Author name: W. Pallister

Date of submission: Tuesday, 5 November 2024

Your submission for this review:

As I understand the proposition, it involves price increases of 18% in 2025 and then 7% per annum for the following 5 years. I assume the 7% increase will be upon the preceding year rather than upon the base year. That would represent a cumulative increase over the time of 65.5%. The proposed increase is exclusive of inflation. It is unclear what long term budgeting has been undertaken to arrive at and to attempt to justify an increase of such magnitude. In financial planning, one of the criteria involves accumulating sufficient resources to finance replacement of fixed assets. That is, depreciation is financed by provisioning. If the increase is an attempt to cover the cost of an expanded network due to population growth or spread, perhaps that expansion is best avoided, or covered by a capital raising rather than a revenue approach. Clearly, much more detail, and an executive summary, has to be provided in order to explain and justify the proposed increases. Affordability of not only accommodation, but living at all is being tested by the escalation in the cost of food and groceries, insurances, transportation, health and medical, utilities, government charges and all other charges.