



TOWNSVILLE CITY COUNCIL

# Budget & Operational Plan

# 2023/24

## Mayor's Speech, Wednesday 28 June 2023

I rise before you today to present Townsville City Council's Budget and Operational Plan for 2023/2024.

This comprehensive plan outlines our vision for the future of Townsville and the strategic initiatives we will undertake to achieve our goals. We have a strong plan for the city.

At the forefront of our agenda is the overarching principle of economic responsibility. We understand the importance of managing our resources effectively and ensuring that every dollar is allocated wisely.

With a total investment of nearly \$893 million, this budget aligns with the continued growth and prosperity of our city. And importantly it reflects our commitment to fiscal prudence, allowing us to deliver essential services and invest in critical infrastructure without burdening our residents with undue financial strain.

I am pleased to say the development of this budget was a six-month process that started with a mid-year budget review in December last year. Consultation included numerous workshops for all councillors, to involve them in development of all aspects of the budget. This open and transparent process has been a genuine and crucial collaboration with Councillors and staff, and it aligns with our strong plan for the city.

Recognising the increasing cost of living, we have carefully considered the challenges faced by our residents. Through strategic spending and targeted initiatives, we have been successful in reducing the overall cost of living and improve the quality of life for all our residents.

Crime remains a significant concern for our community, and we are resolute in our determination to address this issue head-on. This budget reflects our commitment to strengthening community safety. But our commitment to the safety and prosperity of our community extends beyond crime prevention.

We understand that a city thrives when its infrastructure is robust and well-maintained. Therefore, this budget includes over \$400 million for the delivery of essential capital works.

From revitalising our parks and green spaces to upgrading our extensive network of roads, we are dedicated to ensuring that Townsville remains a vibrant and accessible city for all its residents.

This budget reflects our determination to follow through on our commitments and bring our vision to fruition through the delivery of a range of multi-year projects that will lay the foundation for a thriving and prosperous Townsville.

It is important to note this budget was created within a context of rising costs on a national and global scale. In Australia the cost of certain timber products has gone up by 200%. Structural steel and reinforcing steel prices have risen up to 100%. Cement and concrete have increased by 30%. These materials are not only becoming more expensive, but they are becoming harder to procure. Local Government is not immune to these increases.

This budget will deliver essential services while minimising increases in rates and charges. That is what *an experienced Council delivers*. That's why experience matters and why the community will see the benefits of our strong long-term plan coming into effect.

Before diving into the details of our key initiatives, it is essential to provide context around the rates decision.

Fellow Councillors, I am pleased to say that we have some good news for the people of Townsville.

The budget and the rates decision we carefully workshopped will ensure that for the next financial year, out of almost every bill that Townsville residents receive, one of the lowest increases will be their rates and utilities bill.

### **Rates**

Firstly, there will be no increase to the rate-in-the-dollar being passed on to property owners this financial year. It is important to note the other factors that influence the rates are the cost of utilities, and the property valuations set by the Queensland Valuer General. For the upcoming year, when we include the capped increase of some property values, the average rate charge for Townsville's home owner-occupiers will increase only by 3%.

If we include the utilities charge with the rates for Townsville's home owner-occupiers this will increase only by 3.4% in total. This equates to around \$2.42 each week- and is made up of firstly an increase of around \$1.42 for utilities – such as water, wastewater, and waste services.

The other \$1 has been driven from the land valuation increases from last year, which are outside of Council control. What Council *can* control is how this cost is passed on.

So, for those residents effected by the valuation increases in 2022 we made the decision to cap this cost at up to 10%. And again, this year, we have committed to keeping that cap at the same level, to a maximum of 10%.

Importantly, there will be no general rates rise for non-owner occupiers or commercial property owners within this year's rates decision.

I would encourage all property owners to check their rates and utilities bill as not all properties are affected by the changes in valuations.

Councillors, we manage an asset base worth more than \$7.9 billion, of which 6% is borrowings against those assets. To compare to a mortgage of \$400,000, we would have \$22,000 still owing on the house.

And there will be zero additional borrowings this financial year. Most people would agree that is a very healthy financial position to be in. And it hasn't happened by accident.

As our community still faces rising costs and affordability challenges, we wanted to do more. The price of fuel has increased, insurance costs are up, groceries have gone up, power bills have increased and are set to go higher. In the last 12 months the Reserve Bank has increased interest rates 12 times. Which is why we again will ensure that any land valuation impact to general rates will not exceed 10% for any residential owner-occupied households.

### **Community Safety & Crime**

Fellow Councillors, there is no doubt community safety and crime are a major concern for the people of our city. In each division there has been an impact. Our community has reached out and asked that Council put a voice to their concerns, which we have done, and will continue to do.

We have advocated on behalf of the community to make sure the law makers and the law breakers are held to account, and we will continue to push the State Government and the judicial system to make real changes to reduce crime and protect the people of Townsville. But we have gone above and beyond this, by seeking out new initiatives and expanding on our existing safety resources to do what we can.

Council is bound by legislative constraints in how it can respond to crime, but we have been working as hard as we can to make Townsville an even safer place to live.

But what our city needs is immediate projects that make an immediate impact, and our budget supports this. This is why we have allocated nearly \$15 million toward community safety in this budget.

Our Boulder Protection Program for parks has been a great success. By stopping hooners in their tracks, we have not only ensured the protection of many parks and open spaces, but we have also given the community a sense of safety and security.

In this budget, we are expanding the Boulder Program to Victoria Park in South Townsville, Wulguru Sports Park, Greenwood Park in Kirwan and Cutheringa Park in West End. This program has been applauded by clubs and community organisations.

Initiatives such as our Boulder Program, community safety programs, expanding CCTV camera network, Community Response Vehicles and Community Safety Audits will all continue for the next financial year.

With our CRV program, more resources are going to directing teams of professional security specialists into crime hotspots. They will monitor, deter and assist the Queensland Police Service in tracking down people engaging in crime and anti-social behaviour. Our CRVs do not perform the duties of police, but they are a valuable asset to the community in deterring undesirable behaviour. By boosting the resources for these patrols, we are providing a strong 24-hour-a-day presence at our community spaces and giving the residents the confidence to go out and enjoy them safely.

The appointment of our Community Safety Auditor has had immediate impact. By engaging with most of our divisional councillors, key stakeholders in the community, and working closely with the Queensland Police, Council's auditor is building data and collating information that will inform future investments and make a real difference.

Audit data will provide Council the ability to make sound and informed decisions around future investments. Again, we may not hold the lead role in crime enforcement and legislation, but Council can demonstrate proactive measures and show leadership in delivering on *real* programs that make a *real difference*.

To provide comfort to the people of Townsville, we have looked beyond safety measures, and will continue to ease the burden on our community in other ways.

### **Easing the burden on our community**

Councillors, we are acutely aware of the mounting cost pressures faced by our residents. As the economy evolves, it is crucial that we support our community through these challenges.

This budget includes \$29.6 million for initiatives aimed at easing financial burdens, such as a range of concessions and pensioner discounts, our First Home Buyers grant, generous leases to our valuable community groups and a range of easily accessible grants.

Council's pensioner concessions program is recognised as one of the most generous in Queensland and this budget includes considerable support for prompt payment discounts and pensioner concessions. Council will again provide grants to eligible first home buyers, assisting them to realise their dream of home ownership and stimulate the local property market.

Sporting clubs in Townsville will also benefit through discounts ranging from 50–90% on their water bills, allowing them to allocate more resources towards their sporting activities and grass root development. We will offer community organisations the opportunity to lease Council facilities at a nominal cost, enabling them to pursue their activities and target their services where it is needed for the community's well-being.

An extremely important aspect of the Budget is with our grants. Again, Council has allocated funds for community grants, enabling not-for-profit organisations to continue their valuable work serving our community. These wonderful cultural events like the Filipino Festival, India-Feast, A Greek Day Out! or Shakespeare in Queens Park, they play a part in creating a liveable community.

Thanks to our QCB Stadium, we are regarded as the Sporting and Events Capital of the North. And while this may drive visitation from interstate and beyond, it is the locals who have truly gripped up this mantle and have become the true custodians of our proud events reputation. Who will forget that Townsville has hosted two State Of Origin campaigns!

Continuing last year's successful incentive package and boosting economic growth and job creation, Council will continue City Activation and Jobs Growth Incentives to encourage business activity and attract new investments to the

city. And while we have strong policies and incentives around activating the CBD, it is not our only focus, and we haven't turned our backs on the suburbs.

### **Investing in the suburbs**

We recognise that our city is more than just the CBD, Riverway, our beautiful Strand or our Stadium. Almost 50,000 families are calling Townsville home. Our suburbs are connected by a vast network of roads, parks and essential infrastructure. This is where we spend most of our lives and where we raise our families.

That's why in this budget we're investing \$4.1 million into playgrounds, \$3.8 million of capital works into footpath and bikeway projects, \$1.2 million into maintenance and park equipment and \$62.5 million into keeping our open spaces looking clean and tidy for everyone to use.

The allocation in this part of the budget serves to make Townsville residents feel like they belong, and they are proud to call this city their home.

It's important to again note that in this budget we're getting the job done city-wide. Some parks and playgrounds I will highlight for this budget include:

- Thuringowa Park Playground
- Weir Park Playground
- Toomulla camping area
- Needletail Way Park Playground
- West End Park Playground
- Jezzine Playground
- Rossiter Park
- Rodeo Park

### **Investing in the basics**

We understand the importance of well-maintained infrastructure and efficient transportation systems. And we understand that a city thrives when its infrastructure is robust and well-maintained.

Ensuring the safety and ease of movement for our residents is another priority. And to that end, Council is committed to meeting the community's expectations by delivering essential everyday services with a substantial allocation of over \$400 million in the 2023/24 budget.

We look after a road network greater than the distance between Cairns and Brisbane and we have the largest pipe and irrigation networks in the southern hemisphere.

Highlights include:

- An allocation of \$144 million towards roads and transport management includes road repairs, construction, and maintenance on more than 1,500km of road networks, and 585km footpaths, bus stops, bike lanes.
- A further \$94.9 million towards open space management goes towards mowing and upkeep of 369 parks, including The Strand, Riverway, Jezzine Barracks, our many road verges, and maintenance of our valuable city trees.
- \$392.7 million has been set aside for Water and Wastewater Management, to enable the maintenance of over 4000km of overland and underground drains, pipes, and culverts, across the city.
- And let's not forget our passionate boating and fishing community- with \$2 million towards coastal facilities to keep our boat ramps, six stinger nets, beaches, and tide gates in great condition.
- And I must acknowledge the wonderful work our crews do to maintain our four precious cemeteries, with \$925,000 allocated to ensure they are treated and conserved with great respect.

### **Major Projects**

Councillors, in the coming years our community will look back on this period in Townsville's history and reflect on several things. Firstly, with the fulfilment of our commitment to the Lansdown Eco-Industrial Precinct, many people will recognise their jobs are the *direct result of decisions we make today*.

What we refer to today as Future Industries will simply be referred to as the Key Industries of Townsville. Concerns over water security, and the accessibility of water to enable these industries will be addressed with the completion of the Haughton Pipeline Project.

Specialist roles in advanced technology will acknowledge the push this Council has made to combine Defence, Health and Education sectors through the creation of NQ Spark – a project supported and fully funded by the Federal Government. And a new population of residents will acknowledge they came to Townsville attracted by not only great jobs but access to homes they can afford.

It is armed with this vision of the future that we have set our strong plans in place. The vast benefits of our united and strong plan have been identified and supported by both State and Federal governments and funded accordingly.

And it is why in this budget, these multiyear projects will be progressed.

- Hughton Pipeline Project Stage 2 – \$110 million
- Lansdown Eco-Industrial Precinct – \$55.7 million
- North Rail Yards project – \$3.1 million to develop affordable housing

The future is looking bright, and I will say this did not happen by accident. It comes about as we see our strong plans come to fruition. And we must progress with a clear commitment to sustainability.

### **Sustainable Future**

Townsville City Council is maintaining its strong commitment to the unique natural and built environment through a pledge of more than \$8 million into sustainable practices.

In this budget we're shining a spotlight on waste services and sustainable energy, with \$3.1 million being invested into solar projects. Further to this, Council is investing more than \$380,000 into battery and microgrid investments and \$375,000 into energy performance contracts and optimisation tools.

A big part of encouraging sustainability in our communities is making it accessible for all. We're continuing our investment into free domestic green waste services to the tune of \$900,000, meaning all locals will be able to dump their domestic green waste for free at our transfer stations across the city.

### **Summary**

Fellow Councillors, this is a terrific budget. This is a responsible budget. This is a budget carefully created to help the people of Townsville dealing with rising living costs. This is a budget that recognises our communities' concerns around safety and crime, and follows through with *real* projects that *really* work. This is a budget that doesn't simply focus on the CBD but invests in every suburb in the city.

It is a budget that delivers for Townsville's future, driving home major projects that will define our city for generations to come. This is a budget that celebrates and supports our vast and diverse community through grants, concessions, and fee waivers. This is a budget that doesn't turn its back on our pensioners and supports the next generation of property owners. This is a budget that ensures when you take the journey along our well-maintained network of roads, there is something at the end of that journey to celebrate – be it an event, a festival, or a concert.

This is a budget that includes a zero increase to the rate-on-the-dollar, meaning that of all bills Townsville residents receive in the next year, Council rates will be one of the lowest.

We have a *strong plan for the city*, and we are progressing well.

I commend Budget 2023/2024 to you today, as we continue to deliver on our *strong plan to grow our city*.