

2023/24 MAYOR'S BUDGET SPEECH

Proudly GRC

Conducted by Mayor Matt Burnett, Tuesday, 20 June 2023 at 9am
Gladstone Regional Council Civic Centre, 101 Goondoon Street, Gladstone



Good morning to my fellow Councillors, Council employees, members of the gallery, media, ladies and gentlemen, and those watching online.

Today, I am proud to be here alongside my fellow Councillors to hand down Gladstone

Regional Council's \$333.3M Budget and associated Operational Plan for 2023/2024, the fourth of the current Council term.

Firstly, I would like to acknowledge the traditional custodians of this land, the Bailai, the Gurang, the Gooreng Gooreng and the Taribelang Bunda people.

I would also like to pay my respect to Elders both past, present and emerging, and extend that respect to other Aboriginal and Torres Strait Island people present, or watching online via our live stream.

This year we have chosen to continue our *'Proudly GRC'* theme, which focuses on our people and being proud of what we do and who we work for – our community.

Our 2023/24 Budget details how we will fund Council's core services and the initiatives outlined in the Operational Plan.

In the year ahead, nine key initiatives will be delivered to enable Council to progress the goals outlined in our Corporate Plan and meet the needs of our community.

This year's Budget is backed by a \$68.6M Capital Works program that considers the measures we need to take now, to preserve sustainability as a local government into the future.

The 2023/24 Budget has been supported by grant funding from both the State and Federal Governments, with grants totalling \$64.2M.

This demonstrates Council's continued success in seeking specific funding via external sources, ensuring that the ratepayer dollar invested is leveraging investment from the State and Federal Governments.

From Council's total 2023/24 Budget, Key Services spending includes (but not limited to):

- \$103.5M for Roads, Bridges, Footpaths and Drainage
- \$53.8M for Water Services
- \$38.6M for Sewerage Services
- \$26.5M for Waste Services
- \$24.6M for Parks and Environment
- \$9.7M for Arts, Culture and Entertainment; and
- \$6.4M for Strategic Projects.

This year's Budget has presented Council with a unique mix of current challenges and future opportunities.

These challenges are related to the ever-increasing cost of goods and services that have been accelerated by generationally high inflation, and the increase in costs to replace, maintain and repair key assets, particularly in our water, waste and sewerage networks.

Supply chain challenges also exist; however, Council will ensure its work is procured and planned in a way that minimises potential material shortages.

This Budget presents Council with an opportunity to deliver on extensive road, bridge, and drainage infrastructure throughout the entire region.

These works have been made possible due to \$33.7M of funding received from the Australian Government and Queensland Government under the Disaster Recovery Funding Arrangement.

It is work such as our upcoming roads projects, and other infrastructure builds, that will lead to the further opportunities that this Budget presents for our region.

An increase in external funding to Council will provide us with an opportunity to deliver generational community infrastructure for our region.

An example of this infrastructure is the Boyne Tannum Aquatic Recreation Centre.

This year, Council is investing in the completion of detailed designs for this highly anticipated community facility, set to be located at Lot 900 on Coronation Drive, Tannum Sands.

The opportunities we have do not end there.

Many of these opportunities are on the horizon, as our region is at the dawn of a new age in terms of hydrogen and renewable energy projects.

The growth that will naturally come from these projects will be supported in a sustainable manner, guided by our industry-leading Gladstone Region Economic Transition Roadmap that will assist in steering our decision making through to 2032.

Council has also received a significant one-off commercial return from Gladstone Area Water Board that will be reinvested throughout the region on strategic community projects and maintenance programs.

The continued investment in our region by the other tiers of government, will contribute to the planned delivery of key capital projects including (but not limited to):

- \$4.1m for safety and sealing upgrades on Lowmead Road
- \$1.7m to upgrade the Miriam Vale Community Centre
- \$1m for back-up generator supply at Agnes Wastewater Treatment Plant
- \$573,000 to upgrade the Red Rover Road Bridge.

For the 11th consecutive year, and my 8th as Mayor, I am proud to declare that Council has no new borrowings.

No new borrowings, and the delivery of a sensible surplus budget, will see interest-bearing debt decline to \$86.8M by June 2024, a reduction of \$6M.

As a Council, we always have the community at front of mind, and it is because of this amidst the uncertainty of a global pandemic that we made the strong decision to freeze rates for the 2020/21 financial year.

Since then, we have kept rate rises below CPI, and this Budget is no exception.

With the consumer price index currently sitting at 7.4%, we have once again been able to ensure the general rate increase is less than the rate of inflation.

Rates for the average residential ratepayer in the Gladstone Region will rise by 4%, well below the rate of the Consumer Price Index for both Brisbane and Australia.

The impact of this increase on each ratepayer will be different depending on their land valuation movement.

With valuation pockets varying between suburbs and towns, the impacts of the land valuation movement will continue to be buffered by the rate increase cap of 10% for residential purposes.

Overall, rates and service charges for a residential property in Gladstone – including water, sewerage, and waste – will increase by 5.84%, again below the current level of inflation.

As always, Council will continue to support our pensioners in the best way we can.

To encourage our pensioners to continue to be independent and live in their own home, Council offers eligible pensioners a remission of \$310 per annum, in addition to the State Government pensioner concession of \$200.

All households receiving a domestic waste and recycling service will see a \$26.80 increase for a standard 240L weekly waste service and standard 240L fortnightly recycling service, while there is an additional \$10.60 on the Waste Management Facility Charge.

These services have been subject to significant cost pressures during recent financial years, in addition to the impact of the State waste levy reimbursement being phased out at the same time as the effective State waste levy increases to \$92 per tonne.

Sewerage services across the region for domestic services will increase by \$50 per service this financial year.

This has been necessary to ensure that maintenance, adequate provision of replacement and necessary improvement of our sewerage network is substantially funded by the sewerage charge without subsidy from the general rate.

Base network access costs for water will also increase by \$50 per service, as Council's costs have increased due to escalating replacement costs of current infrastructure, mounting inflation and supply chain challenges.

Overall, our focus for the 2023/24 Operational Plan and Budget is to deliver on projects and maintenance that will drive our region forward.

We also recognise the need for responsible Budget management to ensure our region remains in a position to capitalise on future opportunities, of which there are many.

These planning documents are vital to set the work Council plans to deliver over the coming financial year, and I would like to congratulate everyone who has helped prepare this year's Operational Plan and Budget.

It has been fantastic to see what we have been able to achieve during the past 12 months, and I am excited to see what we can achieve as a Region in 2023/24.

I look forward to working with my fellow Councillors and Council employees to serve the Gladstone Region community, and I commend this Budget to you all.

Thank you.



Matt Burnett
Mayor Gladstone Regional Council