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Submission: Council has not applied for a SRV during the past four years, thereby exacerbating the financial situation to reach this point; it has failed to make significant savings and the rating base has not been increased while other fees and charges have increased disproportionately. Last year, a possible SRV for 8% over three years was put to the community along with a list of projects to be financed. While the consultation process was well conducted there were some shortfalls. There was no suggestion that without the SRV, infrastructure or services would have to be cut or reduced. It was generally believed that these projects, mostly renewals and upgrades, would only be possible if the SRV was approved and that its approval would also see annual shortfalls stemmed and cumulative deficits reduced. It was evident that the proposed 8% was insufficient to overcome Council's longer term viability yet Council voted in February 2015 to proceed with the application for a 6.5% SRV for 3 years: no doubt this decision by Council, contrary to responsibly resolving the financial woes, was influenced by the not inconsiderable community resistance to any level of rate increase. Spreadsheet Wk7, which is part of Part A of Council's application to IPART, shows that after 10 years if the 6.5% SRV for 3 years is approved – • Rates and annual charges will have increased by 38.4% above the 2014/15 base year • User charges and fees will have increased by 52.64% above 2014/15 • The proportion of total revenue raised from ratepayers increases from 63.5% to 69% • Total revenue will increase by 30.69% • Employee benefits and on-costs will increase by 30.48% above base year • Borrowing costs (interest) will reduce by 1.79% • Depreciation and amortisation will increase by 48.82% • Total Expenses will increase by 33.06% • Annual net operating result from continuing operations will rise from the 2014/15 base year's deficit of $3,079,459 to a deficit of in 2024/25 of $5,136,035 • The cumulative deficit over 10 years will be $38,892,096 (vs $51.910,975 without this year's proposed SRV). Realistically, now there appears no practical option but to have a SRV but not in isolation. In order to eliminate the huge cumulative deficit, I suggest a 6.5% level SRV would need to be extended from three years to five plus, and ideally annually being made conditional on Council producing evidence to IPART of - • Significant savings of expenditure (i.e. compared with the previous years' actual expenditure and not budgeted figures) – target of, say, 4% of total General Fund expenses would be appropriate. • Concrete steps being progressively taken to increase the rating base by, say, 1,400 additional residential properties, about 6%, by 2020. (My spreadsheet used to calculate the effects of rate rises and savings can be made available if requested.) Personally, as a part pensioner, I dread higher bills but I would rather confront the issues now than to have them drag on and on with future Band-Aid solutions including further SRV applications. Please include my suggestion in your consideration of the SRV Application.