



**The Lord Mayor of Hobart presents the  
2017/18 Budget Estimates  
Monday 3 July 2017 at 5:30pm  
The Council Chamber, Hobart Town Hall**

On behalf of the Aldermen of the City of Hobart I have much pleasure in presenting to the community of Hobart, the budget estimates for the 2017/18 year as just approved by the Council.

I believe the budget we are delivering this year is financially responsible and continues to be responsive to the community's needs. It's a budget that looks at both today and tomorrow and is positive about the future.

It delivers a good return on investment – the money collected from rates, fees and charges and other income sources is being spent wisely to ensure we deliver high level services and provide a quality of life expected by people who live, study, work, play and visit our city.

In 2017/18, an increase in rates of 3.25 per cent has been approved. I believe this increase is responsible, sensible and financially prudent.

The 3.25 per cent increase will fund the increased cost of delivering services to meet community expectations. While the impact on individual ratepayers varies, the average residential ratepayer will experience a rate increase of \$125 a year.

Waste management service charges will increase from \$245 to \$250 for residential properties and from \$490 to \$500 for non-residential properties.

The kerbside green waste collection service introduced last year, for some residents, will continue to incur a service charge of \$50 per year.

Noteworthy, is the increase to the Tasmanian Government Fire Service Levy that Councils are obligated to collect and then remit to the Tasmania Fire Service, requires an increase of 0.67%.

## **PAUSE**

In 2017/18 we will continue to enhance our reputation as a sustainable city through our work on resilience to climate change, supporting energy efficiency and reducing carbon emissions.

We will also continue to develop our international relations, particularly with China but also re-engaging with L'Aquila in Italy and celebrating 40 years of enduring friendship with Yaizu in Japan.

We will continue to deliver services and programs for older people, young people, children and families, people with disabilities and people from culturally and linguistically diverse backgrounds.

Our outstanding management and maintenance of our extensive system of parks, gardens, bushland reserves, sports fields, recreational facilities and streetscapes will continue, as will maintenance of our road and footpath network and our stormwater system and waterways.

We will continue to deliver the state's best waste and recycling services and our comprehensive city cleaning regime to prevent pollution, maintain clean public spaces and reduce risks to public health, along with our environmental health program providing inspection and assessment services to protect public health.

We continue to invest in city parking. Our economic development, tourism and arts and events functions continues to promote Hobart as a destination of choice for business investment and tourism, as well as contributing to a more vibrant and active city for residents.

## **PAUSE**

The Council is committed to ensuring the long-term financial sustainability of the City of Hobart, and this budget balances being financially responsible, providing core services, maintaining our assets and recognises the ability of people to pay.

We continue to strive to be lean, smart and sustainable, minimising the costs to our ratepayers whilst delivering what they need and expect year in year out.

In 2017/18 Council's underlying operating result is a forecast surplus of \$1.45 million from a \$129 million budget.

The view of local government being confined to roads, rates and rubbish is long gone, in both practice and in terms of what communities expect.

Even though these and the delivery of other services form a significant part of Council's core business, communities want local councils to be responsible for a diversity of activities in their local community, with planning for the future being among the most important.

As a capital city council, we have a responsibility to provide high-quality regional facilities for the wider community; support the delivery of world-class events, festivals and markets; and maintain infrastructure required of a capital city.

Hobart continues to experience an economic and cultural renaissance. We are in the midst of the most significant public and private investment in this City in a quarter of a century.

We are without doubt, a city with outstanding natural, cultural and social qualities that makes it unique among capital cities. The Council has a clear vision for 'Transforming Hobart'.

Your aldermen are committed to seeing Hobart evolve into a strong, vibrant, sustainable and resilient city. The Council recognises that we need to keep pace by investing, improving and modernising our public assets and infrastructure - our roads, paths, buildings, toilets and open spaces.

We are excited to be delivering year two of our 10-year \$300 million capital works program in 2017/18, and funding of \$35.43 million will be provided for this purpose.

Key capital works projects for 2017/18 will include: -

- A shared-use pedestrian bridge over the Tasman Highway joining the Cenotaph to Soldiers' Memorial Avenue
- Implementing the Lenah Valley Retail Precinct Plan
- Kemp street upgrade (including a commercial waste and recycling receiving facility)
- Renewal works at the Doone Kennedy Hobart Aquatic Centre
- Track works on kunanyi / Mount Wellington
- Replacement of the playing surface on the TCA Ground
- Street light upgrades
- Tolmans Hill playground

- Public toilet upgrades across eight sites, including the new Argyle Street facility that will have a state of the art disability and parenting facilities.

Council has \$1.8 billion in physical assets and it's important that we also sustain the quality of these assets through investing in their maintenance, rather than allowing them to deteriorate and become a financial drain borne through higher rates.

New borrowings of up to \$15 million will speed up project delivery for capital works, and existing debt of \$1.48 million will be repaid.

Our ability to invest in the City's future stems from our continued sound financial stewardship. The Council's strong position, previous low-level of debt, and ongoing operating surpluses provide us with the ability to comfortably service this level of debt.

Taking on debt that is manageable, sustainable and for capital works projects that are of strategic significance and for intergenerational benefit, is legitimate and responsible financial management.

The Council will however remain vigilant in identifying areas in which it can improve its endeavours to provide effective and economically responsible services to the community.

I commend my aldermanic colleagues, the General Manager and his team for continuing to manage the City's finances prudently and delivering a budget for 2017/18 that balances our immediate service needs with looking ahead, and planning for our community's future needs.

**ENDS**