

GREG PETTY *MEDIA RELEASE*



Wollongong City Councillor - Independent - Ward 1

Petty says “the debate over Councils Financial Sustainability Review needs to be opened up to other options to delay or avoid an upward rate review as part of the final strategy”.

Wollongong City Council is currently reviewing its long term financial sustainability.

The various scenarios recommended by council staff are based mainly on discussion points raised during the recent Citizens Panel. However detailed analysis of the Panel’s report shows not all discussion points have been translated into financial options for Councillors.

Most notably would be the simple step of allocating future budget funding to renewal expenditure in lieu of new capital works. Cr. Petty says *“it’s the same money we would be using to achieve the more pressing need of asset renewal”.*

Cr. Petty further argues against a rate increase when *“less scientific but equally important is the analysis of the (effective) life of individuals assets. The accounting charge (termed depreciation) against operating income can be reduced where the effective life of assets can be genuinely shown to be longer than currently estimated. This review would possibly reduce the future annual burden of depreciation with no cash consequences to council”.*

In a detailed analysis of Councils current 10 year budget how possible changes might be made, Cr. Petty outlined the effect of these and other possible measures on 8 October this year, well before the current Council business paper was produced.

<http://illawarranews.blogspot.com.au/2013/10/fares-blog-is-wollongong-city-council.html>

Councillors need to step back and take a holistic review of council operations. Nothing short of a full review would be acceptable.

And what if the savings and efficiencies proposed are not achieved and further rate rises are needed!

And what if the backlog is actually more than the 21 million dollars reported!

A rate rise should not be the first choice instrument to solve this complex problem.

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