

Assessing Ratepayers Preferences

A Presentation for



Prepared by Opinions Market Research Ltd

Presentation Outline

- Background
- Objectives
- Methodology
- Sample Structure
- Research Findings
- Questions, Discussion

Background

- To assist the CCC in adopting a draft LTCCP, a citywide survey was carried out to better understand residential ratepayers'* preferences towards Council spending

*paying rates for at least one year

Objectives

To understand attitudes towards...

- Major capital projects
- Higher levels of rates
- Existing levels of service
- Accept lower levels of service
- Accept higher rates levels in order to secure higher levels of service
- Management of rate increase
- Mix of rates, user pay charges.

Methodology

- **Step One:**
 - Pre-recruitment of participants
- **Step Two:**
 - Mail out Respondents' Information Pack
- **Step Three:**
 - Telephone Interviewing
 - **410** completed interviews

Sample Structure

• Gender		Survey	Census 2001
	male	50%	47%
	female	50%	53%
• Age			
	18-39	15%	43%
	40-49	25%	19%
	50-59	22%	15%
	60+	38%	23%

Sample Structure

Ward	Survey	Census 2001
Burwood/Pegasus	16%	16%
Fendalton/Waimairi	17%	16%
Hagley/Ferrymead	17%	17%
Spreydon/Heathcote	16%	16%
Shirley/Papanui	17%	17%
Riccarton/Wigram	18%	18%

Sample Structure Continued

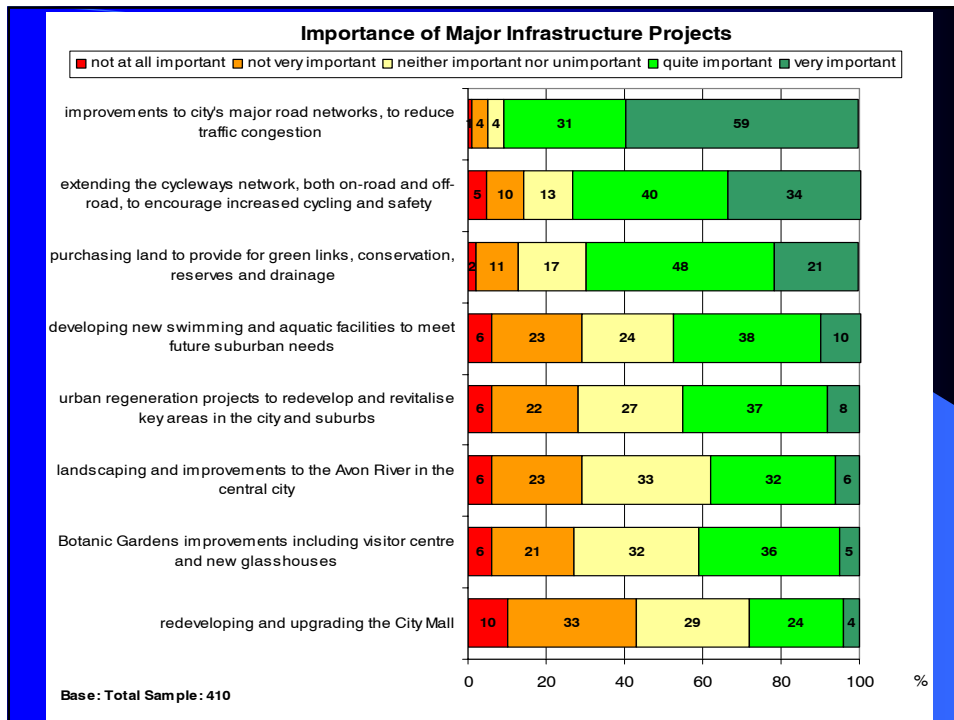
Employment Status	Survey
full time paid employment	44%
part time paid employment	17%
Retired	30%
Home executive	5%
Beneficiary	2%
Student/ not stated	2%

Research Findings

1. Major Infrastructure Projects
2. Operating Costs and Levels of Service
3. User Charges
4. Rating Levels

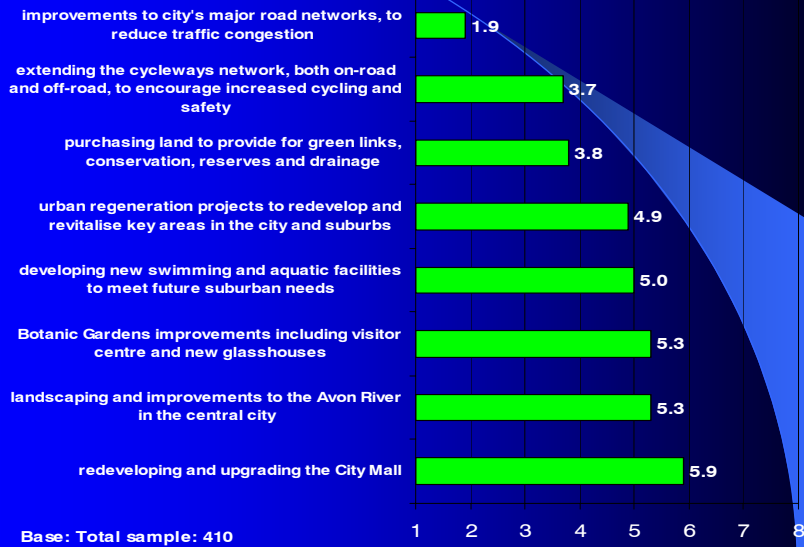
1. Major Infrastructure Projects

- **Question:**
- From a list of some of the major infrastructure projects that have been proposed for the city, how important do you believe each project is for the future of Christchurch? (is that very or quite important/unimportant?)

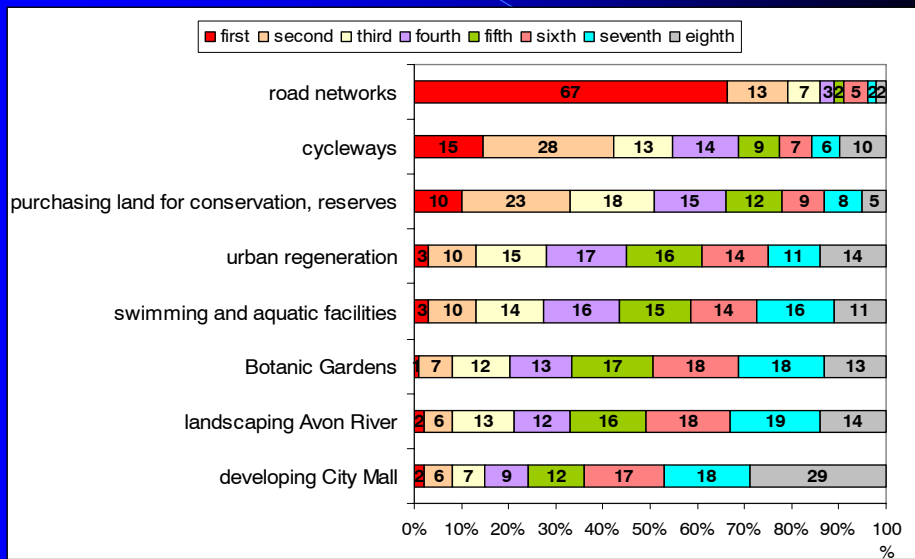


- **Question:**
- Thinking about these proposed major infrastructure projects, please rank the projects from 1 to 8 in order of their importance: I.e.
 - 1 = the project you think is most important
 - 2 = the project you think is the second most important
 - 3 = the project you think is the third most important
 - And so on until you get to 8 = the project you think is least important

Ranking of Importance of Infrastructure Projects (ranking from 1 to 8 where 1 is most important)

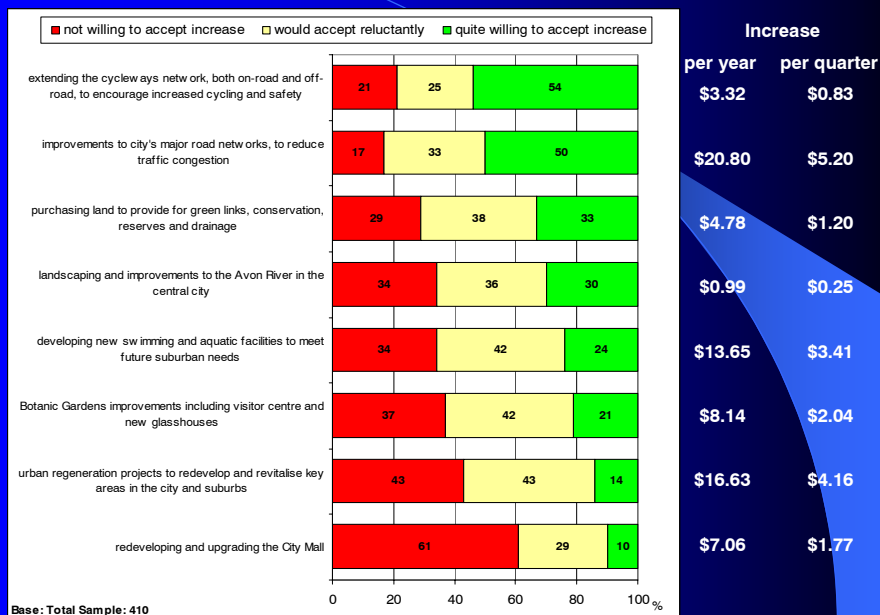


Ranking of Importance of Infrastructure Projects (ranking from 1 to 8 where 1 is most important)



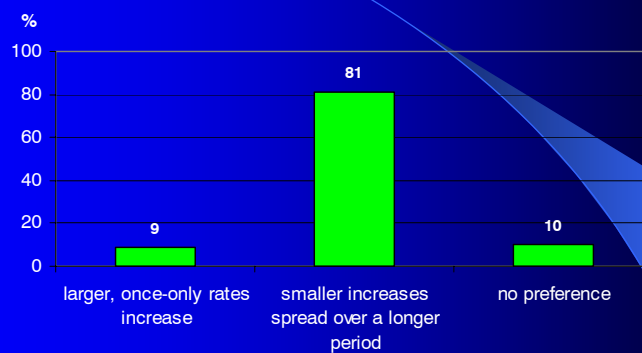
- **Question:**
- Funding these major infrastructure projects would have an impact on the rates paid by Christchurch ratepayers.
- At present the rates paid by an average city residence – worth just under \$260,000 – is around \$1080 a year — which is about \$270 PER QUARTER
- For each of these projects the Council has calculated approximately how much it would add to the rates bill of an average household, on both a quarterly and annual basis.
- Please indicate how willing you would be for rates to increase by this average amount, if the project was to go ahead. Would you be quite willing to accept an increase, would you accept an increase reluctantly, or would you be not willing to accept an increase at all?

Willingness to Accept Rates Increase



- **Question:**
- To fund these major infrastructure projects would require significant increases in rates.
- These increases could be introduced immediately with a single, larger rates increase (of, say, 10 to 15 per cent) or smaller increases **spread out over 10 years** (of, say, 1 to 2 per cent per year). Any increase would be on top of normal increases to meet rising operating costs.
- If some or all of these projects were to proceed would you prefer to see a larger, once-only rates increase or smaller increases spread over a longer period?

Introduction of Rates Increase



Base: Total Sample: 410

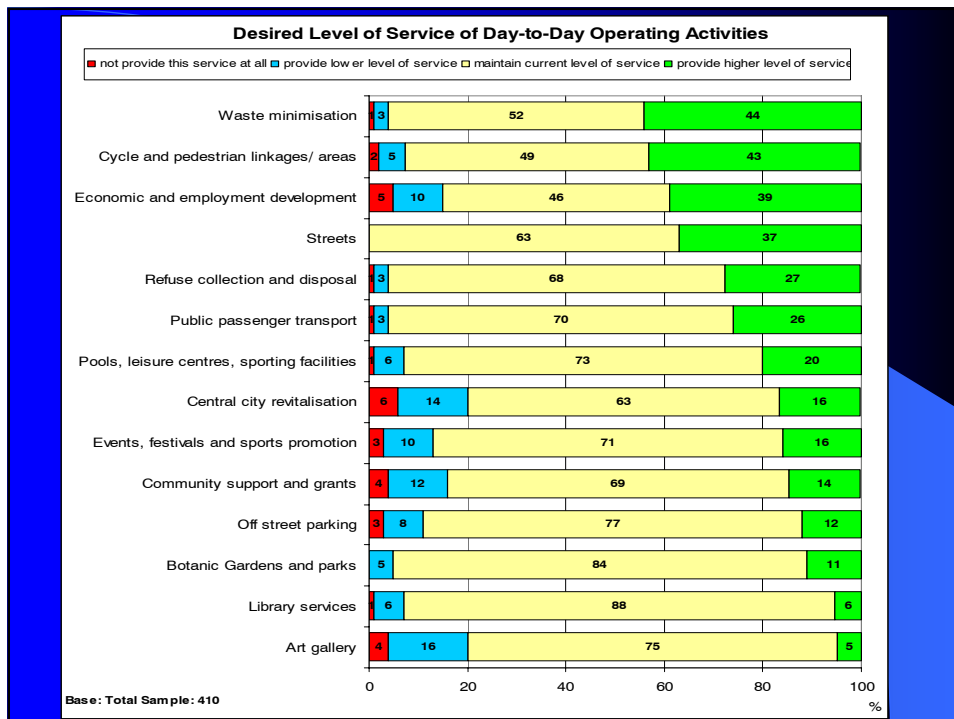
2. Operating Costs and Levels of Service

● Question:

Following is a description of some of the major day-to-day operating activities that the Council carries out, and examples of the standards or levels of service provided to ratepayers.

For each of these activities, please indicate whether you think the Council should:

- provide a higher level of service, which would require larger rates increases;
- maintain the current level of service, keeping rates about the same or with small increases; or
- provide a lower level of service, with a decrease in rates.
- not provide this service at all



- **Question:**
- What other areas of activity do you think the Council should spend more money, spend less money, or stop providing a service?

Other Areas Where More or Less Money Should be Spent

More Money

Roads/ streets	8%
Clean city	6%
Rubbish collection	4%
Public transport	3%
Cycle lanes	2%
Recycling	2%
Community safety	2%
Economic development	2%
Traffic flow	2%
Parks/ recreation	2%

Less Money

Machinery of Council	9%
Art gallery	5%
Central city, Square, City Mall	5%
Festivals, events	3%
Sports	2%
Landscaping	2%

Stop Providing

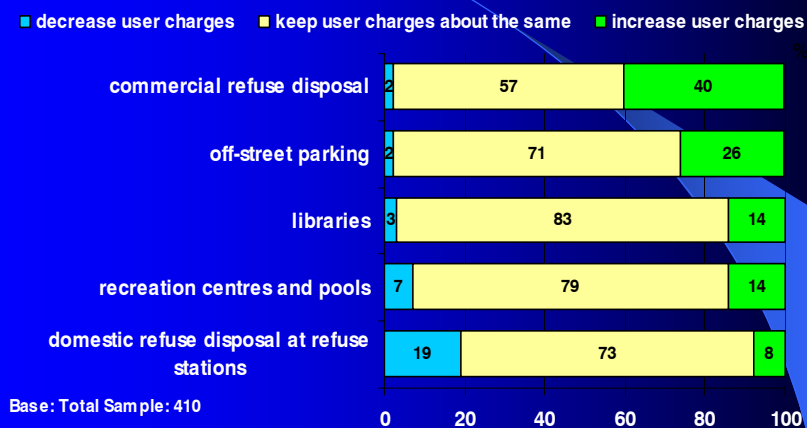
Machinery of Council	2%
Community services, grants	1%
Art Gallery	1%

Base: Total Sample: 410

3. User Charges

- **Question:**
- Following is a list of some services that are currently partly funded by rates and partly by user charges.
- For each of these services, please indicate whether you think the Council should increase user charges (and reduce rates proportionately); keep user charges about the same; or decrease user charges (and increase rates proportionately)?

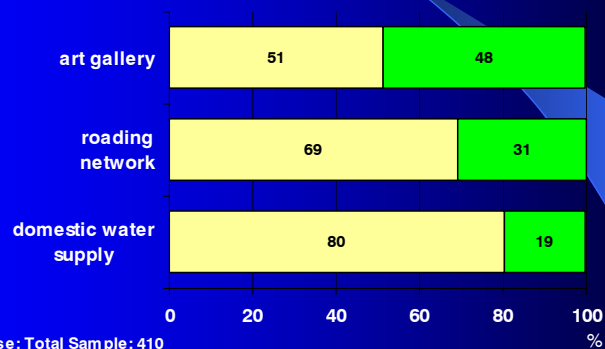
Changes to User Charges for Services Partly Funded by Rates and User Charges



- **Question:**
- Following is a list of some services that are currently funded solely by rates.
- For each of these services, please indicate whether you think the Council should introduce user charges (and reduce rates proportionately); or maintain the existing funding by rates only.

Changes to Charges for Services Funded Solely by Rates

■ maintain existing rates-only funding ■ introduce user charges

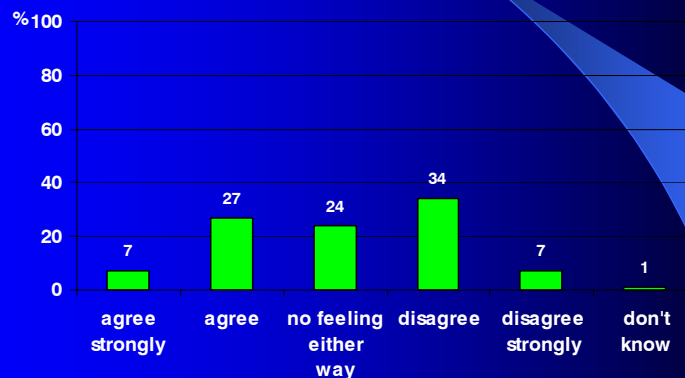


Question:

As well as those mentioned in the last two questions, the City Council provides a wide range of services, some funded only by rates; others by a mix of rates and user charges.

Please indicate whether you agree or disagree with the following statement:

'The Council Should Move Towards Greater Reliance on User Charges, Either by Introducing New Charges or Increasing Existing Charges'



Base: Total Sample: 410

- **Question:**
- If you answered 'Agree' or 'Strongly Agree', in which areas do you think this should be considered?

Areas To Consider User Charges

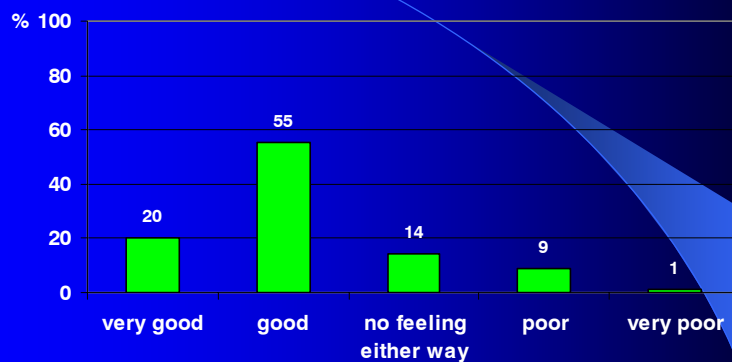
	Base: n = 140	%
Art gallery	43	31%
Road tolls, new roads, tunnel	28	20%
Water	22	16%
Library	18	13%
Off street parking	18	13%
Swimming pools	16	11%
Commercial waste disposal	15	11%
Museum	11	8%
Concerts, festivals	5	4%

Plus a range of other areas each mentioned by 2% or less

4. Rating Levels

- **Question:**
- In general, what sort of value for money do you believe you get for the level of rates you pay in Christchurch?

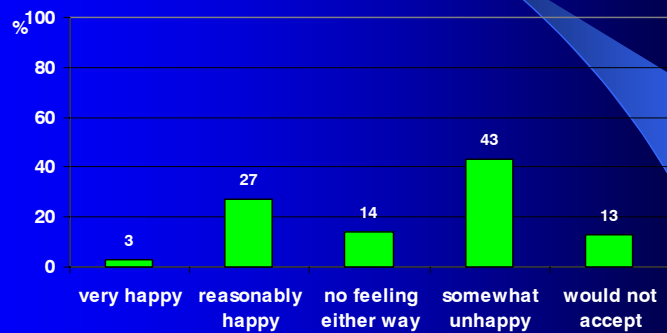
Value for Money for Level of Rates Paid in Christchurch (Residential Ratepayers)



Base: Total Sample: 410

- **Question:**
- In general, how happy would you be to see the level of rates you pay in Christchurch increase to be closer to the average of other cities, in order to fund future developments and maintain the quality of services?

Happiness to See Level of Rates Paid in Christchurch Increase to Closer to Average Paid in Other Cities, to Fund Further Developments



Base: Total Sample: 410

Summary

1. 75% of respondents considered they were getting 'good' or 'very good' value for money from their rates
2. Rooding, cycleways, and green links seen as most important infrastructure projects
3. Development of the City Mall least important
4. More willing to accept rate increases for cycleways and roads
5. Rate increases incremental rather than big bang

6. Want better service levels for waste minimisation, cycleways, economic development, and streets
7. Introduce user-charges for art gallery, some roads, and domestic water supply
8. No consensus over moving to more reliance on user charges
9. No consensus over increasing rates to other cities' average

Questions, Discussion

