



# Budget & Operational Plan 2021/22

## Budget speech 2021

Mayor Jenny Hill

### *Check against delivery*

Councillors, I rise to present Townsville City Council's 2021/22 Budget and Operational Plan – the first such document encompassing Council's bold vision to grow our city as outlined in our new Corporate Plan.

This budget meets the needs of our community today, while continuing to build for the future.

It is a plan which, in my opinion, continues to repay the faith entrusted in us by our constituents, the residents of this great city.

### **COVID-19**

Councillors, the last 12 months have been a year unlike any other we have lived through in recent history, thanks to the COVID-19 global pandemic.

The economic and social impacts the pandemic thrust on our city, required immediate action – and we delivered.

As a Council we rolled out a considered plan of action to keep people safe and to protect the livelihood of our local business and community.

The work we accomplished through Taskforce NQ, in collaboration with local business, industry and regional councils, in particular, is already reaping benefits for the city.

For example, we have seen growth in funding for renewable hydrogen from the Queensland Government and a commitment to insurance reform from the Commonwealth.

As a result of all our work, our city's recovery from COVID-19 is progressing well, and Council is entering into this new financial year in a strong fiscal position.

### **Budget overall**

Today's \$743 million budget is one that continues to work off the foundations laid during Council's initial pandemic response.



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It prioritises job creation and the economic recovery of our city, while ensuring we keep sight of delivering the basics our community expect.

This document is a clear plan for how we intend to deliver Council's vision of establishing Townsville as a globally-connected community driven by lifestyle and nature.

It includes generational investment in new and upgraded infrastructure, funding to enhance liveability and safety and focussed investment for innovation and sustainability.

## **Rates and charges**

Our strong financial management has put us on firm footing to both invest heavily in the critical infrastructure it takes to build and run our city AND increase our service delivery without the need to increase the general rates.

This budget delivers no increase in rates and wastewater charges.

As we have foreshadowed in previous budgets AND as we continue to work to meet challenges imposed on reef councils, like Townsville, there is a 5% increase in water charges and a 3% increase in waste charges.

The average owner-occupier can expect these increases combined to equate to 94 cents per week.

While water prices are increasing, I am pleased to say that Townsville will continue to have some of the cheapest water in the state.

In fact, according to independent reporting, Townsville's average annual household water charge of \$864 is well below the state average of \$1844 for the same water use.

Ensuring we continue to take care of those who need it most, Council has retained some of the most generous pensioner rates concessions in Queensland, with up to \$800 available to eligible pensioners, collectively saving these ratepayers around \$5.6 million annually.

In addition, our owner-occupiers will continue to receive their 10% early payment discount, while the discount for non-owner occupiers will be set at 5%.

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The money council will save in this regard will be invested into small-to-medium-sized businesses through new contract work arrangements for the city.

Our investment in community does not stop there.

Council will continue with its policy of not charging general rates on local community and cultural groups AND sporting clubs, which represents a \$1.47 million saving for these bodies.

And we will continue to provide concessions on water and wastewater for any groups where the land they use is considered to benefit the social, cultural or sporting welfare of the community at a cost of close to \$4.4 million.

This will include 50% discount on pedestal charges for sporting clubs.

These generous concessions allow our community and sporting groups and not-for-profits to reinvest those millions of dollars saved back into the great work they do for our community.

## **Infrastructure**

The budget prioritises critical infrastructure for our growing city with a \$304 million capital investment in infrastructure across Townsville.

And we are committed to investing across the length and breadth of Townsville - from the city to the suburbs - with \$225 million of the total capital spend – over two thirds – allocated for our suburbs, including some \$13 million for Magnetic Island.

## **Roads/footpath network**

Our newly adopted Townsville City Council Corporate Plan identifies the importance of creating a connected city.

We have heard from our community that it is important to them to ensure our road and footpath networks allow residents to travel where they need to in the city safely and easily – and we have listened.

This year's budget includes an investment of \$136.2 million in the more than 1,900 kilometres of roads and 540 kilometres of footpaths across the city.

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Included in this figure is \$7.7 million for two projects along Horseshoe Bay Road, including the rehabilitation of the road surface and the upgrading of guardrails and warning signs, as well as \$5m to complete disaster recovery works at Apjohn Street.

The intersection of Fulham and Hugh Streets and Gulliver Streets in Pimlico will also be upgraded at a cost of \$4.8 million.

Council will continue to invest in linkages throughout the city.

This includes constructing the missing link between Picnic Bay and XBase at Nelly Bay at a cost of \$760,000.

The footpath along First Street in Railway Estate will also be widened and extended at a cost of \$550,000.

## **Water**

We acknowledge that our community expects us to carefully manage the long-term water security for the region.

This budget includes a significant, \$177 million investment in water infrastructure and services.

We had some unexpected interruptions to water services last year which we are not shying away from.

The reality is we need to invest heavily in our critical infrastructure this year and we are doing that.

The budget provides funding to continue the implementation of our integrated water strategy, which includes the renewal of the pipeline between Ross River Dam and the Douglas Water Treatment Plant and enhancements to the treatment plant itself.

The renewal of the pipe between the dam and the treatment plant is a \$20 million investment, while the installation of two new clarifiers at the Douglas treatment plant will cost \$27 million, of which \$4 million was expended this financial year

This budget will also include a considerable investment in the ongoing renewal of our underground water infrastructure.

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This infrastructure is quite literally the veins of our city, moving clean and healthy water to homes and businesses.

There is a \$9.1 million investment to replace sections of water main along Charters Towers Road and \$5 million to replace the pipeline from the Douglas Water Treatment Plant under the Ross River to the northern suburbs, supplying water to properties on the northern side of the river.

We continue to work with the Department of Defence on the duplication of the pipeline between the Ross River Dam and Douglas Water Treatment Plant.

## **Wastewater**

Continuing our keen focus on the basics, the budget includes a considerable investment in new and upgraded wastewater assets and maintenance across the city.

Council has been working for a number of years to increase capacity of our wastewater system in our southern suburbs.

Two of the three stages of the Southern Suburbs Rising Main project have already been completed at a cost of \$41 million.

Stage two of the project was completed in December 2020 and since then Council officers have been working in preparation for the third and final stage.

A final investment of \$13 million has been allocated for stage three in this budget, taking the total investment to this project to \$54 million.

I look forward to delivering enhanced wastewater management in and around Wulguru when that project comes to a close.

With the funding for stage three confirmed, we can go to tender and get the infrastructure in the ground.

We are also building on the resilience of our wastewater pump stations across the city, with close to \$7 million invested in extensions and upgrades as well as \$2.7 million for the relining for sewer gravity mains.

And we have allocated \$1.1 million for renewals at the Mount St John Treatment Plant.



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In-line with our 3-point water security solution, this year's budget includes \$28.2 million to continue the roll-out of our Recycled Water Re-use Scheme, a truly forward-thinking investment and one that will stand us in good stead for water management into the future.

This project will allow us to use recycled water to irrigate parks, gardens and even supply some of our large industrial water users such as Queensland Country Bank Stadium and Lavarack Barracks, with alternate bulk water to our city's drinking water.

It is a smart project.

## **Arts, Culture and Events**

Townsville - as a city - is known for its enviable lifestyle, that goes beyond the benefits of our perfect weather.

We have earned the title as the events capital of Northern Australia, and it is one we are proud of.

Council has always had the role of a promoter, funder and facilitator, leading our community in growing Townsville.

And it is something that we know local business and tourism operators want and expect from Council.

In this budget we have allocated \$40.8 million to invest in our city's lifestyle, culture events and tourism.

Townsville has always been a city with a strong arts and cultural community, and the community has shown it has a real appetite and appreciation for events that enhance our lifestyle and drive real business benefit.

This \$40.8 million investment will go towards delivering major events such as the award-winning North Australian Festival of Arts and Townsville 500, as well as supporting our community's cultural heart through galleries, libraries and Civic Theatre.

With the recent State of Origin match, we have shown what our city can pull together in just a matter of days. We are poised now to continue to build on the success that generated for our city.

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Townsville has proven itself on the national stage as a world-class event destination.

And we are committed to building on the opportunity that has created and, in turn, creating jobs, supporting local business and building the city's reputation as an ideal place to live, work and play.

## **Community safety**

While we have experienced some incredible highs recently, we are not ignoring the issues that, quite rightly, are causing residents concern, in particular, youth crime.

That is why Council is firmly committed to continuing to work with all levels of government to support a safer Townsville.

Like many, I am fed-up with actions of a very small group of individuals who have sought to undermine the safety and security of the Townsville community.

I am proud to lead a Council that has prioritised an investment of \$14.7 million for safety initiatives in its budget.

While I recognise that Council is not the lead agency in responding to these issues, we are a key stakeholder and are absolutely ready to be part of the solution.

However, this is a problem that is 50 years in the making and it requires all levels of government to work together.

This financial year Council will invest \$4.5 million in new and enhanced street lighting, \$2.9 million on security and surveillance and \$1.7 million on lifesaving services at Townsville's beaches.

We will also continue our focus on Council's role in surveillance for the city with \$1.4 million dedicated for the 500-odd CCTV cameras deployed across Townsville.

There is a constant push by both levels of governments to increase our CCTV network for use by law enforcement authorities, however, there is no funding commitments to support the operation and maintenance of this network.

At present, these ever-increasing costs are paid for by ratepayers.

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## **Youth Services**

Another way to address the issue of youth crime is to provide safe spaces where young people can express themselves.

We must support our young people as they grow up and become the leaders of tomorrow.

This year's budget includes \$5 million for infrastructure and services dedicated for youth engagement.

It is more than just keeping kids busy.

It is ensuring they feel connected to our community, their home – a place they can be proud of and a place they can one day contribute positively to as adults.

It is about encouraging connection – supporting our youth physically and mentally.

This investment will include new and upgraded skateparks, playgrounds, parks, sports fields and courts as well as the associated costs in maintaining these community assets.

This budget also sees Council take its first step toward redesigning public libraries into more of a modern community hub for engaging with and accessing multiple experiences and services.

In keeping with the industry-leading libraries strategy, which was adopted by Council last year, we have allocated \$5.5 million to moving and re-imagining the service model for the Thuringowa Library.

This funding will go towards the relocation of the Thuringowa Library to the Riverway Arts Centre and the transformation of the library into a modern community hub delivering entirely new experiences for our city.

This relocation makes sense. Not only will it save council from paying rent, it will also ensure Riverway reaches its full-potential as the heart of Thuringowa and surrounding suburbs.

## **New energy economy**

Budget 2021 is also the first year of embracing council's aspiration to move further toward a new energy economy.





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In 2020 Townsville was named in the top 100 sustainable destinations in the world, and this budget will build on that accolade by delivering a \$18.1 million investment into sustainable energy and environmental restoration.

Our investment in developing the Lansdown Eco-Industrial precinct has already positioned our city at the forefront to transition to a new energy economy.

Further investment in this space will allow us to create sustainable new energy jobs that will future-proof the city.

This \$18.1 million will allow us to further develop the city's hydrogen strategy, invest in solar energy, reduce waste going to landfill, and build resilience throughout our natural environment.

This spend includes a \$345,000 investment from the Queensland Government into delivering a trial of a residential Food Organics and Garden Organics collection and \$160,000 in solar energy.

A further \$8.7 million will be invested in a variety of initiatives such as meeting zero landfill commitments, developing a hydrogen strategy, and developing new wastewater and water management plans.

We are also investing \$8.9 million into rehabilitating areas that were impacted by the monsoon and to continue building resilience into our local environment.

But our responsibility does not stop there. It is also our job to ensure we are designing, planning and maintaining the city sustainably.

We have committed \$85.9 million in the budget to upgrade and increase maintenance of our parks and open spaces.

At the same time, we are working on a staged plan to shift toward more sustainable landscaping designs, better suited to our dry tropics environment.

In time, this will transform the city into a more sustainable and appropriate dry tropics oasis without burdening the environment and ratepayers.

It is about being sustainable, yet diverse, to set our region apart.



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## **Conclusion**

I want to thank all the Councillors for their contribution to this year's budget process.

This financial plan will set the foundation for long-term growth and ensure Townsville's future as a sustainable, vibrant and prosperous city.

Together we will deliver a generational investment for our critical infrastructure and an increase in service levels for our community, all with a zero rates rise for our rate payers.

I am proud to say, this budget will support almost 900 jobs, all off the back of a global pandemic and Council's generous pandemic support package last financial year.

Budget 2021 is the first year in a longer-term financial plan of capital and operational commitments to grow into a sustainable, globally connected community, driven by innovation and renowned for our lifestyle.

This vision is one I am 100% committed to and one that our community have given us the mandate to deliver on.

Councillors, I table the 2021/22 Townsville City Council Budget for your consideration.

**[ENDS]**