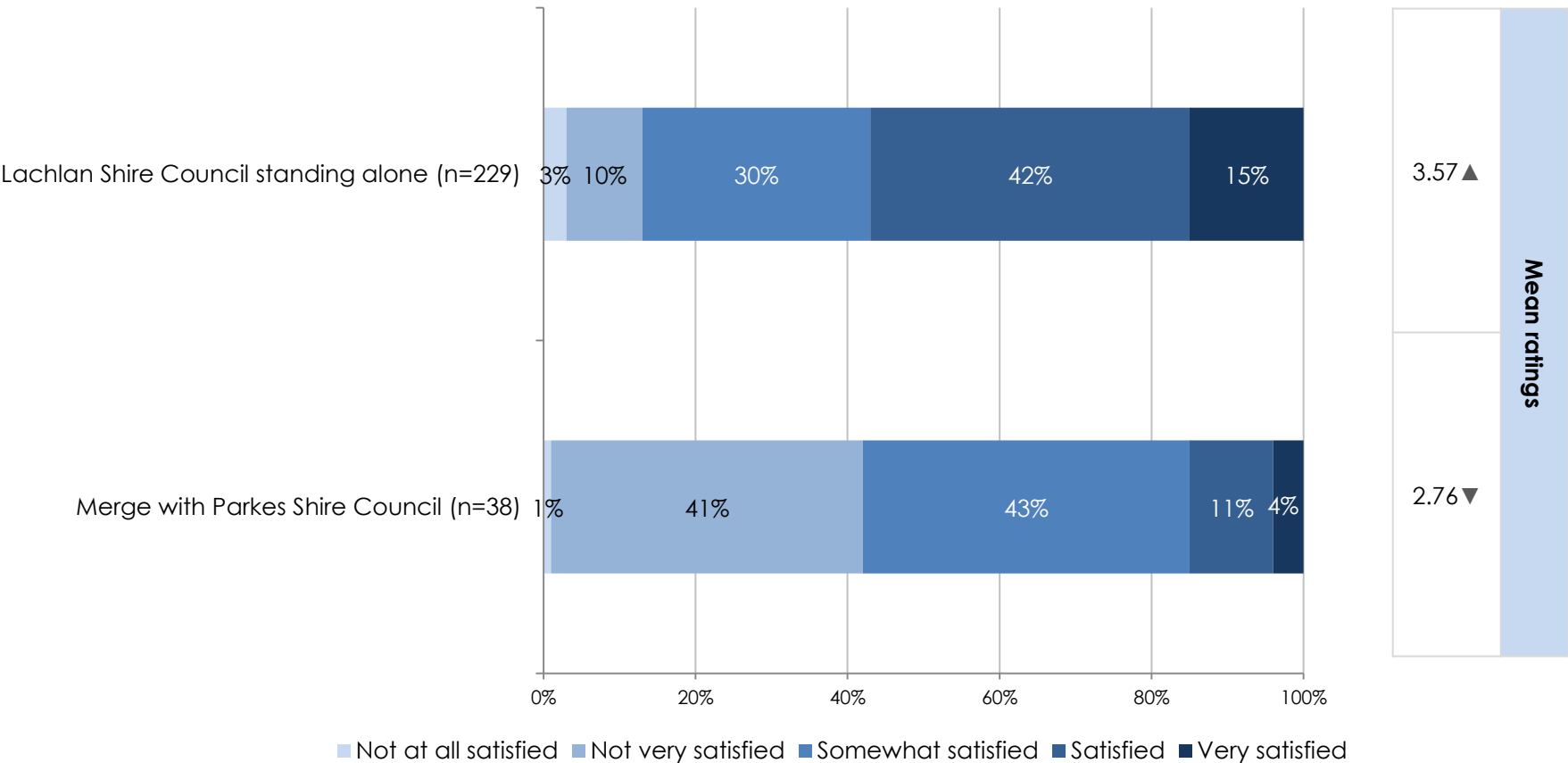
Scale: 1 = not at all satisfied, 5 = very satisfied  
▲ ▼ = A significantly higher/lower level of satisfaction



**Residents who supported Council increasing rates were significantly more satisfied with Council's overall performance than those who did not support the increase**

# Preferred Option by Overall Satisfaction with Council

Q6a. Thinking about the options we have just discussed, which is your preferred option?  
Q1. In general, how satisfied are you with the performance of Lachlan Shire Council, and their services, not just on one or two issues but across all responsibility areas?



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



Residents who preferred ‘Lachlan Shire Council standing alone’ were significantly more satisfied overall with Council’s performance than those who chose to ‘merge with Parkes Shire Council’



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