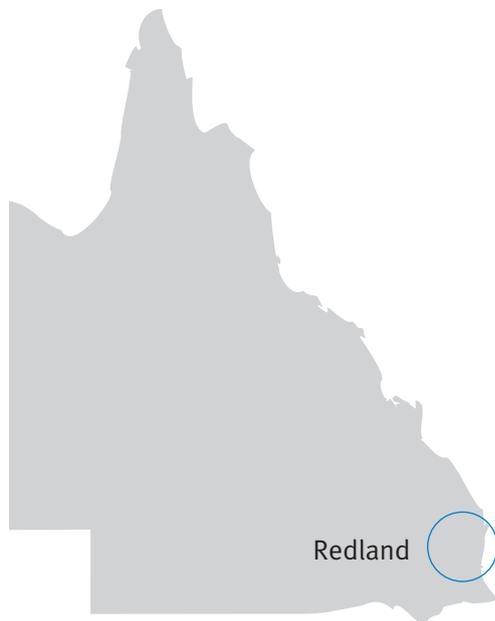


Redland City Council



1. Recommendation

The Commission recommends:

- (i) the existing local government area of Redland Shire Council remains unchanged;
- (ii) the local government be renamed Redland City Council;
- (iii) the local government be undivided with 10 councillors and a mayor; and
- (iv) the local government be classed as a city local government.

2. Local government metrics

KEY LOCAL GOVERNMENT METRICS

Name	Redland City Council
Class	City
Size	537 sq km
Population 2006	132,971
Population 2026	182,678
Electors 2007	85,517
Electoral arrangements	Undivided 10 councillors plus mayor
Electors per councillor excluding mayor	8,551
Total operating revenue financial year 2006	\$133 million
Annual capital expenditure financial year 2007 - 2015	\$43 million
Total assets at 30 June 2006	\$1,622 million
Debt at 30 June 2006	\$122 million
Community equity at 30 June 2006	\$1,456 million

3. Rationale for local government remaining the same

Redland Shire local government area forms part of the southern Greater Brisbane urban area. It has not been amalgamated with Logan City Council for the following reasons:

- There are few road linkages from Redland Shire to Logan (restricted to Mt Cotton Road and the Beenleigh-Redland Bay Road or by traversing Brisbane City Council) making connections to all or part of Logan City circuitous.
- A substantial part of the Redland local government area is separated from the urban areas to the west, by the Leslie Harrison Dam catchment, the Mt Cotton conservation area and a nationally significant koala habitat and the Carbrook wetlands to the south. These features form a geographic barrier to Logan communities.
- The Mt Cotton area is a significant regional landscape and is protected from urban development by exclusion from the SEQ Regional Plan Urban Footprint and forms a major buffer between Redland and the merged urban area of Brisbane and Logan to the west.
- The 2006 population of the existing Redland Shire of 133,000 and its projected increase by an additional 50,000 persons (and some 17,500 dwellings) to a population of 183,000 by 2026, is considered sufficient to support a viable local government. This, together with the factors outlined above, justifies its continuation as a stand-alone local government.
- Redland City Council is also responsible for administering the Bay Island communities and the substantial area of North Stradbroke Island.

3.1 Service delivery, operations and management

- There is a natural barrier, being the conservation area, between Redland City and the adjoining local governments of Brisbane and Logan Cities.
- Redland City Council has a significant task in effectively planning for, funding and providing infrastructure and services required to meet the

needs associated with a significant population growth anticipated in the Bay Islands for which it has responsibility.

- Redland City Council has adequate population to ensure it achieves reasonable economies of scale in the delivery of services it provides. In addition, the anticipated population growth should ensure that these economies of scale improve.
- Council has adequate size and revenues to ensure it has, or has access to, the necessary capability to:
 - undertake strategic and corporate planning;
 - make efficient and effective decisions;
 - manage water, waste and sewerage;
 - manage and maintain road networks;
 - institutionalise core processes and knowledge;
 - utilise plant efficiently; and
 - undertake core corporate activities including executive and administrative functions, finance, and information technology in an efficient and effective manner.
- In addition, Council has the capacity to provide a full range of local government services. In this regard, the Redland City Council is somewhat unique in that it must provide local government services to a number of small island communities plus the much larger North Stradbroke Island and manage significant coastal waterways. Each of these island communities has their particular management needs and constraints.

3.2 Communities of interest

- The SEQ Regional Plan designates approximately 40 to 45 percent of the Redland City Council's mainland area as Urban Footprint, with the balance in the regional landscape and rural production area covering the Leslie Harrison Dam catchment, the Mt Cotton conservation area, and the Carbrook wetlands. North Stradbroke Island is almost entirely designated as regional landscape and rural production, with the smaller Russell, Macleay, Karragarra, Lamb and Coochiemudlo Islands predominantly within the Urban Footprint. This is in contrast to the predominately urban adjoining local governments of Brisbane and Logan Cities.

- There are no compelling community of interest linkages with surrounding local government areas (Brisbane, Logan and Gold Coast Cities) which warrant amalgamation with Redland Shire.
- Redland has large government, financial, commercial and retail centres located at Cleveland and at Capalaba. In addition, there are local retail and services facilities available at Redland Bay. To the extent required services are not available within Redland City, residents are likely to travel to Brisbane City.
- Retail trade and manufacturing are the largest employment sectors within the shire, followed by property and business services, health and community services, and construction. Tourism also features.

3.3 Other

- Higher density and infill development (replacing detached housing with unit developments) can be expected in some parts of the local government area as the market comes to demand housing products that reflect the changing nature of households, and as part of a response to high housing costs and affordability concerns. This will require a careful and high quality approach to planning, infrastructure sequencing and urban management.
- A greater emphasis on the creation of local employment opportunities is required to reduce the growth in the number of commuters travelling to workplaces in Brisbane.
- Redland is faced with a decreasing availability of greenfield sites. Urban development pressures means there is competition for land in conservation zones or which is currently in some form of agricultural or horticultural production. In this regard, there is a need to manage growth carefully and sensitively.

4. Financial sustainability

Redland Shire Council is rated strong (developing) in the Financial Sustainability Review by Queensland Treasury Corporation. Key factors that result in this rating include:

- Established economic base with retail and manufacturing being the largest employment sectors. Tourism also features.
- Significant capacity for additional population growth, although the ongoing opposition in some quarters to high rise development requires careful management.
- High fiscal flexibility with rates revenue being 77 percent of Council's total operating revenue in financial year 2006 with moderate growth projections in line with forecast population growth of 1.6 percent per annum.
- Over the historic period (financial year 2000 to 2005), the local government incurred mainly small to moderate operating deficits. Moderate to large operating deficits are forecast over the period to financial year 2015 and therefore Council must exercise extreme caution to ensure financial sustainability is not impacted.
- Liquidity levels are forecast to decline over the period financial years 2007 to 2009 but remain adequate.

5. Implementation issues

The Commission did not identify any specific ongoing issues.

6. Boundary issues

Existing local government boundaries will remain unchanged.

7. Suggestions

The Commission gave consideration to the 32 suggestions it received in relation to Redland Shire Council.

7.1 Details of suggestions

- Council suggests that Redland Shire be renamed Redland City Council and retain its current boundaries citing:
 - an independent random survey showed that 80 percent of respondents believe that Redland Shire Council should remain as is, with 70 percent stating that amalgamation would be detrimental to the local government area;
 - Council was rated strong with a developing outlook by QTC in early 2006. Redland Shire has developed and maintained a 10 year financial model (since 2002) which is integral to all decision making complemented with a total asset management plan for the period 2007 to 2010;
 - high levels of community satisfaction with 75 percent of the respondents of an independent random survey being either 'very satisfied' or 'satisfied'. Redland Shire has a strong community spirit and high level of community participation and ownership;
 - Council is committed to strategic planning and resources it accordingly. It is of the view that its planning expertise is recognised and respected by State agencies; and working relationship with neighbouring local governments and State government.
- Council also suggests that the current western and southern shire boundaries should be adjusted to encompass the area east of the Pacific Motorway and south to the Logan River into Redland Shire (the communities of Rochedale South, Springwood, Daisy Hill, Shailer Park, Loganholme and Carbrook – Cornubia, totalling 52,000 residents). The reasoning is:
 - natural and logical boundaries;
 - communities of interest; and
 - the grouping of major environmental and resource areas.

Redland Shire states that the three councillors of Logan City representing this area have publicly indicated their support for the suggestion and have canvassed support of the respective constituents.

7.2 Commission's comments on submissions

- The Commission considers that Redland Shire should remain stand-alone based on the rationale outlined in section 3 above, some of which is reflected in Redland Shire Council's suggestion.
- The Commission considered Redland Shire's suggestion to amend the boundaries to include the area in Logan City east of the Pacific Motorway. While this suggestion was discussed extensively, the Commission is of the view that:
 - the direct transport linkages are poor. Access to these communities would be circuitous either via Mt Cotton Road or Redland Bay Road, or through Brisbane City; and
 - the conservation area including the "Koala Habitat" represents a natural barrier between Logan City and Redland Shire.

8. Other Commission considerations

The Commission considered allocating that portion of the "Koala Habitat" conservation area currently contained within Logan City's boundary to Redland Shire. This was considered on the basis that it would result in this important conservation area being managed by a single entity. However, any such boundary amendments would involve a detailed assessment of individual properties to align the Koala Habitat conservation area and local government boundaries. This would introduce unnecessary complexity into the transition process. The circuitous links that present difficulties for Redland City Council servicing the eastern suburbs of Logan apply equally to the western extremities of the conservation area, were the entire Habitat to be included in Redland. Accordingly, the Commission sees no discernible benefit from such a boundary arrangement.

9. Objectives set for Commission

OBJECTIVES	OBJECTIVES ACHIEVED
Facilitates optimum service delivery to Queensland communities.	Yes.
Ensure local government effectively contributes to and participates in Queensland's regional economies.	Yes.
Manages economic, environmental and social planning consistently with regional communities of interest.	Yes.
Effectively partners local government with other levels of government to ensure sustainable and viable communities.	Yes.