

**INDEPENDENT PRICING AND
REGULATORY TRIBUNAL
(IPART)**

Special Rate Variation Application

Wollongong City Council 2014-15

**Attachment 15
Household Brochure**



The problem

Like most other NSW councils we're faced with the challenge of making sure we have enough money to look after our city's assets into the future. These are the essential things we all use every day, like roads, footpaths, stormwater drains and buildings. Many of them are ageing, and it costs us a growing amount of money to fix or replace them.

We need to find around \$21 million more per year so we can maintain our assets in the long term. If we don't do this, we'll start losing them. Roads and paths will break up, pools will close, bridges will crack, and public buildings will become derelict.

Finding a solution

In recent years, we've saved over \$20 million a year by doing things better within Council. This money has gone back into improving things like roads and footpaths.

But now we need to do more.

It's tricky to find the right balance. We've been talking to the community about our options, which could include some or all of the following:

- Creating efficiencies – in other words, doing things better
- Changing the services we offer, by reducing some or stopping others.
- Increasing our income through rates, or fees and charges.

A Citizens Panel has produced some recommendations on how to solve this problem. We've also had lots of feedback from the wider community and Council staff.

Inside this brochure you'll find three options Council is considering to make our city's future more secure. We encourage you to read them, then tell us what you think.



Looking ahead

By making these decisions now we can make sure we'll have a city we can be proud of with well-maintained roads, great pools, and quality community facilities for everyone to enjoy.

Get involved

The future of our city affects all of us, so we want you to be part of this process.

There are lots of ways you can get involved:

- Visit www.wollongong.nsw.gov.au/securingourfuture to find out more and give feedback
- Email us at engagement@wollongong.nsw.gov.au
- Write to us: Locked Bag 8821, Wollongong DC NSW 2500
- Call us on (02) 4227 7111

Feedback needs to be submitted by 5 February 2014.

What happens next?

In February our Councillors will be given all of the feedback before making a decision on what works best for our city. This may be one of these options or a mix.

If the Councillors opt for a rate rise, Council will submit an application to the Independent Pricing and Regulatory Tribunal (IPART).

Based on Council's decision, our draft Annual Plan and Budget for 2014-2015 will be prepared to reflect that option and go on exhibition in April/May.

IPART will announce its decision on rate rises in June. Also in June, Council will endorse the draft Annual Plan and Budget, taking into consideration all the community feedback.

Wollongong City Council,
41 Burelli Street, Wollongong

To find out more about Council visit
www.wollongong.nsw.gov.au

Call us: (02) 4227 7111

Email: engagement@wollongong.nsw.gov.au



WCC0136/1530



Securing Our Future

We need your help to make some important decisions



We're working with you to make sure our city has pools to be proud of, top playgrounds, excellent community facilities, and well-maintained roads and footpaths.

Find out more:
www.wollongong.nsw.gov.au/securingourfuture

We need to find around **\$21 million** more per year so we can maintain our assets in the long term. Council is considering these three options:

OPTION 1 Citizen Panel's recommendations



Efficiency: \$7 million

- \$3.5M from savings that won't affect services or staff levels
- \$3.5M from higher impact changes such as outsourcing some services (e.g. the management of Tourist Parks), reviewing Russell Vale Golf Course or changing the staff enterprise agreement.



Services: \$4 million

- Save \$1M by extending life of footpaths
- Sell Lakeside Leisure Centre
- Close our cremator, keep the surrounding Memorial Gardens
- Close Unanderra Library
- Reduce lifeguard hours at Coalcliff & Scarborough beaches
- Rationalise 10% of playgrounds, parks and community facilities over the next decade
- End the Crown Street Façade project
- Not replace two-three rock pools when they fail
- Halve Cadet, Apprenticeship & Trainee program
- Reduce Community Engagement and events funding
- Reduce mechanical street sweeping.



Fees & Charges: \$1.6 million

Increase fees and charges for car parking, heated pools, fitness trainers, sports fields and community pools (gold coin donation).

Rates*: Additional **\$8.4 million** ↑



IMPACT **\$215.75** ⊕ PER YEAR
AVERAGE PER HOUSEHOLD **\$53.94** ● PER QUARTER

Increase of 5.2%, 5.5%, 5.5% cumulative over 3 years including the rate peg.

OPTION 2 Modifications to Citizen Panel's recommendations based on community feedback



Efficiency: \$5 million

- \$3.5M from savings that won't affect services or staff levels
- \$1.5M from higher impact changes such as outsourcing some services (e.g. the management of Tourist Parks) and reviewing Russell Vale Golf Course.



Services: \$2.3 million

- Save \$1M by extending life of footpaths
- Sell Lakeside Leisure Centre
- Close our cremator, keep the surrounding Memorial Gardens
- Rationalise 10% of playgrounds, parks and community facilities over the next decade
- End the Crown Street Façade Project.



Fees & Charges: \$370,000

Increase fees and charges for leasing childcare centres, car parking, heated pools and fitness trainers.

Rates*: Additional **\$13.4 million** ↑



IMPACT **\$279.76** ⊕ PER YEAR
AVERAGE PER HOUSEHOLD **\$69.94** ● PER QUARTER

Increase of 6.7%, 7%, 7% cumulative over 3 years including the rate peg.

OPTION 3 Focus on income and improvements



Efficiency: \$3.5 million

Savings that may impact staff levels slightly.



Services: \$1 million

Extend life of footpaths by patching rather than replacing.



Fees & Charges: N/A

No changes above regular annual increases.

Rates*: Additional **\$16.5 million** ↑



IMPACT **\$323.44** ⊕ PER YEAR
AVERAGE PER HOUSEHOLD **\$80.81** ● PER QUARTER

Increase of 7.7%, 8%, 8% cumulative over 3 years including the rate peg.

*A QUICK NOTE ON RATES

Every year the Independent Pricing and Regulatory Tribunal (IPART) announces the 'rate peg', which is the amount councils can increase their rates. Councils don't need special permission to apply this increase. If a council needs to increase rates on top of the rate peg, they must apply to IPART. The rating increases shown include a 2.3% rate peg (IPART approved) for year 1, and 3% rate peg (estimated) for years 2 and 3. The additional rates income shown is the special rate variation component.

Find out more: www.wollongong.nsw.gov.au/securingourfuture