



Annual Plan and Budget 2017-18

**Presented and submitted to the Council on
Wednesday, 14 June 2017 by the Right
Honourable the Lord Mayor of Brisbane
(Councillor Graham Quirk)**



Madam Chairman, it is an honour for me to present the 2017-18 Brisbane City Council Budget – my seventh as Lord Mayor of Brisbane.

I am delighted to be able to do this as leader of a team driven to delivering our commitments made during the 2016 election campaign.

This budget reflects our ongoing dedication and enthusiasm toward keeping Brisbane on the right track.

Brisbane is a great place to live, work and relax – it's a safe, vibrant, green and prosperous city, valued for its friendly and enjoyable lifestyle.

Every day, Brisbane City Council works with residents and local communities to help make our city what it is today with a long term vision for the future.

It's that vision and focus that has Brisbane heading in the right direction.

My team is delivering congestion busting road projects, Australia's most modern public transport, including the Brisbane Metro, as well as parks and vibrant, liveable communities that all residents deserve – along with our aim to support small business, increase economic growth and create new jobs.

Madam Chairman, this budget is underpinned by our five point plan presented to Brisbane residents in March last year which included:

- Continuing to take action on traffic congestion;
- Delivering modern public and active transport systems;
- A clean, green and sustainable city;
- Building our local economy and creating new jobs for the future; and;
- Increasing the leisure and lifestyle opportunities in our city.

By delivering on our five point plan, our vision involves improving the quality of life for residents while ensuring our city has the services and infrastructure to meet the needs of future generations.

DELIVERING FOR THE PEOPLE OF BRISBANE

Madam Chairman, in last year's budget I spoke about the history of delivery by this administration and today I want to repeat those words to ensure all residents and councillors in this chamber are constantly reminded of the importance of this journey and why research constantly shows Brisbane is a better place to live now than it was ten years ago.

- We have delivered essential road infrastructure which will serve the city well over coming years with major projects like the Clem 7, Go-Between Bridge, Legacy Way and the Eleanor Schonell Bridge as well as hundreds of millions of dollars spent on important suburban road and street upgrades;
- We have delivered over 1100 new buses, 12 new CityCats, the Blue and Maroon CityGliders, new flood-resilient CityCat terminals and our 100% air conditioned and low floor accessible bus fleet;
- We are now a city of lights with more festivals, more library services, better bikeways, expanded free wi-fi and more community hubs for all residents;

Madam Chairman we have again been named Australia's most sustainable city, cut littering in our city, created new destination parks like Frew Park in Milton and Ken Fletcher Park in Tennyson, undertaken many park upgrades with the inclusion of outdoor gyms and all abilities equipment, we have established environment centres and our very successful Green Heart fairs across the city continue to grow.

This does not happen by accident, so I want to acknowledge my LNP team and the hard work of all Council officers, contractors, sub-contractors, unions and importantly Brisbane residents who help to make our city a better place.

Together, we have achieved a lot, but there's more to be done.

Madam Chairman, in this budget we continue to deliver on our city's critical infrastructure needs. It includes many new and exciting leisure and lifestyle opportunities for residents and visitors.

This budget also sets the plan for the future public transport needs in our City with the Brisbane Metro debt funding plan now being a reality.

Madam Chairman, unlike ALP governments, this LNP administration will get the balance of infrastructure delivery, responsible financial management, job creation and our lifestyle right!

This budget is about improving the economic prosperity of the City.

RESPONSIBLE FINANCIAL MANAGEMENT

Before you today we have the 2017-18 budget documents and I will now note and highlight the changes to the programs within the budget. These changes are made to ensure we deliver on our five point plan towards a better Brisbane that I mentioned earlier.

We have changed the order and names of programs to better reflect the way in which our city's needs are changing and evolving.

The programs will now be known as:

- Program 1 - Transport for Brisbane
- Program 2 - Infrastructure for Brisbane
- Program 3 - Clean, Green and Sustainable City
- Program 4 - Future Brisbane
- Program 5 - Lifestyle and Community Services
- Program 6 - Customer Service
- Program 7 - Economic Development
- Program 8 - City Governance

I will speak in more detail about these programs as this speech progresses and I look forward to debating and elaborating on these programs over the coming week.

Madam Chairman, it is with great pride that I can announce a modest budget which I believe not only ticks all the boxes when it comes to retaining our strong credit rating but it also allocates enough funds to deliver on our promise to be the majority funder of the new Brisbane Metro. Both of these achievements are critical in ensuring that we keep Brisbane on the right track.

I make no apologies for making sure that our city keeps pace in regards to infrastructure delivery, public transport delivery, taking action on traffic congestion and maintaining a superior lifestyle to anywhere else in Australia. These key platforms are underpinned strongly by the budget that I present to the chamber today.

Madam Chairman, this administration over the past 13 years has never shied away from making the hard decisions to ensure we keep Brisbane heading in the right direction, making us the envy of our southern counterparts in Sydney and Melbourne.

We continue to keep our workforce strongly connected with the business of Council and maintain the operating efficiencies required to keep the lid on any large increases in staff numbers. That said, we keep staff numbers at a level required to ensure our core business of delivery for the people of Brisbane remains as a high level.

As an administration we will continue our endeavours to drive value for money for the ratepayers of the city and unashamedly I say: “this is responsible financial management!”

We exist for no other reason than to provide service to our city and its people and I am very proud of our Council employee family and the job they do.

Madam Chairman, I want to make mention of the great rewards that ratepayers are receiving via the existence of our city’s future fund, the City of Brisbane Investment Corporation (CBIC). CBIC has delivered dividends to the Council over past years which have assisted us in keeping rates increases at the lowest possible levels while advancing Brisbane as a new world city.

This record continues this year with a contribution that is equivalent to around 2% of rates. In addition, in recent times we have seen through their investments the delivery of two fabulous libraries at Wynnum and Chermside.

The previous Labor administration did not have the foresight to do this. We saw last year the ALP again say they would ‘cash in’ the future fund and squander that money.

Madam Chairman, today I announce that in 2017-18 the average increase in rates for owner occupied residential properties will be 2.4%.

For owner occupiers, this average rates increase equates to \$9.41 per quarterly rates notice or \$0.72 per week.

The average increase to Council fees and charges will also be 2.4%.

Madam Chairman, with the continued investment in much needed infrastructure, my team have worked hard to keep this increase as low as possible while still providing sound economic management.

This budget is delivered with the continued burden of public transport subsidies and contributions made by this council of over \$123 million – a cost borne by State governments elsewhere in Australia.

ACTION ON TRAFFIC CONGESTION

Madam Chairman, taking real action on traffic congestion, while delivering smoother suburban streets, means getting residents home quicker and safer with more travel options.

Our Transport for Brisbane and Infrastructure for Brisbane programs offer the projects and initiatives required to keep Brisbane moving.

Projects attacking congestion include road maintenance, key arterial upgrades, bus purchases, bikeway projects and an upgraded CityCat network. Past Labor Councils attempted to coerce people into how they will travel to work with a forced approach to transport solutions whereas this integrated approach allows Brisbane commuters a real choice on how they commute to and from home.

I have said it many times over the past 18 months and I will continue to remind this chamber that “Council is investing \$1.3 billion into more than 90 road projects over four years to tackle congestion and boost safety across Brisbane”.

A recent poll and subsequent commentary from the Infrastructure Association of Queensland shows that residents rated transport congestion and a long list of road projects across the State as a priority.

My team has a record of delivery on road resurfacing and arterial road projects and this continues in this budget as it has for the past 13 years of LNP government in this place.

Following on from the successful delivery of the Transapex tunnel and bridge network over the past 13 years, we are now underway with three major projects that are critical to our city’s future infrastructure requirements.

Madam Chairman, for those people driving on the northside of Brisbane, they will be well aware of the significant works being undertaken on Kingsford Smith Drive. This \$650 million project is well advanced and this budget sees an allocation of \$223 million in 2017-18. This entry statement to our city is undergoing transformational works and commuters will have a much better experience once the project is completed in 2019.

This project is also creating more than 3000 direct and indirect jobs. It should never be forgotten that the Labor opposition in this chamber planned to tear up this contract costing ratepayers tens of millions of dollars by doing so.

In November last year, I was delighted to announce the successful tenderer for the widening of the Inner City Bypass between Legacy Way and the RNA tunnel to four lanes each way. As part of the upgrade, council will deliver new and improved on and off ramps and bus priority measures. This budget sees \$9.5 million allocated towards the project.

I have noted the Greens Party representative in this chamber wants to reduce the Lytton Road, Wynnum Road corridor to one general traffic lane in each direction. This will not deter my team from delivering this project with \$29.6 million in this year's budget towards Stage 1 and Stage 1B works which includes widening Lytton Road to three lanes in each direction.

Other key arterial roads to get new and/or additional funding in the 2017-18 budget year are:

- Telegraph Road Stages 1B and Stage 2 - \$81 million;
- Stapylton Road and Johnson Road Intersection upgrade - \$10.3 million;
- Player Street Connection - \$8.7 million;
- Murphy Road and Ellison Road Roundabout - \$8.7 million;
- Green Camp Road - \$8.6 million;
- Beckett and Hamilton Roads - \$3.6 million; and;
- Waterworks Road - \$1.9 million.

This is just a taste of the myriad of projects currently underway and these will be complemented by the many road network solutions being delivered by Council such as bridge and culvert works \$14 million, LED street lighting \$2 million, traffic signal modernisation \$4.1 million, flashing warning signs \$1.8 million and integrated parking management measures \$10.1 million, all of which are included in this year's budget.

So, my team will continue to take real action on traffic congestion so that we can all spend less time commuting and more time living.

MODERN PUBLIC TRANSPORT

Madam Chairman, before I get into the detail of what we will deliver for public transport users this year, I want to make reference to a 2016 election commitment whereby I said that my team would 'fight for fairer fares'.

This Council was concerned about the loss of transport patronage that came with increasing fares by 15% per year. With a downward adjustment to fares, the challenge now exists to get those lost patrons to return to using public transport.

Let's never forget that Council collects the fares but State government pockets 100%.

I said it earlier, Brisbane ratepayers are more than doing their bit by contributing over \$123 million towards public transport operating subsidies – something covered by State governments not Councils throughout Australia.

Affordability, Reliability and Quality are key ingredients in the public transport equation! Council is doing a lot of the heavy lifting and I implore the State Government to have Translink take real action now!

Madam Chairman, as I have mentioned several times over the past few months, this LNP team takes bus driver and passenger safety very seriously. In the 2017-18 budget year I have allocated \$1.29 million towards implementing the recommendations from Council's bus safety review completed earlier this year.

We will complete the Generation 1 CityCat re-life project with \$1.8 million allocated in the 2017-18 budget year and we will commence planning for the Generation 2 CityCat refurbishments.

Madam Chairman, as an inclusive and accessible city we must do all that we can to ensure all residents and visitors are able to navigate their way around Brisbane. In the 2017-18 budget year we will continue to rollout new accessible bus stops and ferry terminal upgrades to ensure we are doing all that we can in this area with \$6 million and \$11 million allocated respectively.

BRISBANE METRO

Madam Chairman, during this past 15 months since the 2016 election, my team have been working on the comprehensive business case for the Brisbane Metro.

It was my great pleasure to stand alongside my Deputy Mayor, Adrian Schrinner in May this year as promised to publicly release the Brisbane Metro Business Case.

This is a momentous leap forward for the future of public transport in this city and as I mentioned earlier, Council will be the major funder of this project and within this budget, allocations of \$430 million have been made to make this a reality.

The cost to deliver the Brisbane Metro including the depot and rolling stock is \$944 million.

The funding model is predicated on two thirds of funding being provided by Council and one third from other sources. Council is committed to working closely with the Queensland and Australian governments, and other important stakeholders, to fully realise the benefits of the Brisbane Metro.

The business case for Brisbane Metro confirms the project is a value-for-money investment in our public transport network, which will provide significant benefits for both the city and the region.

Recognising the need to act, I announced Brisbane Metro in early 2016 as a way of addressing Brisbane's inner-city bus network congestion issues.

Through a detailed options assessment process, Council identified a solution that introduces a network of high frequency, high capacity metro services over 21 kilometres of existing busway infrastructure.

The business case confirms it is a cost effective solution unlocking the potential of the existing busway infrastructure and lays the foundation for future growth.

The Brisbane Metro will:

- deliver high frequency 'turn up and go' metro services;
- Increase the capacity of the busway network;
- Reduce bus congestion on the busway in the CBD and inner city;
- Improve travel times and reliability – 'less time commuting, more time living';
- Free up buses to allow for more services in the suburbs.

The Brisbane Metro delivers considerably greater benefits than any single solution to addressing Brisbane's bus capacity and congestion issues.

Without new investment in public transport, there will be insufficient capacity to support future population and employment growth and maintain Brisbane's status as a New World City.

RIVER-BASED LEISURE AND TOURISM INFRASTRUCTURE

Madam Chairman, activation of our river is a priority for this administration. The South Bank precinct and Riverlife at Kangaroo Point are two great examples of the offering our river can provide. The recent start to the Howard Smith Wharves project and the Destination Brisbane project make for exciting times ahead for Brisbane. There is also a real need to make Moreton and Stradbroke Islands more accessible to tourists.

In this budget, I am happy to announce that I have allocated nearly \$8 million towards new river based opportunities.

These opportunities include opening up public moorings and leisure offerings in the CBD, New Farm and Dutton Park. Planning will commence immediately after this budget process and will include:

- Public moorings for tour boats travelling to the islands. This means you will be able to board from the CBD changing what is currently a lengthy car ride to Pinkenba, Cleveland or Fisherman Island.
- New drop off and pick up locations for our river party boats like the Kookaburra Queen and tourism boats like the Miramar which travels daily to Lone Pine Koala Sanctuary.
- These moorings will also allow for private boat owners to drop off and pick up passengers and park short term to enjoy the restaurants and facilities at these locations.
- To complement our River's Edge strategy, we will also offer another leisure based activity in Dutton Park providing canoe and kayak adventures.
- Another exciting opportunity is the provision for a future water taxi service. We are excited that the Destination Brisbane precinct at Queens Wharf and the Howard Smith Wharves teams have announced they are also interested in having water taxis so these new facilities will provide additional new drop off and pick up points.

To complement these new projects, we will also deliver public moorings and pontoons at South Bank and West End with \$2.7 million allocated in the 2017-18 year.

River development processes are riddled with bureaucratic approval processes with many fingers in the pie. I simply ask other authorities to adopt a 'make it happen' approach in the interests of Brisbane and its future.

I am delighted to be able to deliver these new opportunities and I encourage all stakeholders to cut through the bureaucracy and work with me to make it happen.

CLEAN, GREEN AND SUSTAINABLE

Madam Chairman, keeping Brisbane clean and green is all about making our city more liveable and sustainable for our children and their children to follow.

We have a lot to be proud of with our clean air, the richest biodiversity of any city in Australia, over 35% natural habitat cover – on track for 40% by 2031 – and generous green spaces for our community to enjoy with almost 2100 parks across the city.

Our commitment to sustainability has twice earned us the accolade of Australia's Most Sustainable City.

Demonstrating leadership in sustainability throughout our own operations, Council has achieved full carbon neutral status, making it Australia's largest 100% carbon neutral organisation. Our direct financial commitment is \$5.9 million in the 2017-18 financial year.

I mentioned our almost 2100 parks earlier and we will continue to deliver new parks as opportunities arise. In the 2017-18 budget I have allocated more than \$36 million toward key city park upgrades, metropolitan and district playgrounds, parks infrastructure improvement programs and neighbourhood park upgrades.

In addition to that \$36 million, I have allocated \$4.4 million for park infrastructure, gym facilities and landscape upgrades and a further \$1.4 million for play safe upgrades.

This year Council has increased its expenditure on drainage maintenance and enhancement by \$5 million or 5.6%. This funding will manage the delivery of new and upgraded infrastructure to support and facilitate development as well as provide relief from localised flooding for established residents and businesses through major and minor projects. This funding will also continue Council's commitment to asset maintenance through minor works such as clearing pipes and stormwater drains and replacing manholes and grates. Projects include almost \$2.5 million each on both Gordon Road, Bardon and Jamieson Street, Bulimba.

Madam Chairman, as part of the 2016 election campaign I made a significant commitment to make Mt Coot-tha more accessible and upgrade the facilities to allow more visitors to enjoy this great Brisbane space, second in visitations behind South Bank.

Earlier this year, I was excited to see the expressions of interest for delivery of our new zipline on Mt Coot-tha. In the 2017-18 budget year I have allocated \$710,000 to get this process moving with an aim to having people zipping down the mountain in 2019.

In addition to the zipline, we will continue delivering new walking trails and the upgrades at Simpson and JC Slaughter Falls with allocations of \$1 million and \$2 million respectively for these works in 2017-18.

In relation to the new Koala Research Centre that I announced last year, I am delighted that we have progressed our discussions with Lone Pine Sanctuary and in this budget I have allocated \$2.4 million towards progressing this initiative. Protecting Australia's most iconic species coupled with the economic opportunities this facility will create is an exciting prospect.

The Northern Suburbs Environment Centre planning will commence with an aim for construction to commence in 2018 with an allocation of \$4.6 million over the next three years.

Only two weeks ago at the Council meeting, we debated and approved the new providers for waste collection, recycling and green waste. This is a massive undertaking and a key customer service contract for Council so I would like to thank all the officers involved in this lengthy process.

A new waste stream initiative in this year's budget is the Love Food Hate Waste program. This initiative is an internationally recognised program which will help residents to make the most out of the food that we love. By re-thinking how we shop, plan our meals and use our leftovers, we can make a difference. Simply put, it's keeping food out of the bin.

Tree trimming and grass cutting are important services in our city. Today our parks, traffic islands and verges are mown far more frequently than they were during the years of Labor administration. Our city sees continued growth in the number of trees on our streets and in our parks. To reflect this I have increased the allocation for tree trimming in this budget to \$16 million which represents a 5% increase.

Madam Chairman, I am proud to say that Brisbane is well on its way to becoming a global leader in sustainability and I look forward to meeting new targets and challenges in years to come.

ECONOMIC DEVELOPMENT - '2022 BANWC ACTION PLAN'

As an upcoming global leader in sustainability, Council is committed to keeping the Brisbane Australia's New World City tag. We have seen so much growth in our local economy since launching the Windows of Opportunity Plan in 2011 and then the subsequent 2022 New World City Action Plan.

Madam Chairman, when it comes to championing Brisbane, our marketing and economic arm, Brisbane Marketing have developed a strong reputation throughout Australia.

Research conducted in Brisbane, Sydney and Melbourne during 2017 identified four key areas of strength which have been used to develop the 'Brisbane Now' interstate marketing campaign. These key areas are:

- Quality of life;
- Growth, momentum and opportunity;
- Ease of doing business;
- A welcoming, relaxed, safe and secure City.

With the success of the campaign so far, an additional \$600,000 has been allocated in the 2017-18 budget year to continue this campaign into interstate markets.

There is always much criticism of the CityCycle network from those in the Labor Party opposite.

Today I can announce that the value of media and marketing collateral that we receive from the JC Decaux contract now exceeds \$3.7 million allowing us to make advertising placements interstate and across the world.

In 2017 we have advertised in Melbourne, Sydney, Beijing and Tokyo just to name a few key markets advertising the great events presented in our City.

We are quickly becoming a destination of choice for major events and I have ensured that in the 2017-18 budget I have increased the leisure, tourism, conventions and major events allocation to \$6.3 million. Over the next financial year residents and visitors will get to experience first-hand some great experiences, such as:

- The Battle of Brisbane in July at Suncorp Stadium;
- The Global Rugby Tens, the Rugby League World Cup and the Bledisloe Cup also at Suncorp Stadium;
- Regional Flavours at South Bank;
- The revamped Mercedes Benz Fashion Festival; and;
- A new signature event will be added to the calendar during the next year.

In the next financial year our focus will increase with Study Brisbane working in key world markets to identify and attract more international students to visit and spend time and money in our city.

Supporting small business remains a focus and our SME liaison officer will continue to get out into the suburbs working with small businesses to ensure they are getting maximum value out of their part of the Brisbane landscape. This will be complemented by our very popular small business forums throughout the suburbs.

Madam Chairman, in this budget I have allocated an additional \$250,000 towards a Precinct Development study with a particular focus upon economic development opportunities aligning closely with the Brisbane Metro corridor and the Brisbane River Tourism Infrastructure investment spoken about earlier.

From an investment attraction point of view, we are on track to exceed \$680 million in economic impact during this financial year.

This includes major project investments such as:

- Asahi at Heathwood;
- Super Amart at Rochedale;
- Banyan Tree at Kangaroo Point; and;
- The Holiday Inn at Spring Hill and Novotel at South Brisbane along with the Student One Student Accommodation offerings in the City.

All of these projects are bringing new investment and creating new jobs in Brisbane.

I think it is appropriate to highlight a few key facts in relation to tourism in our city over 2016-17:

- International and domestic visitors have increased to 7 million visitors per annum;
- Direct flights from Guangzhou and Shanghai have made China the number one source market for Brisbane;
- Growth in visitor numbers from Canada of 31% and Tokyo of 56%;
- The Hotel Investment strategy has seen more than 2000 new hotel rooms delivered since 2014 and a further 3000 in the pipeline.

One of our future tourism priorities for Brisbane will include the development of additional products and experiences that can be packaged for international markets.

Madam Chairman, we know a Labor led Council would scrap Brisbane Marketing. This would mean the economic growth and the enormous value it brings to our city and the jobs created from it as described above would disappear overnight.

LIFESTYLE AND LEISURE OPPORTUNITIES

I do want to highlight that a liveable city is about more than just new jobs and better roads.

Being able to deliver more lifestyle and leisure options mean exciting events and vibrant local markets across the city, with better facilities and venues for residents of all ages to enjoy.

Madam Chairman, when speaking about festivals and events funded across this city, I am so proud to be able to attend so many as I know you and other councillors in this chamber do so on a weekly basis.

Signature city festivals such as the Brisbane Festival, Queensland Music Festival and Brisbane Writers Festival offer world class entertainment and this budget includes funding of \$2.2 million towards these great events.

The vibrancy these festivals bring to the fabric of the city and suburbs is unparalleled and in this budget I am happy to allocate \$760,000 towards Community festivals, \$546,000 towards Cultural festivals, \$297,000 towards Indigenous Cultural events and \$368,000 to supported organisations like the Brisbane Symphony Orchestra and the Queensland Youth Orchestra.

The Brisbane Powerhouse continues to deliver eclectic entertainment and an all-round great experience for visitors to the theatre and the bars and restaurants in the precinct.

This budget allocates funding of \$300,000 towards the improvement of the Powerhouse and surrounds through a master planning exercise – the Powerhouse themselves will provide \$200,000 towards this exercise.

2018 marks the 30th anniversary of Expo 88 which along with the 1982 Commonwealth Games marked a turning point for Brisbane and our city came of age. In this budget I have allocated \$555,000 towards 'Giving Brisbane a Better Tourist Day' which predominantly includes identifying and obtaining artworks from the Expo 88 era and re-locating them to key citywide locations for all residents and visitors to enjoy.

Part of this funding will also be used to ensure we maximise opportunities created by the influx of visitors to the 2018 Gold Coast Commonwealth Games coupled with the opportunities created by the ever increasing effectiveness of the Brisbane Greeters program.

CONCLUSION

Madam Chairman, I said at the start of this speech that my team has a reliable five point plan to keep Brisbane on the right track.

I am confident that this budget continues the journey to develop Brisbane as Australia's New World City.

I am delighted that the new programs outlined in this budget will keep us heading in the right direction and deliver more and more value for Brisbane ratepayers, residents and visitors.

Madam Chairman, delivery of this budget would not have been possible without the assistance of many people within Council.

I would like to personally thank my LNP team members, particularly the Finance Chairman, Councillor Krista Adams, Councillor Ryan Murphy, Greg Bowden, Cris Anstey, Nick Kennedy and Chris Kelly from my office for their assistance in formulating this budget and their ongoing commitment to responsible financial management.

I want to acknowledge the support provided by Chief Executive Officer, Colin Jensen and Chief Financial Officer, Paul Oberle, Mark Russell and the budget team.

To all Council staff, I offer my thanks for your hard work and dedication towards making Brisbane a better place to live, work and play.

Madam Chairman, I commend this budget to the chamber.

