

# **Mayor Cr Jenny Hill**

## **Budget Speech**

**27 June 2017**

Councillors today I rise in the chamber to present and table the second budget since our election to office in March last year.

This budget builds on our direction, the direction we set in last year's budget and paves the way for the people of Townsville to take advantage of the work we have done in terms of restructuring refocusing and re-positioning our city.

There is no doubt that this city has suffered through difficult times in recent years. This budget will see us complete many of the programs and commitments that we took to the people of Townsville in the 2016 election campaign.

Last year we delivered a rates and utilities freeze, last year we began the structural reform of council beginning with accepting and implementing the Nous report.

Today we bring down our second budget, a budget that has been framed around supporting those residents in Townsville that are battling, battling just to keep food on the table people, battling to make ends meet, to keep their jobs.

Our unemployment rate is it 10.7%, our youth unemployment right is nearly 18%, our rental vacancy is well over 7% one of the highest in the state. Increase in electricity pricing, fuel and a new EBA for staff are some of the

constraints that this budget has been framed around while trying to keep our election commitments. Councillors the task has not been easy.

One of our key platforms was to ensure that we were prudent in the way we managed your money and we are about to do that in resetting the parameters that this Council operates within. This will allow this city to grow and to prosper into the future.

In this budget we will deliver on that promise, in this budget we will ensure that the battler is our priority.

Following on from delivering on last year's promise of a rates freeze today I announce that in the 2017 2018 budget we will AGAIN freeze the general rates but also cut 5% from the gross general rate for all residential property.

For local businesses their general rates will be frozen also!

That means Council will forgo \$2.4 million in revenue this financial year alone, we want to give each and every ratepayers a break. Whether you are a home owner, investor or a business, everyone gets a break!

We are on track to keeping water, sewage and waste to CPI of 2.1%, limiting further impact of increasing costs on the community.

For our average home owner, they will see an increase of around 1.44% or 88 cents a week.

This 5% upfront cut to Gross General Rates will be provided to all residential ratepayers no matter when they pay and the early payment discount will be reduced from 15% to 10%.

This is the lowest rise from any council in Queensland.

This rates relief is about a direct financial dividend coming back to the people of Townsville as a result of cost cutting from restructure and reform at council.

With State land valuations revised down in many areas of Townsville this year, around 13,000 property owners are likely to see a drop in their overall rates and charges.

This budget will fund many of our key election commitments.

Guaranteeing Townsville's water supply continues to take priority in the City Budget 2017/18 with funding for the purchase and pumping of water from the Burdekin. There will be no extra levy for the cost of water purchased from Sunwater, nor the pumping costs.

The Townsville City Council has allocated \$5.5 million for the purchase and pumping of 20,000 Mega litres of water, the equivalent of five months of continual supply.

The recent funding guarantees from both the Palaszczuk State Government and LNP Opposition to fully fund the infrastructure to solve Townsville's water security solution will save a huge additional capital cost.

The funding guarantee takes the pressure off council and the ratepayer in terms of potential capital costs and vindicates the work we have done through the Water Taskforce to make water security a priority for government.

That means our big focus in the Budget is on making sure the city has a guaranteed water supply to take us into next year.

Pumping, combined with reserves in the dams and Level 3 water restrictions, will secure the city's water supply well into next year even without rain.

While we were only required to pump for around three months this year, we're making sure we have a plan in place that covers every contingency for our community.

Pumping water to Townsville comes at a substantial cost, but the savings and efficiencies we are achieving right across council means we are able to absorb those costs without having to pass them on to ratepayers.

But understand this further major works is being undertaken in Water area including:

- \$1.2M for rehabilitation of Dam infrastructure
- \$1.5M for rehabilitation of water reservoirs
- \$3.5M for rehabilitation of water services between mains and your meters
- \$4M for rehabilitation of small diameter mains
- \$5.2M for rehabilitation of large diameter mains
- \$500,000 Paluma Water Treatment Plant upgrade

Well over \$15 million dollars on renewals and new projects for water.

#### Waste Water network

- \$2.1M for construction of upgraded pump station in North Ward
- \$3M for construction and rehabilitation of sewers
- \$2.1M for treatment plant renewals
- \$1.9M for new sewage pump station and rising main to service Stockland Shopping Centre and new development in the area
  - \$1.4M for pump station upgrades and renewals
  - \$2.2M for a new water main in Jensen to support

And importantly \$39 million to continue with the upgrade of Cleveland Bay Treatment Plant.

#### **Big Budget funding for Community Safety**

Construction of a new Local Disaster Management headquarters to coordinate responses for all disasters, is part of a major focus on Community Safety in the 2017/18 City Budget.

A total of \$6.8 million has been set aside to build new Local Disaster Coordination facilities, which will also house the NQ Regional Data Centre a partnership arrangement with James Cook University at the council's Dalrymple Road depot.

Local governments outside of South East Queensland do not even consider disaster management the way we must in the North. It is a burden that ratepayers must bear but a service we must deliver for our community.

Keeping our community safe is a priority which is why this budget also allocated \$2.4 million for 24 hour CCTV monitoring, security patrols and operation of the council's Community Response Vehicle.

We also will continue to fund:

- \$1.5 million for life guard services on the Strand, waterpark, Alma Bay, Horseshoe Bay, Balgal Beach, Pallarenda, Rockpool, Riverway Lagoons
- \$359,000 for stinger nets at the city's main swimming beaches on the mainland and Magnetic Island

This budget goes hard on waste pick-up as we deliver on core commitment to the community with funding for a city wide hard rubbish collection and free green waste dumping in the City Budget 2017/18.

Council will also swing open the gates to the city's landfills for an additional free dumping weekend to go with the usual free long weekend in October prior to the cyclone season.

The measures are part of a bigger and improved waste management package to replace the under-utilised free dump voucher system, which attracts only 25% take -up.

Residents can dump green waste for free all year round at all the city's landfills and transfer stations from July 1 and the hard waste pick-up is scheduled to start early next year.

\$2.9 million had been set aside in the Budget to deliver the new waste management commitments to the community.

We made a commitment that hard rubbish collection and free dumping of green waste would be delivered in this term of council and I can proudly say we are keeping our promise.

I wanted to bring the hard rubbish collection back in 2012 but it was blocked by other councillors at the time who were in favour of the free tip vouchers despite the fact that 75% are never used.

The mandate we received from the community at the last election means we are now able to get on with the job and make the changes that will give residents better value for money.

Residents will receive the hard waste pick-up and free green waste dumping, and we have included an additional free dump weekend to provide residents with further options for dumping domestic waste.

Council's waste charges will also be more transparent to show residents where their money is going.

Waste charges will now show a standard kerbside rubbish/recycling bin collection charge, and a waste management levy for the hard waste collection and free green waste dumping.

Overall the new measures will cost each household an additional \$6 in their waste charge.

Existing tip vouchers will still be valid until September 30 as part of the transition arrangements.

Council will also upgrading landfills to improve facilities for the public and increase recycling.

The council will be constructing transfer stations at the landfills in the 2017/18 financial year to promote more recycling at the front gate and reduce the volume and impact of waste going into our landfills.

Dropping off recyclable materials at the transfer stations will be free. Paper, metal, plastics, building materials all free.

### **This Budget drives good deal for road spending**

Delivering upgrades to our roads and drains network across the city is fundamental to the 2017/18 City Budget.

This budget will pump \$36.6M into upgrades, reconstruction, reseals and overlays of 111 streets and other priority projects to support the city's growth.

A further \$8.7 million will be invested in strengthening the city's drainage network with \$3.3 million allocated to replace kerb and channel across the city in suburbs including North Ward, Currajong, Hermit Park, Hyde Park, Kelso, Kirwan, Aitkenvale, and West End.

Key roads projects include a



\$3.4M upgrade to the Ingham Road and Webb Drive intersection

and

\$2.5M upgrade to the Dalrymple Road and Greenview Drive intersection in Mount Louisa including the installation of traffic signals.

The fast-tracking of the Greenview Drive intersection is works that were originally planned in a few years, but the community needs the upgrades now and I am happy to say we are delivering.

While a \$1.0 million has been allocated to fix rural roads.

This council is continuing to invest in protecting our existing roads and drainage networks in this year's budget, while still building new infrastructure.

Other works included:

- \$6.5M to reconstruct sections of 20 streets and roads including Seventh Avenue, Blanes Street, Doorey Street, O'Donnell Street, Park Street, Powell Street, Sherriff Street, Coora Street, Marks Street, Finette Court, Katie Court
- \$9M for reseals and overlays on 91 streets including Droguet Court, Planet Place, Stanton Terrace, Allen Street, Alpina Place, Andrews Court, Anne Street, Arlington Court, Dalrymple Road, Franco Court, Bellamy Street, Crowder Street, Henrietta Street, Lindeman Avenue, Moreton Bay Court, Paul James Drive, Bottlebrush Court,

- \$1M of reconstruction of the underground stormwater drains on Lamington Street and Ingham Road to improve drainage; with another
- \$1.7M for the First Street, Railway Avenue drainage reconstruction

### **We will continue funding for a sustainable and smart city**

This budget continues to prioritise protecting the environment and maintaining sustainability efforts in 2017-18.

A total of \$7.74 million is dedicated towards the management of Townsville's natural environment and resilience works.

This council takes a leadership role when it comes to conservation, resilience and sustainability and has dedicated staff and resources to these highly skilled jobs.

This budget includes strong levels of funding for a range of programs and partnerships in the community to safeguard Townsville's natural environment.

This budget includes

- \$2.3 Million Environmental and Natural Resource Management
- \$1 Million Sustainability strategic activation including investment in water quality improvement

- \$536,000 Creek to Coral programs
- \$150,000 Yellow Crazy Ants eradication.
- \$265,000 Environmental Restoration in Ross River, Fairfield Waters lakes and bushfire management programs
- \$138,000 for Feral Animal and Pest removal programs such as wild pigs and dogs.
- \$218,500 Coastal management of Rowes Bay, Pallarenda, Northern Beaches, Cungulla and Magnetic Island.

This team campaigned on developing this city as the events hub for our region.

In 2017/18 our events calendar is alive and jam packed with activity.

Almost \$4.3 million will be spent to provide events across the city over the next year with an Ashes cricket tour match, three Rugby League World Cup games and the Queensland Symphony Orchestra tour that will occur during 2017/18.

World-class basketball during the Commonwealth Games and a 12 day Arts and Cultural Festival are the headline acts in a year packed with events for Townsville residents.

Townsville will be buzzing for 12 days in April when the Commonwealth Games is in full swing and the Arts and Cultural Festival will bring people together.

Tens of thousands of Townsville residents and visitors from across the country and the world will be able to watch

international sport and take part in the cultural festival in what will be one of the most diverse events in the city for a number of years.

Along with the Commonwealth Games, Townsville will still play host to its big annual events like the V8s, ANZAC Day and Australia Day, Carols by Candlelight, New Year's Eve, Heritage Day and Eco Fiesta in the coming financial year. PBR international bull riding event, and of course the Centenary of the ending of WW1.

53 exhibitions featuring international, national and local artists will be on display at the Perc Tucker Regional Gallery, Pinnacles Gallery and through the community's creative spaces.

The city's three theatres as well as outdoor performance spaces will continue to offer a host of live performances from headline companies including Opera Australia's Marriage of Figaro, Queensland Symphony Orchestra, Australian Festival of Chamber Music and Australian Dance Theatre.

This is a budget that delivers a dividend to our community for the faith they placed in this council team on March 19.

It's a budget that delivers on the hard work that our staff have done for the community in reducing costs, streamlining the business and putting our community first.

Their efforts deserve recognition and acknowledgement in this process.

This is a budget that delivers on the hard work of battlers. When times are tough Townsvillians pull together.

Reducing the general rate by 5% ensure all ratepayers are able to share in the belt tightening through council reforms over the last 12 months. Yet we have maintained a generous early payment of 10% for those who can pay early.

In addition, we are maintaining the most generous pensioner concession in Queensland of \$800 per year.

This has been achieved without affecting front line services. This council was elected to address the unsustainable budget position council was in. The course was set with the first budget of this term and now we are completing the transformation. Secondly we were elected to improve our engagement with you, our community. We were elected to focus on delivering outcomes, and build a resilient and a cohesive community with a strong plan for the future.

Finally supporting, encouraging and actively promoting our city increasing economic activity where council acts as an enabler and not a roadblock. This budget delivers on that.

While there are many positive signs of a rebounding and recovery economy, it is still early days. This budget achieves much but there is more to do.

All our election commitments are fully funded and are being implemented while returning the budget in the black.

I would like to thank the CEO, all the Directors including Neil Allen and their staff for their assistance and support in delivering this budget.

I'd like to thank councillors for their input and support.

This has been a tough time in terms of changes to council but this team of councillors and staff are up to it.

Cr Jenny Hill

Mayor of Townsville.