

Central Highlands Regional Council Budget Summary 2021-2022

Transport
Network
Services

\$77.9M

Sporting
Grounds,
Swimming
Pools

\$21.8M

Water supply
& sewerage
schemes

\$38.3M



Mayor's message

SENSIBLE INVESTMENT FOR LONG-TERM SUSTAINABILITY

The Central Highlands Regional Council's 2021-2022 Budget is the second in this term of council and delivers on the promise to keep council in a balanced financial position.

This council—your council—provides 60-plus core services that are not always visible or noticeable or promoted, but they are all essential to make this region a healthy, safe, inclusive, liveable economy.

Preparation of a \$222.1 million budget for a local government area the size of Tasmania with just 15,000 rateable properties and a workforce of around 480 people is a complex task.

Every year we strive to not only meet the expectations of our 13 communities but to provide a safe and attractive workplace for hundreds of local people, support local business, maintain \$1.9 billion of assets, such as 4632 kilometres of roads, and keep rates and charges increases for households to an absolute minimum.

The last financial year started with the uncertainty of the impacts of the COVID-19 pandemic. This year, the task for council was to adapt its budget to the new economic conditions that now prevail.

We have largely avoided the recession experienced by much of the nation. However, we need to ensure that we continue to work hard to keep the region strong by delivering balanced responsible budgets.

For the last eight years, council has maintained a relentless recovery strategy after the 2011-2012 resources sector downturn and kept annual rate increases in a low tight band.

Combined with sensible targeted capital programs we have succeeded in a broader recovery with positive trends in property values and key industries growing and expanding.

Council's financial position is one of the strongest in the state and, to keep that strong position into the future, we will adopt medium increases this year.

However, different from previous years, the rate will vary across the major sectors as we strive to maintain services and ensure proper delivery of utilities.

There have been substantive increases in valuations across the state, including this region. The Central Highlands shows an overall increase in valuations on non-rural properties of 3.6% and rural properties of 96%.

As a sensible approach to an equitable contribution to our rate base, rural rates will increase by 5%.

To temper that increase, and the effect of valuations, council has capped the amount ratepayers will pay to no more than 15% of their last assessment.

This is a fairer outcome in the short-term as we deal with the magnitude of the valuation increases in forward budgets.

Resource sector rates will increase by 4% and other residential and commercial rates will increase by 3%, reflecting lower or little changes in valuation.

Combined with utilities charges, residential properties will see an average increase of 4.26%, which is \$146.00 annually or about \$2.81 per week.

Our long-term financial plan will revert to lower increases as recovery becomes more sustained.

The airport has recovered from the substantial COVID-19 impacts and the saleyards have performed well. The prudent investments in these business units and a further investment of \$1.4 million this year, reduces our reliance on rates income.

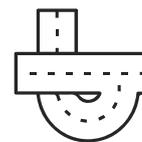
The path to full cost recovery in water, wastewater and general waste continues and much of our strategic capital investment is directed at achieving those outcomes as quickly and efficiently as possible.

Capital projects this year total just under \$60 million. The capital and operating budget is still largely expended on the vast transport network, with more than \$77 million shared across the region.

Those things that were identified as important to our communities in a recent survey, such as youth services, received \$142,750 and parks and gardens and swimming pools sees \$21.8 million invested.

This is a budget that needed to be flexible to adapt to the extraordinary conditions presented by recent impacts but continues to recognise the need for sensible investment that secures longer-term sustainability.

Kerry Hayes
Mayor



* Front cover image: Capella township. Credit Ian Westley

Key Priorities



STRONG VIBRANT COMMUNITIES

- Parks & recreation areas \$12.5 million
- Sporting grounds, swimming pools & facilities \$9.2 million
- Community development \$2.5 million
- Libraries \$1.6 million



BUILDING & MAINTAINING QUALITY INFRASTRUCTURE

- Transport network services \$77.9 million
- Water & wastewater capital program \$11.3 million
- Project development & contract delivery \$500K
- Building & plant renewal \$6.2 million



SUPPORTING OUR LOCAL ECONOMY

- Regional tourism & economic development \$1.5 million
- Airport services \$7.3 million
- Saleyards \$3.2 million
- Implementation of airport master plan \$728K



PROTECTING OUR PEOPLE & OUR ENVIRONMENT

- Flood mitigation & emergency services \$3 million
- Ranger services \$1.2 million
- Waste services \$11.2 million



LEADERSHIP & GOVERNANCE

- Community engagement & communication \$1.1 million
- Information technology \$6.4 million



OUR ORGANISATION

- Employee learning & development \$4.2 million
- Workplace health & safety \$2.6 million



Budget fast facts

\$222.1M

Total Budget



\$59.9M Capital works program



\$2.81 per week increase in net rates & charges – based on average residential property using 360kl of water per annum



\$392,667 Community Grants Program



\$44 per annum increase in sewerage



\$57.9M Operational spend for road, water & sewerage



\$26 per annum increase in residential water access charge



Regional water supply and sewerage schemes \$38.3million



Youth programs & strategy implementation \$142,750

\$15 per annum increase in waste charges



\$21.8M

Community recreation & facilities (including parks, sporting & show grounds, swimming pools)



New valuations issued by the Qld Valuer General were used to calculate general rates

Residential & commercial rates increase

3%

Mining rates increase

4%

Rural rates increase

5%

Early payment discount

5%

Rates impact from property valuations capped at

15%

Pensioner concession

50%