

# 2019/20 Budget Speech

Conducted by Mayor Matt Burnett, Wednesday, 17 July 2019 at 9am  
Gladstone Regional Council Boardroom, 101 Goondoon Street, Gladstone

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Good morning my fellow Councillors, Council officers, ladies and gentlemen, I am proud to present Gladstone Regional Council's 2019/20 Budget and associated Operational Plan, this Council's fourth of the electoral term.

This budget's primary focus is on partnerships. Partnering with community groups, industry, other levels of government and our community to deliver the best outcomes for our region now, and into the future.

This year's budget continues to deliver upon my election promises to our community, to continue to:

- Seek fair and equitable State and Federal Government funding to support our community
- Build upon our partnerships with community and sporting groups through financial and in-kind support
- Encourage and promote new and existing business and industrial development to promote growth and create employment opportunities within our region.

Our 2019/20 Budget will have a capital expenditure of \$74.89 million with an operating surplus of \$1.8 million.

Major capital works will include:

- \$20.4 million on upgrades to waste water (sewerage) infrastructure
- \$14.982 million on capital roads projects – with \$2.9 million funded by State and Federal grants and subsidies
- \$8.26 million on upgrades to water supply infrastructure
- \$1.879 million on footpath and cycle upgrades
- \$1.574 million on bridge upgrades, renewals and replacements
- \$732,000 in parks projects
- \$685,000 on cemetery expansion and upgrades

Council is focused on building and maintaining our capital assets to support the standard of living in the Gladstone Region and seeking opportunities to partner with our community, industry and other tiers of government to ensure that the region remains a great place to work, live and play.

This year, we welcomed continued partnerships with

the Federal Government through the distribution of their Financial Assistance Grant. Council's previous allocation of \$7.5 million will be increased this year by CPI and adjusted in line with our population, with \$2.2 million specifically to be used on roads. We acknowledge and appreciate this support from the Federal Government.

We also welcome capital projects funding of \$6.9 million from the Federal and State Governments via various programs including Roads to Recovery and the Transport Infrastructure Development Scheme. The investment from both tiers of governments will fund works such as sealing unsealed roads, bridge replacements in the southern parts of the region, footpath improvements and funding towards replacing SES vehicles. In addition, Council will spend a total of \$61.7 million on our region's roads and drainage network. Our works program benefited this year through our targeted approach to seek specific funding through a focused Grants Specialist role within Council.

As we continue to embrace our vision to Connect, Innovate and Diversify, funds have been allocated to continue with two other key strategic projects – the design of the Boyne Tannum Aquatic Recreation Centre and a Master Plan for the Gladstone Coal Exporters Sports Complex (Marley Brown Oval).

Funds have been allocated to continue exploring the Boyne Tannum Aquatic Recreation Centre. This project continues to examine the suitability of sites within the Boyne Island and Tannum Sands area, facility components, capital and whole of life costs and impacts the project may have.

We will also continue with the development of a Master Plan for the Gladstone Coal Exporters Sports Complex (Marley Brown Oval). A key component of the master plan is the development of a multi-purpose sports and events complex that can be utilised all year round and with the capacity and facilities to host national, state and local sporting matches.

In addition to these strategic projects, Council has partnered with local business and entered into a special charge agreement with the body corporate to facilitate the upgrade of the Gladstone City Plaza Forecourt at 100 Goondoon Street in Gladstone. This redevelopment will see a key location within the CBD revitalised providing

the opportunity to activate the area by creating an inviting destination.

Our focus on the economic development of our region will be further supported this year by bringing in-house focused resources. Council has clear economic objectives to facilitate sustainable, financially and environmentally responsible initiatives that will advance economic development in the Gladstone Region, for the benefit of the community. Our Economic Development Specialist will continue to implement the Economic Development Strategy, collaborating with key business and industry leaders to attract and sustain investment in our region.

The continuation of our investment in the Infrastructure Incentive Program provides incentives by way of discounted levied charges for specifically eligible developments that will deliver economic development and growth outcomes that align with Council's Economic Development Strategy and Planning Scheme.

This year, we will invest \$10.3 million in our management of assets, with a strong focus on engaging with stakeholders, building staff capability and understanding the life cycle costs of our \$2.3 billion asset portfolio. We are already starting to see the benefits of improved asset management, as we move to more proactive maintenance in the water and wastewater fields.

For every maintenance activity that we can shift from reactive to planned, we will reduce overall maintenance costs. We will also be revisiting our asset growth models and will engage with the community to understand expectations of service levels for different assets to ensure we are managing our costs and service in an effective manner.

We continue to remain committed to providing healthy environments and activities for an engaged, involved and proud community, investing \$18.1 million in the community development and arts and culture spaces, and a further \$14.7 million in parks and environment.

We have been successful in obtaining a grant as part of QCoast 2100 to undertake coastal hazard adaptation assessments across the region. This work will help us and the community to better understand the impact of climate change on our coastal communities and allow us to start planning for future generations.

The Queensland Government has also introduced a levy on waste going to landfill as part of a new waste strategy to increase recycling and resource recovery and reduce waste.

Queensland was the last mainland state in Australia to

implement a waste levy and is a major underperformer in recycling and resource recovery. We will spend \$23.3 million this year in waste management, with a focus on reducing waste and educating our community on waste reduction techniques in line with the waste levy.

A review of our waste costs has also resulted in Council making the decision to increase waste fees and charges in several areas to ensure that costs are being recovered appropriately and not passed on to all ratepayers, only the users of those services. In recognition of the impact this increase may have on residents, we will phase in the additional cost for residential waste over the next three years.

Council is proud to declare that, for the seventh consecutive year, we have drawn down no new borrowings. Our focus on reducing existing debt with no new borrowings has seen our interest-bearing debt reduce by \$50.3 million over the current term.

To provide adequately for the maintenance of our assets and key services to our community in an efficient and environmentally responsible manner, Council will increase its average general rate by 1.94% or a total average of 2.39% overall, including water, sewerage and waste.

Councillors and Council staff are dedicated to our theme of partnerships and this year's Budget was developed to support our 2019/20 Operational Plan. I congratulate all who helped prepare these vital planning documents which set out the work Council plans to deliver over the coming year. I am confident that our Budget will renew, rebuild and maintain our cost-effective delivery of services to our region.

I look forward to working with my fellow Councillors and Council officers to serve the Gladstone Region community in 2019/20 and I commend this Budget to you all.