



2015-16 Redland City Council Budget Speech

Mayor Karen Williams



Responding to community needs

It gives me great pleasure to present Redland City Council's Budget for 2015-16.

Each of the four budgets I have handed down as Mayor has been successful in their own right.

I am particularly proud of this year's Budget and how it will deliver for the people of our city.

I know at least one of my councillor colleagues thought this was such a great Budget that they could not wait until today to unveil it to the public by leaking the confidential document. I would like to formally thank them for their vote of confidence and I look forward to their support when the Budget is put to the vote.

This Budget is responsible, sensible and practical.

Budget time is about balance - balancing the needs of the community with the external cost pressures Council faces in providing the services and projects needed to take our city forward.

Any economist can explain what makes a good budget from a financial perspective.

But for Council to be successful in continuing to serve the needs of the community, the important components of our budget don't come from the pages of a financial manual, rather they need to come from our residents.

It is in its ability to meet the needs of the community where the true measure of this budget will be seen.

Our community want Council to continue the quality services and projects needed to take our city forward:

- services such as our environmental initiatives that will see 60,000 trees planted in the city this year;
- our sporting fields and parks;
- our libraries, art gallery and performing arts centre;
- our great community strengthening services like our youth development program;
- the \$1.4 million in community grants we provide to organisations and individuals each year;
- the \$78 million in capital projects, which I will discuss in more detail shortly.

This Budget continues to deliver on all fronts.

Importantly, it once again offers some relief to rising cost of living pressures across the board.

The cost of living across the nation continues to impact households.

Our residents have told me they expect Council to deliver top quality services, without being hit in the hip pocket.

Under our 2015-16 Budget a typical Redland household - that is a category 1A owner occupied property with a property value of \$280,000 - will see a modest rates increase of just 0.5 per cent.

That's right - 0.5 per cent - this equates to about 31 cents a week and is significantly less than the average rates increases of our neighbouring councils.

And it includes ALL water, rates and utility charges.

Obviously residents' final rates bills may be impacted by a change in State Government property valuations, but this is outside Council's control and we have done everything in our power to keep rates increases low.

Lowest headline rates rises in SEQ

Before my election as Mayor I pledged to contain rates rises at or below CPI - and we have delivered

Councils in their budgets are required each year to report total budgeted revenue increases - including all rates and utilities less remissions, compared to the previous year - this is called our headline rate increase.

This Budget includes a headline rate increase of just 1.99 per cent. We have managed this despite Council's operating costs increasing by almost 4 per cent, which is mainly due to a 10 per cent rise in State Government-imposed bulk water charges.

1.94 per cent of this "headline rate increase"- or almost all of Council's increased revenue - will come from growth in our city, with only 0.05 per cent from existing ratepayers.

Over the past four years Council has handed down budgets that include some of the lowest headline rate increases in South East Queensland.

The total of our last four budget headline rate increases equates to less than 8 per cent or an annual average of about 2%, excluding the Carbon Price, which we refunded to residents. This total is below

the Redland City Council blended CPI (14.42%) and the Brisbane CPI (8.16%) over the same period.

That four-year total is also less than the annual average headline rates increase in the period 2006-2010 when it leapt as much as 11.56 per cent in a single year and at an average of more than 9 per cent over that period.

We have halted massive rates rises by being responsible, and responsive.

Achieving this has not been without its challenges.

We have not spent beyond our means.

We have learned to “cut our cloth”

We have cut costs, and found millions of dollars in efficiencies – by working smarter and doing things better and more efficiently thereby enabling us to absorb millions more in external costs.

These savings have been passed on to our ratepayers, sparing them the pain of having to foot the bill through higher rates.

Do we need to do more? Yes we do.

Can we do more – yes, we can.

Will we do more – yes, we will.

We will continue to look for efficiencies.

We will continue to work smarter, more cheaply, more efficiently and more effectively.

We will continue to be more responsive to the needs of the people.

Delivering greater value for money

This budget allows us to continue to deliver greater value for money for our ratepayers.

One of the biggest external cost increases Council has to manage in 2015-16 is a 10 per cent increase in State Government bulk water costs.

We have effectively absorbed and negated the impact of this Government-imposed hike by reducing the Council-controlled retail component by almost 30 per cent.

This means residents will continue to enjoy some of the cheapest water in South East Queensland, with water prices increasing by 1 per cent – including all access and wastewater charges.

Part of the reason we have been able to keep water prices down is because the Queensland Government has accepted the recommendation of the Queensland Competition Authority to smooth their future price increases which mirrors our own price smoothing strategy adopted last year.

We will continue to advocate for our residents in relation to water.

Residents have also told me that our environment has to be a priority.

We have responded in this budget by providing \$11.65 million for greening projects.

We recognise the community’s strong affinity with the natural environment through a range of important fauna and flora programs, ranging from revegetation and erosion control to restore areas to their former glory to clean-ups, fire management and the great work of our environmental centre crew at IndigiScapes.

Through these programs we are continuing to rescue large tracts of bushland and nurture our local flora and fauna.

This financial year we will plant another 60,000 trees, many of them koala favourites to add to the 38,000 koala food trees we have planted in the past five years.

Council also recently completed koala corridor mapping to ensure koala trees are planted in the right locations and is actively funding the work of Professor Peter Timms, who is currently testing a chlamydia vaccine for use on koalas in the Redlands.

Residents have also made it crystal clear to me that they want long term financial security.

They won’t tolerate a Council that leaves the same massive debt and deficit burdens faced by other councils and other levels of government.

I was proud to have delivered this city’s first surplus for more than a decade in 2013-14.

I will be even more proud to deliver our second in 2014-15.

Surplus, surplus, surplus

We aim to make it three in a row with this budget predicting a small surplus of \$106,000 in 2015-16. This will be our third successive surplus after years of big debt and big deficits.

Council is in its strongest position for many years, all because of hard work.

We are now well placed to be able to respond to any future emergencies.

Council’s debt has been more than halved over the past 10 years.

Redland City now has the lowest debt per household in South East Queensland.

We will reduce it even more during 2015-16.

This means residents will pay back less money through their rates.

It also means more money will be available to continue to provide high standard services and high quality capital programs to the people in neighbourhoods across the city.

The Budget includes a \$78 million capital program, highlighted by a \$21 million investment in congestion-busting and transport projects, that will make it safer, smoother and faster for residents to get around the city.

This includes \$900,000 to reconstruct Banfield Lane at Capalaba and another \$1 million for Southern Moreton Bay Island roads.

We will also invest in the future of roads that cross our border into Brisbane by funding a cross-border transport study that will include planning for the future of Rickertts Road and other State-controlled roads.

There is \$8.5 million for upgrades and new play equipment in the parks and open spaces our residents enjoy so much.

Our environment will benefit from \$20 million in upgrades to

waste water, storm water and transfer stations.

Our reputation as a city of islands will also be enhanced, with \$19 million for marine and foreshore infrastructure, including boat ramp upgrades, new jetties and pontoons.

These are all visible improvements - projects that will be seen in local streets and neighbourhoods, and enjoyed by families across the city.

They will provide for our residents today and their children of tomorrow and future generations of Redlanders.

I said earlier that delivering this Budget has not been without its challenges.

Collaboration brings results

We have achieved our goal in a climate of rising costs. We have been able to do so because of a spirit of collaboration - working with government, working with business and working with our community.

Our open for business strategy is paying dividends - dividends for all ratepayers.

We are entering an exciting new era for our city.

We are attracting investment; we are attracting major projects.

Projects like the \$1.3 billion Toondah Harbour Priority Development Area - like the proposed Weinam Creek redevelopment.

The Australian Industry Trade College is coming to our City.

There are more jobs, and more opportunities for Redlanders to find

work locally, rather than having to leave the city for study or work.

We have unveiled new economic development and tourism strategies that will deliver even more benefits and opportunities.

We have proven beyond doubt that building good strong respectful relationships and then working collaboratively with the Government and other stakeholders is what makes things happen.

That's how we are turning a half century dream for Toondah Harbour into a reality.

That's how we will develop Weinam Creek.

That's how we will attract other investment.

Investment brings jobs - jobs for Redlanders.

We have to look ahead - not behind us. The opportunities ahead excite me.

They excite me because I know they are good for the Redlands.

Many deserve thanks

I would like to thank my councillor colleagues who have supported the long, difficult process of developing this budget. I thank in advance those who will support this Budget. It will be a vote in the best interests of Redland City.

I would also like to put on record my sincere thanks to CEO Bill Lyon, General Managers Nick Clarke, Louise Rusan and Gary Soutar, our wonderful finance team led by Linnet Batz, and all other Council officers who have been involved for the work

they have done over many months to pave the way to this Budget.

Once again they have been working almost around the clock to put the finishing touches to Budget 2015-16 which has been a work in progress since September last year.

While Budgets are by their very nature financial, and many people see them merely as a bunch of numbers, this document means so much more to our community.

This is the plan that responds to our residents' needs.

It is our response to our changing city, and our changing region of South east Queensland.

It lays the pathway for our journey ahead as a community.

It represents Council's commitment to ensuring the Redlands becomes an even better place to live, play and do business.

This is a budget for today, and for tomorrow.

It is a budget for the City, and for you, our residents.

On behalf of Council I am proud to commend this year's Budget to you.



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