

APPENDICES

Appendix 1 - District-Wide Level of Service Survey - July 2008

Background

During July 2008 a 'preferred level of service survey' was distributed to all of the District's ratepayers, a typical example of which is attached to this report. In the survey a range of Level of Service ('LoS') options was described for the major infrastructural services provided by Council. These options typically encompassed retaining the existing level of service, adopting a lower level of service (where practical), or adopting a slightly higher 'Improved' or much high 'Enhanced' level.

Each of these options was accompanied by information that enabled the ratepayer to estimate the likely associated cost to them of such LoS changes, enabling these ratepayers to make, for the first time, properly informed decisions on which option they preferred.

In addition to indicating their preferred level of service, respondents were provided with the opportunity to make general comments in relation to the relevant activities.

Survey Results - Level of Service Preferences

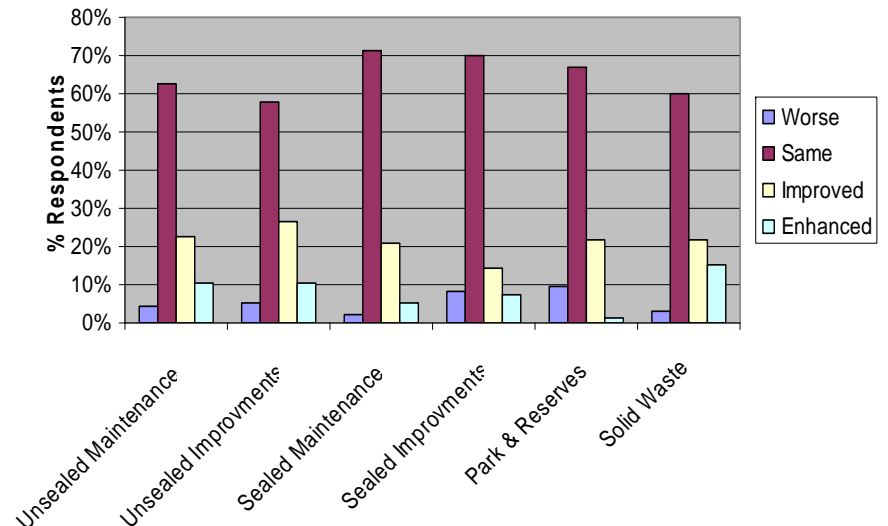
The survey formally closed on 31 July 2008, with a total of 240 completed survey forms received by this date, comprising 55 from Otorohanga, 53 from Kawhia and 132 from the rural area.

This level of response is believed to represent approximately 7% of ratepayers, given that many ratepayers own multiple properties, but are likely to complete only one survey form. Though clearly not overwhelming, this level of response is believed to be comparable to (and in some cases better than) that obtained by other local authorities which have conducted such surveys, and is adequate for conclusions to be drawn from this data.

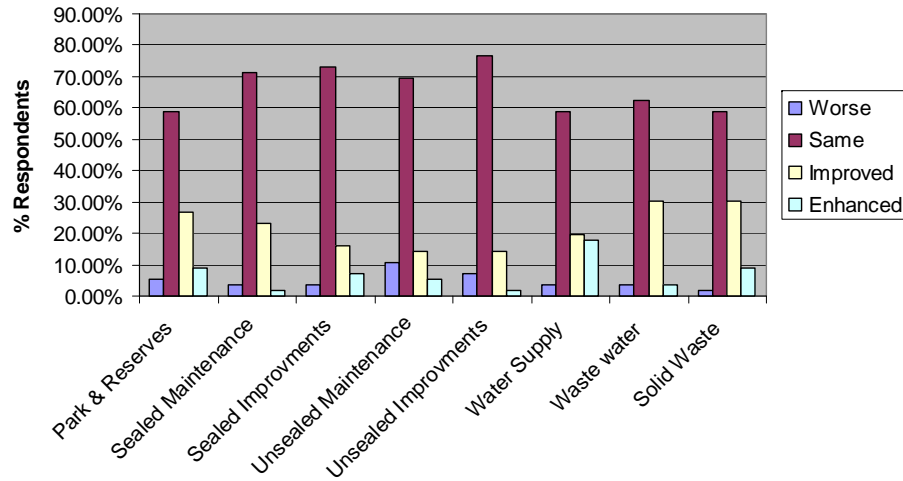
The results of the basic level of service preference questions are presented in the following three graphs, which reflect the distribution of

LoS preferences amongst those who responded to the survey. These graphs indicate a high level of satisfaction both in terms of the overall package of services provided, and the levels of service for particular activities, with the existing level of service being the preferred choice of the majority of respondents for every activity surveyed.

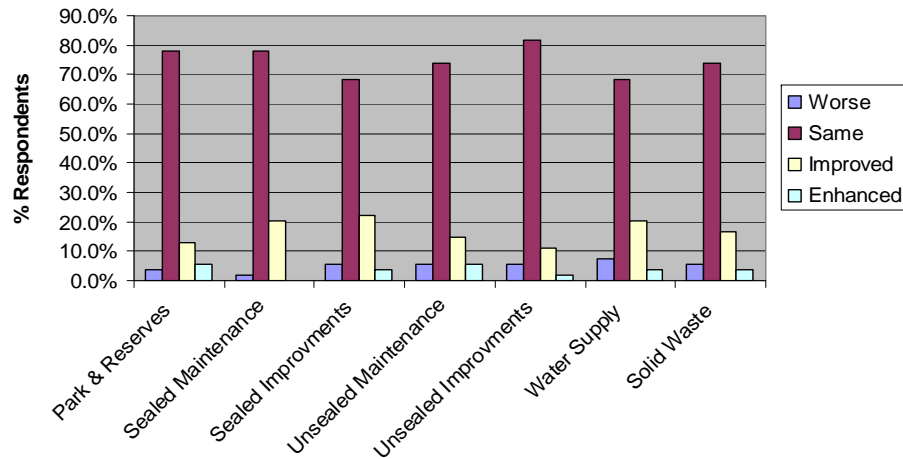
Preferred Levels of Service - Rural Ratepayers



Preferred Levels of Service - Otorohanga Ratepayers



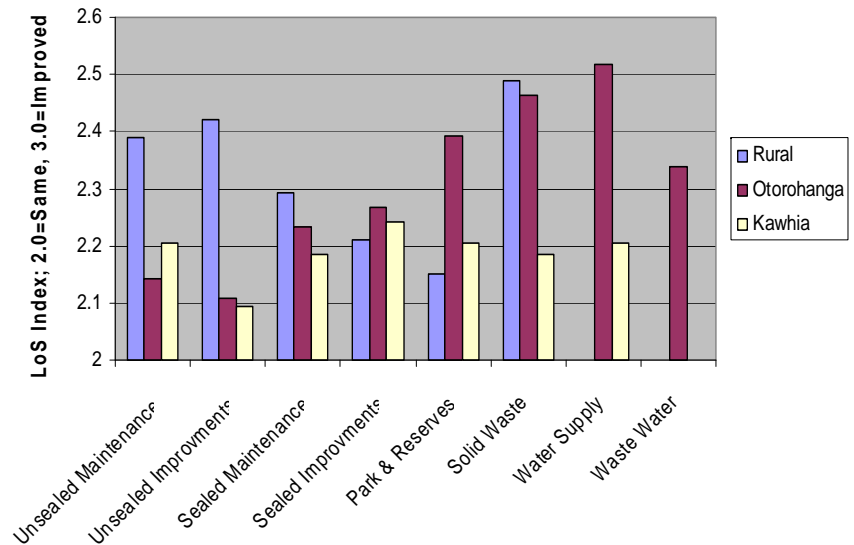
Preferred Levels of Service - Kawhia Ratepayers



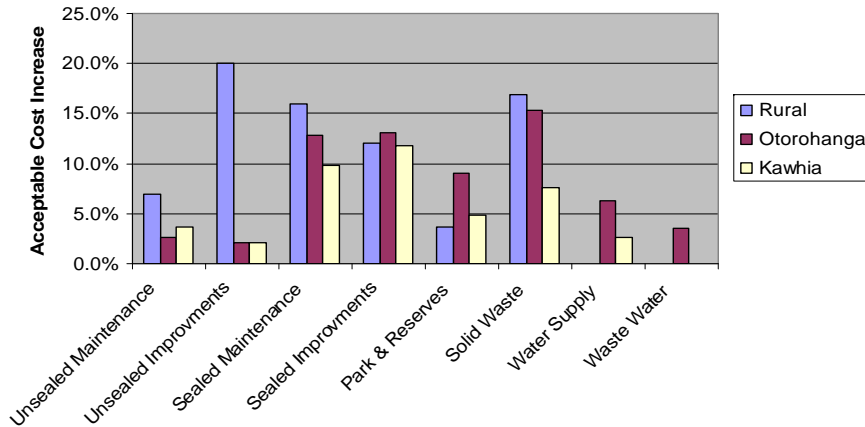
The next graph attempts to numerically combine the individual preferences for each activity into an overall 'preferred level of service index' to allow comparison of the indicated desires for service improvement. This suggests that amongst the survey respondents the greatest desire for LoS improvement is in respect of solid waste services, though improvement of unsealed roads (for rural residents) and of the Otorohanga water supply also feature strongly.

These general conclusions are also supported by the final graph, where LoS preferences are combined into implied acceptable service cost increases, based upon the indicated costs associated with each of the LoS options presented in the survey.

Average Preferred Levels of Service - Survey Respondents



Implied Acceptable Activity Cost Increase - Survey Responses



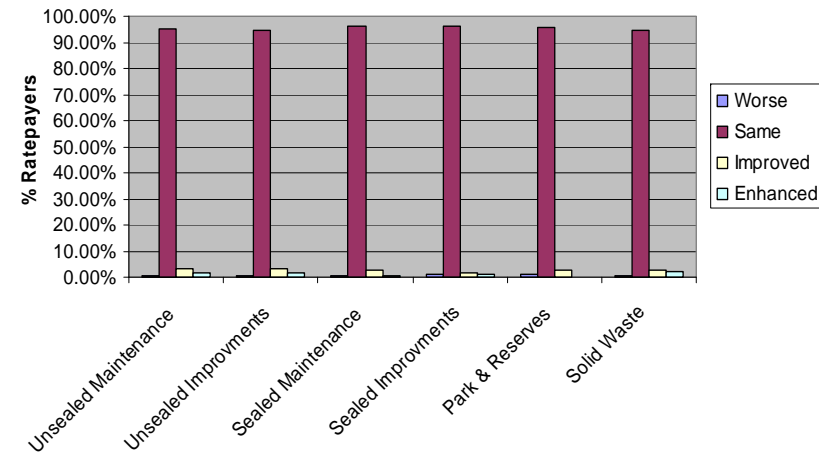
Whilst these the results of the 'raw' data produced by the survey are generally encouraging, it is believed that it may not be unreasonable to extend the conclusion of general ratepayer satisfaction even further, on the basis that it was clearly communicated to survey recipients, that a failure to complete and return the survey form would be interpreted as an expression of approval for the existing levels of service. On this basis, and given the relatively low response rate to the survey, the results presented in the previous graphs would significantly over-estimate the extent of dissatisfaction with existing service levels.

It is however acknowledged that the approach of assuming all non-responses represent support for the status quo may not be fully valid, because for some ratepayers apathy or a perceived sense of futility may have outweighed their existing dissatisfaction with LoS. A more realistic interpretation may therefore be based upon assuming that such unexpressed dissatisfaction existed to the same extent as the expressed dissatisfaction, and that the overall number of dissatisfied parties (favouring either high or lower levels of service) is twice the

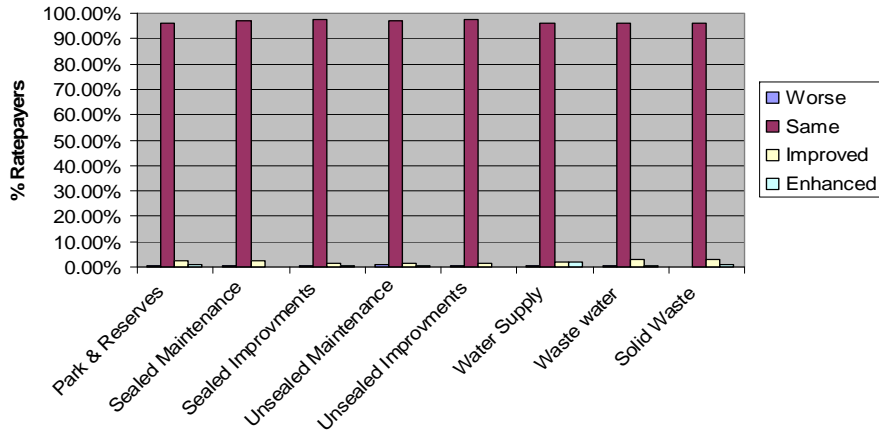
number who responded in this manner to the survey, will all the remainder favouring the status quo.

A set of 'inferred' results, based on this interpretation and an assumed total of 3500 individual ratepayers, is presented in the following three graphs, created on the same basis as the previous five:

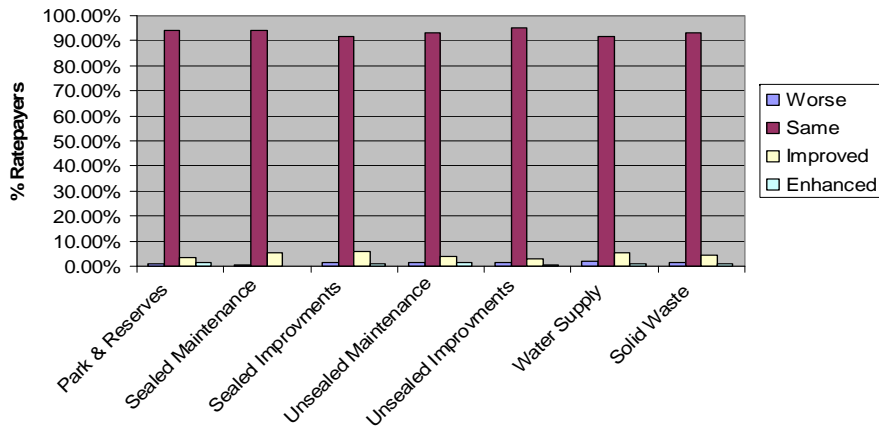
Inferred Preferred Levels of Service - All Rural Ratepayers



Inferred Preferred Levels of Service - All Otorohanga Ratepayers



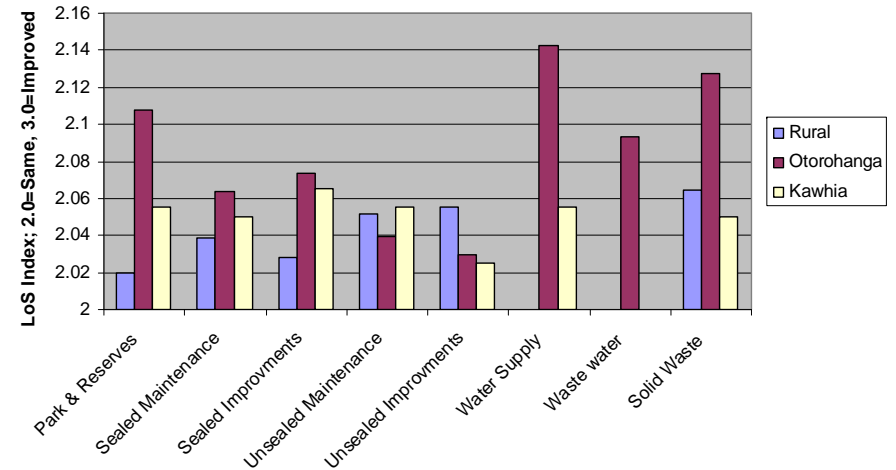
Inferred Preferred Levels of Service - All Kawhia Ratepayers



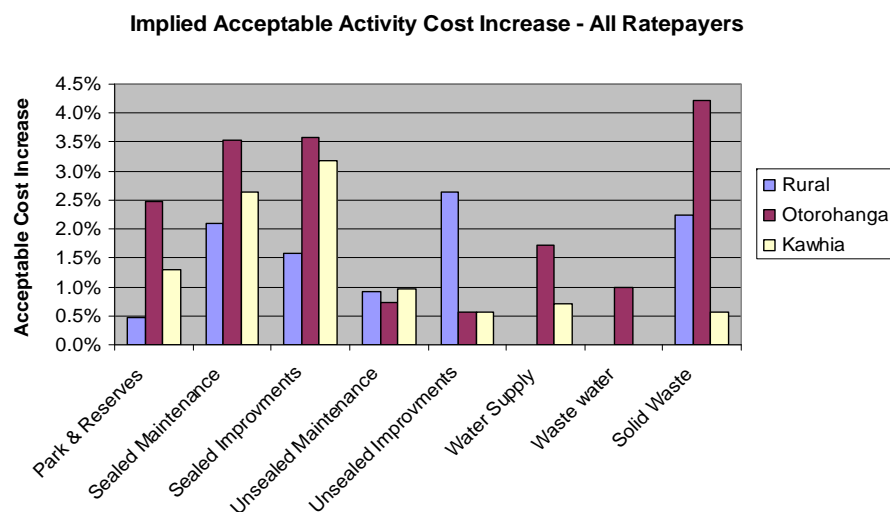
It is clear that even if such an 'intermediate' approach to non-response to the survey is adopted, the inferred levels of overall satisfaction with existing LoS for these activities amongst all ratepayers are very high - typically above 95% in Otorohanga and the rural areas, and between 90% and 95% in Kawhia.

As such the extent of level of service improvement that can be justified on a 'weighted average' basis across all ratepayers is clearly very limited. The graph below shows that even for the activity / community combination with the greatest indicated desire for LoS improvement (water supply in Otorohanga) the inferred justifiable change to the 'Level of Service Index' (where 2.0 represents the current LoS and 3.0 is the 'Improved' LoS option) is only up to 2.14, which is well short of the 3.0 for the 'Improved' option.





Inferred Average Preferred Levels of Service - All Ratepayers



Similarly when translated into implied acceptable cost increases for all ratepayers, as shown in the final graph, these increases are all very small (all less than 5%), and would not be sufficient to enable any discernable improvement in LoS.



Though the survey results do not indicate any justification for immediate significant changes to existing LoS, it is however notable that in relative 'willingness to pay' terms there are some activities that stand out as potential targets for LoS improvement, if the opportunity became available, in particular the following:

-  Solid Waste Services - Otorohanga and Rural Areas
-  Sealed Road Maintenance and Improvement - Rural and Kawhia
-  Unsealed Road Improvements
-  Parks and Reserves - Otorohanga

Such results are not considered surprising, and reflect opinions previously held by Council.

Overall the results of the survey in respect of LoS preferences are considered to provide strong support for maintaining the existing levels of service in the surveyed activities, and also suggest that there is a general level of satisfaction with the level of Council services that extends beyond this range of activities.

This latter statement is made on the basis that Council has previously believed it is well connected to its communities, with a sound understanding of ratepayer's needs and desires, and this survey has supported that view.

It is interesting that on an 'inferred' basis that took account of non-responses to the survey, the Kawhia Community stood out as being the least satisfied with existing levels of service, even though the overall level of satisfaction was still relatively high, at above 90%. This relatively lower level of inferred satisfaction across all ratepayers was however in contrast to a relatively low level of dissatisfaction amongst those who responded to the survey, with the high level of survey response in this community creating this inconsistency.

These results once again highlight that Kawhia is a complex community, with a broad range of residents holding strong but often disparate views, and it is likely that strong expressions of desire for LoS improvements will continue to be received from individuals, even though this does not appear to reflect the 'typical' view of the community.

Survey Results - General Comments

Many survey respondents took the opportunity provided in the survey to provide general comments in addition to identifying their preferred level of service options.

These general comments were extremely varied, and an exercise was therefore conducted to summarise and group these comments in a form that would be suitable for consideration by Council or the relevant Community Board.

Such consideration by elected members is still under way, but it appears unlikely that any significant decisions in respect of changing LoS will arise from these comments, because there was little consistency amongst them and a significant number had little relevance to broader level of service issues.

These comments are nevertheless considered worthwhile, since they serve to maintain Council's connection with the particular communities.

Levels of Service that you feel should be provided within the Otorohanga District

Have your Say!



ANNUAL COST EXAMPLES - ALTERNATIVE LEVELS OF SERVICE
(Indicated cost increases and savings are relative to the current 'same' total cost of the activity)

Property Location	Property Type	Property Value	Otorohanga	Otorohanga	Otorohanga	Otorohanga
			Residential	Residential	Commercial	Commercial
			\$200,000	\$300,000	\$250,000	\$500,000
ACTIVITY	Level of Service					
Parks and Reserves	Same: Total Cost		\$53	\$64	\$58	\$86
	Worse: Cost Saving		-\$8	-\$10	-\$9	-\$13
	Improved: Cost Increase		+\$10	+\$12	+\$11	+\$17
	Enhanced: Cost Increase		+\$26	+\$32	+\$29	+\$43
Sealed Roads Maintenance	Same: Total Cost		\$32	\$40	\$38	\$55
	Worse: Cost Saving		-\$7	-\$8	-\$8	-\$11
	Improved: Cost Increase		+\$16	+\$20	+\$18	+\$27
	Enhanced: Cost Increase		+\$35	+\$44	+\$39	+\$60
Sealed Road Improvements	Same: Total Cost		\$14	\$18	\$16	\$25
	Worse: Cost Saving		-\$3	-\$3	-\$3	-\$4
	Improved: Cost Increase		+\$5	+\$7	+\$6	+\$10
	Enhanced: Cost Increase		+\$14	+\$18	+\$16	+\$25
Unsealed Road Maintenance (metalling and grading)	Same: Total Cost		\$61	\$76	\$69	\$106
	Worse: Cost Saving		-\$10	-\$12	-\$11	-\$16
	Improved: Cost Increase		+\$9	+\$11	+\$10	+\$15
	Enhanced: Cost Increase		+\$24	+\$30	+\$27	+\$42
Unsealed Road Improvements	Same: Total Cost		\$18	\$22	\$20	\$31
	Worse: Cost Saving		-\$18	-\$22	-\$20	-\$31
	Improved: Cost Increase		+\$9	+\$11	+\$10	+\$15
	Enhanced: Cost Increase		+\$20	+\$25	+\$23	+\$35
Water Supply	Same: Total Cost		\$225	\$235	\$230	\$254
	Worse: Cost Saving		-\$12	-\$12	-\$12	-\$13
	Improved: Cost Increase		+\$22	+\$23	+\$23	+\$25
	Enhanced: Cost Increase		+\$56	+\$58	+\$57	+\$63
Wastewater Services (Sewerage)	Same: Total Cost		\$317	\$331	\$324	\$359
	Worse: Cost Saving		-\$16	-\$17	-\$17	-\$18
	Improved: Cost Increase		+\$31	+\$33	+\$32	+\$35
	Enhanced: Cost Increase		+\$63	+\$66	+\$64	+\$71
Solid Waste Services (Refuse and Recycling)	Same: Total Cost		\$115	\$115	\$115	\$116
	Worse: Cost Saving		NA*	NA*	NA*	NA*
	Improved: Cost Increase		+\$34	+\$34	+\$34	+\$34
	Enhanced: Cost Increase		+\$80	+\$80	+\$80	+\$81
All Other Activities	Current Total Cost		\$1,312	\$1,461	\$2,265	\$3,046
	TOTAL RATES	Current	\$1,715	\$1,916	\$2,694	\$3,603

* Reductions to solid waste services are contrary to Council's Zero Waste policy

Thank you for filling out this questionnaire.
Please place the sheets in the enclosed envelope and post to Council before 31 July 2008.

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Otorohanga

Levels of Service that you feel should be provided within the Otorohanga District

Have your Say!



THIS INFORMATION IS IMPORTANT TO COUNCIL.
IF YOU DO NOT COMPLETE AND RETURN THIS QUESTIONNAIRE IT WILL BE ASSUMED THAT YOU ARE SATISFIED WITH ALL OF THE CURRENT LEVELS OF SERVICE FOR THESE ACTIVITIES.

This questionnaire is to assess the levels of service that residents and ratepayers want for some of the Council's key activities.

Each 'Activity' category is followed by a range of 'Level of Service Options' and a short description of the changes to the level of service that could be expected with each option. The 'change of cost' percentage applies to the portion of rates collected for that activity- not to the total amount of rates paid. The approximate current cost of the activity for an Otorohanga urban property of \$200 000 value are shown in the 'same' boxes below. Costs for the differing levels of service for other property values are shown in the attached 'Cost Examples' table on page 4.

Please indicate which option you would prefer for each activity by ticking the appropriate boxes below. If you wish to make comments on how changes could be implemented for your chosen level of service options these can be provided on the 'Comments' page.

It should be noted that it is not often possible to significantly improve services without increasing the cost of providing them; and that savings through cost cutting may not be achievable until the setting of new contracts for the work.

Activity

Level of Service Option

(Change to cost shown in Brackets)

Parks, Reserves and Public Toilets

worse (15% less)	same (\$53)	improved (20% more)	enhanced (50% more)
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Worse would be less frequent mowing and gardening and no reserve improvements; improved would allow more frequent inspections, improved response to vandalism and wear & tear; enhanced would also allow improved mowing and gardening maintenance, together with extra reserve improvements.

Sealed Road Maintenance

worse (20% less)	same (\$32)	improved (50% more)	enhanced (110% more)
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(pothole repair, signs, drains, etc.)
Worse would be repairs to items like potholes being done less frequently, and slower response times for maintenance and reported problems; improved would allow quicker response times and more frequent maintenance; enhanced would also allow further enhanced maintenance response using additional dedicated staff.

Sealed Road Improvements

worse (15% less)	same (\$14)	improved (40% more)	enhanced (100% more)
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(straightening and widening)
Worse would be improvements only when required- from accidents, etc.; improved would allow additional minor straightening and widening; enhanced would also allow major improvements on busier roads.

Unsealed Road Maintenance

worse (15% less)	same (\$61)	improved (15% more)	enhanced (40% more)
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(metalling and grading)
Worse would be less frequent grading, less metal run on roads and less frequently; improved would allow additional metalling and some additional grading; enhanced would also allow rollers to be used with graders for longer lasting road surfaces.

Unsealed Road Improvements

worse (100% less)	same (\$18)	improved (50% more)	enhanced (115% more)
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(straightening, widening and sealing)
Worse would be no further improvements made; improved would allow additional improvements or a better standard of improvements; enhanced would also allow even more additional work to be done and/or to a better standard.

Please turn over and complete other side.

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Otorohanga

Levels of Service that you feel should be provided within the Otorohanga District

Have your Say!



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Service Provision

Preferred Level of Service Option

(Change to cost shown in Brackets)

Water Supply

worse (5% less)	same (\$225)	improved (10% more)	enhanced (25% more)
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Worse would be no upgrading of systems until there are water shortages; **improved** would allow increased water testing, more frequent inspections and faster response to callouts; **enhanced** would also allow further improved maintenance response and increased improvements to treatment and supply.

Wastewater Services (Sewerage)

worse (5% less)	same (\$317)	improved (10% more)	enhanced (20% more)
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Worse would be no upgrading of treatment capacity until it is urgently needed; **improved** would allow increased testing, more frequent inspections and faster response to callouts; **enhanced** would allow enhanced maintenance response and increased improvements to reticulation and treatment.

Solid Waste Services (Refuse and Recycling)

worse (*NA)	same (\$115)	improved (30% more)	enhanced (70% more)
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***Worse** is not considered practical (and is contrary to Council's Zero Waste Policy); **improved** would allow a small increase in range of materials recycled and improvements to the kerbside recycling service; **enhanced** would also allow extension of the recycling centre opening hours and further extension of the range of materials recycled.

General Questions

- Are you a Resident of the District ? YES / NO
- Are you a Ratepayer of the District ? YES / NO
- Do you make regular use of unsealed roads in the District ? YES / NO
- Do you live on or near an unsealed road ? YES / NO
- Do you make use of Council's refuse and recycling services ? YES / NO

Which of the activities identified in this questionnaire are of particular importance to you ?

Thank you for filling out this questionnaire.
 Please place the sheets in the enclosed envelope and post to Council before 31 July 2008.

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Otorohanga

Levels of Service that you feel should be provided within the Otorohanga District

Have your Say!



Your Comments (optional)

Parks, Reserves and Public Toilets

Sealed Road Maintenance and Improvements

Unsealed Road Maintenance and Improvements

Water Supply

Wastewater Services (Sewerage)

Solid Waste Services

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