

2025/26



Townsville City Council

Budget & Operational Plan

ACTING MAYOR'S SPEECH, Wednesday 18 June 2025

Check Against Delivery

Good morning, Councillors, CEO, Council staff, and guests.

After months of collaboration and careful planning involving 12 workshops with staff, we are proud to present Townsville City Council's 2025/26 Budget and Operational Plan.

This is a \$928.2 million budget with more than \$352 million of capital investment. This is a budget with a focus on delivering the basics, backed by innovation that meet the needs of a growing city.

Financial Responsibility

After a challenging year this budget is one that delivers value for our community.

What you see today is a budget that balances financial responsibility and delivery of basic services while shoring up future growth and supporting our city's liveability.

Council's service delivery affects how we live our lives. Whether it be the water we drink, the roads we drive on, the parks and playgrounds we frequent, bins that are emptied, well-managed community spaces and facilities, and how we respond to disasters – just to name a few.

However, when developing this budget, one of the biggest challenges has been responding to new land valuations issued by the Valuer-General, which saw an average increase in land values of 27 percent across Townsville.

That is why, for the first time in nearly a decade, we've reduced the Rate in the Dollar, by 18 per cent - helping to offset those valuation impacts.

Not only has this limited the rate increase to 4 per cent for owner-occupiers with an average valuation increase, but it has also translated to dollar savings to over 30% of properties in this group - who will see either no rates increase, or even a decrease.

It is important to note - everyone's rates will vary depending on their property's valuation.

We've kept spending tight and focused on core services to ensure we are planning wisely for Townsville's future.

As a result, we're on track to reduce Council's deficit by \$12.7 million, with Council now expected to achieve a budget surplus in the 2026/27 financial year - one year earlier than previous forecasts.

Maintaining core services

As a local government, we deliver more services than any other level of government, often with the least amount of funding.

It is imperative we get the right balance to ensure what we deliver is sustainable and yet still meets the needs of our community.

Our commitment this year has been investing in what matters most to our community - the basics, the services our community rely on every day, while keeping any rates rises to a minimum.

More than \$613 million has been committed to deliver, maintain and improve the services that our ratepayers expect from us and that support daily life in our city, clean water, efficient waste collection, safe roads and reliable infrastructure.

As one of Australia's fastest growing regional centres Council maintains more than \$9 billion worth of assets including an extensive network of roads, water and wastewater infrastructure.

A major shift in this year's budget is moving from an annual capital plan to a three-year rolling capital plan.

This change allows for smarter scheduling, reduced bottlenecks, flexibility in forward-planning based on emerging needs and community benefit including responding to unforeseen events.

A three-year program will enable our team to better plan and execute jobs across the city to accommodate wet seasons, and unplanned recovery works - avoiding delays.

Our investment in safe, secure, and reliable water services to meet the needs of a growing population is paramount.

Our preventative maintenance budget will also see significant investment into the city's 1400-kilometre wastewater network with a \$3 million program of works to reline and repair sewer mains as well as \$2 million in treatment plant renewal works.

\$233.6 million has been allocated to maintaining and building on Council's road and transport networks which includes more than 1800 kilometres of local roads and 600 kilometres of footpaths.

This includes an \$8m program of works to renew local roads and finalise the design for the Lionel Turner Drive, Liberty Drive and Bayswater Road extension.

One cost that continues to rise is the management of our city's waste. We, like all councils, are facing increasing costs of waste disposal.

With the State Government's waste levy increasing to 30 per cent, Council is ramping up efforts to divert more waste from landfill through education, innovation and operational efficiencies.

Council is responsible for emptying more than 84,000 domestic bins each week. Our \$70.2 million investment into waste will continue to deliver far more than that service, but also maintain our five waste transfer stations and one active landfill that receives nearly 275,000 tonnes of waste annually.

We're continuing our services such as free recycling and green waste drop-off, and an annual kerbside pickup at a cost of close \$2 million.

This year's budget also brings exciting news for a new future for the infrastructure that previously held the Hervey Range Tip shop, which will be announced very soon.

Cost efficiencies and innovation

Post-Covid the world has changed – councils are operating in a very different environment – one that demands we stretch every dollar further, work smarter and find greater cost savings and efficiencies within the organisation.

We're investing in AI and sensor technologies which is set to streamline operations across council, saving money and safeguarding our community through programs like water monitoring technology soon to be installed at Riverway Lagoon.

Our environmental sensor networks are reducing power consumption in real-time by up to 6.7 percent which has saved Council more than \$1.1 million in electricity consumption since 2015.

Our ongoing investment in our world-class NATA-accredited laboratory continues to attract new commercial customers across North Queensland and is expected to generate an average of \$500,000 in additional revenue per year.

Advocacy also remains key to securing investment and shaping a smarter future for Townsville, especially when it comes to key projects like housing supply, Olympic legacy Infrastructure, North Rail Yards, the Haughton Pipeline and what is sure to be an exciting next step for the northern end of our Strand.

Lifestyle and Liveability

Which leads me into our investment in maintaining and growing the liveability of our region.

While the core services Council delivers make up a large part of our investment, and has been the focus of our budget, we have not ignored the services, spaces and experiences that directly support the city's liveability.

This year we will invest \$153.7 million in the experiences that bring people together, supporting safety, community connection and culture.

From the 180 kilometres of coastline we manage, the 373 parks and 206 playgrounds we maintain, to our three libraries and two galleries, or the more than 70 community events we host annually - we understand the vital role community connection plays in shaping a vibrant, inclusive city.

This budget will see us continue our investment in community spaces like footpath and playground renewals as well as a lighting and shading program that will see an additional 2,000 trees planted this year to support shade, cooling and visual amenity.

Our libraries, galleries and theatres continue to provide immense value to our community, serving as vital hubs for social connection with more than 380,000 library visits, 193 theatre performances, and over 42,000 gallery visits in the past year alone.

We will continue our community lease program, which enables more than 200 local groups, many of which operate on low-cost or peppercorn arrangements, to benefit from \$4.91 million in subsidised rent, ensuring grassroots sport and community groups can thrive in our growing city.

We know how much community safety means to our city, which is why Council continues to invest in doing what we can from a local government perspective.

This year Council will invest more than \$5.3 million in security and surveillance operations, as well as \$2.4 million to year-round lifeguard services at beaches, lagoons, and water parks.

Backed by our Community Safety and Wellbeing Plan, the budget also responds directly to community feedback investing \$4.5 million in lighting, and amenity upgrades which includes boulders for the recently vandalised Currajong Park, alongside \$2.8 million for 24/7 community safety patrols in known trouble areas.

We will continue to build on successful policies from recent years through the continuation of our City Activation and Housing Incentives Policy.

We understand the pressures our community is facing around housing availability, which is why we're taking proactive steps to unlock new infill housing opportunities and accelerate the approvals process.

This budget also includes the introduction of a fairer rating system for short-stay accommodation, aligning these properties more closely with their commercial status while reinvesting these revenues to boost the visitor economy across the region.

This change is expected to generate around \$1 million in revenue, which Council has committed to reinvesting directly into tourism marketing for the region, marketing that is expected to generate around \$32 million in visitor spending – much of which will benefit our short-stay accommodation sector.

Reinvesting in tourism creates a ripple effect across our local economy benefiting accommodation providers, hospitality venues, tour operators, and the broader community. It helps us create new jobs and attract investment.

And while some may decide to release their properties from the short-stay accommodation market, those properties will most likely go back into the long-term rental market and support the current housing crisis, with rental vacancies less than 1% across the region.

Council has a responsibility to support both economic development and liveability. This new approach allows us to do both, ensuring our growing visitor economy continues to thrive.

Summary

This budget reflects the hard work and shared commitment of councillors and staff alike.

While we remain firmly focused on the here and now, we see this budget as a first step in building a more sustainable future for our city.

This budget has been developed with several key principles:

- A back-to-basics approach to ensuring we maintain the infrastructure, services and lifestyle amenities to support a growing population
- A recognition that cost-of-living issues are real and with that a concerted effort to minimise rate increases
- Stretching our budget dollars further through operational savings and efficiencies and future planning backed by innovation

Fellow Councillors, Executives, and members of our community, what we present here today is a robust plan that is equitable, sustainable, and financially responsible.

I present the 2025/26 Budget to the chamber: a budget that is built on basics, backed by innovation, and focused on growing Townsville.